

**The Charity for
Civil Servants**

**The Civil Service Benevolent Fund
operating as
The Charity for Civil Servants**

ANNUAL REPORT AND ACCOUNTS

for the year ending 31 December 2020

“
*They save lives. They saved my
life. There is no doubt in my
mind they put me together again
and I'll be forever grateful.*

”
Atla, MOD



THURSDAY



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Chair's Foreword



I am very pleased to introduce the Charity's Annual Report and Accounts for 2020. Civil servants have worked hard throughout the pandemic, anticipating, addressing and navigating the challenges and complexities which have continued to emerge. Like everyone, however, those in the civil service community have not been immune to the direct impact of Covid-19 on a personal level.

Despite all the disruption across the year, the Charity still managed to achieve over 54,000 instances of help in 2020 and I was also delighted that the Digital Carer's Passport launched in November 2020, streamlining access to this key support for carers. It's great to see the organisation continuing to make such an enormous difference to the lives of so many in need of our help.

If nothing else, 2020 certainly became a year to adapt, flex, listen and learn. Over a matter of weeks, for example, the Charity seamlessly adapted its operation and ways of working – enabling it to function outside of its offices, on an entirely remote basis. This report serves to highlight other achievements and key issues faced by the Charity, as it worked to continue to deliver vital support during such a difficult period.

As its Chair, I would like to offer my thanks to the Board of Trustees for their commitment during these tough times. I'd also like to thank our supporters, donors, partners and volunteers for all their efforts. The Civil Service Insurance Society (CSIS) and its Charity Fund deserve a special mention – as our largest donor organisation – for their continued support and crucially important partnership.

I know there are robust plans in place for the Charity's future, but I am also mindful that adaptability and flexibility are likely to continue to be increasingly important for the Charity. We must remain agile in our response to a rapidly-shifting context, particularly given the extreme uncertainty which remains about how the next year (and the future beyond that) may eventually unfold for everyone, not just those in our civil service community. I also know that the important work we carry out through 2021 will provide a firm foundation and help transform our longer term fundraising and income generation effort.

To close this introduction, I would like to offer a personal thanks to everyone working at the Charity. You should be very proud of the crucial difference that you all make for the people we support. Alongside those directly delivering help and advice, I am also particularly grateful to the teams in the Charity involved in making some great progress in 2020 on our vital new Finance and CRM systems. Thank you, one and all.

Finally, let's hope that things begin to improve for everyone across 2021.

A handwritten signature in black ink, reading 'Peter Schofield'.

Peter Schofield CB
Chair, Board of Trustees

**THE CHARITY FOR CIVIL SERVANTS
TRUSTEES' ANNUAL REPORT 2020**

The Trustees of The Charity for Civil Servants present their Annual Report for the year ended 31 December 2020 under the Charities Act 2011 and the Companies Act 2006, including the Trustees' Annual Report comprising the Strategic Report and the Directors' Report under the 2006 Act together with the audited financial statements for the year.

Trustees' Strategic Report

Objectives and Activities

The Charity's Objects

"For the public benefit, to relieve from suffering, hardship or distress (whether financial or otherwise), and to promote and sustain the wellbeing of Civil Servants, former Civil Servants, Public Body Employees or former Public Body Employees, employees and former employees of the Charity (and any predecessor organisation of it) and their dependants including without limitation by:

- i. offering lifelong practical, financial and emotional support, advice and guidance;
- ii. providing direct support to individuals, using other available channels to enable civil service communities to connect and support each other, and collaborating with other organisations.

Given the large number of serving and former civil servants and public body employees (and their dependants) that fall under the Charity's remit, the Trustees are satisfied that the Charity is providing public benefit under the Charities Act 2011. Further details are given under Achievements and Performance below. They are also satisfied that they have had due regard to the public benefit guidance published by the Charity Commission and in particular the requirement that the Charity benefits a sufficient section of the public.

The Charity's Vision

A supportive community in which everyone has the chance to live their life to the full.

The Charity exists to support all civil servants, past and present, when times are tough, listening without judgement and providing practical, financial and emotional support. Alongside financial grants and issue-specific advice, we continue to develop and enhance our services, offering digital and self-help tools and techniques, which meet the changing needs our Civil Service community.

We help people to deal with the complex challenges, which anyone can face throughout their lives, from mental or physical health issues and financial capability and debt management, to relationship breakdown, caring responsibilities and bereavement.

The Charity's Mission

Helping people to overcome life's challenges and thrive.

We regularly review our aims, objectives and activities, and in doing so evaluate the appropriateness and effectiveness of our services. As a result of these reviews, we have continued to develop the Charity's offer, details of which are outlined in this Trustees' Strategic Report.

Achievements and Performance

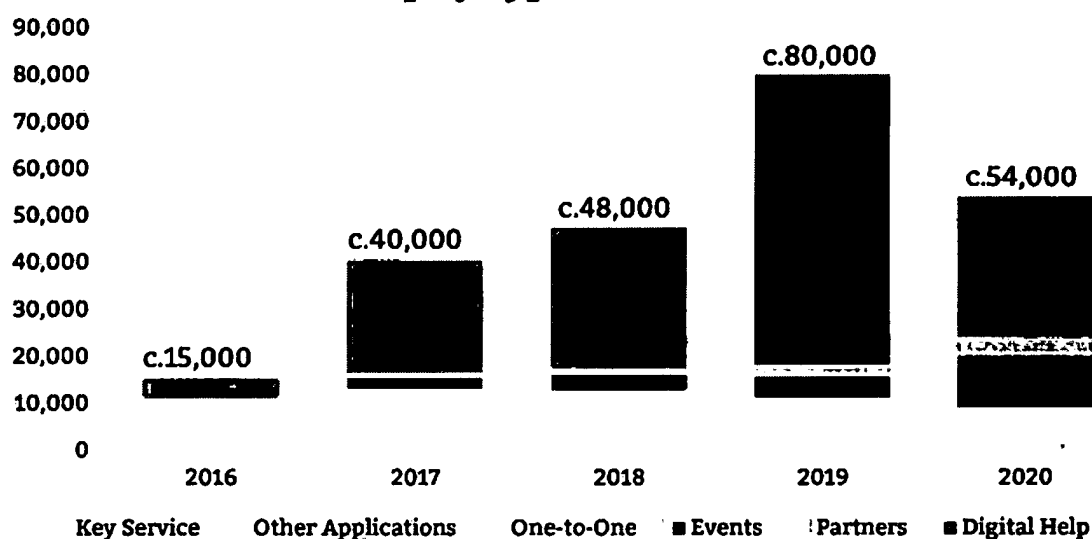
The saying goes: "We're all in the same storm... but we're not all in the same boat" and 2020 has shown exactly that. With a public health crisis and preparations for Brexit sitting top of the list, the Civil Service has (in recent history at least) never been more needed, yet civil servants are not immune to the effects of the Covid-19 pandemic, nor the unprecedented challenges we are all facing in these turbulent times.

The Charity experienced some shifting trends across this past year, and has therefore worked to understand the impact of the Covid-19 pandemic on our audiences, in order to best learn how to support them. Some key headlines from this research are included in this Annual Report and a full report will be available on our website.

Help in 2020:

People came to the Charity for help over 54,000 times. This number continued the upward trend from 2016 although within the context of the pandemic, it was lower than the previous year's high spike, for reasons we touch on in this report.

Help By Type Year-on-Year



There were three key changes to our help provision in 2020:

1. Overall, we had less demand for our help throughout the first lockdown
2. We did not invest in paid for digital promotion as we did in 2019
3. We offset some of this decline, however, with new and continuing partnerships (like Dementia UK and Sleep Station) and a significant increase in help through virtual events and webinars. Events made up just 5% of all the times people came for help in 2019, whereas in 2020 this rose to 20%.

One word sums up the Charity: 'magnificent'

Applicant in 2020 Covid-Effect Survey

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Key Measures of Success in 2020

Each year we set some targets for annual performance. Just as it has for most organisations, the Covid-19 pandemic has dramatically impacted our activities and therefore our success in several areas, however we feel it is important to be transparent in our reporting and clear in our realistic ambition for those activities which will now take place in 2021.

Service Delivery and Evolution

Our aim	What we did
Develop our use of the expertise we have in-house within our webinar delivery	Our live and on-demand webinars saw the highest attendance since launch with nearly 6,000 people receiving help from one of our expert help webinars.
Broaden our service offering through digital transformation	The Digital Carer's Passport launched in November 2020, streamlining access to this key support and saving staff time, as each one of these previously took a minimum of 90 minutes for our staff to complete.
Keep updating policy to reflect new areas and trends of need	As the pandemic changed our working practices and the needs people presented, we added £300 to all financial assistance decisions to recognise the extra demands faced by those who were in immediate financial difficulty.
Give out £2.5million in Grants and Purchased Help	We gave out £1.66m in financial assistance in 2020 as demand declined. We anticipate an increase in demand once Government interventions introduced in-year (such as "furlough") are phased out.

Engagement and Sustainability

Our aim	What we did
Achieve £150,000 of regular annualised income from new and restarting donors	Actual achieved £41,000 (27% of target) as recruitment of new donors was seriously impacted by restrictions resulting from the pandemic.
Keep our net lapse rate below 7%	Net Lapse rate was 6.9%.
Achieve £70,000 in one-off donations	One-off donations were £48,000 as events were cancelled.
Increase the pool of people we can contact by 28,000	Actual achieved 12,000 in addition (43% of target).
Ask existing supporters to uplift their regular gift	This initiative was delayed but we will take forward in 2021.
Grow our volunteer network across the Civil Service	Launched the Champions in November 2020 and ended the year with 611 volunteers.
Carry out three issue-led campaigns	Transformed into one key campaign on wellbeing during Covid-19

Service Delivery and Service Evolution

2020 was a year to adapt, be flexible, and develop relevant approaches to financial need and services. We adapted to match our understanding of people's needs, which became predominantly wellbeing rather than financially focused from March to June, during the first phases of lockdown.

Most civil servants, and our own staff, were also adapting to working from home. Financial alleviation measures from Government, such as furlough and the extra weekly £20 on Universal Credit, meant many of our current serving community were hard-pressed at work, but actually saving money on transport, shopping and leisure.

In response to this shift, we increased our wellbeing webinars, on topics such as: gratitude, resilience, kindness and laughter, helping people nearly 6,000 times. This complemented the work of Employee Assistance Programmes and Wellbeing Teams in the workplace and we promoted counselling and other wellbeing offers. Our caseworkers provided a listening ear for people, taking over 200 calls, relating to lockdown itself during the first lockdown period.

The Impact of Covid-19 on our Community

To understand the impact of the Covid-19 pandemic on our audience, we designed a piece of research with the following three objectives:

- Collate and compare the health and wellness of our eligible community against national datasets and previous snapshots during this exceptional period.
- Gain understanding of our help provision and its effectiveness during the pandemic and the level of effect Covid-19 had for driving changes in key areas of our community's lives.
- Discover barriers to entry for people who have struggled during the pandemic period and may not have come to us for support.

To utilise all of our available connections to the Civil Service community – we designed two surveys:

Firstly an in-depth survey devised in-house, sent to our existing connections and networks across the Civil Service.

We received over 1,500 responses, from across 79 departments, agencies and non-departmental public bodies and all across the UK, meaning we should have a well-rounded representation of perspectives.

Secondly, we commissioned **YouGov** to recruit a neutral panel of a further 1,000 working civil servants, where we asked a stripped-down version of our full survey.

Results from the YouGov survey are highlighted in a teal box, like this one.

In the surveys we asked people to evaluate key areas of their lives over 2020, to see if they were now better, worse or about the same, to how they were at the beginning of 2020.

Most people said areas of their lives had got worse during 2020.

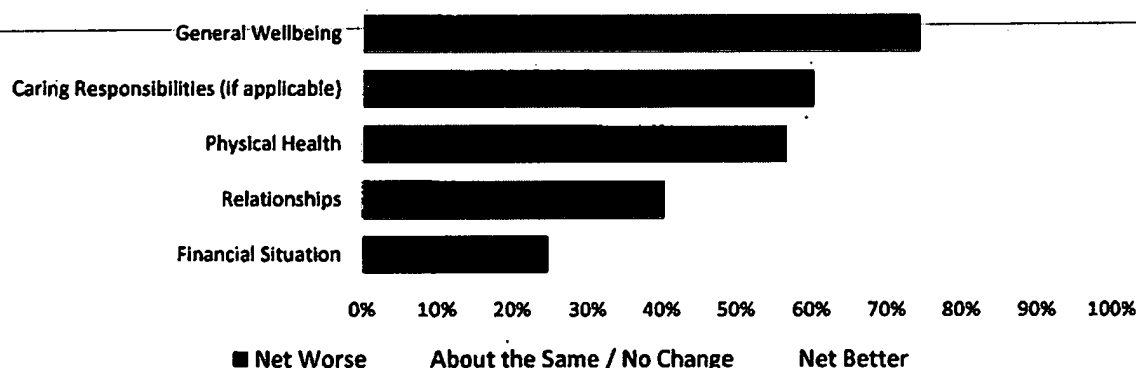
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Life Situations in 2020:

- Three quarters (75%) said their general wellbeing was negatively affected in 2020
- 60% of those with caring responsibilities felt their situation had got worse
- Physical health and people's relationships were both, on balance, worse off

Thinking about [...] is it better, worse, or about the same as the beginning of 2020?

Base: 1490 (apart from Caring which was 602)



However, unlike the other areas, more people said their financial situation had improved (32%), than those that said it had worsened (25%). Civil servants have been protected from redundancy and wholesale furlough programmes more than many other employed sectors so it is not a surprise to see this survey show us that more people have an improved situation in this area than a worse one.

This was also evidenced in the YouGov survey:

Thinking about now (i.e. December 2020) compared to the beginning of the year (i.e. January 2020), in general, to what extent would you say each of the following are better, worse or about the same compared to the beginning of 2020?

	YouGov survey – Base 1,014	
	Worse	Better
My financial situation	16%	37%
My physical health	39%	16%
My relationships with others	23%	15%
My general wellbeing	45%	14%
My mental health	49%	10%

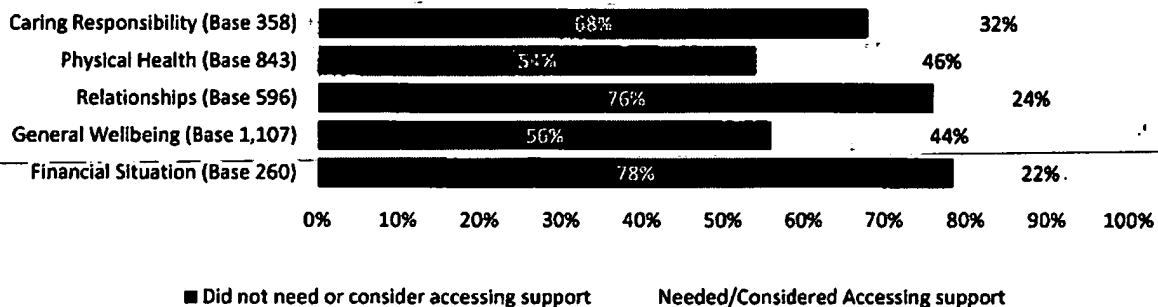
So what did people do...?

Despite large proportions of our respondents saying that areas of their lives had worsened, many did not take or consider accessing any support.

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For example, of the 75% that said their mental wellbeing has worsened in 2020, only 44% agreed they had needed or were considering support for their general wellbeing.

Do you feel you would benefit from some external support with the following issues?

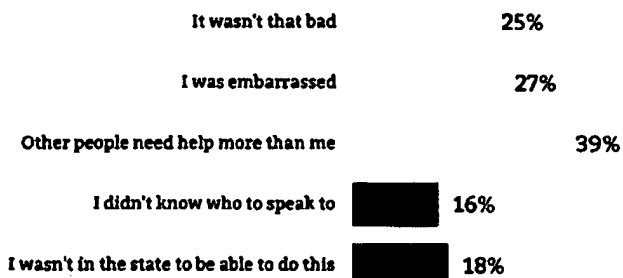


We asked a similar question in the YouGov Panel survey to anyone that had experienced a life event such as a bereavement, mental health issues or illness.

Which, if any, of the following places did you go to for support? And 38% (of 627 respondents) said "Not Applicable - I did not go anywhere for support"

The reasons for not seeking help seem to be largely people's attitudes. Many people feeling their issue is not worthy of help or feeling too embarrassed to reach out.

Charity Survey - why did you not seek support? Base: 157



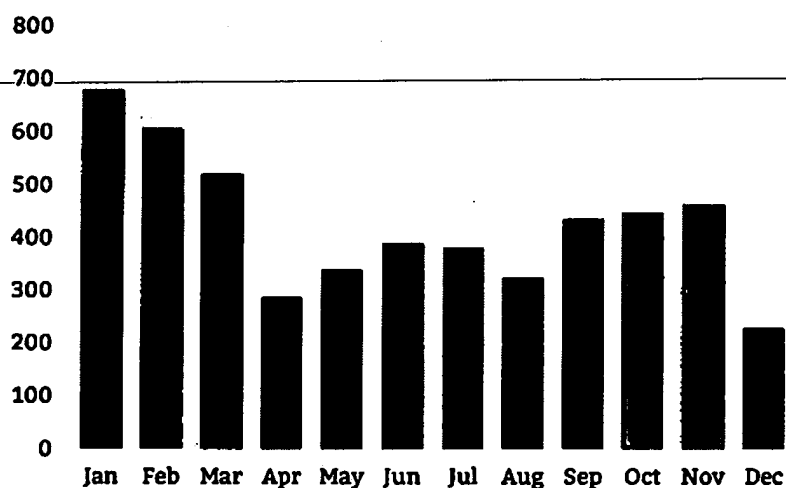
Whilst difficult to change, clear communications and key messaging should be able to influence some movement here as future plans unfold.

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Applicants in 2020

Through late March to early June, the Civil Service was adjusting to remote working and the needs of service delivery, as well as implementing numerous government initiatives at very short notice. As a result, we saw a phase of lower numbers coming to the Charity for help across most services and lower expenditure on payments by the Charity.

Caseworker Applications Received by Month



Our Money Advice and Guidance service was less used (-44% on 2019 figures), which may correlate with some having their financial difficulties deferred while alleviation measures were in place. However, the need for wellbeing was evident both at the beginning of lockdown, and towards the latter part of 2020, so despite a fallow second quarter, we reached 85% of the 2019 total of referrals for Wellbeing Conversations.

Given the unusual circumstances in 2020, we decided to modify our usual formal of applicant evaluation, bringing it in line with the wider evaluation of the how the Covid-19 pandemic had affected our community in 2020. This way we could understand more about the cause and effect Covid-19 played both in triggering crisis situations, and its impact on our help delivery.

We sent this evaluation to all 3,600 applicants in 2020 who had applied between 1 January and 27 November. Within the 1,500 respondents to the Covid Effect Survey (see page 5), 133 said they had applied to the Charity in 2020.

Wellbeing:

The Wellbeing of our applicants in this survey was broadly consistent with our wider sample of previous applicants (2018 and 2019 analysis), apart from anxiousness which is worse in the wider applicant pool than this smaller 2020 sample.

	Mean Satisfaction ¹	Mean Worthwhile	Mean Happiness	Mean Anxiousness	Count In Sample
All Applicants In Wellbeing Barometer (6-11 months after their application was submitted)	5.24	5.69	5.41	5.32	1,292
Covid-Effect Survey 2020: Applicants	5.44	5.87	5.39	4.83	181

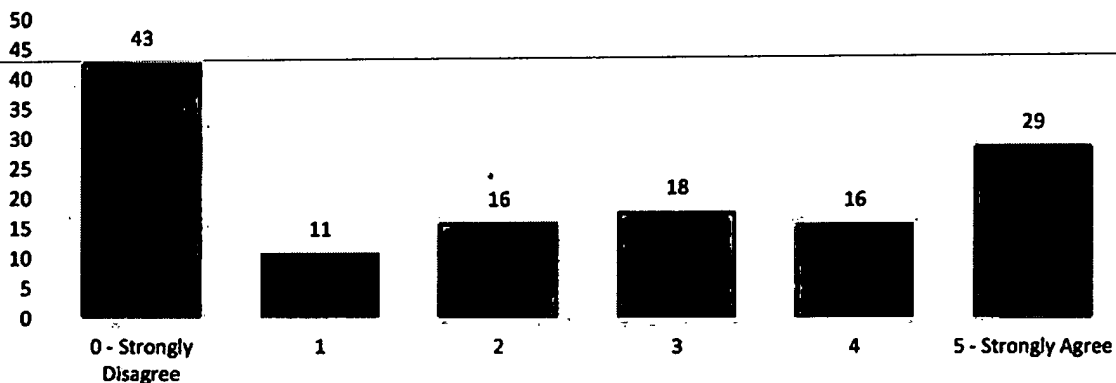
¹ Respondents were asked to answer on a scale of 0 to 10 where 0 is "not at all" and 10 is "completely".

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Cause/Trigger of Application:

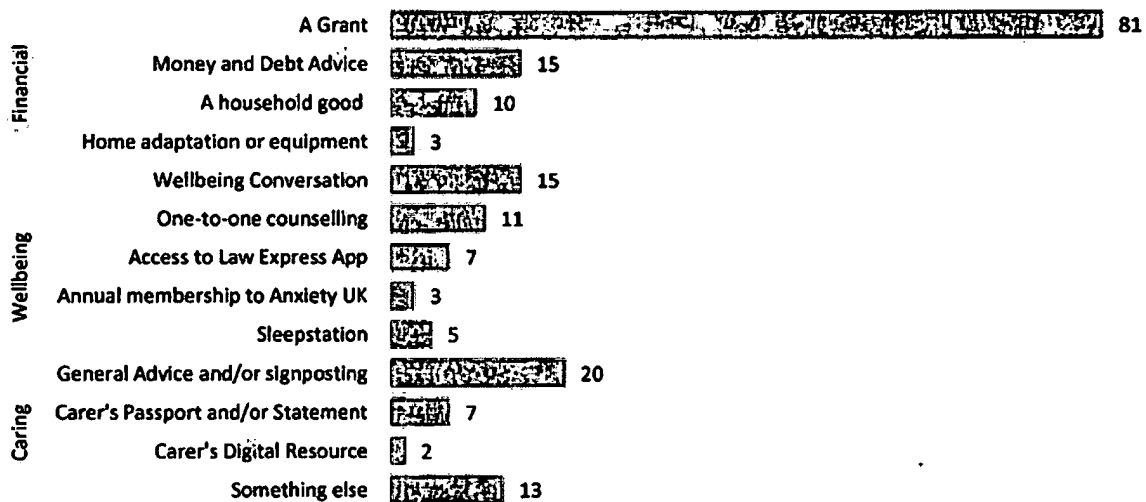
32% (43) of respondents felt their application was in no way triggered by the Covid-19 pandemic (Strongly Disagree). This could be because the nature of people's reasons for applying vary significantly and many people's issues are long lasting, i.e. preceded the pandemic period.

To what extent do you agree the pandemic triggered your application?



Help received:

Most of the respondents applied to the Charity because of a financial need (53%) and most people said they received a grant (61%).



Digital Transformation

We accelerated our programme of digital transformation during 2020 with the digitisation of the Carer's Passport and Statement. This now means we can focus on any help needed after the Passport or Statement has been completed, which also informs our

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advice giving. Previous promotion of this support had often then had a knock-on effect on our ability to deliver other services and support as caseworker time was monopolised.

We launched the tool on Carer's Rights Day (November 26) and by the end of the year, we had already supported people 413 times with its output.

In parallel to the design of this new tool we also completed a piece of research to answer a burning question: does digital help provided by the Charity have a lasting impact?

As a Charity we have invested in extending our reach using digital tools as another tool to helping more people.

We therefore need to understand if this kind of intervention makes a difference and how it works alongside the more traditional ways in which we have delivered help in the past.

The Charity for Civil Servants

Carer's Passport and Statement
Digital Tool

Carer's Passport

Create a Carer's Passport / Statement

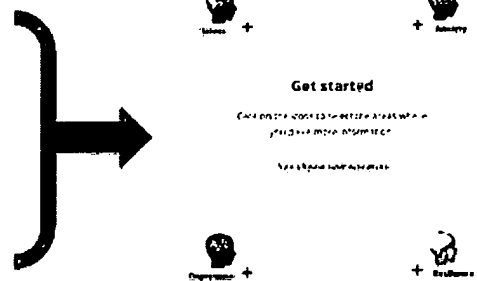
We're here,
caring with
you

Does Digital Help have a Lasting Impact?

To begin to answer this question we invited all the users of our Wellbeing Hub from its launch in October 2018, up to August 2019 to complete a survey, giving us 128 responses we could analyse.

What is the Wellbeing Hub?

A digital collection of useful information, within four key areas of wellbeing support: Stress, Anxiety, Depression and Resilience. It allows an individual to choose relevant resources which are received by email.



Who was using the Wellbeing Hub...?

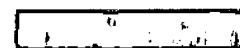
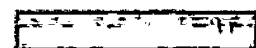
We discovered several differences in the demographics of people using the Hub compared to our applicant analysis. Indicating this type of help is reaching new people. There was a larger proportion of younger users (under the age of 35) and a much higher proportion of married/civil partnered users.

Why were people using the Hub...?

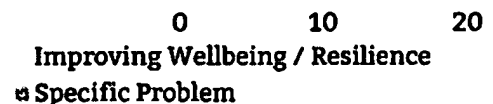
Most people (55) came with a specific problem they wanted support with and a further 30 wanted more general support with their wellbeing.

General concern
for my mental
wellbeing

Workplace stress



And when asked what was the main reason for their visit two key themes emerged from both groups of people. See chart (right).

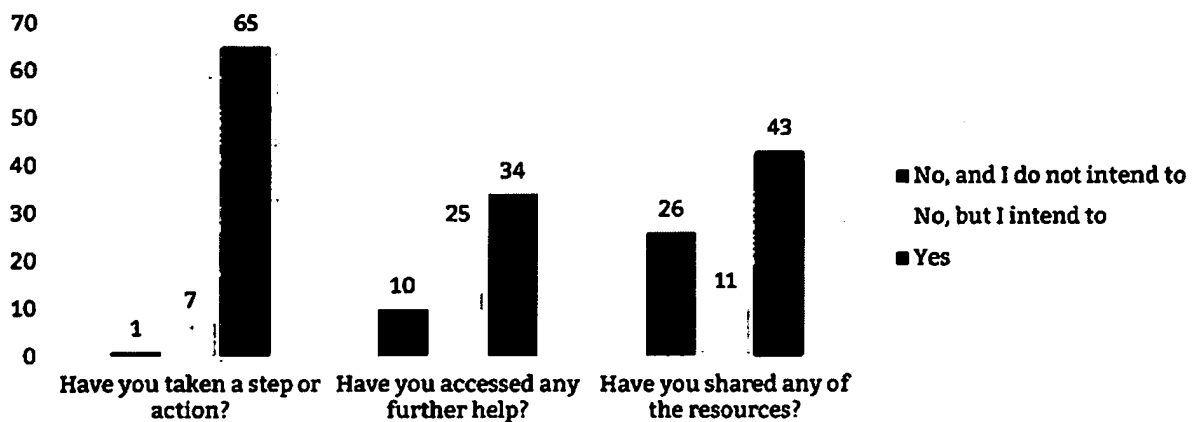


The Lasting Impact of the Hub:

What happened next...?

- 55% agreed that the situation that prompted them to use the Hub had improved
- And 92% of them agreed that the Hub had had at least some positive impact on this improvement

The resources of the Hub are designed to prompt an action and 83% had done at least one thing after receiving their resources and 10 people went onto make a full application to the Charity.



"Thank you for the initial information you supplied it helped me realise I need to get some help, and that I was suffering with low mood. I started talking to family and friends about how I was feeling. It's a slow process but I'm starting to feel better."

Quote from Wellbeing Hub evaluation survey.

What is the value...?

Working with Simetrica (experts in social impact measurement) we discovered a positive association between using the Hub and an increase in someone's wellbeing², worth the equivalent of £3,488 per user.

This totals an impressive £14.7 million in social value³, in other words, we have been able to formally recognise that there is an additional social, economic and/or environmental benefit to our help, showcasing that there is larger value to our digital help provision beyond its initial investment cost. When conducting a Cost Benefit Ratio – we found for every £1 the Charity invested in the Hub, we have generated £11.50 in societal benefit.

This is a very high ratio and could be compounded due to the limitations in our control group and methodology of retrospective questioning. The field of wellbeing analysis and

² Shorter Warwick Edinburgh Mental Wellbeing Scale

³ For more information: [HM Treasury's Green Book](#)

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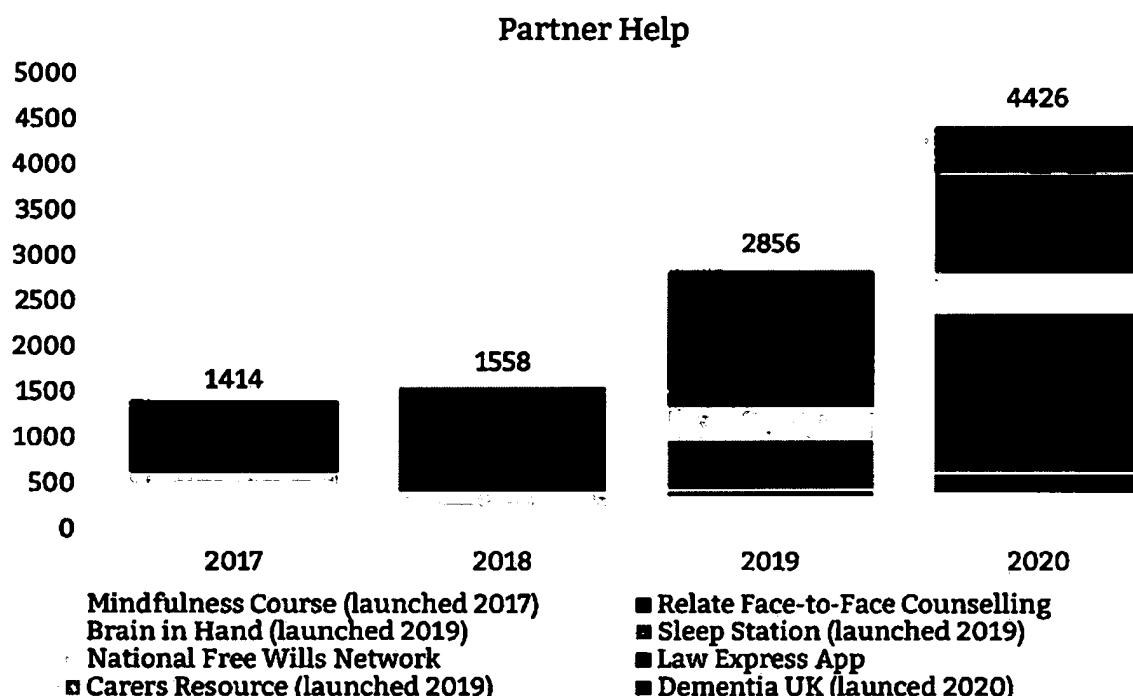
valuation is ever evolving and we are aware we may need to revise the results in the future. However, the strong result does show the positive association is robust.

Partnership Working:

Our collaborative approach to developing services worked well through the year, both in terms of developing the digital offers and offering staff expertise at salient points.

Work to support particular groups of people continued with the aid of the insight from engagement and evaluation. For carers of people with dementia, we co-produced sessions and appointments with Admiral Nurses from Dementia UK.

Year-on-year, new partnerships have extended our help provision. This pattern continued in 2020 with new work with Dementia UK bringing in 12% of all partner help, despite only launching in the final quarter of 2020.



Once again, the pandemic has meant we have had to adapt to new and different ways of delivering our help. For example, our work with Dementia UK was moved to virtual appointments and sessions only. There was good take up for those needing in-depth help and advice from an Admiral Nurse, coupled with better awareness of our offer. Additional resources and webinars on living with grief and dementia were provided.

Brain in Hand has continued to prove of great value to its users, helping them to live independently. This is a digital self-management and human support system for people who need help remembering things, making decisions, planning, or managing anxiety. Sleepstation was also widely used in 2020 with over 800 licences used for their clinically validated sleep improvement programme, and over 1,500 people received a personalised sleep assessment. Both resources were particularly appropriate for people struggling with work and home life during lockdown.

Adapting to the needs of people during the pandemic

Most civil servants continued to work throughout the year; however, we were aware that while some households might have been saving money in terms of travel commute, leisure, shopping etc., there were still some suffering financial shocks, where other members of the household were furloughed or made redundant/losing overtime etc. Additional pressures of childcare and home schooling were also present, and whilst some relationships may have flourished with more time spent in the household, some relationships were under immense pressure, and experiences across 2020 were different for everyone.

Wellbeing in 2020:

From previous work on wellbeing within the Civil Service community, we know that civil servants' wellbeing (according to the national ONS measures) is below the UK average. This has remained consistent for several years, and throughout a wide variety of survey types and respondents (see Wellbeing Barometer in 2019 Annual Report for more detail on this) and this research is much the same.

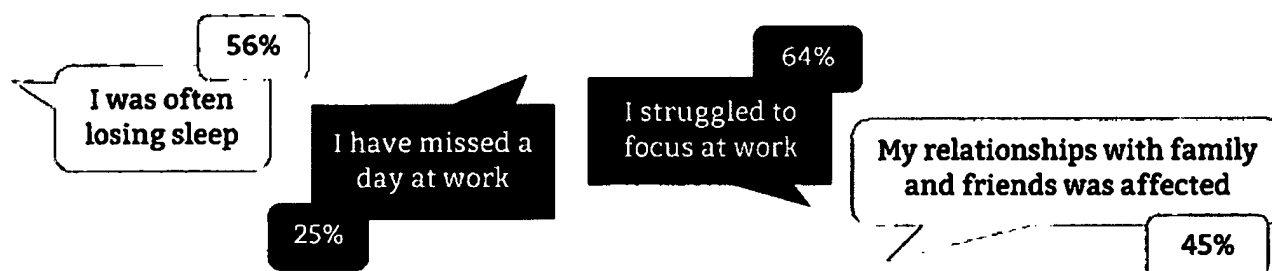
	Mean Satisfaction	Mean Worthwhile	Mean Happiness	Mean Anxiousness	Count in Sample
UK Average: March 2020 ⁴	7.66	7.86	7.48	3.05	-
All Non-Applicants from Charity Wellbeing Barometer	6.79	6.98	6.57	4.10	6,587
Non-Applicants In Covid-Effect Survey	5.73	6.23	5.59	4.82	1,320

Negative Behaviours:

To move past the general overview that these national measures give, and look deeper into the related effects of lower wellbeing we asked our respondents about some negative behaviours⁵ and whether they had experienced them during 2020:

- 59% said they felt exhausted (this increased to 71% for those whose caring responsibilities had grown during 2020)
- 49% said they felt lost or alone (this increased to 63% for those who said their relationships had worsened in 2020)

We also ask about these behaviours in our usual applicant analysis. We were surprised to see just how in line with our applicants, who are in crisis situations, these respondents were. And some, for example "struggling to focus at work" were worse in this survey than our applicant evaluation.



⁴ Annual Population Survey - <https://www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/datasets/headlineestimatesofpersonalwellbeing>

⁵ Missed work, Struggled to focus at work, Considering leaving work, Relationships affected, Felt lost or alone, Felt exhausted, Often losing sleep

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Our research shows that civil servants are struggling and the pandemic is responsible for making many areas of their lives harder to deal with. This is not only having an impact on them at home but also at work with many struggling to focus or even considering leaving work (21%). It also chimes with intelligence gathered from our community which suggests that people are reaching the limits of their resilience.

Though we can see that fewer people may need our financial help at the moment, the situations they face are likely to be even more challenging due to the impact of the Covid-19 pandemic.

25% of respondents said their financial situation had got worse in 2020, but how many may have got to a critical status? To evaluate this, we asked people to think back to the beginning of 2020 (left hand side of the chart below) and then again to how they were managing in December 2020 (right hand side), so we could analyse the effect of time passing through the pandemic and how people's financial situations had changed.

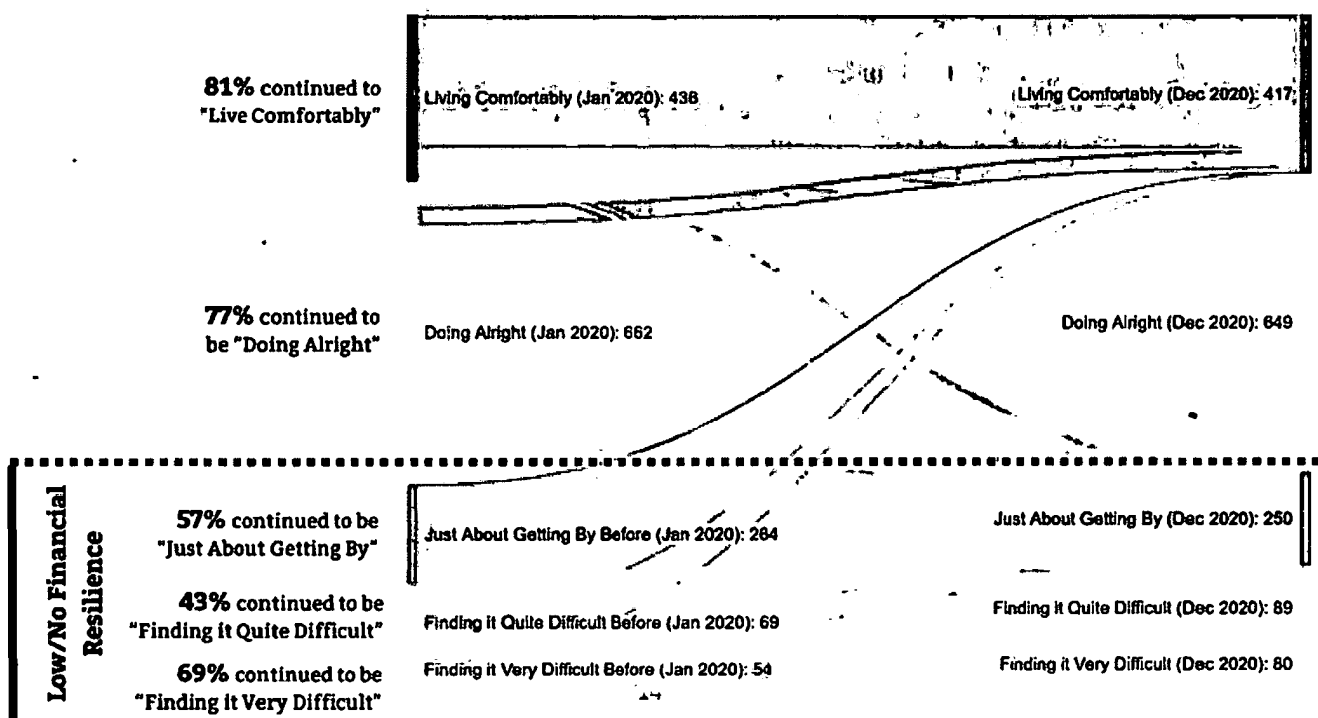
The categories that showed the most change over the period are those who described their situation at the beginning of the year as "just about getting by" and "finding it quite difficult": those with least financial resilience to begin with. It was those that originally said they were "Finding it quite difficult" where most people, 61% in fact, that saw their position worsen in 2020.

Those with less financial resilience to begin with were most likely to:

- Have lower wellbeing: 15% lower satisfaction scores and 9% lower SWEMWBS
- Be needing or considering external help: 66% of them agreed, whereas this was only 51% in the rest of the sample
- See their situation worsen: see chart below

**How well would you say you
were managing financially
at the beginning of 2020?**

**How well would you say you
were managing financially
now (December 2020)?**



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Grant Making Policy

Our charitable objects include relief from hardship or distress (whether financial or otherwise) for the public benefit of current or former civil servants and their dependants. Grants are made within our charitable objects and the agreed strategy of the Charity.

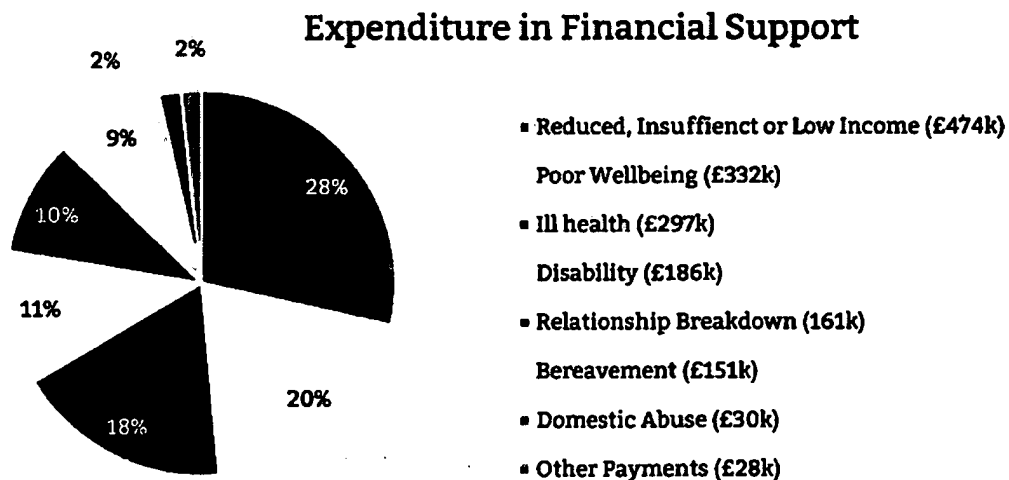
All grants are subject to a formal approval process.

We award grants on the basis of:

- Eligibility – the applicant must be a current, former or retired eligible person, or their financial dependant;
- Circumstances that cause hardship and distress including ill health, caring, bereavement, domestic abuse, relationship breakdown, reduced income and unsafe or inappropriate accommodation;
- Need – establishing the specific needs, which may not always be exactly what has been requested – for example if someone wanted a sofa but their child had no bed, providing the bed would be more of a priority;
- Alternative resources – this may be an entitlement to benefits, or grants from other charities, and in some cases there may be additional help rather than alternative help. Grants include financial help payments for emergency situations, grants to replace items that have broken or need repair, grants towards essential household bills, advanced rent and deposit for a new rented property, travel expenses, mobility aids and adaptations, as well as payment to third party suppliers for assessment of wellbeing, relationship counselling.

Financial Payments

In 2020 we paid out nearly £1.66million (2019: £2million) in 3,559 (2019: 4,043) payments. As already mentioned we had generally less demand for our financial support.



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However, we did spend £75,000 more for Disability payments in 2020 than we did in 2019. We also paid more per average payment in the categories for: Domestic Abuse (up 11% in 2020) reflecting national statistics on the rise of domestic abuse; Emergency Situations (up 5% in 2020) and Ill-health (up 6% in 2020).



"I felt so much better after reaching out for help. I knew that if there was anything I wanted to say, I could say it. It was a weight off my chest."

Carol, DWP

Carol is retired from the DWP and has been donating to the charity for over 40 years, never thinking she would need help herself. Kevin, her husband, was originally diagnosed with a chest infection in March this year. As the pandemic unfolded around the world, Kevin and Carol feared the worst. Both in their mid-70's they knew they were more vulnerable to the virus. As his temperature and fever worsened, they called for an ambulance and he was taken to hospital.

"I packed a bag for him and I didn't have a chance to say goodbye. Two weeks after that, I got a call saying he was in intensive care. Being on my own and knowing he was on his own, was truly heart-breaking."

Carol had a supportive conversation with our Help, Advice and Services Team on the phone. By talking about her fears to someone outside of her own world, she felt released from them.

Against all the odds, Kevin pulled through. Defying the doctor's predictions, he regained his strength and eventually came home.

Strategic Marketing and Income Generation

The Charity's main audience groups are made up of current, former, and retired civil servants across HM Government, the Scottish Government, the Welsh Government, and the Northern Ireland Assembly – as well as their dependants. Engagement is key to reaching more of these people, both to access help and to support the Charity. We have staff in all four countries working on specific and targeted engagement activities.

Campaigns

The Charity has routinely operated on an issues-based approach to campaigns, delivering targeted messaging and calls to action that are relevant to our differing audiences (current, former, and retired civil servants). Previous campaigns included topics around caring for carers, financial capability, mental wellbeing and other mental health issues. The Charity planned to continue this approach in 2020, but as a result of Covid-19, this plan was changed.

We delivered one long issue-based campaign around *looking after yourself* during Covid-19, with six key themes of wellbeing promoted across all our digital marketing channels. Due to workplace restrictions, social distancing, and a shift in remote working within the Civil Service, no face-to-face marketing, or blended campaign elements could be included in the approach during 2020.

Alongside the Covid-19 issues-based campaign, the Charity ran a number of other key campaigns directly linked to our Charitable activity, namely the launch of two new HAS products (Wellbeing Guide and the Carer's Passport and Carer's Statement Digital Tool), as well as a new fundraising product (STEPtember) and a new volunteering offer (The Champions).

"I receive newsletters from the Charity and I liked reading the powerful stories from people they've supported. Both myself and my husband had long careers within the Civil Service and it really felt like a family. Their support has been utterly wonderful."

Marian, HMRC

Wellbeing Guide launch

On 6 February 2020 the Charity launched a Wellbeing Guide app as part of our campaign activity on Time to Talk Day. Based on research commissioned by the Charity and completed by Demos in 2019, this app is designed to provide resources for managers to better support their teams through periods of change and adjustment. We publicised the launch through our newsletter and social channels, and also promoted the app through our internal communications network across the Civil Service. To date, we have seen more than 2,000 downloads from the app stores, and our Help, Advice, and Services (HAS) team have received requests to expand the scope of the app further.

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Covid campaign

In March 2020 when the first lockdown was announced, we adjusted our annual plans and developed our Covid Campaign encouraging civil servants to access help online as a first point of call for advice and guidance. Covering six themes (Staying grounded, staying active, caring for loved ones, family and relationships, maintaining positivity, and avoiding burnout.) - three of which aligned with those of the Civil Service Employee Policy unit - we sent out over 1 million emails from April to June and saw over 150,000 sessions on our website. We also developed new content in collaboration with colleagues across the Charity and external partners including Relate, the Mental Health Foundation, and Born-Digital-Health.

We remained reactive and agile so that we could respond to changes and new developments during Covid-19 – a position and model we continue to operate under. This enabled us to change from a message about financial capability and debt advice to one around fatigue and physical wellbeing when the Government extended the furlough scheme, payment holidays, and evictions relief in June and September.



"STEPtember"

The fundraising team changed their Walking Challenge (usually held in May but cancelled due to Covid-19) into a virtual walking offer in September ("STEPtember") and we developed a completely new campaign to encourage participation and fundraising. This reached over 3,500 civil servants through social media, and saw our audience creating and sharing their own 'selfie story videos' in support of the fundraising challenge. This expanded user-generated content is new to the Charity and is something we intend to develop further.

The Champions

In collaboration with the volunteering team (who changed their volunteer strategy due to Covid-19), we supported the launch of The Champions in November 2020. This new active volunteer role used social media to encourage civil servants to promote the Charity's support services. A new Facebook group has helped this community of volunteers collaborate and foster a sense of purpose. The Charity now has 611 Champions across the UK, with a plan to reach 5,000 by 2025.

Field Engagement

When the first Covid-19 lockdown led to the immediate closure of workplaces and Civil Service sites across the UK, the decision was taken to furlough the Field Engagement Team. As it became clear that access to workplaces and Civil Service sites would not be possible for the foreseeable future, the decision was made to cancel plans for face-to-face engagement in Civil Service sites. Three staff were therefore redeployed to other roles and six staff left the Charity in September 2020.

Strategic Engagement

In 2020, the Strategic Engagement Team (SET) was initially focused on physical face-to-face engagement and planning for a year of engagement in person. However, with the announcement of the first UK-wide lockdown in March 2020, the team moved swiftly to a digital-first approach.

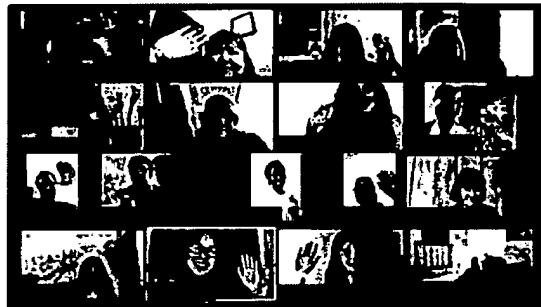
The techniques and tactics used in this approach have supported the Covid campaign, increasing promotion of the HAS-delivered webinars, "STEPtember", engaging with the Devolved Nations about assets such as our new dementia support programme, and recruiting participants for the Charity's Covid-19 survey.

We have also trialled virtual Active Listening Panels, with many of the participants previously unaware of the Charity's work. As well as introducing them to the offer, the panels provided a real opportunity for the Charity to learn about what matters to new audience groups.

Volunteering

We began 2020 with 454 volunteers and planned to deliver new training workshops in collaboration with Charity colleagues.

At the beginning of the first Covid-19 lockdown in March we transitioned the planned physical sessions to online coffee mornings (pictured) to support the Covid campaign. As the effects of Covid-19 became more significant, it became clear that the volunteering programme could not be implemented as planned.



A new volunteering strategy was developed, part of which included the creation of a new volunteering role. "The Champions" is a UK-wide network encouraging like-minded, committed civil servants to promote the Charity across the Civil Service. Open to all serving civil servants and launched in November 2020, this light-touch voluntary role is based around three key asks:

- Tell people the Charity exists
- Tell people how to access support
- Promote their status as a Champion in their workplace

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Champions are supported with a monthly newsletter, monthly online coffee mornings with the volunteering team, and "Speed 8-ing" - a collection of 8-minute videos detailing campaigns and offers for Champions to promote.

We finished the year with 611 total active volunteers.

Fundraising

The Charity for Civil Servants is committed to fundraising in an honest and transparent way. We rely on the generosity of our supporters (most of whom are serving, former, or retired civil servants themselves) to fund our work, and we strive to provide a positive and rewarding supporter experience. We are fortunate to have around 80,000 regular donors

Our fundraising approach

All fundraising activity in 2020 was carried out by our directly-employed fundraising team. We did not use any indirectly-employed fundraisers or commercial participators to carry out fundraising activities.

The Charity normally uses a range of fundraising methods:

- Direct marketing - communicating by email and post with existing and potential supporters to encourage them to give a one-off donation, support an appeal, or sign up to a regular monthly gift.
- Face-to-face - the Charity's fundraisers visit offices and sites operated by the Civil Service to promote the Charity, raise awareness of the support we offer, and encourage staff to become supporters.
- Events and conferences - Charity staff and volunteers attend third-party events to raise awareness of the Charity and ask people to support. We also hold our own events where current and prospective supporters can hear more about our work and how they can get involved.
- Prize draws - the Charity runs several prize draws throughout the year under licence from the Gambling Commission.
- Community fundraising - the Charity invites individuals and teams to take part in fundraising events and challenges and to support the Charity through sponsorship or donations. The Charity is also supported by individuals and departments holding their own fundraising initiatives in aid of the Charity.
- Legacies - we aim to inspire supporters to consider leaving a gift to the Charity in their will.



"When I think about the pandemic, I know I would have been in a dire situation if I hadn't reached out for help. I no longer feel isolated and I'm looking forward to the future. I can't thank the Charity enough for their support."

Katherine, DWP

In 2020, Covid-19 meant that we needed to pause or adapt some of our fundraising activities. With the majority of income coming through regular giving, the Charity is fortunate to have been less severely impacted than charities relying on income streams such as community fundraising and events.

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Covid-19 meant that face-to-face fundraising on Civil Service premises could no longer go ahead. As the Charity's main donor acquisition channel, this significantly impacted the number of new donors recruited in 2020. With the creation of the Digital Outreach Team, the Charity has shifted its focus and begun to develop new ways to engage with audiences and recruit regular donors, specifically through video conference platforms and webinars.

Covid-19 saw many of our community and event fundraising activities either cancelled, turned virtual, or changed completely for a virtual delivery. The number of community fundraising activities dropped by more than 95%, and digital-only delivered activities raised much smaller amounts per activity than would ordinarily be expected. With all events cancelled, we achieved less than 10% of our original target for challenge fundraising during the year

In 2020, the results of our fundraising activities were:

- **Regular giving** - As at 31st December 2020 we had 79,003 regular donors supporting the Charity with a monthly gift (2019: 84,832). Due to the impact of Covid-19 (and stopping field engagement), we recruited fewer new donors than hoped – 733 (2019: 1,704). Including Gift Aid, regular giving raised £4.0m (2019: £4.3m).
- **Individual giving** - Following the popularity of prize draws in 2019, the Charity increased the number of draws to three in 2020, raising over £62,000 in ticket sales and donations (2019: £38,090). We are grateful to the Civil Service Insurance Society (CSIS) for again kindly supporting the Charity by donating the cash prizes for these draws as well as their generous grant to the Charity.
- **Community fundraising** - In response to the restrictions imposed as a result of Covid-19, this year's Walking Challenge was cancelled (2019: £60,635). We ran a virtual "STEPtember" as a way to engage committed previous participants which saw over 1,400 supporters take part, raising over £8,000 for the Charity.
- **Legacies** - The Charity was notified of 8 gifts in wills in 2020 and recognised £99,000 (2019: 12 gifts and £278,000 recognised). Covid-19 has seen legacy fundraising income drop at most charities due to delays in the system, notifications taking longer to process, and grants of probate delays as courts prioritised other cases. As a result, legacy income is down, and legacy marketing was limited to our free wills offer

We are immensely grateful for the generosity of our supporters, without whom our work would not be possible.



*"Donating to this Charity, gives us all the opportunity to
make a difference to someone's life. I can't put into words
the difference it's made to me."*

Debbie, HMRC

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Responsibility and Accountability

The Director of Strategic Marketing and Income Generation (SMIG) is responsible for all our fundraising activities and is accountable to the Chief Executive as the head of the Executive Leadership Team.

The Charity's Board of Trustees has overall accountability for all our fundraising and income generation activities. The Strategic Steering Group (a subcommittee of the full Board of Trustees) meets regularly and ensures continued compliance.

Fundraising Compliance

To maintain the highest standards of fundraising ethics and welfare, the Director of SMIG ensures our compliance and adherence with:

- the Code of Fundraising Practice (Fundraising Regulator)
- the DMA Code (Data & Marketing Association)
- the Fundraising Competency Framework (Chartered Institute of Fundraising).

As part of our compliance efforts, and to uphold the highest fundraising standards, we are organisational members of:

- the Chartered Institute of Fundraising
- the Data & Marketing Association
- the Fundraising Regulator
- CharityComms

We also have:

- a Data Protection Officer and a Data Steward to ensure we operate in compliance with UK legislation around data and privacy.
- a team of Data Champions across the Charity to ensure we uphold the highest standards of data security and compliance.
- procedures in place to maintain accurate and up-to-date records.
- a safeguarding group to ensure we look after vulnerable supporters.
- an ethics policy to ensure our approach and methods are ethical and in line with our Charitable purpose and activities.

Review of our fundraising compliance includes:

- All complaints and notifications being monitored by the Director of SMIG to ensure effective resolution, and Trustees review our practice to ensure compliance.
- All identification or confirmation of, and interactions with, vulnerable supporters being monitored by the Director of SMIG to ensure correct procedures are followed, and Trustees review our practice to ensure compliance.

All of the Charity's fundraising activities complied with the Code of Fundraising Practice. Our website outlines our complaints policy for the public and clearly explains how an individual can complain. In 2020, the Charity received no complaints

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about its fundraising activities or practices (2019: none), and no complaints were lodged with the Fundraising Regulator (2019: none).

Fundraising staff have been trained using the guide provided by the Chartered Institute of Fundraising on treating donors fairly and on fundraising with people in vulnerable circumstances. All staff are aware of the agreed procedures to protect vulnerable people, and the Charity has established a safeguarding group to protect the people we interact with. Our regular training programme will continue in 2021.

As part of the DMA Fundraising Working Group, the Charity has been involved in developing industry best practice on consent, privacy, and data retention.

Our Supporter Promise

This promise outlines the commitment made to our supporters and the public. We ensure that our fundraising is legal, open, honest and respectful.

We commit to high standards

- We will adhere to the Fundraising Code of Practice.
- We will monitor fundraisers, volunteers and third parties working with us to raise funds, to ensure that they comply with the Code of Fundraising Practice and with this Promise.
- We will comply with the law as it applies to charities and fundraising.
- We will display the Fundraising Regulator badge on our fundraising material to show we are committed to good practice.

We will be clear, honest and open

- We will tell the truth and we will not exaggerate.
- We will do what we say we are going to do with donations we receive.
- We will be clear about who we are and what we do.
- We will give a clear explanation of how you can make a gift and change a regular donation.
- Where we ask a third party to fundraise on our behalf, we will make this relationship and the financial arrangement transparent.
- We will be able to explain our fundraising costs and show how they are in the best interests of our cause if challenged.
- We will ensure our complaints process is clear and easily accessible.
- We will provide clear and evidence-based reasons for our decisions on complaints.

We will be respectful

- We will respect your rights and privacy.
- We will not put undue pressure on you to make a gift. If you do not want to give or wish to cease giving, we will respect your decision.
- We will have a procedure for dealing with people in vulnerable circumstances and it will be available on request.
- Where the law requires, we will get your consent before we contact you to fundraise.

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- If you tell us that you don't want us to contact, you in a particular way we will not do so.
- We will work with the Telephone, Mail and Fundraising Preference Services to ensure that those who choose not to receive specific types of communication don't have to.

We will be fair and reasonable

- We will treat donors and the public fairly, showing sensitivity and adapting our approach depending on your needs.
- We will take care not to use any images or words that intentionally cause distress or anxiety.
- We will take care not to cause nuisance or disruption to the public.

We will be accountable and responsible

- We will manage our resources responsibly and consider the impact of our fundraising on our donors, supporters and the wider public.
- If you are unhappy with anything we've done whilst fundraising, you can contact us to make a complaint. We will listen to feedback and respond appropriately to compliments and criticism we receive.
- We will have a complaints procedure, a copy of which will be available on our website or available on request.
- Our complaints procedure will let you know how to contact the Fundraising Regulator in the event that you feel our response is unsatisfactory.

We will monitor and record the number of complaints we receive each year and share this data with the Fundraising Regulator.

Financial Review

Overview

In 2020, the Charity recorded net expenditure of £2,867k (2019: £2,544k) in line with its agreed approach to draw down from its reserves.

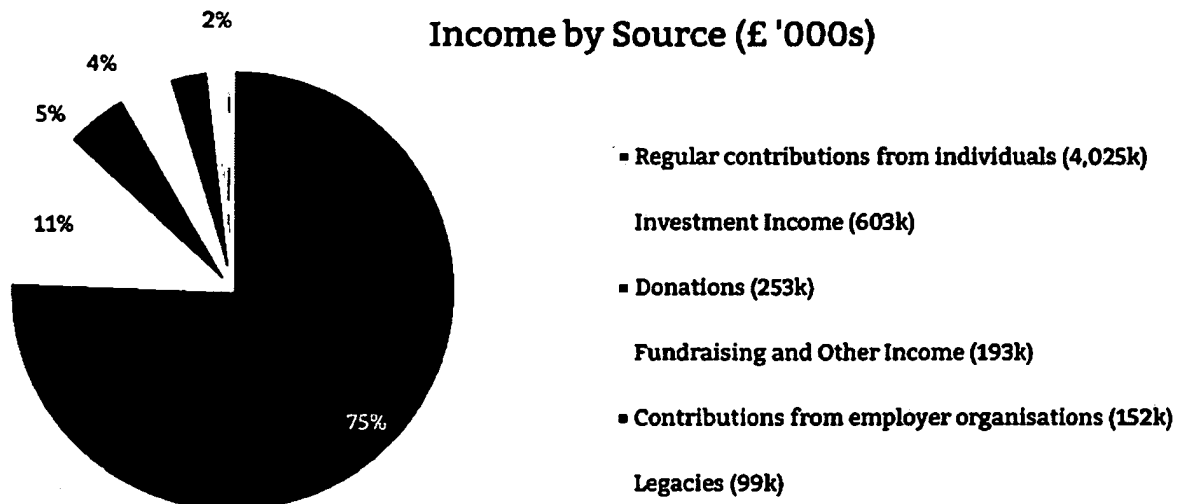
This is before taking into account the return on the Charity's investments, which was a gain of £368k (2019 gain of £4,183k) and the loss on the defined benefit pension scheme of £797k (2019 gain of £1,492k).

Net assets at the year-end were £37.3m, down £3.3m on 2019 (£40.6m). The Charity's Investment portfolio was valued at £35.5m at 31 December 2020 which was down £3.6m on December 2019 (£39.1m) largely reflecting the £4.6m divested to fund the Charity's activities and the impact of the economic uncertainty resulting from the pandemic.

Income

In 2020, total income was £5.3m, down £0.8m (2019 £6.1m).

The breakdown of income is shown in the pie chart below.



The principal source of the Charity's income remains regular monthly contributions from individuals, both serving and retired civil servants. Together with gift aid, this source of income accounted over 75% of the Charity's total income (2019: 70%). At £4.0m, contributions are down £0.3m on the previous year, reflecting a net 7% decline in the number of regular donors with the average monthly donation increasing slightly to £3.48 (before Gift Aid). This follows the pattern of decline in recent years.

Contributions from employer organisations amounted to £152k (2019: £153k) made up of an annual grant from the Cabinet Office of £110k (2019: £110k) and £42k (2019: £42k) from the Northern Ireland Civil Service.

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We also received £200k (2019: £250k) from the CSIS Charity Fund.

As explained in the fundraising section, the Charity's other source of income were impacted by the restrictions and cancellations with other non-investment income (from legacies, lotteries and fundraising events) totalling £173k in 2020 compared with £404k in 2019.

During the year the charity also claimed government grants under the coronavirus Job Retention Scheme of £119k (2019: nil).

Income from investments was £0.6m (2019: £0.8m), reflecting reduced interest and dividends from the Charity's multi-asset investment portfolio managed by Barings Asset Management.

Expenditure

Total expenditure for the year is £8.2m (2019: £8.7m) with £6.8m being spent on charitable activities.

Costs of raising funds were £1.4m (2019: £1.5m) and included elements of staff costs, investment management fees and overheads.

Total staff costs of £5.0m (2019: £4.3m) were included within direct activities and support costs. The average number of staff (on a full-time equivalent basis) in 2020 was 95 (2019: 97).

The Charity withdrew £4.6m in the year (2019: £3.5m) from its investment portfolio to fund its expenditure in line with its plan to use its reserves to support civil servants.

Investments

The Charity's powers of investment are set out in the Memorandum and Articles of Association. The Board of Trustees has delegated authority to manage the Charity's portfolio of investments to the Investment Committee of the Board of Trustees.

The investment portfolio is managed by Barings Asset Management Limited ("Barings"). The manager's performance is monitored quarterly against various indices. The Northern Trust Company undertakes custodian functions for the portfolio. The value of the portfolio as at 31 December 2020 was £35.5m (£39.9m as at 31 December 2019.) The Charity divested £4.6m in the year to fund its activities. Movements in the Charity's holdings of investments during the year and an analysis of the portfolio at year-end are shown in note 10a to the Accounts.

Barings operate under a mandate which seeks to optimise the portfolio's returns while controlling risk. Risk is spread by investing across a broad range of business sectors and markets throughout the world. The agreement signed with Barings in 2016 sets an investment objective to achieve a net return of RPI plus 3.5% p.a. over rolling three-year periods with the aim of delivering returns equivalent to long-term equity returns within 70% of realised equity volatility, over a medium to long term time horizon. Barings have discretion as to asset allocation within agreed ranges for each asset class, whilst stock selection is accomplished by using a combination of tracker and active funds.

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The net return for the three years to 31 December 2020 was 3.5% (three years to 31 December 2019: net 4.9%) compared with a benchmark of 6.1%. The net return in 2020 was 3.3% (2019: net +13.9%). As noted in the 2019 Annual Report, there was a material change in the valuation of the Charity's investments in the first quarter of 2020 which fell 15.33% in this period. This was followed by a recovery in the second quarter of 10.5% and further increases in value in the subsequent two periods.

The Charity has selected an Investment Manager to manage its assets in accordance with its agreed asset allocation. The Investment Manager's approach is to invest primarily in existing pooled funds some of which track indices rather than select individual stocks. As a result, the Charity does not directly exclude underlying stocks on the grounds of social, environmental and other ethical grounds. The Charity proposes to actively consider its approach to environmental, social and governance (ESG) issues in respect of its investment portfolio over the next year.

Reserves

The trustees are mindful of their duty to balance the interests of both current and future beneficiaries. The holding of reserves is one of a range of measures that can contribute to stability and continuity of the Charity into the future to support future beneficiaries. The Trustees determine the need for reserves by reference to a number of factors which they keep under regular review, including the time needed to reverse the recent declines in regular giving from individuals and the extent to which the remainder of its income is dependent on a small number of large donations and grants. It also considers fluctuations in beneficiary expenditure and future levels of demand for the help and services provided by the Charity. Based on its current analysis, the trustees feel that the Charity should retain reserves of between £30m and £35m.

Of our total charity funds of £37.3m, total unrestricted funds were £37.2m at 31 December 2020. In assessing our level of free reserves, we exclude the fixed assets of £1.0m as these assets cannot be quickly disposed of. We also exclude the pension deficit of £0.3m. This leaves free reserves of £36.6m which is above the target level of £30m to £35m. The trustees expect reserves to decline over the next five years as we develop the Charity's services to help more people in line with the strategy that was developed in 2015 and refreshed in 2020. A payment plan to reduce the pension deficit has been agreed with the pension fund trustees and this commitment is considered in all our financial planning, including the anticipated and target level of reserves. Restricted reserves – which are not taken into account in formulating our reserves policy – were £0.1m as at 31 December 2020, details of which are set out in note 14 to the accounts.

Going Concern

The Trustees have assessed the Charity's ability to continue as a going concern. The Trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements including a review of updated forecasts to the end of 2022, a consideration of key risks, including the impact of coronavirus, that could negatively impact the charity and the latest available valuation of the investment portfolio.

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The Charity's principal source of income continues to be regular monthly contributions from individuals, both serving and retired civil servants. This represented approximately 75% of the Charity's income in 2020. As reported in the financial review, contributions in 2020 reflected a net 7% decline and this trend has continued to be modelled in the revised forecasts. The key area of uncertainty relates to any impact of any market turmoil on the valuation of investments. The Trustees are satisfied that the Charity has sufficient reserves and liquidity within the investment portfolio to continue as a going concern for the foreseeable future. Cash flow forecasts are regularly prepared and assets in the investment portfolio can be liquidated to meet short term requirements.

After considering these factors, the Trustees have concluded that the Charity has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on the going concern basis.

Pensions

The pension liability in respect of the defined benefit pension scheme that was closed to all staff for future benefit accrual in 2004 continues to change from one year to the next. This is largely driven by factors outside our control: performance of the assets in the pension scheme reflecting changing conditions in the financial markets and the sensitivity of the pension liability to changes in interest and inflation rates. The Scheme was a multi-employer defined benefit pension scheme, The CSBF Pension and Assurance Scheme, and The Charity accounts for its 92.9% share of the net assets and liabilities of the multi-employer pension scheme which is recognised on the Charity's balance sheet.

The Charity trustees have agreed a deficit recovery plan with the pension trustees which aims to close the deficit by April 2023. The annual employer contributions needed to fund this deficit are determined by reference to the triennial valuations undertaken by the pension trustees. The latest triennial valuation reflected the position as at 6 April 2019. The best estimate of contributions to be paid by the Charity for the year beginning 1 January 2021 is £652,707. The next triennial valuation will reflect the funding position as at 5 April 2022.

The pension deficit (under FRS102 principles) increased in 2020 to £338k as the gains in the assets in the Scheme (which were lower than in 2019) and the contributions from the Charity were more than offset by the increase in the valuation of the liabilities (which was higher than in 2019) much of which resulted from lower gilt yields reducing the discount rate used. This valuation is undertaken using a series of assumptions and judgments. The valuation of the scheme is very sensitive to these assumptions and thus there is a risk that this valuation will change significantly during the coming year, as it has in past years. The Charity's exposure to the pension deficit is monitored through its risk management framework and its consideration of financial risks. There is an effective budgeting and forecasting process in place taking into account payments, including deficit payments, in relation to the pension plan. The Charity also actively engages with the pension trustees including in relation to longer term plans for the Scheme.

Since closing the defined pension scheme to future staff benefit accrual in 2004, the Charity operates a defined contribution group pension scheme.

More details about pensions are set out in note 16 to the accounts.

Principal Risks and Uncertainties

Risk is considered in key decision processes in the Charity at Executive and Board level. The Board reviews the major risks faced by the Charity at least annually after a more detailed discussion at the Finance and Audit Committee. The review includes reviewing the adequacy of the actions being taken in response to each risk.

The Board is satisfied that the major risks facing the Charity have been identified and are being appropriately addressed. This includes the Board's assessment of the impact of coronavirus on its risk assessment. The key risk for the Charity arising from coronavirus is considered to be the financial risk for the Charity arising from a significant loss in the value of its investments which is detailed below. Overall the Board considers that the key risks currently facing the Charity are as follows:

- A key financial risk for the Charity is a significant loss in value of its investment portfolio. The Charity is a long-term investor with a significant portfolio and is able to sustain short-term market fluctuations. As set out above, the Charity's investments are managed by professional managers and the Charity has access to further independent investment advisers. The portfolio is diversified both in terms of asset classes and geographically. The target that has been set for the managers is to deliver long-term equity returns within 70% of realised equity volatility and this target has been met historically. The performance of the managers and the asset allocation is reviewed by the Investment Committee quarterly.
- The Charity has seen a decline in the number of regular donors over the last decade and income from regular donations has fallen over the same period. If this decline in regular income is not reversed or other sources of income found, this could threaten the longer term future of the Charity and its ability to help civil servants. Plans to address this issue include focused interaction with major Civil Service departments to drive employee engagement with the Charity and campaigns that will increase the Charity's perceived relevance. By building deeper stronger relationships with its community, the Charity's understanding of how best to give more help and support will improve, which will in turn mean that more people will see the difference the Charity makes and support the Charity. The Board is conscious that these efforts will take time to pay off and trends in income will take a while to reverse. Whilst the above risk has had some impact on the Charity's net income, the Charity currently remains in a strong financial position.
- The Charity is reliant on its systems to run its operations and these need to be kept up to date. We have embarked on a significant transformation programme in 2020 and this should move towards implementation in 2021. We are also seeking to improve the help we can provide to people by automating transactional processes and providing digital self-help or referrals where appropriate to release staff time for more engagement with people who are struggling or need follow-up. Failing to automate and/or digitise in a timely fashion would present issues for the Charity's operation and continue to impact on our efficiency and turnaround times.

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Remuneration

Remuneration Policy

Our approach to pay at The Charity

The Charity had 103 staff as at 31st December 2020, which equates to 94.4 full-time equivalent employees. Salaries and total reward for the Senior Management Team – The Chief Executive and the three other directors responsible for (i) Finance and Corporate Services, (ii) Help, Advice and Services and (iii) Strategic Marketing and Income Generation – are set and reviewed by the Remuneration Committee, a sub-committee of our Board of Trustees.

The Remuneration Committee is chaired by the Charity's chair and includes other members of the Board, who offer pay expertise in the Not for Profit and other sectors.

All other staff salaries are set by the Senior Management Team. Salaries are arranged in pay bands across the Charity, using external independent benchmarking and comparison data within the Charity and Not for Profit sectors, and taking into account affordability at the Charity. Salaries are clearly advertised when recruiting for new roles. At the Charity, we believe in recruiting and retaining high-calibre people to represent the organisation's interest. We also believe in rewarding staff fairly for the jobs that they do and provide a single streamlined salary and grading framework for all staff, which is equitable and consistent with the principle of equal pay for work of equal value.

We believe this engenders a positive working environment. Additionally, we believe in encouraging young people to enter the workplace to increase their skills and establish their careers. We provide apprenticeships in some specialist areas and ensure that people in these roles are rewarded fairly for their work with pay and benefits.

The Charity works hard to retain staff who have been recruited for the specific skills that they bring to their particular role. Pay and reward are determined to ensure that we can recruit people with the right skills in a competitive market. Many of our staff have detailed knowledge, some of which is unique to the Charity and could not be easily replaced. Our staff pay scales and total reward package reflects our commitment to retaining and motivating our staff.

Senior Management Pay

The Charity's purpose and vision means that the Chief Executive and other members of the Senior Management Team require a breadth of experience, skills and personal qualities on a par with high-quality senior-level talent in similar organisations and so the Charity needs to be competitive in the market. They need to be able to liaise and command the respect of senior civil servants and executives of other partnership charities of all sizes through their experience and credibility. At the Charity, we are able to retain this talent whilst keeping salary costs under control.

For the purposes of disclosures under the Charities SORP (FRS 102), senior management is defined as the Chief Executive Officer and the other three directors responsible for Finance and Corporate Services, Help Advice and Services and Strategic Marketing and Income Generation. We also have an interim Programme Director for Data and Systems leading the programme of implementing the new CRM, a role that will continue in 2021,

**THE CHARITY FOR CIVIL SERVANTS
TRUSTEES' ANNUAL REPORT 2020**

who is not part of the senior management team and therefore not covered in the senior management disclosures.

Benchmarking

The Senior Management Team's salaries are externally benchmarked every 3 years and staff pay levels are reviewed annually.

Each year, the Chief Executive and directors participate in performance appraisal as part of the appraisal scheme operated for all of the Charity's staff. In the case of the Chief Executive, this includes seeking detailed feedback from the Chair, Trustees, and direct reports.

Staff pay is reviewed by the Senior Management Team and communicated to the Charity's recognised union, PCS. The same benefits, apart from annual leave allowance, including pensions and terms and conditions, apply to the Chief Executive and directors, as all other staff.

While they are separately determined, annual pay increases for the Chief Executive, directors and staff have been aligned for the three years leading up to 2020. In 2020, a 2.5% pay increase was awarded to both the senior management team and staff.

Living Wage Foundation

The Charity continued its commitment to paying all staff the London Living Wage, calculated independently by the Living Wage Foundation. Being a Living Wage accredited employer also means paying the same basic wage to all of its contractors that fit the criteria of working on site for a specified number of hours per week. So there remains an increased cost to the Charity for its subcontracted/outsourced cleaning contractors to ensure we fulfil our commitment.

Gender Pay Reporting

As the Charity employs fewer than 250 employees, it is not required to publish information on Gender Pay Reporting. Nevertheless, as recommended by the NCVO, the Trustees requested information on gender pay differences to be collated and we are providing this information as part of a commitment to transparency and accountability.

Gender Pay Gap:

As at 31st December 2020:

Gender	Number of staff	FTE Salary	Differential		FTE Salary	Differential	
		Mean	(£)	(%)	Median	(£)	(%)
Male	36	£42,100	£4,757	11.3%	£34,910	£0	0%
Female	67	£37,343			£34,910		

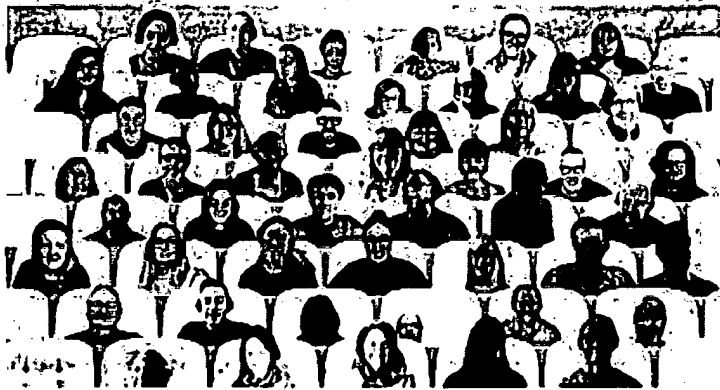
As at 31st December 2019:

Gender	Number of staff	FTE Salary	Differential		FTE Salary	Differential	
		Mean	(£)	(%)	Median	(£)	(%)
Male	35	£37,893	£924	2.4%	£28,565	£-5494	-19.2%
Female	73	£36,969			£34,059		

**THE CHARITY FOR CIVIL SERVANTS
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Percentage Gender per Quartile Salary Range (1=highest paid quartile) as at December 2020

Salary Quartile	Male	Female
1	42.3%	57.7%
2	15.4%	84.6%
3	38.5%	61.5%
4	42.3%	57.7%
Overall	35%	65%



**The Charity for Civil Servants'
All Staff Meeting using Microsoft Teams**

Plans for the Future

The Charity's approach in 2021 will be centred around three core themes: Transformation, Retention, and Reach.

Transformation:

Getting the fundamental elements of our infrastructure right, as a solid foundation: Developing and embedding the right systems, capability and appropriate strategies across 2021 – for systems, and most importantly – for our people.

A key part of this is the CRM Transformation Programme where we are planning to implement a new system in 2021.

Retention:

Learn how best to retain and develop existing donor relationships and income, to arrest the decline, as well as gaining new donors and more income.

Reach:

Establish how we can best make the Charity's offer "Well known and known well" across our community – so that more people are aware of (and engage with) our offer - particularly financial help.

Service Delivery and Service Evolution

In 2021 we plan to:

- continue to review the patterns of need emerging as a consequence of the ongoing Covid-19 pandemic situation, updating policy as required
- reverse downward trend of financial help when the community is likely to be in more need of it, aiming to provide more than £1.7m in financial assistance.
- increase use of digital tools such as the Carer's Digital Passport and Statement, aiming to issue 1,000 Passports and 500 Statements
- continue to deliver help webinars reaching over 100 subject based webinars on debt and financial capability and web content alongside complex casework.
- provide appropriate content and services to all areas of the civil service community, including reaching out to under-represented groups such as the retired community, or younger civil servants
- use evaluation, insight and data to understand the gaps in our help reach, to ensure we are effective, diverse and inclusive
- work closely with other charities and Civil Service Departments to develop and share best practice, including the Association of Charitable Organisations
- contribute to the programme of digital transformation to achieve a more customer-friendly and intuitive journey through all our services
- continue to consider individual circumstances and needs, and offer of human intervention at whatever point people choose or require it.

Overall, we are aiming to have people coming for help more than 75,000 times in 2021.

Strategic Marketing and Income Generation

Fundraising

We will be adapting to the anticipated permanent change to our operating environment as a result of Covid-19 and Brexit. This means engaging and maintaining a sustainable supporter and income base from which we can grow over the coming five years and beyond; ensuring we have the infrastructure and technology in place to be as efficient and effective as we can be; trialling new ways to generate income; and driving awareness across the Civil Service to grow our support base, partnerships, and as a result, income. Our targets for 2021 include:

- raising £50k using virtual fundraising techniques
- uplifting the amount given by 2,000 regular donors who currently give less than £3 per month by on average 100%; and
- re-acquiring 500 recently lapsed donors.

Marketing

We will be focussed on building our brand and establishing the necessary framework to support the future growth aspirations of the Charity. We will also be driving requests for help from within our core audiences (current, former, and retired civil servants), to reach the target of people coming to us 75,000 this year, by running a thematic marketing programme. This thematic approach will be in line with need trends as they evolve, during what is expected to be another turbulent year as a result of Covid-19.

Engagement

In 2021, we will focus on growing the Charity's relational capital with its stakeholders within the Civil Service. Using engagement best practice, we will further our reach into new audiences, with innovations including our digital-first engagement offer; prioritising one-to-one and one-to-few engagement opportunities with senior stakeholders; and embedding the principles of participatory engagement as the gold standard for the Charity.

Volunteering

We will continue to grow our Champions network, recruiting a further 500 volunteers across the Civil Service. Volunteers will also be supporting our fundraising efforts by recruiting 500 new donors via their networks. We will also be piloting a series of new skills-based volunteer roles in 2021, recruiting 100 by year-end. These new roles will better enable the Charity to achieve its Charitable Objects, and provide the strategic support needed to reach its long-term aspirations of a supportive community.

Trustees' Administrative Report

Structure and Governance

Constitution and Membership

The Civil Service Benevolent Fund ("The Charity") was incorporated on 16th June 2010 as a company limited by guarantee (company no. 7286399). In May 2012, the company began operating under the name "The Charity for Civil Servants". The Charity is registered with the Charity Commission in England and Wales (no. 1136870) and is on the Scottish Charity Register (no. SC041956). The Charity carries out its activities from its principal office, No. 5 Anne Boleyn's Walk, Cheam, Surrey, SM3 8DY, which is also its registered office.

The governing instrument of the Charity is the Articles of Association, which were adopted on 16th June 2010. The Charity's Patron is Her Majesty the Queen; its president is Simon Case (Cabinet Secretary and Head of the Civil Service).

The Charity has one subsidiary, CSBF Enterprises Limited (registered in England and Wales: company number 03119311). More detail is given in Note 10 (b) to the accounts.

Trustees and Advisors

The Charity is governed by a Trustee Board of between 8 and 12 Trustees. Under the Charity's Articles of Association, one Trustee shall be appointed by the Cabinet Office and that Trustee will be the Chair. Other Trustees are appointed by resolution of the Trustees at the Annual General Meeting. The Board is currently comprised of 12 Trustees.

The following Trustees served as members of the Board throughout 2020 and were Trustees on the date this report was approved:

- Peter Schofield CB (Chair)
- Mark Addison CB (Vice-Chair)
- Deborah Loudon
- Wendy Proctor
- Selvin Brown MBE
- Ross Campbell FCA (Treasurer)
- Mal Singh
- Joanna Dally
- James Renwick
- Clara Lane

The following Trustee retired during 2020:

- Jonathan Russell CB – 25th September 2020

The following Trustees were appointed during 2020:

- Holly Ellis – 25th September 2020
- Matthew Brook – 25th September 2020

**THE CHARITY FOR CIVIL SERVANTS
TRUSTEES' ANNUAL REPORT 2020**

No Trustees had any disclosable interests under the Companies Act 2006.

Trustees are responsible for reviewing the structure, size and composition of the Board, including the skills, knowledge and experience required. Trustees seek to identify candidates to fill Board vacancies as and when they arise and open advertising or the services of external advisers are always considered to facilitate the search for suitable candidates. Trustees are appointed for an initial term of up to three years, in order to provide for an orderly succession, and are eligible to serve a second term, up to a maximum of six years. Trustees receive individual induction sessions, as well as being provided with relevant background information and training to help familiarise them with their responsibilities.

The Trustee Board meets a minimum of three times a year and takes all important strategic, policy and financial decisions. It met four times in 2020. The Board is supported by a number of sub-committees and advisory groups.

Sub-committee and advisory group membership as at 31st December 2020 is set out below (* denotes chair of each committee, † denotes co-opted member):

Nominations and Remuneration Committee	Investment Committee	Finance and Audit Committee	Strategic Steering Group
Peter Schofield *	Mark Addison *	Ross Campbell *	Matthew Brook
Ross Campbell	Ross Campbell	Mark Addison	Wendy Proctor
Deborah Loudon	Clara Lane	Mal Singh	Selvin Brown
Wendy Proctor	Chris Jones †	Joanna Dally	James Renwick
	Alex Reeves†		

Day-to-day management of the Charity is delegated to the Chief Executive, Graham Hooper, and other directors responsible for Finance and Corporate Services, Help Advice and Services (HAS), and Strategic Marketing and Income Generation (SMIG). An appropriate director or the assistant company secretary acts as secretary to each of the Board sub-committees and advisory committees, except for the Nominations and Remuneration Committee for which the Charity's Head of HR is secretary.

The key advisers to the Charity are:

Auditor:

Crowe U.K. LLP

55 Ludgate Hill

London

EC4M 7JW

Investment Managers:

Baring Asset Management Limited

20 Old Bailey

London EC4M 7AN

Bankers:

Lloyds TSB Bank plc

1 Butler Place

Victoria Street

London SW1H 0PR

Solicitors:

Stone King LLP

Boundary House - 91 Charterhouse Street

London EC1M 6HR

**THE CHARITY FOR CIVIL SERVANTS
TRUSTEES' ANNUAL REPORT 2020**

Trustee Responsibilities

The Trustees are responsible for preparing the Trustees' Report (which comprises the Trustees' Administrative Report and the Trustees' Strategic Report) and the accounts in accordance with applicable law and regulations. Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law. 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 charitable company and of its net incoming resources for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Insofar as each of the Trustees of the charitable company at the date of approval of this report is aware there is no relevant audit information (information needed by the company's auditor in connection with preparing the audit report) of which the company's auditor is unaware. Each Trustee has taken all of the steps that they should have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Charity Governance Code

The Charity's Trustees acknowledge that The Charity for Civil Servants is best placed to fulfil its vision, mission and strategic goals if it has effective governance in place. The Charity continues to utilise the Charity Governance Code as a tool to support the Board to reflect upon its governance structures and consider the most appropriate ways to adopt the Code's principles and recommended practices. Trustees also continue to uphold their legal responsibilities and recognise that behaviour and culture are integral, both in supporting the Charity to deliver its objects most effectively for its beneficiaries' benefit, and in achieving good governance.

The Charity's governance structures all worked well in the unusual circumstances of 2020 with all Board and Committee meetings from March being virtual. The Charity's Annual General Meeting in September was also virtual. After the numerous pieces of work in the governance area completed in 2019, there were few significant areas left to be covered. There were a small number of areas planned for 2020 that were not completed and these will be taken forward in 2021.

**THE CHARITY FOR CIVIL SERVANTS
TRUSTEES' ANNUAL REPORT 2020**

A review of the Charity Governance Code with a 'light refresh' edition of the Code was published in December 2020. The Charity and its Trustees remain committed to improving the Charity's governance standards and on increasing its overall effectiveness as an organisation and will consider the ways in which the Charity can best approach any new areas within the refreshed code as well as further adopt and strengthen the recommended practices within it over the next 12 months.

This Annual Report, which incorporates the Trustees' Strategic Report and Administrative Report, was approved by the Trustees on the 26 March 2021, and signed on their behalf by:



Peter Schofield CB

Chair, Board of Trustees

26 March 2021

**THE CHARITY FOR CIVIL SERVANTS
AUDITOR'S REPORT**

Independent Auditor's Report to the Trustees and Members of The Charity for Civil Servants

OPINION

We have audited the financial statements of The Charity for Civil Servants ('the charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements, including 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 2020 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustee's 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.

**THE CHARITY FOR CIVIL SERVANTS
AUDITOR'S REPORT**

OTHER INFORMATION

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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 set out on page 37, 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

THE CHARITY FOR CIVIL SERVANTS
AUDITOR'S REPORT

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.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within

**THE CHARITY FOR CIVIL SERVANTS
AUDITOR'S REPORT**

the charitable company for fraud.

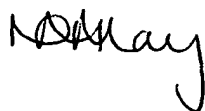
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within grant expenditure and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence including that with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola May
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date 26th April 2021

Crowe U.K LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE CHARITY FOR CIVIL SERVANTS
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2020

<u>Income from</u>	Note	Unrestricted Funds £000	Restricted Funds £000	2020 Total Funds £000	2019 Total Funds £000
Donations and legacies	2	4,557		4,557	5,271
Other income	2a	165	-	165	24
Investment Income	3	603		603	814
Total income		5,325		5,325	6,109
<u>Expenditure on</u>					
Raising funds					
Fundraising & Engagement		1,305		1,305	1,389
Investment management		113		113	130
Total costs of raising funds		1,418		1,418	1,519
Charitable activities					
Alleviating need		6,772	2	6,774	7,134
Total charitable expenditure		6,772	2	6,774	7,134
Total expenditure	4	8,190	2	8,192	8,653
Net (expenditure) for the year		(2,865)	(2)	(2,867)	(2,544)
Net gain on investments	10a	368	-	368	4,183
Actuarial (loss) /gain on defined benefit pension scheme	16	(797)	-	(797)	1,492
Net movement in funds for the year		(3,294)	(2)	(3,296)	3,131
Reconciliation of funds					
Funds brought forward at 1 January		40,499	55	40,554	37,423
Funds carried forward at 31 December		37,205	53	37,258	40,554

The statement of financial activities incorporates an income and expenditure account.

The notes on pages 46 to 66 form an integral part of these Accounts

THE CHARITY FOR CIVIL SERVANTS
BALANCE SHEET AS AT 31 DECEMBER 2020

		2020	2019
		Total	Total
	Note	£000	£000
Fixed assets			
Intangible assets	8	226	46
Tangible assets	9	734	743
Investment assets	10a	35,526	39,099
Total fixed assets		36,486	39,888
Current assets			
Debtors	11	451	754
Cash at bank and in hand		1,237	500
Total current assets		1,688	1,254
Liabilities			
Creditors: amounts falling due within one year	12	(578)	(588)
Net current assets		1,110	666
Total assets less current liabilities		37,596	40,554
Net assets excluding pension liability		37,596	40,554
Defined Benefit Pension Scheme liability	16	(338)	-
Total net assets		37,258	40,554
The funds of the Charity:			
Unrestricted funds	14	37,176	40,132
Revaluation reserve	9	367	367
Pension (deficit)	16	(338)	-
Total unrestricted funds		37,205	40,499
Restricted income funds	14	53	55
Total charity funds		37,258	40,554

Approved and authorised for issue by the Trustees on 26 March 2021 and signed on their behalf by:

Chair:



Peter Schofield

The notes on pages 46 to 66 form an integral part of these accounts

THE CHARITY FOR CIVIL SERVANTS
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Cash flows from operating activities:			
Net cash used in operating activities	A	(2,915)	(2,913)
Cash flows from investing activities:			
Investment income	3	603	814
Investment income reinvested	3	(626)	(792)
Purchase of intangible assets	8	(228)	(21)
Purchase of property, plant and equipment	9	(27)	(11)
Payments to pension fund	16	(638)	(622)
Disposal of investments	10a	4,568	3,500
Net cash provided by investing activities		3,652	2,868
Change in cash and cash equivalents in the reporting period		737	(45)
Cash and cash equivalents at the beginning of the reporting period		500	545
Cash and cash equivalents at the end of the reporting period	B	1,237	500

Notes to the cash flow statement

A. Reconciliation of net income/expenditure to net cash flow from operating activities		<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Net (expenditure) / income for the reporting period (as per the statement of financial activities)		(3,296)	3,131
Adjustments for:			
(Gain) on investments	10a	(368)	(4,183)
Depreciation & amortisation charges	8 & 9	85	73
Investment income	3	(603)	(814)
Decrease in debtors	11	303	8
(Decrease)/ Increase in creditors	12	(10)	39
Net pension scheme expenses	16	177	325
Pension scheme loss / (gain)	16	797	(1,492)
Net cash used in operating activities		(2,915)	(2,913)

B. Analysis of cash and cash equivalents	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Cash in hand		500
Total cash and cash equivalents	1,237	500

The notes on pages 46 to 66 form an integral part of these Accounts

THE CHARITY FOR CIVIL SERVANTS
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. Accounting policies

Status of the Charity

The Charity was incorporated in England and Wales on 16th June 2010 (company number 7286399) and is limited by guarantee of its members. The guarantee of each member is restricted to £1 sterling. The address of the registered office is No. 5 Anne Boleyn's Walk, Cheam, Surrey, SM3 8DY.

The Charity meets the definition of a public benefit entity under FRS 102. It is registered in England and Wales (charity number: 1136870) and in Scotland (charity number: SC041956).

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements are drawn up under the historical cost convention except that the freehold property was valued as at 30 June 2000 and investments are carried at market value.

The financial statements are presented in pounds sterling which is also the functional currency of the Charity.

The Charity has one wholly owned subsidiary undertaking, CSBF Enterprises Limited (company number 03119311). This is not consolidated on the basis that the amounts in the subsidiary are immaterial in the context of the Charity.

Going concern

The Trustees have assessed the Charity's ability to continue as a going concern. The Trustees have considered several factors when forming their conclusion as to whether the use of the going concern basis is appropriate when preparing these financial statements including a review of updated forecasts to the end of 2022, a consideration of key risks, including the impact of coronavirus, that could negatively impact the charity and the latest available valuation of the investment portfolio.

The Charity's principal source of income continues to be regular monthly contributions from individuals, both serving and retired civil servants. This represented approximately 75% of the Charity's income in 2020. As reported in the financial review, contributions in 2020 reflected a net 7% decline and this trend has continued to be modelled in the revised forecasts. The key area of uncertainty relates to any impact of market turmoil on the valuation of investments. The Trustees are satisfied that the Charity has sufficient reserves and liquidity within the investment portfolio to continue as a going concern for the foreseeable future. Cash flow forecasts are regularly prepared and assets in the investment portfolio can be liquidated to meet short term requirements.

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After considering these factors, the Trustees have concluded that the Charity has a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future and have continued to prepare the financial statements on the going concern basis.

Income

Income is recognised in the accounts of the Charity when all of the following criteria are met:

- Entitlement – control over the rights or other access to the economic benefit has passed to the Charity.
- Probability – it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity.
- Measurement – the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Contributions, and any related recoverable tax, are accounted for when they are due. Donations are accounted for when received. Pecuniary legacies are recorded as income when notified; residuary legacies are recorded when the Charity is legally entitled to the income, receipt is probable and the amounts can be reasonably quantified. Income from investments is accounted for when distributions are notified by the investment managers.

Income from Government Grants is recognised using the accrual model basis. Grant Income is recognised when there is reasonable assurance that a) any conditions attached to receiving the grant will be met and b) the grants will be received. Grants relating to revenue are recognised in income over the periods in which related costs are incurred for which the grant is intended to compensate.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to commit the Charity to expenditure as a result of a past event, it is probable that settlement will be required and the amount of the obligation can be measured or estimated reliably.

Grants payable are accounted for when approved by the Charity and notified to beneficiaries. All other expenditure is accounted for on an accruals basis.

Governance costs represent expenditure on strategic planning for the Charity's future development, internal and external audit, legal advice to trustees and costs associated with constitutional and statutory requirements including the cost of Board meetings and preparing statutory accounts.

Costs which cannot be directly attributed to individual activities reflected on the Statement of Financial Activities are allocated on a basis consistent with the use of resources, being the relevant proportions of either staff costs, time spent or assets utilised.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred

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Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include central management and office costs, finance, HR, information technology and systems, analysis and insight, defined benefit pension scheme expenses and governance costs which support the Charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised. All fixed assets are recorded at cost, except the freehold property which was re-valued as at 30 June 2000 and is recorded at this value, and are depreciated at rates to write off the excess of the cost or valuation over the anticipated residual value of individual assets evenly over their estimated useful lives. These rates are currently as follows:

Freehold building and property improvements	2-3% p.a. on valuation and cost
Fixtures, fittings & office equipment	15% p.a. on cost
Other computer hardware & software purchased before 1 January 2017	33½ % p.a. on cost

Intangible fixed assets

Intangible fixed assets are non-monetary fixed assets that do not have physical substance but are identifiable and are controlled by the Charity through custody or legal rights. An intangible asset is recognised when it is separable or arises from contractual or other legal rights and if it is probable that its expected future economic benefits will flow to the Charity, and if its cost or value can be measured reliably. Intangible fixed assets costing more than £2,000 are capitalised.

Intangible assets are measured initially at cost and subsequently at cost less impairment and less any accumulated amortisation. The residual value of intangible fixed assets is nil when calculating the charge for amortisation unless reliable evidence exists to the contrary. Amortisation of intangible fixed assets is charged as an expense to the relevant statement of financial activities (SoFA) category reflecting the use of the asset.

Intangible assets are amortised on a straight-line basis over their useful economic lives. If the useful life cannot be estimated reliably it is presumed to be no more than five years. Amortisation commences on development expenditure when an intangible asset is available for use.

The amortisation rates used are as follows:
Software and website costs: 33½ % per annum

Intangible assets are only reviewed for impairment if there are indicators that the asset may be impaired.

Investment assets

Investments are measured initially at cost and valued in the balance sheet at fair value (their market value) at the balance sheet date. Investment net gains and losses,

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whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the Statement of Financial Activities.

Pensions

Employer costs relating to the defined contribution pension scheme are included as expenditure when they become payable in accordance with the rules of the scheme.

The Charity also contributes to a defined benefit pension scheme, which was closed in 2004 to future benefit accrual. The current service costs of the scheme, together with the scheme interest cost less the expected return on the scheme assets for the year, are charged to the Statement of Financial Activities. The actuarial gains and losses on the scheme are recognised immediately as other recognised gains and losses.

The assets of the scheme are measured at fair value at the balance sheet date. Liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term to the scheme liabilities. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

Financial instruments

The Charity 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 amortised cost. Financial assets held at amortised cost comprise cash and bank and in hand, short term cash deposits together with debtors excluding prepayments. Financial liabilities held at amortised cost comprise short and long term creditors excluding deferred income and taxation payable. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

Investments, including bonds and cash held as part of the investment portfolio are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, trustees are required to make judgements, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affected current and future periods.

The only significant source of uncertainty in our estimations that have a significant effect on the amounts recognised in the financial statements is the defined benefit pension scheme. Further details, including assumptions used, are disclosed in Note 16.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Income from donations and legacies

	2020	2019
	£000	£000
Regular contributions from individuals	4,025	4,300
Contributions from employer organisations	152	153
Legacies	99	278
Donations	253	436
CSBF Enterprise Limited-profits donated	-	2
Fundraising events	28	102
	4,557	5,271

2a. Other Income

	2020	2019
	£000	£000
Government Grants	119	-
Lotteries	46	24
	165	24

Income from government grants resulted from claims made to the Coronavirus Job Retention Scheme.

3. Investment income

	2020	2019
	£000	£000
Interest receivable	1	2
Change in accrued investment income	(24)	20
Interest from Baring Asset Management portfolio re-invested	450	459
Dividends from Baring Asset Management portfolio re-invested	176	333
	603	814

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

4. Expenditure

	Financial Support (Note 4a) £000	Direct Activities £000	Support costs (Note 4b) £000	2020 Total £000	2019 Total £000
Costs of raising funds					
Fundraising & engagement	-	754	551	1,305	1,389
Investment costs	-	113	-	113	130
		867	551	1,418	1,519
Charitable activities					
Alleviating need	1,659	2,924	2,191	6,774	7,134
Total expenditure at 2020	1,659	3,791	2,742	8,192	8,653
Total expenditure at 2019	1,973	4,096	2,584	8,653	

(a) Analysis of financial support*	2020 One-off £000	2020 Ongoing £000	2020 Total £000	2019 One-off £000	2019 Ongoing £000	2019 Total £000
to help in the following circumstances:						
- bereavement	151	-	151	186	-	186
- caring	4	-	4	8	-	8
- disability	186	-	186	111	-	111
- domestic abuse	30	-	30	55	-	55
- emergency situation	12	-	12	30	-	30
- ill health	223	74	297	294	101	395
- poor wellbeing	332	-	332	153	-	153
- reduced or low income	470	4	474	772	5	777
- relationship breakdown	161	-	161	195	-	195
- unstable/unsafe living arrangements	11	-	11	30	-	30
- community projects	1	-	1	33	-	33
	1,581	78	1,659	1,867	106	1,973

There were no repayable grants (2019: none) agreed during the year. The total outstanding at 31 December is shown in Note 11 to the Accounts.

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(b) Analysis of support costs

									2020	2019
	Management	Governance	DB Pension Scheme	Finance	H.R	Insight & Analysis	IT & Systems	Central Services	Total	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Costs of raising funds	-	-	-	-	-	-	-	-	-	-
Fundraising & engagement	159	6	35	48	73	73	96	61	551	519
Charitable activities	-	-	-	-	-	-	-	-	-	-
Alleviating need	632	26	142	193	291	291	371	245	2,191	2,065
In 2020	791	32	177	241	364	364	467	306	2,742	2,584
In 2019	720	40	325	226	324	247	387	315	2,584	

Allocation is based on the use of resources, being the relevant proportions of staff costs, time spent and assets utilised.

(c) Analysis of governance costs

	2020	2019
	£000	£000
Board of Trustees expenses	3	2
Annual Reports & accounts	8	7
Audit fees	21	21
Other fees paid to auditors for assurance services	-	9
Legal & Consultancy fees	-	1
	32	40

5. Net Income/expenditure for the year

	2020	2019
	£000	£000
This is stated after charging/crediting:		
Amortisation/depreciation charge for the year	85	73
Auditors' remuneration – audit fees (excluding VAT)	18	17
Other fees paid to auditors (excluding VAT)	-	8

6. Trustees and employees

The trustees and persons connected with them have not received or obtained any remuneration or other financial benefits during the year, directly or indirectly from the Charity's funds (2019: nil). During the year one trustee was reimbursed a total of £51 travelling expenses (2019: one trustee, £124).

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

Employee and staff costs	<u>2020</u>	<u>2019</u>
Staff costs during the year were as follows:	<u>£000</u>	<u>£000</u>
Salaries	4,047	3,476
Employer's national insurance	412	350
Employer's regular pension scheme contributions	502	434
Total	<u>4,961</u>	<u>4,260</u>

During the year, there were 7 termination payments made amounting to £137k (2019 £14k). There were no outstanding payments at the end of the year.

Average number of employees – Full-time equivalents (Headcount)

	<u>Regional</u>	<u>HQ</u>	<u>2020</u>	<u>2019</u>
Marketing and Income Generation	12 (13)	24 (25)	36 (38)	37 (40)
Help, Advice and Service	13 (16)	25 (27)	38 (43)	38 (43)
Management and Central Services	1 (1)	25 (28)	26 (29)	22 (24)
In 2020	<u>26 (30)</u>	<u>74 (80)</u>	<u>100 (110)</u>	<u>97 (107)</u>
In 2019	<u>28 (31)</u>	<u>69 (76)</u>	<u>97 (107)</u>	

The analysis of headcount has been changed from the prior year to more accurately reflect the current organisational structure.

Number of employees with emoluments (including taxable benefits but excluding employer pension costs) exceeding £60,000:

	<u>2020</u>	<u>2019</u>
£60,001 - £70,000	1	3
£70,001 - £80,000	2	1
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£100,001 - £110,000	1	0
Employer pension contributions paid in respect of a defined contributions pension scheme	£52,029	£54,034

The key management personnel of the Charity comprise the Chief Executive Officer and three Directors. The total employee benefits of the key management personnel of the Charity were £430,531 (2019: £392,129), including salary, employer pension contributions, Health Cash Plan premiums and employer National Insurance contributions.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

Our senior management team remuneration in 2020 was as follows:

	2020			2019	
Position	Basic Salary	Benefits	Employers Pension conts.	Total remuneration	Total remuneration
Chief Executive	£100,735	-	£14,103	£114,838	£112,171
Director of Help and Advice	£79,493	£222	£11,129	£90,844	£88,739
Director of Finance & Corporate Services	£87,623	£222	£12,267	£100,112	£97,254
Director of Strategic Marketing and Income Generation (joined 9.12.19)	£76,406	£222	£4,584	£81,212	£4,903
Director of Marketing and Audience Engagement (left 25.7.19)					£47,390
				2020	2019
Total remuneration			£387,006		£350,457
Employers NI			£42,672		£38,417
Dependents Pension Benefit annual premium (not BIK) – closed 31st March 2020			£853		£3,255
Grand Total			£430,531		£392,129

7. Volunteers

The Charity had 611 volunteers situated across the UK by the end of 2020. We recruited 204 new volunteers throughout the year. The majority of these volunteers are working civil servants and are based in 38 government departments. All these Volunteers transitioned to the new role of Champions in October 2020 as members of our new engagement network.

Our volunteers have either received help in the past or know a colleague, family member or friend who has received help and are inspired to contribute to the Charity

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in this way. They promote the Charity communications and circulate materials within their workplaces. Volunteers also help to promote the Charity's services by distributing promotional materials, attending workplace awareness events, delivering talks on the services we provide and advising colleagues on how they can apply for help. Volunteers help us to test new digital initiatives, forms and tools prior to their launch to enable us to ensure our products are offering the right service as well as functioning to a high standard.

8. Intangible fixed assets

	Website & software	Total
Cost or valuation	£000	£000
Balance at 01.01.2020	82	82
Additions	228	228
Balance at 31.12.2020	310	310
Accumulated amortization		
Balance at 01.01.2020	36	36
Charge for the year	48	48
Balance at 31.12.2020	84	84
Net book value at 31.12.2020	226	226
Net book value at 31.12.2019	46	46

Assets in the course of construction were £43,174 (2019: nil)

9. Tangible fixed assets

	Freehold property	Fixtures, fittings and equipment	Total
Cost or valuation	£000	£000	£000
Balance at 01.01.2020	940	531	1,471
Additions	-	27	27
Disposals	-	(51)	(51)
Balance at 31.12.2020	940	507	1,447
Accumulated depreciation			
Balance at 01.01.2020	238	490	728
Disposals	-	(52)	(52)
Charge for the year	12	25	37
Balance at 31.12.2020	250	463	713
Net book value at 31.12.2020	690	44	734
Net book value at 31.12.2019	702	41	743

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The Charity's property at No 5 Anne Boleyn's Walk, Cheam, was re-valued by Christie & Co, Surveyors, Valuers and Agents, in June 2000. All adjustments necessary to reflect the value as at that date were charged to the Revaluation Reserve. Subsequent depreciation has been based on the re valued amounts.

10. Fixed asset investments

(a) Investment portfolio

The investment portfolio is managed by Baring Asset Management and is held mainly in the form of bonds and index-linked funds.

Movements in the investment portfolio in the year	2020	2019
	£000	£000
Market value at 1 January	39,099	37,624
Dividends received – re-invested	176	333
Interest re-invested	451	459
Net (disposals)	(4,568)	(3,500)
Net investment gain	368	4,183
Market value at 31 December	35,526	39,099

The investments shown above as managed by Barings have been valued at fair value (their market value) on 31 December 2020.

Additional disclosure on investments held by Baring Asset Management is set out below, reflecting the asset types and geographical analysis of the underlying investments.

		2020		2019	
		Market Value	% Total	Market Value	% Total
		£000		£000	
Equities	-United Kingdom	2,814	7.92%	5,188	13.27%
	-Europe	2,629	7.40%	4,113	10.52%
	-Global	-	-	792	2.02%
	-Japan	963	2.71%	898	2.30%
	-North America	9,435	26.56%	3,846	9.84%
	-Emerging market	3,123	8.79%	2,485	6.35%
		18,964	53.38%	17,322	44.30%
Bonds		12,644	35.59%	14,974	38.30%
Alternatives	Property	-	-	4,105	10.50%
	Alternative equity	1,009	2.84%	508	1.30%
	Precious metals	1,876	5.28%	-	-
		2,885	8.12%	4,613	11.80%
Cash and cash equivalents		202	0.57%	2,022	5.17%
Foreign exchange contracts		831	2.34%	168	0.43%
Total portfolio		35,526	100.00%	39,099	100.00%

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At 31 December 2020, the Charity had entered into 42 foreign exchange hedging contracts to reduce the risk of currency fluctuations in overseas assets. Of these, 41 contracts expired in January 2021 and 1 contract in February 2021.

(b) Investment in subsidiary

The Charity has an investment in one wholly owned subsidiary CSBF Enterprises Limited, a company registered in England & Wales, No. 03119311, with ordinary issued share capital of 7 shares of £1 each. The investment is held at a cost of £7. As the accounts are rounded to £'000s, this investment is not shown on the balance sheet, and consolidated accounts are not prepared, as the subsidiary is not material to the assets, liabilities or net results of the Charity. The subsidiary had minimal activity during the year and does not employ any staff directly. The administrative charge to offset the cost of time spent by Charity staff on behalf of CSBF Enterprises Ltd was nil (2019: £7,679). In 2020 it made a loss in the year and no donation has been made to the Charity. (2019: Profit £1,941) Its reserves at year end were £9,713 (2019: £10,270). At the year end, CSBF Enterprises Limited owed the charity £624 (2019: £10,263)

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

11. Debtors

	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Other debtors:		
- Repayable grants	70	72
- Sundry debtors	4	4
Prepayments	170	174
Accrued income:		
- Contributions from individuals	145	157
- Legacies	33	103
- Tax credits on gift aid donations	14	76
- Other accrued income	-	120
- Investment income	14	38
Due from CSBF Enterprises Ltd	1	10
	<u>451</u>	<u>754</u>

12. Creditors - amounts falling due within one year

	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Trade creditors	175	224
Other creditors	-	4
Pension contributions	53	51
Taxation and social security costs	105	101
Accruals	245	208
	<u>578</u>	<u>588</u>

13. Operating Leases

	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Rentals charged in the year		
Equipment	31	35

Equipment

	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
The total future minimum lease payments under operating leases are due as follows:		
- in less than one year	32	33
- in more than one year and less than five years	15	58

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14. Funds

The Charity maintains various types of fund as set out below.

Unrestricted funds

Unrestricted funds represent the free funds of the Charity which are expendable at the discretion of the trustees to further the objects of the Charity.

Restricted funds

Restricted funds are those 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.

Customs & Excise Family Fund

A restricted donation of £30,000 was given to the Charity in March 2006, following the dissolution of The Customs & Excise Family Fund. This was to provide Christmas grants to certain members of the Family Fund, in line with the wishes of their trustees. Interest earned on the Restricted fund was £0 (2019: £0) and grants expenditure was £660 (2019: £540).

Creedy House Care Foundation

Creedy House Care Foundation, a registered charity, whose object was to make payments to beneficiaries, was dissolved at 31 December 2010 and its net assets were transferred to the Charity as restricted for use of beneficiaries' payments. Interest earned on the restricted fund was £0 (2019: £0) and grants expenditure was £0 as the fund was fully depleted in 2019 (2019: £63,091).

Fenton Trust

Restricted donations of £20,000 and £15,000 were given to the Charity in March 2013 and September 2015 respectively to support current, former and retired civil servants of grades executive officer and above residing in the UK. This is to provide grants for essential household bills and items and help with mobility requirements. Grants expenditure in 2020 was £0 (2019: £597) due to no applications being received in the year.

Civil Aviation Authority Fund

A donation provided by the Civil Aviation Authority was restricted to provide help to CAA retired staff and their dependants. In 2020, the interest earned on the restricted fund was £0 (2019: £0) and £771 was spent (2019: £0) on applications from CAA retirees or their dependants.

Dementia Fund

In 2014, CSIS Charity Fund donated £28,000 to be spent on Dementia services. No funds were spent in 2020 (2019: £0).

During 2019, a new project was developed in partnership with Dementia UK. A part of this was a plan to deliver face to face support sessions led by Admiral Nurses in civil service workplaces. However, the COVID-19 pandemic led to these being cancelled. Instead, the project has focused on the development of digital engagement through the pilot of online

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clinics and an online appointment based model. We are now evaluating this approach and hope to see this rolled out in 2021; which in turn would see spend against this fund.

The Black Bequest Fund

In 2019, the Northern Lighthouse Board donated to the Charity £1,719.62 which represents the closing funds of the James Coats Junior Ferguslie Paisley Memorial Fund, known as Black Bequest. The amount is restricted to be used to supply Lightkeepers or their dependants who are or have been in the employ of the Northern Lighthouse Board with benefits in line with those offered by the Charity. No interest has been earned on or money spent from the Fund in 2020 (2019: £0).

Analysis of movements

Restricted Funds	Opening Balance	Income	Transfers between Funds	Expenditure	Closing Balance
	£000	£000	£000	£000	£000
Customs & Excise	17	-	-	(1)	16
Family Fund					
Fenton Trust	7	-	-	-	7
CAA Fund	6	-	-	(1)	5
Black Bequest Fund	2	-	-	-	2
Dementia Project Fund	23	-	-	-	23
Balance at 31 December 2020	55	-	-	(2)	53

Analysis of net assets by fund

	Intangible & tangible fixed assets	Investment assets	Net Current assets	Defined Pension scheme	Total
	£000	£000	£000	£000	£000
Unrestricted funds					
General reserves	960	35,526	1,057	-	37,543
Pension reserve	-	-	-	(338)	(338)
Restricted funds					
	-	-	53	-	53
Balance at 31 December 2020	960	35,526	1,110	(338)	37,258

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Analysis of movements for the Year Ended 31 December 2019

Restricted Funds	Opening Balance	Income	Transfers between Funds	Expenditure	Closing Balance
	£000	£000	£000	£000	£000
Customs & Excise	17	-	-	-	17
Family Fund					
Creedy House Care	64	-	-	(64)	-
Foundation					
Fenton Trust	7	-	-	-	7
CAA Fund	6	-	-	-	6
Black Bequest Fund	-	2	-	-	2
Dementia Project Fund	23	-	-	-	23
Balance at 31 December 2019	117	2	-	(64)	55

Analysis of net assets by fund the Year Ended 31 December 2019

	Intangible & tangible fixed assets	Investment assets	Net Current assets	Defined Pension scheme	Total
	£000	£000	£000	£000	£000
Unrestricted funds	789	39,099	611	-	40,499
General reserves					
Pension reserve	-	-	-	-	-
Restricted funds	-	-	55	-	55
Balance at 31 December 2019	789	39,099	666	-	40,554

15. Taxation

No corporation tax arises as the Charity for Civil Servants is a registered Charity, and is able to take advantage of the tax relief available to charitable bodies.

16. Pension schemes

The Charity for Civil Servants participates in a non-contributory multi-employer defined benefit staff pension scheme, which was formed for all permanent members of staff, within certain age criteria, of the Charity for Civil Servants and certain other employers. The assets of the scheme are held separately from the assets of the Charity. The scheme has its own trustees who are responsible for the scheme which is administered on their behalf by Mercer. The scheme was closed to all staff for future benefit accrual with effect from 5 April 2004.

The Charity also operates a defined contribution group personal pension scheme which is administered by Legal & General. The Charity pays varying levels of contributions on behalf of the employees, based on their number of years' service and levels of employees' own contributions.

THE CHARITY FOR CIVIL SERVANTS
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

A full triennial actuarial valuation of the defined benefit scheme was undertaken at 6 April 2019 by an independent qualified actuary. This revealed a deficit, on the assumptions used, of £1,855,000. The employers signed up to a recovery plan which is intended to eliminate the shortfall by 5 April 2023. The Charity is committed to paying the following contributions and expenses.

Year Commencing	Contribution	Expenses
6 April 2019	£485,892	£141,000
6 April 2020	£453,446	£188,000
6 April 2021	£468,460	£188,000
6 April 2022	£483,924	£188,000

The best estimate of contributions to be paid by the Charity for the year beginning 1 January 2021 is £652,707. Detailed disclosures for the defined benefit pension scheme, in accordance with FRS102, are set out below.

Present value of scheme liabilities, fair value of assets and deficit

	2020	2019
	£000	£000
Fair value of scheme assets	23,025	21,175
Present value of scheme liabilities	(23,363)	(20,875)
(Deficit) / surplus in Scheme	(338)	300

In its December 2019 accounts the Charity chose not to recognise the surplus on its balance sheet given the triennial actuarial valuation produced a deficit and the consequential recovery plan that the trustees have signed up to. There is a deficit in the scheme as at 31 December 2020.

Reconciliation of opening and closing balances of the present value of scheme liabilities

	2020	2019
	£000	£000
Scheme liabilities at 1 January	20,875	22,162
Change in employer's share	0	(271)
Scheme expenses	177	278
Interest cost	413	581
Actuarial gain	2,613	688
Benefits paid and expenses	(715)	(2,563)
Scheme liabilities at 31 December	23,363	20,875

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Reconciliation of opening and closing balances of the fair value of scheme assets

	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Fair value of scheme assets at 1 January	21,175	20,371
Change in employer's share	(2)	(255)
Interest income	423	536
Actuarial gain/(loss)	1,506	2,464
Contributions by employer	638	622
Benefits paid & scheme expenses	(715)	(2,563)
Fair value of scheme assets at 31 December	<u>23,025</u>	<u>21,175</u>

Amounts included within Statement of Financial Activities

	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>
Interest cost	-	(47)
Scheme expenses	(177)	(278)
Change in employer's share	(2)	-
Total (charged) within net income	<u>(179)</u>	<u>(325)</u>
Actuarial (losses)/gains	(797)	1,492
Total (charged)/credited to the Statement of Financial Activities	<u>(976)</u>	<u>1,167</u>

The cumulative amount of actuarial gains or losses recognised in the statement of recognised gains and losses since the adoption of FRS102 is £734,000 loss (2019: £65,000 gain).

Fair value of scheme assets

	<u>2020</u> <u>£000</u>	<u>%</u>	<u>2019</u> <u>£000</u>	<u>%</u>
UK equity	1,787	7.8%	1,541	7.3%
Other equity	1,787	7.8%	1,541	7.3%
Global equity	13,490	58.6%	12,362	58.4%
Absolute Return Bond Fund	1,963	8.5%	1,873	8.8%
Liability Driven Investment	3,918	17.0%	3,300	15.6%
Cash	80	0.3%	558	2.6%
Total value of assets	<u>23,025</u>	<u>100%</u>	<u>21,175</u>	<u>100%</u>

THE CHARITY FOR CIVIL SERVANTS
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

Assumptions	2020	2019
Inflation (RPI)	3.1%	3.1%
Inflation (CPI)	2.55%	2.1%
Discount rate	1.4%	2.0%
Allowance for increase in pensions: lower of CPI or 5% (effective from April 2017)	2.53%	2.15%
Rate of revaluation of deferred pensions of CPI +1%	3.55%	3.1%
Rate of revaluation for deferred pensioners: Lower of CPI or 5%	2.55%	2.1%
Cash commutation allowance (% tax free cash)	85%	85%
Withdrawal allowance	None	None
Assumed life expectations (no. years) on retirement age of 60		
- Retiring today: males	26.0	25.8
- Retiring today: females	28.5	28.2
- Retiring in 20 years: males	27.5	26.9
- Retiring in 20 years: females	30.0	29.4

The amounts for the current and previous periods are as follows:

	2020	2019	2018	2017	2016
	£000	£000	£000	£000	£000
Defined benefit	23,025	21,175	(22,162)	(23,702)	(24,044)
Scheme assets	(23,363)	(20,875)	20,371	21,796	20,557
Surplus/(Deficit)	(338)	300	(1,791)	(1,906)	(3,487)
Adjustment due to limitations on recognition of surplus	300	(300)	-	-	-
Experience adjustment: gain/(loss) on scheme liabilities	153	678	(66)	171	520
Effect of changes in demographic/other assumptions re: the present value of the scheme liabilities; gain/loss	(2,767)	(1,350)	1,173	(28)	(4,305)
Return on scheme assets: gains/(losses) assets	1,506	2,464	(1,333)	988	1,326

THE CHARITY FOR CIVIL SERVANTS
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17. Financial instruments

	<u>2020</u>	<u>2019</u>
	<u>£000</u>	<u>£000</u>
Financial assets measured at fair value	35,526	39,099

Financial assets held at fair value include assets held as investments

18. Related parties

There were no related party transactions in 2020 (2019: no transactions).

THE CHARITY FOR CIVIL SERVANTS
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

19. Statement of Financial Activities for the Year Ended 31 December 2019

	Unrestricted Funds £000	Restricted Funds £000	2019 Total Funds £000
Income from			
Donations and legacies	5,269	2	5,271
Other income	24	-	24
Investment Income	814	-	814
Total income	6,107	2	6,109
Expenditure on			
Raising funds			
Fundraising & Engagement	1,389	-	1,389
Investment management	130	-	130
Total costs of raising funds	1,519	-	1,519
Charitable activities			
Alleviating need	7,070	64	7,134
Total charitable expenditure	7,070	64	7,134
Total expenditure	8,589	64	8,653
Net expenditure for the year	(2,482)	(62)	(2,544)
Net gains on investments	4,183	-	4,183
Actuarial gain on defined benefit pension scheme	1,492	-	1,492
Net movement in funds for the year	3,193	(62)	3,131
Reconciliation of funds			
Funds brought forward at 1 January 2019	37,306	117	37,423
Funds carried forward at 31 December 2019	40,499	55	40,554

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