

THE CAMBRIDGE SECURITY INITIATIVE 2017
A CHARITABLE COMPANY LIMITED BY GUARANTEE

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022

REGISTERED CHARITY No 1175201
REGISTERED COMPANY No 10776032

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**THE CAMBRIDGE SECURITY INITIATIVE 2017
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022**

Contents	Pages
Trustees' Report	1-2
Independent Examiner's Report	3
Statement of Financial Activity incorporating the Income and Expenditure Account	4
Balance Sheet	5
Notes to the financial statements	6-9

**THE CAMBRIDGE SECURITY INITIATIVE 2017
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2022**

The Directors (also referred to as Trustees for the purpose of charity law) present their report with the financial statements of the charitable company for the year ended 31 May 2022. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" 2019 and the Companies Act 2006.

Reference and Administrative Details

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

Structure, Governance and Management

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

Directors

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

Appointment and Training of Directors

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

Charitable objects

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

Public Benefit

The charity was established in 2017 to offer a unique educational programme:

The purpose of this unique educational programme are two-fold:

to provide an opportunity for undergraduate and graduate students and early-career professionals with an intellectual or professional interest in statecraft and the interlocking themes of intelligence, security, defence and foreign policy to meet and work with leading academics and practitioners from the intelligence and security communities and to examine the diverse and complex challenges faced by Western democracies;

Secondly, through provision of funding, to promote the study and understanding of intelligence and security issues.

Themes explored include:

- How western intelligence communities can operate in a world of seemingly ubiquitous surveillance, and how they might compete with – or harness – the revolution in opensource data.
- Threats posed by intelligence, cyber warfare, radicalisation, acts of terrorism, regional insecurity and information operations.
- Modern conceptions of transparency tempered by legitimate claims for state secrecy and the role of the intelligence and security agencies in a modern democratic society.
- Analytical challenges and the intelligence-policy interface.
- Various mechanisms of intelligence collection, analysis and dissemination, counter-intelligence and covert operations.

Achievements

The International Security and Intelligence (ISI) programme and Conference July 2021. After a fallow year in 2020 and given the continuing disruption to travel and education, it was decided to offer an on-line ISI and Conference. The offer was taken up by 35 students from many countries and was very well-received no doubt in part because everyone involved was by then thoroughly used to on-line teaching and learning. By this means CSI retained all staff but insufficient funds were generated to allow donations to KCL and Cambridge to support graduate students. There were no research commissions in 2021/22.

Resumption of the International Security and Intelligence in person. By early 2022 it became clear that pandemic conditions in the UK and in the countries where ISI students are recruited justified planning for an in-person ISI in 2022. This was a little late as recruitment usually begins in mid-October in the year before the programme is run. In addition some U.S. universities were not yet supporting study abroad. As a result of this, and residual caution around travel, numbers were slightly down on capacity (54 out of 60) which will allow CSI to resume funding for graduate students

**THE CAMBRIDGE SECURITY INITIATIVE 2017
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MAY 2022**

Plans for future periods

Building on the success of the first on-line International Security and Intelligence (ISI) Programme and Conference in the summer of 2021 the Charity will look for opportunities to expand its on-line programmes. The Charity will also be looking to increase the range of in-person programmes particularly with a view to offering short, intensive courses. These activities will generate the funds necessary to:

- continue to fund full and part scholarships for students in full-time higher education wishing to attend future ISI programmes and/or Conferences;
- continue to provide significant funding for graduate studies at the Department of Geopolitics at the University of Cambridge and at the Department of War Studies, King's College London in fields related to Security and Intelligence, at £10,000 each;
- continue to provide (gratis) to ISI students delegate places at the Charity's annual Conference.

Financial Review

Income for the year was £88,206 (2021: £26) and Expenditure was £72,602 (2021: £33,065) resulting in net income for the year of £15,604 (2021: £33,038 net expenditure).

Risk Management

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

Reserves Policy

It is the intention of the Directors to establish a reserve, firstly to provide income to support the purposes of the Charity and secondly, as a fund from which capital can be withdrawn to cover budgeted expenditure not covered by current income. Free reserves at 31 May 2022 were £27,517.

Registered Office

24 Millington Road, Cambridge, CB8 6PH

Solicitors

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

Statement of Directors' responsibilities

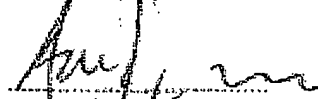
The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

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

Approved by the Directors on 30/1/23 and signed on their behalf by:


Dr Alan Davies

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

I report to the charity trustees on my examination of the accounts of the for the period ended 31 May 2022 which are set out on pages 4 to 9.

RESPONSIBILITIES AND BASIS OF REPORT

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

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

INDEPENDENT EXAMINER'S STATEMENT

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

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

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



Paul Chubbock FCCA
Chater Allan LLP
7 Quay Court
Collers Lane
Stow-cum-Quay
Cambridge
CB25 9AU

Date:

THE CAMBRIDGE SECURITY INITIATIVE 2017
STATEMENT OF FINANCIAL ACTIVITIES Including Income and Expenditure Account
FOR THE YEAR ENDED 31 MAY 2022

		Unrestricted Funds General Fund	Total Funds 2022	Total Funds 2021
	Note		£	£
Income from:				
Donations and legacies		-	-	-
Charitable activity				
Advancement of International Security		88,200	88,200	-
Investment income		6	6	26
Total Income		88,206	88,206	26
Expenditure on:				
Charitable activity				
Advancement of International Security	2	72,602	72,602	33,065
Total Expenditure		72,602	72,602	33,065
Net income/(Expenditure) and net movement in funds for the year		15,604	15,604	(33,038)
Total funds brought forward		12,559	12,559	45,597
Total funds carried forward		28,163	28,163	12,559

THE CAMBRIDGE SECURITY INITIATIVE 2017
BALANCE SHEET
AS AT 31 MAY 2022

(REGISTERED COMPANY NUMBER 1076032)

	2022	2021
FIXED ASSETS	Note	£
Tangible assets	4	346
		937
CURRENT ASSETS	5	20,112
Debtors		146,154
Cash at bank		109,209
		98,175
CURRENT LIABILITIES	6	128,449
Creditors due within one year		88,551
NET CURRENT ASSETS		28,163
TOTAL ASSETS LESS CURRENT LIABILITIES		28,163
FUNDS OF THE CHARITY:		12,559
Unrestricted funds	7	28,163
		12,559
TOTAL FUNDS		28,163
		12,559

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

* The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2022.

The trustees have not required the charitable company to obtain an audit of its financial statements for the year ended 31 May 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for:

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

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



Dr A. Dawson

20/1/23

Date

1 ACCOUNTING POLICIES

1.1 Basis of preparation

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

1.2 Going concern basis

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

1.3 Financial Reporting Standard 102 - Reduced disclosure exemptions

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

- the requirement of Section 7 Statement of Cash Flows.

1.4 Funds

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

1.5 Tangible fixed assets

Individual fixed assets are capitalised at cost.

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

Computer Equipment	3 years
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1.6 Income

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

1.7 Expenditure

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

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

1.8 Taxation

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

THE CAMBRIDGE SECURITY INITIATIVE 2017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022

2 EXPENDITURE ON CHARITABLE ACTIVITY

Advancement of International Security

	Unrestricted Funds General Fund £	Total 2022 £	Total 2021 £
Direct costs			
Programme events	18,404	18,404	-
Salaries (note 3)	24,757	24,757	4,680
Consultancy fees	13,325	13,325	9,693
Printing and stationery	599	599	144
Travel and subsistence	77	77	53
Insurance	-	-	453
Marketing	12,813	12,813	9,677
Bank charges	113	113	211
Charges	-	-	145
Sundry expenses	53	53	26
Training	190	190	663
Professional fees	540	540	480
Bad debts	-	-	5,109
Depreciation	591	591	591
Support costs			
Governance			
Independent examination	1,140	1,140	1,140
Total	72,602	72,602	33,065

3 STAFF COSTS

	2022 £	2021 £
Wages and salaries	24,757	4,680
	<u>24,757</u>	<u>4,680</u>
The average number of staff during the year was:	<u>4</u>	<u>2</u>

The trustees received no remuneration or expenses during the year.

THE CAMBRIDGE SECURITY INITIATIVE 2017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022

4 TANGIBLE FIXED ASSETS

	Computer Equipment £	Total £
Cost		
Brought forward	1,774	1,774
Additions	-	-
At 31 May 2022	<u>1,774</u>	<u>1,774</u>
Depreciation		
Brought forward	837	837
Charge for year	591	591
At 31 May 2022	<u>1,428</u>	<u>1,428</u>
Net book value		
At 31 May 2022	<u>346</u>	<u>346</u>
At 31 May 2021	<u>937</u>	<u>937</u>

5 DEBTORS

	2022	2021
	£	£
Prepayments	20,112	-
	<u>20,112</u>	<u>-</u>

6 CREDITORS

	2022	2021
	£	£
Trade creditors	-	1,620
Wages, PAYE and pensions	1,328	1,285
Accrued expenses	2,620	2,620
Deferred income	134,500	81,026
	<u>138,448</u>	<u>86,551</u>

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

	2022	2021
	£	£
Balance at start of the reporting period	81,026	41,916
Amounts added in current periods	134,500	39,110
Amounts released to income from previous periods	(81,026)	-
Balance at end of the reporting period	<u>134,500</u>	<u>81,026</u>

THE CAMBRIDGE SECURITY INITIATIVE 2017
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022

7 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds General Fund	Total Funds 2022	Total Funds 2021
	£	£	£
Net assets/(liabilities)	28,163	28,163	12,559
Total net assets	<u>28,163</u>	<u>28,163</u>	<u>12,559</u>

8 RELATED PARTY DISCLOSURES

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

Consultancy fees of £13,325 paid to the trustee, Dr A M Dawson.