

CHARITY
FOR CIVIL
SERVANTS

ANNUAL REPORT AND ACCOUNTS

for the year ending 31 December 2022

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

The Trustees of The Charity for Civil Servants present their Annual Report for the year ended 31 December 2022 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.

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**I COULDN'T BELIEVE
IT WHEN THE CHARITY
TOLD ME THEY COULD
HELP US.**

- LOUISA HMRC



CHAIR'S FOREWORD

I am delighted to introduce the Charity's Annual Report and Accounts for 2022.

Following hard on the heels of such a challenging few years, this has been another very difficult period for so many people. It has been no different for those in the Civil Service community and they have found themselves under great pressure. The ongoing consequences of the pandemic and such a dramatic shift in the cost of living have certainly had a significant impact across the year.

It is in adversity that the importance of the Charity really comes to the fore, providing vital help and a source of comfort for those struggling, and I'm pleased we were successful in delivering for people.

This report shows that across the year, the Charity was able to deploy almost £2m in financial support, achieving over 87,000 instances of help, and I am hugely grateful for the effort and commitment everyone has put in to achieve this. Heartfelt thanks from me go to the Charity's supporters, donors, partners, and volunteers – and for everyone working so hard in the Charity itself, to make those kinds of results possible.

Once again, we have worked closely and very effectively this year with Civil Service HR and a range of staff networks and key players within Departments, to deliver the right kind of support at the right time for people – and the 2022 Civil Service Mental Health and Wellbeing Conference itself was a key highlight.

As Chair, I would once again like to thank the Civil Service Insurance Society (CSIS) and its Charity Fund for their continued support and crucially important partnership – and I would also like to offer my particular thanks to the Board of Trustees for their commitment throughout.

The Charity has passed some very significant milestones in 2022. Our achievements across the past year have established a solid

foundation for the work ahead of us in 2023, which again looks like it will be difficult. The continued resilience of the Charity in meeting the demands of turbulent times, given global economic pressures and uncertainty, will be critical for many relying on us.

Perhaps most significantly this past year, the new Customer Relationship Management System was finally brought onstream, offering many of the potential system improvements we have been seeking for some time. Building on this platform, there are more enhancements to follow which will ultimately enable the Charity to become more efficient in its operations.

It was with great sadness in September that we heard of the passing of our patron, HM Queen Elizabeth II. We will remain eternally grateful to Her Majesty for over seven decades of support for the work of the Charity. Her Majesty helped people in need within the HM Civil Service community whilst being a role model to all civil servants.

Finally, I'd like to pass on thanks once again from all Trustees to everyone in the Charity. The Charity's work makes such an important difference to the lives of so many people and that is something of which you should be rightfully proud.



Peter Schofield CB
Chair, Board of Trustees



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:

- offering lifelong practical, financial and emotional support, advice and guidance;
- 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 is of a supportive community in which everyone has the chance to live their life to the full, while our MISSION is to help people overcome life's challenges and thrive.

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 of our Civil Service community.

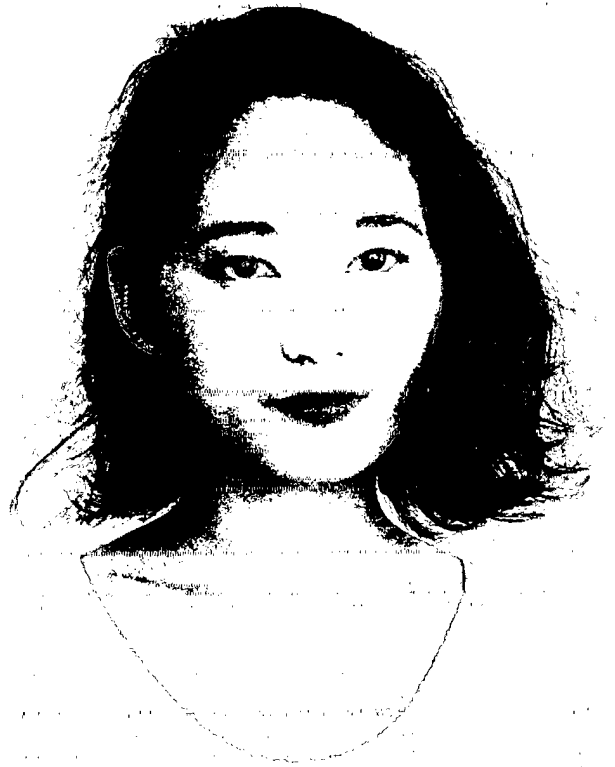
We help people to deal with the complex challenges, which anyone can face throughout their lives, from mental or physical health

issues and financial capability and debt management, to relationship breakdown, caring responsibilities and bereavement.

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.

**“THIS CHARITY
CHANGES
LIVES.
I WOULD GO AS FAR AS
SAYING IT SAVES LIVES.”**

SIMONE



In the middle of winter, Simone's boiler broke. Unable to afford the cost of a new one, she didn't know how she would keep her two children warm at home.

"When you're in a place of panic and fear like that, it's hard to know what to do first. I was in a vulnerable state mentally and financially. I couldn't catch my breath..."

"I've subscribed to The Charity for Civil Servants' newsletters for years, I never thought of asking for help myself. But my colleague reminded me about the range of support they can offer – so I decided to contact them."

Simone was reminded of the very reason the Charity exists – to help civil servants past and present, when times are tough. When Simone reached out to us, we listened. We provided support tailored to her personal situation and were able to pay towards a new boiler, ensuring Simone and her two children felt safe and warm indoors as the temperature plummeted outside.

"When I look back at that time in my life, I feel very grateful. I felt like The Charity for Civil Servants helped me breathe again. And I want people to know that..."



... this charity changes lives. I would go as far as saying it saves lives. When someone is willing to step in, listen to you, understand you and give you a helping hand, that is life changing. They provide hope... and that should never be underestimated."

ACHIEVEMENTS AND PERFORMANCE

With the ongoing consequences of the pandemic and the range of financial pressures resulting from major changes to the everyday cost of living, the past year has proved to be another very tough one, for everyone, including those in the civil service community. This Annual Report and Accounts sets out the Charity's performance across 2022. It continued to be a difficult environment in which to operate and very significant challenges face organisations like ours, in the charity sector. Put bluntly, things are more and more expensive for those in need of help and support, whilst money is ever tighter for donors (and potential donors).

Precisely because of these tough times, as the occupational charity for more than 1.5m current and former civil servants (plus their financial dependents), we want more people to come to us for assistance and for more to support our work through donations. Last year the Charity agreed an organisational strategy to 2025 in line with its charitable purpose and mission. Considering the prevailing economic climate, however, we have worked with Trustees to reassess this, along with the emerging plans and phasing of our fundraising work. This has helped us to set a revised level for the organisation's strategic ambition and therefore, we have adjusted our financial projections.

By the end of 2025, we now believe we will see:

- The Charity delivering over 100,000 instances of help.
- The Charity giving around £2.5m in financial support to those most in need.
- The Charity raising around £4.4m in voluntary income through donations.

We will still work to achieve these targets through transformation of our systems, tactics and infrastructure, reaching and effectively engaging with more of our community through a refreshed charity brand - and by growing our donor numbers.

Across the next three years, the Charity will continue to:

- Embed new key systems and ways of working - making our infrastructure, internal systems and processes more effective and efficient.
- Improve engagement with the help and support we offer and informing service development by understanding and clarifying the customer journeys.
- Build a new online presence for the Charity, developing a new website with improved navigation and functionality for ease of access to help and for people to contribute support.
- Utilise and grow our networks to reach more people from the current, former, and retired civil servant communities – and engage with them more effectively – through relevant and appropriate activities (such as tele kits, webinars, and other forms of digital outreach).
- Work effectively with partners (including Civil Service HR, Civil Service departments, EAPs, Wellbeing advocates, subject networks, MyCSP and other charities) to build on our relationships and better understand need. We will develop relevant services and financial assistance programmes, providing different forms of help which complement and expand support offered for those in need, both inside and outside the workplace.
- Increase and refresh relevant content (stories, user generated content, lived experience) so that people want to check in more regularly.
- Harness external facing activity to build the Charity a more effective profile – by exploiting content deployed through key partners and potentially entering awards and making successful bids for funding.
- Develop more tailored, digitised and seasonal communications to key audience segments - ensuring that the Charity successfully persuades people to become an active and committed supporter throughout their lifetime, building mutually valued and beneficial relationships.

Key successes in 2022

Over the year we handled 87,993 instances of help, including 8,169 applications (some applications were self-serve referrals/apps). Our inhouse services delivered 514 caring and wellbeing conversations and 203 money advice and guidance cases. Help webinars maintained good levels of attendance, resulting overall in 18,957 instances of help. The highest proportion in terms of webinar theme were in wellbeing, which is a continuous area of demand and produced 9,852 of those instances.

The average net promoter score across all webinars was 48, considered good and 2 points above the score for 2021 (above 50 is excellent). Using the Teams platform has also proved more accessible; however, some Departments still have issues with access which is related to their security rather than our platform.

Our target is for digital help to comprise around 70 - 80% of our total instances of help at current levels of demand and resource, and in 2022 this was achieved, with 53,396 instances of digital help (61%).

We delivered a Step This September participation fundraising activity, with over 1400 people taking part throughout the initiative, raising more than £30k.

We began a brand refresh through 2022, involving current, former and retired civil servants as people who have been helped, fundraised for us, are (or have been) a donor, and volunteered with us. This has been hugely helpful as we go into re-launching our fundraising proposition and strengthening our relationship with the Civil Service.

**“ I WAS BOWLED OVER BY THE
WARMTH
AND GENTLENESS
OF THE CONVERSATION –
THEY COMPLETELY GOT IT ”**

DOM



Ambitions and plans we set for 2022

As outlined in last years' annual report, we had some key ambitions for 2022.



Help

Deliver £1.9m in financial help through a combination of direct assistance and funded services or provision.	Grant payments of £1.97m were made.
Deliver 85,000 instances of help.	87,993 instances of help were delivered.
Work with CSHR to take an 'inclusion by design' approach to developing services.	Thrive and Peppy apps were launched.
Evidence 100 significant outcomes from money advice casework of around 600 cases, at least 10% of which will lead to financial assistance.	Achieved.
Continue our involvement in the Civil Service Mental Health and Wellbeing Conference.	Achieved.
Deliver 650 wellbeing and/or caring conversations, with 10% of these leading to financial assistance.	Delivered 514 conversations between February and December (when the new system was online).
Commission 30 external expert webinars that bring additional opportunity for help to complement our existing offer.	Achieved.
Aim of 500 uses of the Wellbeing Hub and produce 1500 carer's passports or digital statements.	Achieved.

Income generation

Raise £3.6m from regular giving, keeping attrition under 5%	We raised a total of £3.47m, with attrition at 7.8%. The increasing costs of living led to an acceleration in attrition (and insufficient income was the largest reason given for ceasing donations); while external events such as pay disputes within the Civil Service, the war in Ukraine, and the death of the Monarch affected donor recruitment activities in-year.
Achieve £0.1m in single gifts.	We raised £0.04m in single gifts during the year.

Raise £0.4m from legacies.	We raised £0.37m in legacies from former civil servants who chose to support the Charity in their will.
Raise £0.4m from grants and major gifts.	We raised £0.8m from grants and major gifts.
Raise £0.05m from community and events fundraising.	We raised £0.06m from community fundraising, events and lottery fundraising.
Increase our marketing consent audience to 80k.	We increased our audience from 66k to 79k during the year.
Prepare the groundwork for a fundraising appeal in 2023, including putting focus into our brand strategy and case for support.	Achieved. The fundraising campaign for 2023 is planned and approved by Trustees as part of the business plan, with activities splitting into three core phases throughout the year.

Providing more financial support

The cost-of-living crisis started to significantly affect households in the third quarter of 2022 and from October we saw a steady increase in applications from people needing our assistance. This is likely to continue through the next two years, and we have amended our policies to reflect this and to ensure we manage the Charity's funds effectively.

The one-year ARAP scheme supported the evacuation of Afghan people who had served the Civil Service as translators, and closed in August 2022, with the last grants paid out in September.

The government's breathing space scheme helped people with more time to sort out their debt problems. Our money advice team have been trained to be able to issue Debt Relief Orders, which support people when they are in low levels of debt and have few assets. This results in their debts being written off, preventing the debt from spiralling into further crisis.

A reduction of headcount in the Civil Service has started, and the issues facing people in work are increasingly cost of living and the demands on their roles, mirroring the national picture.

We worked more closely with staff networks and CSHR, for example responding to requests for webinars, listening circles and conference themes. With high demand for webinars we will review our webinar strategy in the light of high casework levels. Alternative options will be considered such as online Q&A sessions or themed forums.

In the area of wellbeing, Griefworks and Law Express apps have continued to be well used, as well as new offers, the Thrive app for wellbeing which includes CBT therapy, and the Peppy app designed to support menopause. During the pandemic we discovered a gap in support for autism and worked with Autism and ADHD. We now offer assessments, resources and support as well as the Brain in Hand resource for difficulties with independent living.

With Brain in Hand, Sleepstation and Relate (as with Anxiety UK), we will be filtering these through an application process or via a wellbeing conversation rather than offering direct from the website to ensure people benefit from the most appropriate product or service.

Financial payments

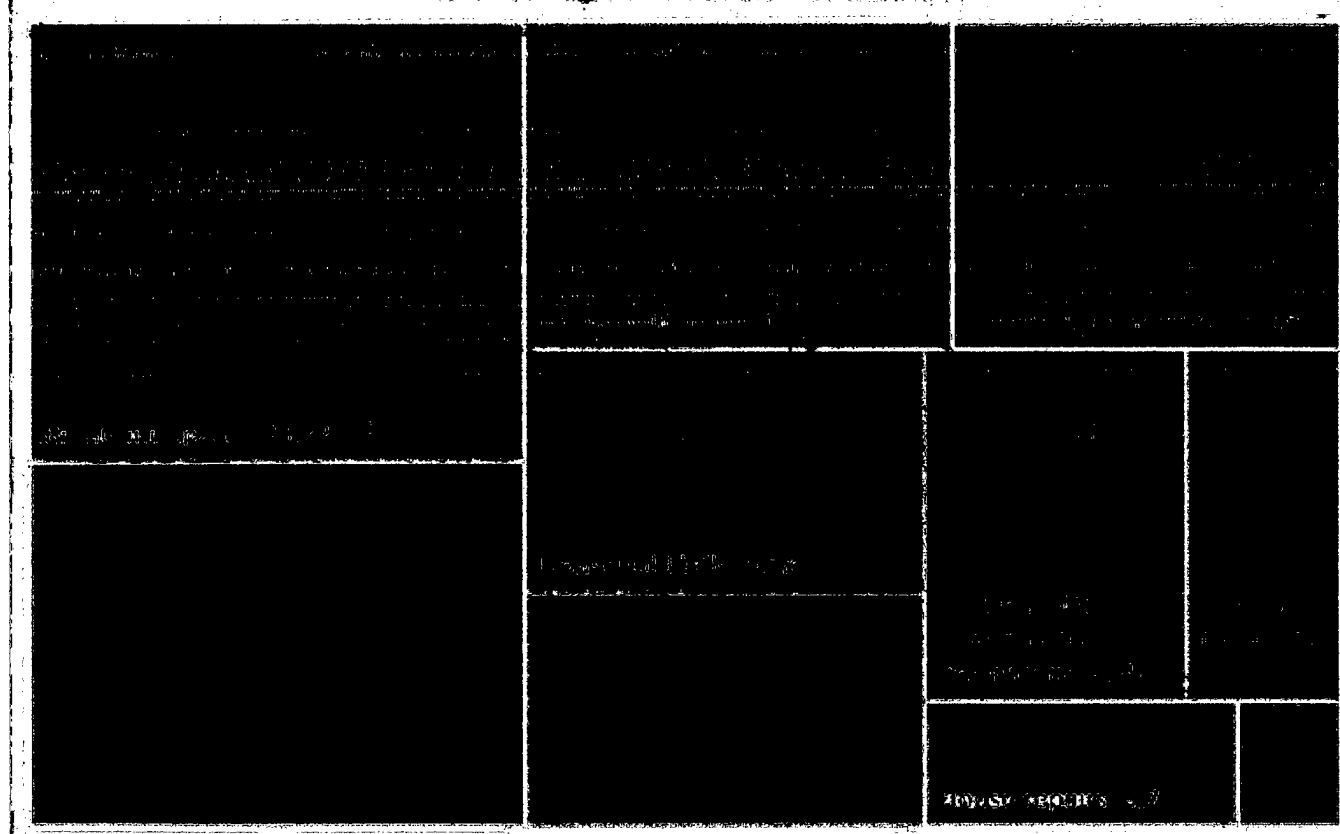
The total paid in financial payments was £1.97m, compared with £1.64m in 2021, with 6,389 payments compared with 3,951 in 2021.

Payments for relationship breakdown were £130k above budget with 2,803 payments (compared to the 600 budgeted), and because of this and advice from Relate that they have reverted to 6 sessions (from 4) we are now filtering requests by means testing rather than offering directly as self-serve. Payments for unsafe/unstable living arrangements are £55k above our forecast, reflecting more

people moving either because of domestic abuse, relationship breakdown or unsuitable accommodation. The higher figure reflects suppressed need to move from the years of pandemic, when people couldn't take any action. Payments for disability are £46k more than budgeted, reflecting need rising post-pandemic.



Percentage of total £ in 2022





GRANT MAKING POLICY

January 2023 to December 2024

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 based on the four principles below.

- Eligibility – the applicant must be a current, former or retired eligible person, or their financial dependant;
- Circumstances that may cause hardship and distress, for example ill health, caring, bereavement, domestic abuse, relationship breakdown, reduced income and unsafe or inappropriate accommodation;
- Need – exploring and establishing the specific needs and which needs should be prioritised;
- 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 and relationship counselling.

The policy was reviewed and agreed by the Board of Trustees for the period of January 2023 to December 2024, anticipating continued high demand and allowing for income not to improve at the same rate, because some time will be needed to maximise opportunities from brand activation.

One major change is to reduce the savings threshold before we consider helping financially from £12,000 to £6,000 to consider the fact that one in five households have no savings at all.

We will also monitor all changes to policy, which still have discretion and exceptions considered.



People coming to us for help

Over the year we handled 87,993 instances of help, including 8,169 applications (some applications were self-serve referrals/apps). In our one-to-one inhouse services, there were 514 caring and wellbeing conversations and 203 money advice and guidance cases. Our help webinars maintained good levels of attendance, resulting overall in 18,957 instances of help. The highest proportion were in wellbeing, which is a continuous area of demand and produced 9,852 of those instances of help. Our digital help aims to be around 70 - 80% of our total instances of help at current levels of demand and resource, and in effect 53,396 (61%) instances of help were digital.

Because of the CRM changeover, campaigns in 2022 were limited to ongoing social media and marketing, with no major campaigns as we have had in previous years, for example around caring. The main activity was the wellbeing conference in October which was on a smaller scale in terms of number of events than 2021 yet reached a high number of people with focused topics such as menopause.

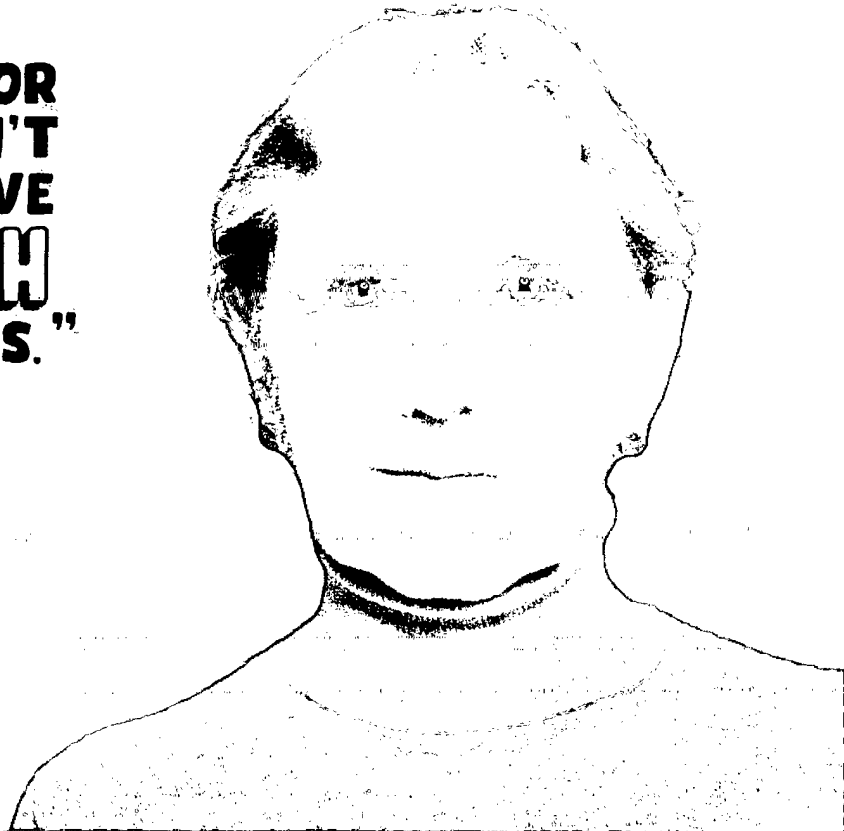
Mental health and wellbeing conference

During the three-day conference more than 10,000 colleagues across the Civil Service joined the 2022 Mental Health and Wellbeing Conference, hosted by the Charity in partnership with Civil Service HR. Attendance rates were particularly high for some of the webinars about neurodiversity, menopause, supporting PTSD, and the cost of living.



**"IF IT HADN'T BEEN FOR
THE CHARITY, I DON'T
THINK I WOULD HAVE
GOT THROUGH
THOSE FEW MONTHS."**

BEATRICE



A series of life-changing events meant that Beatrice's financial situation became so severe that she couldn't afford to buy food. But with her lifelong community behind her she gradually found her way back to a happier place.

Beatrice did her best to stay positive for the sake of her son who had become extremely vulnerable. He had recently had a mental breakdown and had moved back to the family home. As she comforted him, her own long-standing marriage was coming to an end. With expensive solicitor fees and essential work needed on her house, Beatrice felt like she was drowning with her single income.

"It's not just the heartache of the divorce, but it's all the costs around it too. Combine that with my son coming back home, it was a lot to deal with. I ended up going on sick leave for six weeks because I was so worried about everything. If it hadn't been for the Charity, I don't think I would have got through those few months."

Although not a requirement, Beatrice had donated to the Charity for most of her career. Remembering the range of support on offer, she decided to give us a call.



"I cried so much to the man on the phone, he was so empathetic throughout the whole thing. Someone understanding my situation like that made a huge difference. They provided me with financial support which meant that I could afford to eat. This is such a good charity and after my own experience, I feel like they'll always be there for you."

Fundraising

The Charity for Civil Servants is funded through fundraising and income generation activities, with five key areas of activity:

- Regular giving (including payroll and direct debit)
- Donations
- Legacies
- Community fundraising and events
- Grants and major giving

To do this, the Charity uses a range of established practices:

Direct marketing

Communicating by email and post with existing and potential supporters to encourage them to give.

(Virtual) Face-to-face

The Charity's fundraisers speak to current civil servants to raise awareness of the support we offer and encourage people to become donors. All fundraising activity in 2022 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.

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.

Gaming

The Charity runs prize draws and a lottery throughout the year under licence from the Gambling Commission.

Fundraising campaigns, products and activities

The Charity invites people 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.

Volunteering

We seek the commitment and support of current, former and retired civil servants to support its activities by donating their time. We run a programme of structured and unstructured volunteering that enables people to give back through non-financial means, primarily helping to raise funds.

The Director of Fundraising and Marketing 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 review fundraising activities, and the Finance and Audit Committee (a subcommittee of the full Board of Trustees) oversees compliance.

Key points to note

During the year, the Charity maintained its regular giving programme, raising £3.5m including gift aid (2021: £3.7m) through a combination of payroll giving and monthly direct-debit donations, representing 72.7% of the Charity's overall voluntary income.

The long-standing impacts of the pandemic, cost of living crisis, and increase in the numbers of civil servants retiring early impacted our number of existing donors as well as our ability to recruit new ones.

Plans for donor recruitment drives were impacted by emerging hybrid working, ongoing negotiations around Civil Service remuneration, and the death of the Monarch.

This resulted in an annual attrition rate of 7.8%, which is higher than we hoped.

Income from people leaving a gift in their will rose during 2022, with 16 generous donors (2021:15) donating £372k (2021: £324k), and has already been used to provide vital assistance during the year. The Charity undertook several initiatives to encourage supporters to pledge a legacy gift to the Charity, including providing a free-will service.

The Charity undertook its annual walking challenge, raising £30k (2021: £8k), with promising opportunities for growth back to (and hopefully exceeding) 2019 levels of £60k next year.

The Charity secured additional grant income this year in support of its work helping civil servants experiencing financial hardship, including from the CSIS Charitable Fund, Cabinet Office and the Northern Ireland Civil Service.

Volunteering is a major part of the Charity's outreach and engagement activity. The Charity had 107 active volunteers (2021: 975) that helped spread the word about the Charity, took part in fundraising activities, volunteered time as Welsh language translators, and took part in various research and focus groups. This number is significantly different due to a change in the way we interact with, and therefore consider active status, our volunteers. This number will grow during subsequent years as we rebuild our future activities.

Fundraising and marketing compliance

To maintain the highest standards of fundraising ethics and welfare, the Director of Fundraising and Marketing 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).

Our supporter promise (available on our website) outlines the commitment made to our supporters and the public, affirming that we ensure that our fundraising is legal, open, honest and respectful.

The Charity also has:

- 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.

All fundraising complaints and notifications are monitored by the Director of Fundraising and Marketing to ensure effective resolution, and Trustees review our practice to ensure compliance.

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

All 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 2022, the Charity received one complaint (2021: nil) about its fundraising activities or practices and was resolved to the donor's satisfaction. No complaints were lodged with the Fundraising Regulator (2021: nil).

AMBITION AND PLANS FOR 2023

The operating environment for civil servants is going through radical change because of the post-pandemic approach to work, the ongoing impact of the cost-of-living crisis, and the demand on civil servants increases over time.

The Charity anticipates yet more demand for financial support as inflation, energy costs and the cost of living accelerate debt and financial worries. As we become more needed than ever before, we must redouble our fundraising efforts so we can sustainably continue to deliver help for the long term.

2023 is the year we refresh our brand strategy, case for support, and fundraising proposition. This will see a marked change in message, tone, and approach to getting more civil servants to financially support the Charity. We are aiming to:

1. Provide £2.3m in financial help through a combination of direct assistance and funded services or provision.
2. Deliver 80 help webinars.
3. Raise £3.9m in voluntary income, through individual and relationship fundraising.
4. Attract 2,000 first-time givers through the 2023 campaign.

Help

There is likely to be a period of at least two years, through 2023 and 2024, where instances of help will reflect the cost-of-living impact, and the need for financial help is likely to be greater than in the last few years.

To ensure we focus on those most in need we have amended our policy and will monitor this to ensure the most effective use of charitable funds. This also involves means testing some of the wellbeing offers we previously offered directly as self-serve, which will lead to significant year on year differences in types of payments. As well as the SORP categories (bereavement, ill health etc) we will be closely looking at types of payment (household bills, equipment, counselling etc).

Financial assistance

We anticipate a higher level of need during the year and will continue to find cost effective ways of providing help as we have done through our digital services and third-party suppliers providing cost effective household items, as well as providing people with the usual forms of practical help. We aim to give out £2.3m in financial help. We will also review our current anti-fraud measures and consider any developments around verification of identity and bank checks that may offer better value or processing.

Money advice and guidance

To enhance services for people in financial difficulty or who are worried about their future finances, we are embedding a benefits calculator on our website. We are now able to arrange debt relief orders (DROs) following new guidance.

Caring, health and wellbeing

We have established a good working relationship with CSHR and the staff networks to ensure that our provision complements EAP programmes and workplace support.

A major area of development will be to rework the Carer's Passport and Statement digital tool to be a separate tool that people can build in various areas of wellbeing, including financial wellbeing, and this may be on the portal or via the wellbeing app.

We will work across other agencies either contributing towards this development or creating a tailored version, working with other interested organisations where there is synergy.

Webinars

We will refresh our webinar content to comply with the new brand, and approach some subject areas with sections of content that can be adapted to timescales and audience. We will also work with those requesting help webinars to identify whether webinars or other types of channel and session are the most appropriate for their needs.

Digital services

As well as the major piece of wellbeing work, our focus in 2023 is to provide evaluation to the Peppy app to identify its use as workplace support; to evaluate the Thrive app and consider how it can be provided at scale where relevant; to embed the benefits calculator in the newly branded site, and to review all digital tools in the light of brand and needs.

Fundraising and marketing

Fundraising is expected to be tough in 2023. Reports from across the sector indicate that, whilst people intend to continue giving to causes they care about, donations are likely to be smaller and less frequent. The Charity has undertaken a brand refresh in 2022 that will be launched in 2023 as part of a renewed fundraising drive across the Civil Service.

Raising brand awareness, encouraging participation, and earning loyalty are our three pillars for 2023, bringing fundraising and marketing together into an integrated approach. Staff, trustees, volunteers, and advocates will be instrumental in bringing these together to achieve our ambitions for 2023.

Raising brand awareness

Focussing on our campaign theme, *WE NOT ME*, the purpose is to energise civil servants behind the notion that we are your charity –

here when times are tough, and that you can help colleagues through us by donating and fundraising.

This campaign will see us deliver communications through communications channels across the Civil Service, undertake in-person activities in key locations, and utilise media opportunities of value to civil servants.

Encouraging participation

As we unite people behind the Charity, we deliver a meaningful fundraising product that encourages fundraising by civil servants for their charity.

Adapting our walking challenge in 2023 to make it more accessible, fun and participatory in its design, we will combine the virtual challenge with physical activities and opportunities to get more involved in the workplace.

Earning loyalty

Regular giving and legacies are some of the most humbling ways a person can choose to support a charity, and we are fortunate to have so many people who already do.

We want to build on that to create a charity for civil servants that has a growing supporter base that is passionate about helping colleagues, through us, in times of need. Achieving this means we must earn their loyalty.

We will be delivering value-exchange through activities like the Mental Health and Wellbeing Conference, in partnership with CSHR; running campaigns showing the impact of support; and encouraging civil servants to choose to donate on a regular basis to us.

FINANCIAL REVIEW

Overview

In 2022, the Charity recorded net expenditure of £3,416k (2021: £3,148k) in line with its agreed approach to draw down from its reserves. The Charity has been refining the types of help it provides, ensuring its systems are fit for the future and delivering fundraising initiatives to tackle its long-term financial sustainability challenge.

This is before considering the return on the Charity's investments, which was a loss of £2,594k (2021 gain of £945k) and the loss on the defined benefit pension scheme of £504k (2021 loss of £156k).

Net assets at the year-end were £28.4m, down £6.5m on 2021 (£34.9m). The Charity's investment portfolio was valued at £25.8m at 31 December 2022 which was down £6.8m on December 2021 (£32.6m) reflecting the losses of £2.6m, interest income of £0.3m and £4.5m divested to fund the Charity's activities.

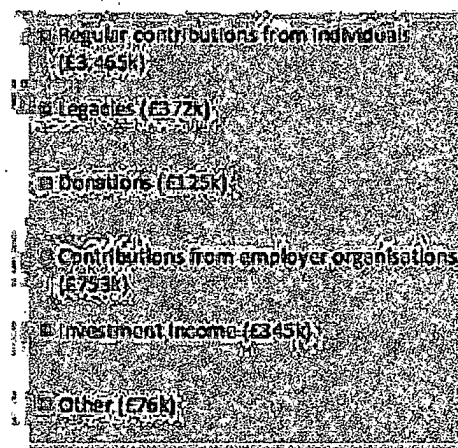
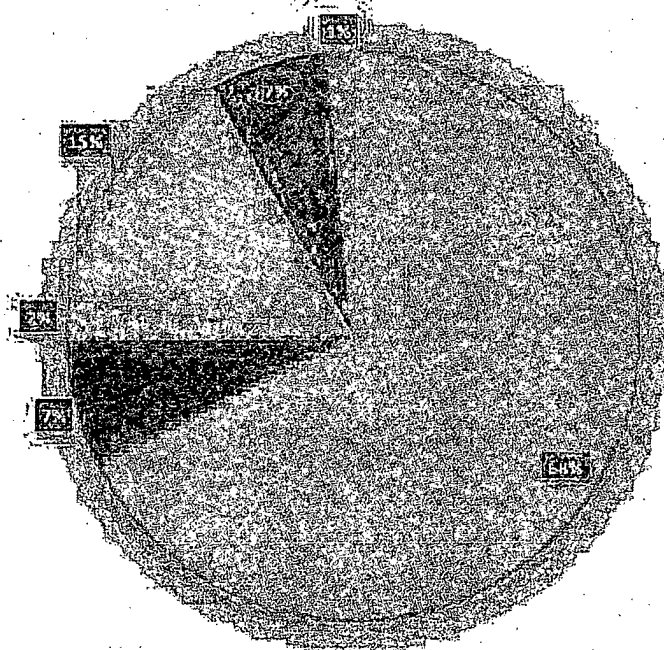
Income

In 2022, total income increased to £5.1m (2021 £4.8m). 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 67.5% of the Charity's total income (2021: 77%). At £3.5m, regular contributions are down £0.2m on the previous year, following the pattern of decline.

Contributions from employer organisations amounted to £753k (2021: £196k) made up largely of a grant from the Cabinet Office of £710k (2021: £110k), and £42k (2021: £84k) from the Northern Ireland Civil Service (NICS). Legacy income was up at £372k (2021: £324k). We also received £40k (2021: £150k) from the CSIS Charity Fund.

Income from investments was £0.3m in 2022 (2021: £0.3m). The Charity's portfolio is now invested in pooled funds with Columbia Threadneedle and the interest is reinvested in the funds.

Income by Source (£000)



Expenditure

Total expenditure for the year is £8.6m (2021: £7.9m) with £7.1m (2021: £6.3m) being spent on charitable activities.

Costs of raising funds were £1.4m (2021: £1.7m) and included elements of staff costs and overheads.

Total staff costs of £4.6m (2021: £4.7m) were included within direct activities and support costs. The average number of staff (on a full-time equivalent basis) in 2022 was 91 (2021: 95).

The Charity withdrew £4.5m in the year (2021: £4.2m) from its investment portfolio to fund its expenditure in line with its plan to use its reserves to support civil servants.

Investment management

The purpose of this activity is to generate investment returns to make the best possible sustainable contribution to the Charity's activities in the current and the long term. As set out in the reserves section, the Charity is intending to reduce its reserves over the next five years. This means that the Charity envisages divesting from its portfolio over this period. As a result, under its Investment Policy, the Charity's investments are split into a short-term and long-term pool of assets.

The objective of the short-term pool is to be available to provide suitable liquidity and capital protection to meet anticipated drawdowns over a 1-2 year time horizon and to avoid the need to be in a forced sale position in respect of the fund in which the long-term pool is invested.

Fund management

The longer-term investments are managed in a dynamic pooled fund with Columbia Threadneedle delivering real returns with

volatility control with the aim to deliver a real return of UK CPI + 3% per annum, after the payment of investment management fees, over a 3-5 year time horizon.

The short-term portfolio is invested in a fund with suitable liquidity and capital protection to meet short term cash flow requirements.

The objective of this fund is to outperform the iBoxx GBP Non-Gilts 1-5 Years Index (a bond index) over rolling 3-year periods, after the deduction of charges.

Investment performance

The value of the portfolio as at 31 December 2022 was £25.8m (£32.6m as at 31 December 2021). The Charity divested £4.5m in the year to fund its activities, there was a £2.6m reduction in market valuation, and interest income of £0.3m.

The short-term portfolio was down 7.9% and the long-term portfolio was down 7.5% in 2022. Many of the reasons behind global market falls are well-documented: inflation, rising interest rates, an energy crisis made worse by Russia's war in Ukraine all contributing to an economic slowdown.

The Charity's investment performance objectives are set over a three-year horizon to allow for short term downturn and this is the first full year the Charity has been in both funds. The Investment Committee have reviewed benchmark data of comparable funds provided by an independent investment adviser and are satisfied with the overall performance, given the mitigating circumstances of current global market challenges.

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.

Approach to Environmental, Social and Governance issues

In selecting the Charity's investment managers, the Investment Committee took into consideration the approach that the various managers took to Environmental, Social and Governance (ESG) in their investment approach.

Columbia Threadneedle's approach is to integrate ESG into its investment research in companies in building a fuller picture of the risks and opportunities of all investment opportunities. This is based on the belief that companies which demonstrate sustainable business models, organisational stability and the ability to effect positive change, are more likely to deliver value to all stakeholders including shareholders. Columbia Threadneedle's approach is one of active ownership so that through continuous monitoring, targeted engagements and strategic voting it drives change and helps create future value.

In 2022 Columbia Threadneedle introduced responsible investment metrics in their regular reporting including: a Columbia Threadneedle ESG Materiality rating, Carbon Intensity, Controversies Exposure and MSCI ESG Score. Both funds outperformed the Columbia Threadneedle benchmarks set on these metrics.

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 several 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 many small donations and grants. It considers fluctuations in beneficiary expenditure and future levels of demand for the help and services provided by the Charity. It also reflects the estimated buy-out cost of the Defined Benefit Pension Scheme which had reduced to £2.5m at 30 April 2022 (£8m 2019). Based on its current analysis, the trustees feel that the Charity should retain reserves of between £20m and £25m.

Of our total charity funds of £28.4m, total unrestricted funds were £28.3m at 31 December 2022. In assessing our level of free reserves, we exclude the fixed assets of £1.3m as these assets cannot be quickly disposed of. This leaves free reserves of £27.0m which is just above the target level of £20m to £25m. The trustees expect reserves to decline over the next four 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. Restricted reserves – which are not considered in formulating our reserves policy were £45k as at 31 December 2022, 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 2024, a consideration of key risks 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 72.7% of the Charity's income in 2022. As reported in the financial review, contributions in 2022 reflected a 7.8% decline and this trend

has continued to be modelled in the revised forecasts albeit modified slightly as we aim to reduce this attrition to c 5%. 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 agreed a deficit recovery plan with the pension trustees which resulted in the elimination of the historic deficit by the time of the triennial valuation as at April 2022. Contributions paid by the Charity during the year were £568k.

The value of our share of the scheme's assets decreased by £9.4m to £15.4m while the value of the scheme's liabilities (under FRS102 principles) decreased in 2022 by £7.7m to 14.3m resulting in a surplus of £1.1m. The Charity has chosen not to recognise this surplus but instead show zero as the pension asset/ liability.

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 considering 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 consideration of 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 the current economic climate and the consequences on its risk assessment.

The key resulting risk for the Charity is the financial risk 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:

- 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 a brand refresh together with new and more diversified fundraising initiatives, and focused interaction with major Civil Service departments to drive employee engagement with the Charity and marketing to promote the Charity that will increase the Charity's perceived relevance and reliance on donations. By presenting a clearer purpose, 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.
- 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 can sustain short-term market fluctuations. As set out above, the Charity's investments are managed by professional managers and the Charity has access to independent investment advisers. The Charity has divided its portfolio with an amount to cover its short-term cash requirement held in a separate low volatility fund. The long-term portfolio is in a fund that targets a real return but with 2/3 or less of equity volatility. The performance of the managers

and the volatility achieved is reviewed by the Investment Committee quarterly.

- The Charity is reliant on its systems to run its operations and these need to be kept up to date. We embarked on a significant transformation programme in 2020 and 2021, with a significant upgrade going live in 2022. We have sought 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. Further work is planned to refine processes and improve the customer journey.



REMUNERATION

Remuneration policy

The Charity had 99 staff as at 31 December 2022, which equates to 92.11 full-time equivalent employees. Salaries and total reward for the Senior Management Team – The Chief Executive and the three other directors responsible for Finance and Corporate Services, Help and Advisory Services and 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 considering 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 interests. 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.

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 can 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 had an interim Programme Director for Data and Systems leading the programme of implementing the new CRM, a role that ended in February 2022, 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 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 are aligned. In 2022, a 2.5% pay increase was awarded to all staff.

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.



As at 31 December 2022

Gender	Headcount	FTE Salary (mean)	Differential		FTE Salary (median)	Differential	
			(£)	(%)		(£)	(%)
Male	32	£40,676	£1,345	3.31%	£32,191	-£3,950	-12.3%
Female	65	£39,331			£36,141		

Salary Quartile	Male	Female
1 (Highest)	56% (9)	44% (16)
2	21% (5)	79% (19)
3	25% (6)	75% (18)
4	50% (12)	50% (12)
Overall	32	65

As at 31 December 2021

Gender	Headcount	FTE Salary (mean)	Differential		FTE Salary (median)	Differential	
			(£)	(%)		(£)	(%)
Male	37	£40,829	£3,610	8.8%	£30,396	-£4,864	-16.0%
Female	66	£37,219			£35,260		

TRUSTEES' ADMINISTRATIVE REPORT

Constitution and membership

The Civil Service Benevolent Fund ("The Charity") was incorporated on 16 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, Sutton, SM3 8DY, which is also its registered office.

The governing instrument of the Charity is the Articles of Association, which were adopted on 16 June 2010. The Charity's Patron until her death was Her Majesty the Queen. The Charity has petitioned His Majesty the King to seek His patronage but has yet to receive a reply; 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 2022:

- Peter Schofield CB (Chair)
- Sonia Phippard (Vice-Chair)
- Ross Campbell FCA (Treasurer)
retired 31 January 2023
- Selvin Brown MBE
- Mal Singh
- Joanna Dally
- James Renwick
- Clara Lane
- Matthew Brook

The following Trustees retired during 2022:

- Mark Addison CB
- Deborah Loudon
- Wendy Proctor

The following Trustees were appointed during 2022:

- Jaspal Roopra – 8 July 2022
- Michael Smith – 8 July 2022
- David Kuenssberg – 9 December 2022
appointed Treasurer from 1 February 2023

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 considered to facilitate the search for suitable candidates.

Trustees are appointed for an initial term of up to three years, 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 2022. The Board is supported by several sub-committees and advisory groups. Sub-committee and advisory group membership as at 31 December 2022 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* Ross Campbell Sonia Phippard Jaspal Roopra	Sonia Phippard* Ross Campbell Clara Lane Robert Woods † Alex Reeves †	Ross Campbell* Sonia Phippard Mal Singh Joanna Dally	Matthew Brook Michael Smith Selvin Brown James Renwick

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 advisors to the Charity are:

Auditors

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Investment managers

Columbia Threadneedle Investments
78 Cannon Street
London EC4N 6AG

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

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 situation 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 the steps that they should have taken as a Trustee 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.

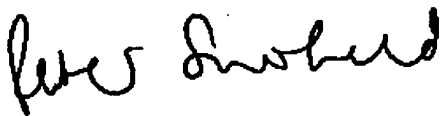
The Charity's governance structures continued to work well during 2022, and for the first time since the start of the pandemic, most Board meetings were held in person with a remote option for those unable to join face to face.

Larger committee meetings were also held predominantly in person, with smaller meetings being held virtually. The Trustees' annual Away Day was held in person, as was a training session held for trustees on fundraising.

A triennial externally facilitated board effectiveness review conducted in 2021 concluded that the Charity already had strong systems of governance in place, and work to apply the recommendations arising from the review was completed in 2022.

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 continue to consider how best to adopt and strengthen the recommended practices within the code over the next 12 months.

This Annual Report, which incorporates the Trustees' Strategic Report and Administrative Report, was approved by the Trustees on the 31 March 2023, and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Peter Schofield'.

Peter Schofield CB

Chair, Board of Trustees
31 March 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND THE TRUSTEES 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 2022 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 2022 and of 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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 their 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 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of 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 (FRS 102) 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 charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), employment legislation and taxation legislation.

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 the timing of recognition of legacy income, 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 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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 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 and the charitable company's trustees 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 15th May 2023

The Civil Service Benevolent Fund
operating as Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

Company Limited by Guarantee: 7286399
Registered Charity in England and Wales (1136870) and Scotland (SC041956)

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

		Unrestricted funds	Restricted funds	2022 Total Funds	2021 Total Funds
	Note	£000	£000	£000	£000
Income from					
Donations and legacies	2	4,763	1	4,764	4,453
Other income	2a	26	-	26	37
Investment income	3	345	-	345	300
Total income		<u>5,134</u>	<u>1</u>	<u>5,135</u>	<u>4,790</u>
Expenditure on					
Raising funds					
Fundraising and engagement		1,323	-	1,323	1,562
Investment management		95	-	95	91
Total cost of raising funds		<u>1,418</u>	<u>-</u>	<u>1,418</u>	<u>1,653</u>
Charitable activities					
Alleviating need		7,129	4	7,133	6,285
Total charitable activities		<u>7,129</u>	<u>4</u>	<u>7,133</u>	<u>6,285</u>
Total expenditure	4	<u>8,547</u>	<u>4</u>	<u>8,551</u>	<u>7,938</u>
Net (expenditure) for the year		(3,413)	(3)	(3,416)	(3,148)
Net (loss) on investments	10a	(2,594)	(4)	(2,594)	945
Actuarial (loss) on defined benefit pension scheme	16	(504)	-	(504)	(156)
Net movement in funds for the year		<u>(6,511)</u>	<u>(3)</u>	<u>(6,514)</u>	<u>(2,359)</u>
Reconciliation of funds					
Funds brought forward at 1 January		<u>34,851</u>	<u>48</u>	<u>34,899</u>	<u>37,258</u>
Funds carried forward at 31 December		<u>28,340</u>	<u>45</u>	<u>28,385</u>	<u>34,899</u>

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

The notes on pages 35-57 form an integral part of these Accounts.

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

		2022	2021
		Total	Total
	Note	£000	£000
Fixed assets			
Intangible assets	8	586	484
Tangible assets	9	690	716
Investment assets	10a	25,798	32,585
Total fixed assets		<u>27,074</u>	<u>33,785</u>
Current assets			
Debtors	11	1,376	768
Cash at bank and in hand		517	1,025
Total current assets		<u>1,893</u>	<u>1,793</u>
Liabilities			
Creditors: amounts falling due within one year	12	(582)	(679)
Net current assets		<u>1,311</u>	<u>1,114</u>
Total assets less current liabilities		<u>28,385</u>	<u>34,899</u>
Net assets excluding pension liability		<u>28,385</u>	<u>34,899</u>
Defined Benefit Pension Scheme liability	16	-	-
Total net assets		<u>28,385</u>	<u>34,899</u>
The funds of the Charity:			
Unrestricted funds		27,973	34,484
Revaluation reserve		367	367
Pension (deficit)	16	-	-
Total unrestricted funds	14	<u>28,340</u>	<u>34,851</u>
Restricted income funds	14	45	48
Total charity funds		<u>28,385</u>	<u>34,899</u>

Approved and authorised for issue by the Trustees on 31 March 2023 and signed on their behalf by:



Peter Schofield CB

Chair, Board of Trustees

The notes on pages 35-57 form an integral part of these Accounts.

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

	Note	2022 <u>£000</u>	2021 <u>£000</u>
Cash flows from operating activities:			
Net cash used in operating activities	A	(4,131)	(3,401)
Cash flows from investing activities:			
Investment income	3	1	300
Investment income reinvested		-	(313)
Purchase of intangible assets	8	(241)	(332)
Purchase of property, plant and equipment	9	(7)	(12)
Payments to pension fund	16	(573)	(653)
Rebate reinvested	10a	(8)	-
Disposal of investments	10a	4,450	4,199
Net cash provided by investing activities		3,623	3,189
Change in cash and cash equivalents in the reporting period		(508)	(212)
Cash and cash equivalents at the beginning of the reporting period		1,025	1,237
Cash and cash equivalents at the end of the reporting period	B	517	1,025
Notes to the cash flow statement			
A. Reconciliation of net income/expenditure to net cash flow from operating activities		2022 <u>£000</u>	2021 <u>£000</u>
Net (expenditure) / income for the reporting period (as per the statement of financial activities)		(6,514)	(2,359)
Adjustments for:			
Investment management fees	10a	94	-
Loss on investments	10a	2,594	(945)
Depreciation & amortisation charges	8 & 9	171	105
Investment income reinvested	3	(344)	-
Investment income		-	(300)
(Increase) / decrease in debtors	11	(607)	(317)
Increase / (decrease) in creditors	12	(97)	101
Net Pension scheme interest	16	(53)	-
Net pension scheme expenses	16	121	158
Pension scheme loss	16	504	156
Net cash used in operating activities		(4,131)	(3,401)
B. Analysis of cash and cash equivalents			
		2022 <u>£000</u>	2021 <u>£000</u>
Cash in hand		517	1,025
Total cash and cash equivalents		517	1,025

The notes on pages 35-57 form an integral part of these Accounts.

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

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 2023, a consideration of key risks 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 72.7% of the Charity's income in 2022. As reported in the financial review, contributions in 2022 reflected a net 7.8% decline and this trend has

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

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.

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 on the basis of estate accounts or, where not available, on the basis of probate asset values. Income from investments represents distributions, as notified by the investment managers, that are reinvested.

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

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

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

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	33⅓ % p.a. on cost

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

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 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: 33⅓ % per annum

Major system development: 20% 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, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the Statement of Financial Activities.

Investment charges

The arrangement with the investment manager, Columbia Threadneedle, is for the Charity to invest in two pooled funds where the fees are deducted directly in calculating the value of the units in the funds. Fees from this point are not separately identifiable and are in effect netted off in arriving at the gain on investments. The Ongoing Charges Figure (OCF) for the long-term fund is 0.56% (including an AMC of 0.40%). The OCF for the short-term fund is 0.53% (including an AMC of 0.40%). The Charity receives a 0.2% rebate on short dated fund's AMC, and this is reflected under

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

Other Income. The amount shown in the accounts is the estimated annual fees provided by the investment manager.

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 (SoFA). The actuarial losses on the scheme are recognised immediately as other recognised losses. The Charity does not recognise pension surpluses on its Balance sheet as FRS 102 only permits a surplus to be recognised where the employer is able to recover that surplus either through reduced contributions in future or through refunds from the plan.

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. Any resulting defined benefit liability will be 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

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

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 sources of uncertainty in our estimations that have a significant effect on the amounts recognised in the financial statements are the defined benefit pension scheme, estimated residuary legacies receivable and gift aid. Further details, including assumptions used, are disclosed in Note 16 (defined pension scheme), and under Income in the accounting policies (residuary legacies). Gift aid for claims in the year yet to be submitted have been estimated on the basis of average annual recovery rates.

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

2. Income from donations and legacies

	2022	2021
	<u>£000</u>	<u>£000</u>
Regular contributions from individuals	3,465	3,691
Contributions from employer organisations	753	196
Legacies	372	324
Donations	124	221
Fundraising events	50	21
	<u>4,764</u>	<u>4,453</u>

2a. Other income

	2022	2021
	<u>£000</u>	<u>£000</u>
Government Grants	-	11
Investment Rebate	8	-
Lotteries	18	26
	<u>26</u>	<u>37</u>

Income from Government Grants resulted from claims made to the Coronavirus Job Retention Scheme.

3. Investment income

	2022	2021
	<u>£000</u>	<u>£000</u>
Interest receivable	1	-
Change in accrued investment interest	-	(13)
Interest re-invested	-	243
Dividends re-invested	344	70
	<u>345</u>	<u>300</u>

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

4. Expenditure

	Financial Support (Note 4a) £000	Direct Activities £000	Support costs (Note 4b) £000	2022 Total £000	2021 Total £000
Costs of raising funds					
Fundraising & engagement	-	792	531	1,323	1,562
Investment costs	-	95	-	95	91
	-	887	531	1,418	1,653
Charitable activities					
Alleviating need	1,929	3,134	2,070	7,133	6,285
Total expenditure at 2022	1,929	4,021	2,601	8,551	7,938
Total expenditure at 2021	1,637	3,711	2,590	-	7,938

4a. Analysis of financial support

	2022 One-off £000	2022 Ongoing £000	2022 Total £000	2021 One-off £000	2021 Ongoing £000	2021 Total £000
to help in the following circumstances:						
- bereavement	114	-	114	114	-	114
- caring	2	-	2	2	-	2
- disability	111	-	111	113	-	113
- domestic abuse	39	-	39	44	-	44
- emergency situation	7	-	7	11	-	11
- ill health	125	38	163	270	65	335
- poor wellbeing	442	-	442	379	-	379
- reduced or low income	589	1	590	436	2	438
- relationship breakdown	372	-	372	181	-	181
- unstable/unsafe living arrangements	87	-	87	20	-	20
- community projects	2	-	2	-	-	-
	1,890	39	1,929	1,570	67	1,637

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

4b. Analysis of support costs

	Management	Governance	DB Pension Scheme	Finance	H.R	Insight & Analysis	IT & Systems	Central Services	2022 Total	2021 Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Costs of raising funds	-	-	-	-	-	-	-	-	-	-
Fundraising & engagement	147	6	24	44	60	57	143	49	530	536
Charitable activities	-	-	-	-	-	-	-	-	-	-
Alleviating need	589	24	97	177	241	228	517	197	2,070	2,054
In 2022	736	30	121	221	301	285	660	246	2,600	2,590
In 2021	655	40	158	243	234	254	769	237	-	2,590

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

4c. Analysis of governance costs

	2022 £000	2021 £000
Board of Trustee expenses	-	3
Annual report and accounts	8	7
Audit fees	27	24
	35	34

5. Net income/expenditure for the year

	2022 £000	2021 £000
This is stated after charging/crediting:		
Amortisation/depreciation charge for the year	171	105
Auditors' remuneration – audit fees (excluding VAT)	27	20

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

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 (2021: nil). No trustees were reimbursed travelling expenses during 2022 (2021: nil).

Employee and staff costs

	2022	2021
	<u>£000</u>	<u>£000</u>
Staff costs during the year were:		
Salaries	3,751	3,828
Employers' national insurance	382	392
Employers' regular pension scheme contributions	480	514
Total	<u>4,613</u>	<u>4,734</u>

During the year there were two redundancy payments totalling £40,045 (2021 £0). Other termination payments were £0 (2021: £6,420).

Average number of employees – Full-time equivalents

	Regional	HQ	2022	2021
Marketing and income generation	19	16	35	33
Help, advice and services	14	21	35	37
Management and central services	0.75	20	20.75	25
In 2022	<u>33.75</u>	<u>57</u>	<u>90.75</u>	<u>95</u>
In 2021	29	66	-	95

Average number of employees – Headcounts

	Regional	HQ	2022	2021
Marketing and income generation	20	17	37	34
Help, advice and services	17	22	39	42
Management and central services	1	23	24	28
In 2022	<u>38</u>	<u>62</u>	<u>100</u>	<u>104</u>
In 2021	32	72	-	104

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

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

	2022	2021
£60,001 - £70,000	3	2
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£90,001 - £100,000	0	2
£100,001 - £110,000	1	1
Employer (less salary sacrifice payments) pension	£57,259	£64,807

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 £436,576 (2021: £440,666), including salary, employer pension contributions, Health Cash Plan premiums and employer National Insurance contributions. Since April 2022, Directors have been enrolled in a salary sacrifice pension scheme. The total employers pension shown below in brackets therefore incorporates both employee and employer contributions. Our senior management team remuneration in 2022 was as follows:

Position	<u>Basic salary</u>	<u>Benefits</u>	<u>Employers pension</u>	<u>2022 Total remuneration</u>	<u>2021 Total remuneration</u>
Chief executive	£103,253	£0	£14,099	£117,352	£115,542
Director of help and advice	£82,295	£222	£11,521	£94,038	£93,084
Director of finance and corporate services (from 4.7.22)	£36,744	£111	£5,144	£41,999	-
Director of finance and corporate services (until 24.6.22)	£44,951	£111	£6,293	£51,355	£104,350
Director of strategic marketing and income generation	£79,099	£222	£10,297	£89,618	£85,163
Total remuneration				£394,362	£397,139
Employers NI				£42,209	£43,527
Dependents pension benefit annual premium (not BIK – closed 31 March 2020)					-
Grand total				£436,571	£440,666

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

7. Volunteers

At the end of 2022, the charity had a total of 107 Volunteers and Champions (2021: 975 volunteers) across the United Kingdom.

A new Assemble Volunteer Management System was launched at the end of November. Existing volunteer data was not integrated into the new system. Instead, we asked Champions to re-register in the role so we had a realistic number of those continuing to be engaged with the charity since the launch of the Champions in Nov 2020. Following this call to action the Charity had 80 Champions across by the end of 2022 (2021: 876) Our Champions are key to the awareness and engagement of the Charity and are motivated to ensure that their colleagues do not struggle through circumstances without the Charity's support. They do this by promoting the Charity's services and help offer. Encouraging fundraising and financial support by sharing information digitally within their workplaces.

Recruitment for our Skills Based Volunteering roles increased throughout the year with 25 individuals recruited to 5 different roles. This included 8 Feedback Forum Volunteers giving their insight and advice from the civil service community, 7 Events Volunteers represented the Charity at face-to-face events, 6 Community Engagement and Fundraising volunteers encouraging and involving people in fundraising activities, in readiness for our 2023 campaign, 4 Welsh Language Advocates helping proof read Welsh copy, enabling us to expand our bilingual offering, and 2 Volunteer Story Collectors helping us build a bank of volunteer stories to use as promotional and recruitment collateral throughout 2023.

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

8. Intangible fixed assets

	Website and software
<u>Cost or valuation</u>	<u>£000</u>
Balance at 01.01.2022	760
Additions	241
Disposals	(15)
Balance at 31.12.2022	985
<u>Accumulated amortization</u>	
Balance at 01.01.2022	276
Charge for the year	138
Disposals	(15)
Balance at 31.12.2022	399
Net book value at 31.12.2022	586
Net book value at 31.12.2021	484

9. Tangible fixed assets

	Freehold property	Fixtures, fittings and equipment	<u>Total</u>
<u>Cost or valuation</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Balance at 01.01.2022	940	341	1,281
Additions		7	7
Disposals	-	(15)	(15)
Balance at 31.12.2022	940	334	1,274
<u>Accumulated depreciation</u>			
Balance at 01.01.2022	262	305	567
Charges for the year	12	21	33
Disposals	-	(15)	(15)
Balance at 31.12.2022	274	310	584
Net book value at 31.12.2022	666	24	690
Net book value at 31.12.2021	678	38	716

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

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

Movements in the investment portfolio in the year	<u>2022</u> <u>£000</u>	<u>2021</u> <u>£000</u>
Market value at 1 January	32,585	35,526
Dividends received – re-invested	344	70
Interest re-invested	-	243
Net (disposals) Barings	-	(36,855)
Investment transferred to Columbia	-	33,956
Net (disposals) Columbia	(4,450)	(1,300)
Investment Rebate	8	-
Investment Management Fees	(95)	-
Net investment gain/(loss)	(2,594)	945
<u>Market value at 31 December</u>	<u>25,798</u>	<u>32,585</u>

The investments as at 31 December 2022 shown above as managed by Columbia Threadneedle have been valued at fair value (their market value) on 31 December 2022.

During 2021 the Charity appointed Columbia Threadneedle as investment manager, having previously invested through Barings. Investments are now held in two pooled funds: a short term and a long-term fund. The Charity owns shares in the pooled funds and has opted for accumulated shares. Any distributions due to the fund are not allocated as income but reinvested and form part of the fund's capital and reflected in an increased share price.

Market value of pooled funds as at 31 December 2022:

Funds	£000
Short Term Fund	866
Long Term Fund	24,932
Total held with Columbia Threadneedle	<u>25,798</u>

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

The Short-Term fund is mainly comprised of fixed income and cash to mitigate any short-term market volatility. The Long-term fund's asset weighting as at 31 December 2022 is analysed below:

Long Term Fund	Weighting (%)
Fixed Income	52%
Equities	37.4%
Commodities	4.5%
Cash	3.2%
Property	2.9%
Total	100.00%

(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 (2021: nil). In 2022 the subsidiary made a loss in the year and no donation has been made to the Charity. Its reserves at year end were £8,777 (2021: £9,060). At the year end, CSBF Enterprises Limited owed the charity £192 (2021: £825).

11. Debtors

	2022 £000	2021 £000
Other debtors		
Repayable grants	32	32
Sundry debtors	3	2
Prepayments	317	323
Accrued income		
Contributions from individuals	128	135
Legacies	247	200
Tax credits on gift aid donations	643	74
Other accrued income	6	1
Due from CSBF Enterprises Ltd	-	1
	1,376	768

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

12. Creditors – amounts falling due within one year

	<u>2022</u> <u>£000</u>	<u>2021</u> <u>£000</u>
Accrued financial grants payable	89	127
Trade creditors	242	305
Pension contributions	55	54
Taxation and social security costs	89	104
Accruals	107	89
	<u>582</u>	<u>679</u>

12a. Movement of financial support payable

	<u>£000</u>
Opening financial grants payable	127
Alleviating need recognised	1,929
Financial grant payments made during the year	(1,993)
Cancelled/refunded financial grants	26
Closing financial grants payable 2022	<u>89</u>

£89k (2021: £127k) of financial grants were approved and are due to be paid in 2023.

13. Operating leases – equipment

	<u>2022</u> <u>£000</u>	<u>2021</u> <u>£000</u>
Equipment Rentals charged in the year	17	27
	<u>2022</u> <u>£000</u>	<u>2021</u> <u>£000</u>
The total future minimum lease payments under operating leases are due as follows:		
- in less than one year	4	17
- in more than one year and less than five years	-	3

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

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 (2021: £0) and grants expenditure was £2k (2021: £660).

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 2022 was £0 (2021: £0) 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 2022, the interest earned on the restricted fund was £0 (2021: £0) and £0 was spent (2021: £0) on applications from CAA retirees or their dependants.

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 fund 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 in 2022 (2021: £0).

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

Dementia Fund

In 2014, CSIS Charity Fund donated £28,000 to be spent on Dementia services. £2k was spent in 2022 (2021: £4k). The funds will be focussed on the development of digital engagement.

Analysis of movements for the year ended 31 December 2022

Restricted Funds	Opening Balance	Income	Transfers between Funds	Expenditure	Closing Balance
	£000	£000	£000	£000	£000
Customs & Excise Family Fund	15	-		(2)	13
Fenton Trust	7	-			7
CAA Fund	5	-			5
Black Bequest Fund	2	-			2
Dementia Project Fund	19	-		(2)	17
DWP Legacy	-	1			1
Balance at 31 December 2022	48	1		(4)	45

Analysis of net assets by fund (2022)

	Intangible & tangible fixed assets	Investment assets	Net Current assets	Defined Pension scheme	Total
	£000	£000	£000	£000	£000
Unrestricted funds	1,276	25,798	1,266	-	28,340
Restricted funds	-	-	45	-	45
Balance at 31 December 2022	1,276	25,798	1,311	-	28,385

Analysis of movements for the Year Ended 31 December 2021

Restricted Funds	Opening Balance	Income	Transfers between Funds	Expenditure	Closing Balance
	£000	£000	£000	£000	£000
Customs & Excise Family Fund	16	-		(1)	15
Fenton Trust	7	-			7
CAA Fund	5	-			5
Black Bequest Fund	2	-			2
Dementia Project Fund	23	-		(4)	19
DWP Legacy	-	-			-
Balance at 31 December 2021	53	-		(5)	48

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

Analysis of net assets by fund (2021)

	Intangible & tangible fixed assets £000	Investment assets £000	Net Current assets £000	Defined Pension scheme £000	Total £000
Unrestricted funds					
General reserves	1,200	32,585	1,066	-	34,851
Pension reserve	-	-	-	-	-
Restricted funded	-	-	48	-	48
Balance at 31 December 2021	1,200	32,585	1,114	-	34,899

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

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.

A full triennial actuarial valuation of the defined benefit scheme was undertaken at 6 April 2022 by an independent qualified actuary. This revealed a surplus, on the assumptions used, of £1,129,000. The employers' historic recovery plan has therefore ceased with future contributions limited to a contribution to 50% of the expenses.

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

The Charity contributed £573k under the recovery plan during 2022. The best estimate of contributions to be paid by the Charity towards expenses for the year beginning 1 January 2023 is £94k.

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

	<u>2022</u> <u>£000</u>	<u>2021</u> <u>£000</u>
Fair value of scheme assets	15,369	24,768
Present value of scheme liabilities	(14,293)	(22,044)
Surplus / (deficit) in Scheme	1,076	2,724

The Charity has not recognised the pension surplus on its balance sheet as FRS 102 only permits a surplus to be recognised where the employer is able to recover that surplus either through reduced contributions in future or through refunds from the plan.

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

	<u>2022</u> <u>£000</u>	<u>2021</u> <u>£000</u>
Scheme liabilities at 1 January	22,044	23,363
Interest cost	391	321
Scheme expenses	-	158
Actuarial (gain) / loss	(7,510)	(898)
Benefits paid and expenses	(633)	(900)
Scheme liabilities at 31 December	14,293	22,044

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

	<u>2022</u> <u>£000</u>	<u>2021</u> <u>£000</u>
Fair value of scheme assets at 1 January	24,768	23,025
Change in employer's share	-	(8)
Interest income	444	320
Actuarial gain	(9,657)	1,678
Contributions by employer	568	653
Scheme expenses	(121)	-
Benefits paid & scheme expenses	(633)	(900)
Fair value of scheme assets at 31 December	15,369	24,768

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

Amounts included within Statement of Financial Activities

	<u>2022</u> <u>£000</u>	<u>2021</u> <u>£000</u>
Interest	53	(1)
Scheme expenses	(121)	(158)
	(68)	(159)
Actuarial (losses)	(504)	(156)
Total (charged) to the Statement of Financial Activities	(572)	(315)

The cumulative amount of actuarial gains or losses recognised in the statement of recognised gains and losses since the adoption of FRS102 is £1,621k loss (2021: £1,049k).

Fair value of scheme assets

	<u>2022</u> <u>£000</u>	<u>%</u>	<u>2021</u> <u>£000</u>	<u>%</u>
UK equity	-	-	-	-
Overseas equity	3,213	20.9%	4,816	19.4%
Global equity	-	-	8,846	35.7%
Absolute Return Bond Fund	3,697	24.1%	1,981	8.0%
Gilts	-	-	2,355	9.5%
Liability Driven Investment	-	-	6,683	27.0%
Cash	155	1.0%	87	0.4%
Other	8,303	54.0%	-	-
Total value of assets	15,368	100%	24,768	100%

Assumptions	<u>2022</u>	<u>2021</u>
Inflation (RPI)	3.4%	3.6%
Inflation (CPI)	3.00%	3.15%
Discount rate	5%	1.8%
Allowance for increase in pensions: lower of CPI or 5% (effective from April 2017)	3.00%	3.03%
Rate of revaluation of deferred pensions of CPI +1%	4.00%	4.15%
Rate of revaluation for deferred pensioners: Lower of CPI or 5%	3.00%	3.15%
Cash commutation allowance (% tax free cash)	-	85%
Withdrawal allowance	-	None
Assumed life expectations (no. years) on retirement age of 60		
- Retiring today: males	25.7	26.0
- Retiring today: females	28.2	28.6
- Retiring in 20 years: males	27.3	27.5
- Retiring in 20 years: females	29.7	30.1

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

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

	<u>2022</u> <u>£000</u>	<u>2021</u> <u>£000</u>	<u>2020</u> <u>£000</u>	<u>2019</u> <u>£000</u>	<u>2018</u> <u>£000</u>
Defined benefit obligation	15,369	24,768	23,025	21,175	(22,162)
Scheme assets	<u>(14,293)</u>	<u>(22,044)</u>	<u>(23,363)</u>	<u>(20,875)</u>	<u>20,371</u>
Surplus/(Deficit)	<u>1,076</u>	<u>2,724</u>	<u>(338)</u>	<u>300</u>	<u>(1,791)</u>
Adjustment due to limitations on recognition of surplus	(1,076)	(2,724)	300	(300)	-
Experience adjustment: gain/(loss) on scheme liabilities	(869)	(60)	153	678	(66)
Effect of changes in demographic/other assumptions re: the present value of the scheme liabilities; gain/loss	8,379	958	(2,767)	(1,350)	1,173
Return on scheme assets: gains/(losses) assets	<u>(9,657)</u>	<u>1,678</u>	<u>1,506</u>	<u>2,464</u>	<u>(1,333)</u>

17. Financial instruments

	<u>2022</u> <u>£000</u>	<u>2021</u> <u>£000</u>
Financial assets measured at fair value	<u>25,798</u>	<u>32,585</u>

Financial assets held at fair value include assets held as investments.

18. Related parties

During the year to 31 December 2022 the Charity recharged costs amounting to £0 (2021 £0) in relation to staff and office overheads to its wholly owned subsidiary CSBF Enterprises.

Charity for Civil Servants

Statement of financial activities for the year ended 31 December 2022

19. Statement of financial activities for the year ended 31 December 2021

	Unrestricted funds	Restricted funds	2021 Total Funds
	<u>£000</u>	<u>£000</u>	<u>£000</u>
<u>Income from</u>			
Donations and legacies	4,453	-	4,453
Other income	37	-	37
Investment income	300	-	300
<u>Total income</u>	<u>4,790</u>	<u>-</u>	<u>4,790</u>
<u>Expenditure on</u>			
Raising funds			
Fundraising and engagement	1,562	-	1,562
Investment management	91	-	91
Total cost of raising funds	<u>1,653</u>	<u>-</u>	<u>1,653</u>
Charitable activities			
Alleviating need	6,280	5	6,285
Total charitable activities	<u>6,280</u>	<u>5</u>	<u>6,285</u>
<u>Total expenditure</u>	<u>7,933</u>	<u>5</u>	<u>7,938</u>
Net (expenditure) for the year	(3,143)	(5)	(3,148)
Net (loss) on investments	945	-	945
Actuarial (loss) on defined benefit pension scheme	(156)	-	(156)
Net movement in funds for the year	<u>(2,354)</u>	<u>(5)</u>	<u>(2,359)</u>
Reconciliation of funds			
Funds brought forward at 1 January 2021	<u>37,205</u>	<u>53</u>	<u>37,258</u>
Funds carried forward at 31 December 2021	<u>34,851</u>	<u>48</u>	<u>34,899</u>

CHARITY FOR CIVIL SERVANTS



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