

Sustrans Limited
(A company limited by guarantee)

Annual report
for the year ended 31 March 2010

Registered no. 1797726
Charity no: 326550
SC039263 (Scotland)

THURSDAY



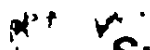
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Sustrans Limited

Registered number 1797726

Annual report for the year ended 31 March 2010

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Legal and administrative information

Constitution

Sustrans Limited is a company limited by guarantee and a registered charity governed by its memorandum and articles of association

Charity Number: 326550
SC039263 (Scotland)

Company Number: 1797726

Trustees and Directors

The trustees serving during the year and since the year end were as follows

John Butters (LC) (resigned May-09)
Gordon Clarke
Les Cullen (FC) (LC)
Chris Curling (FC) (LC)
Nigel Gibbons (FC) (LC)
Marian Lauder (Chair)
Paul McQuail (resigned Dec-09)
Chris Payne
Lester Willmington

(FC = sits on the Finance Committee)
(LC = sits on the Land Committee)

Chief Executive

Malcolm Shepherd

Senior Management Team

Andy Appleby
Huw Davies
Melissa Henry
Peter Lipman
Tiffany Newman
James Ryle
Andy Wistow

Secretary and registered office

Andy Appleby
2 Cathedral Square
College Green
Bristol
BS1 5DD

Registered auditors

PricewaterhouseCoopers LLP
Chartered Accountants
31 Great George Street
Bristol BS1 5QD

Solicitors

Osborne Clarke
2 Temple Back East
Bristol
BS1 6EG

McCartney Stewart
1B Paisley Road
Renfrew
PA4 8JH

Bankers

Principal banker
The Co-operative Bank plc
9 Prescott Street
London E1 8BE

Other bankers

Lloyds Banking Group plc
21 Prince Street
Bristol
BS99 7JG

The Royal Bank of Scotland plc
36-38 Baldwin Street
Bristol
BS1 1NR

Report of the trustees for the year ended 31 March 2010

The trustees, who are also Directors of the Charity for the purposes of the Companies Act, submit their annual report and audited financial statements for the year ended 31st March 2010. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the Charity.

Aims and Objectives of the Charity

Sustrans is the UK's leading sustainable transport charity.

Our vision is a world in which people choose to travel in ways that benefit their health and the environment.

Our mission is to work every day on practical and imaginative solutions to the transport challenges affecting us all.

Our aim is to transform the UK's transport system and culture, so that

- the environmental impacts of transport, including its contribution to climate change and resource depletion, are significantly reduced;
- people can choose more often to travel in ways that benefit their health;
- people have access to essential local services without the need to use a car,
- local streets and public spaces become places for people to enjoy.

In order to achieve this transformation, our objectives are

- to make local environments safe and more attractive for walking and cycling
- to support and encourage individuals to make more sustainable and healthy travel choices, through motivational and information programmes
- to influence policy and practice by communicating the outcomes of our own work, and the benefits of sustainable and healthy travel, to a wide audience.

How we work

To deliver our objectives each year we plan to

- **Build on success** – extending the reach of our major successful programmes such as TravelSmart and Bike It to every region and country in the UK, and continuing to extend the reach of the National Cycle Network
- **Integrate our programmes** – sustainable travel behaviour change requires a mix of infrastructure and community engagement. The effectiveness of our programmes will therefore be greatly enhanced if we implement them together, wherever possible, and combine them with projects delivered by others (such as through Sustainable Travel/ Cycling Development Towns) to create area-wide solutions to enable people to walk, cycle and use public transport
- **Expand this integrated approach to every region and country in the UK** – as this happens so our offices in Scotland, Wales, Northern Ireland, London and the English regions will be responsible for developing opportunities for and delivering an ever wider range of new and existing Sustrans projects, reflecting national and regional priorities
- **Continue to innovate** – devising and testing new approaches to improving local environments and to overcoming other barriers to walking and cycling, consolidating our existing demonstration projects such as DIY Streets and Active Travel, and pioneering new ones where there is need or opportunity. We will scale up those with potential to meet our objectives and relinquish others that are capable of replication to the same high standard without our involvement
- **Expand and resource our policy work and capability** – with a view to supporting our current and future work and having greater impact on national and regional policies and practice
- **Rigorously monitor and evaluate all our programmes** – to share learning and good practice across the organisation as well as to use this to influence government policy and practice at all levels

What we do

We create public space to enable many more people to walk and cycle, and that focus on accessibility for residents rather than the speed of those passing through, making streets and neighbourhoods more attractive places to be

We bring about travel behaviour change. We do this by giving local travel information to people at home, by giving children the opportunity to develop active travel habits, particularly to school, and by working with employers and communities to enable people to travel more actively for their everyday journeys

We influence government policy. We do this by measuring and quantifying the outcomes of our work in terms of their benefit to health, the environment, quality of life and value for money.

The **National Cycle Network** is a great success story. Over 12,000 miles have been completed so far, a third of which is traffic free. While 55% of people now live within a mile of the Network, our ambition is to extend it into the heart of communities throughout the UK giving people the choice of healthy, environmentally friendly travel for many more of their everyday journeys

GOAL (Greenways for the Olympics and London) is our vision for achieving this in London, and **Connect2** will achieve this in 79 communities throughout the UK by enabling people to cross busy roads, rivers and railways, connecting them to the local places they want to go

Our **Volunteers** are our eyes and ears in communities throughout the UK - 2,500 people who give their free time to support Sustrans. Many maintain and sign the Network to enable as many people as possible to use it, others champion our efforts within schools and workplaces, and others help the charity to be more financially sustainable by holding fundraising events.

Our **Active Travel** team is persuading government to promote walking and cycling as a way of combating obesity, heart disease and cancer, and delivering a portfolio of practical projects to help demonstrate how this can be achieved

Sustrans pioneered **TravelSmart** in the UK – a unique service that gives households the tailor-made information they need to walk, cycle and use public transport more for their everyday journeys

Safe Routes to Schools was also pioneered by Sustrans in the UK, based on a Danish model, and with **Bike It**, where officers work directly with children in schools, and **Links to Schools** Sustrans is creating the best environment to make cycling and walking to school both safe and fun. In combination our school travel work gives children the skills they need to travel independently and actively, and parents peace of mind

City living for the 21st century should put people at the heart of their community. Our **Liveable Neighbourhoods** team seek to create streets where children can play



safely, people have good local access, neighbours can chat, and green spaces are encouraged

Creating truly fantastic spaces that can be appreciated by everyone is key to encouraging more people to re-populate public space. Our **Art and the Travelling Landscape** team regularly commission quality public artworks including sculptures, seats and drinking fountains, positioned along the National Cycle Network and within communities throughout the UK.

Evaluation and feedback

A vital part of our work is the monitoring of the effectiveness of all our activities. We have a dedicated and highly respected Research and Monitoring unit which comprehensively monitors and evaluates all our major work programmes, to assess their impact on increasing walking and cycling.

We also gain feedback in the following ways:

- Through our involvement in and influence on government policies and papers
- Through the range of partner organisations we work with
- Through the number of people and organisations we reach through our work and communication programmes
- Through the widespread adoption of projects that we have successfully piloted

Objectives, Aims and Achievements during 2009/10

During 2009/10 Sustrans aimed to continue to do all we could to enable more people to walk, cycle and use public transport for millions of everyday journeys

Key performance indicators

Sustrans does not have one or two “key performance indicators” Instead, the success of each of our projects is measured in a number of ways, as shown in the following pages

InfrastructureNational Cycle Network & Local Routes

Start a new partnership agreement with Transport for London, seeing Sustrans leading the delivery, monitoring and promotion of Greenways across the capital

- *We started working with Transport for London to deliver, monitor and promote traffic-free walking and cycling ‘greenways’ across the capital.*

Report increased usage on the National Cycle Network based on extensive research and monitoring

- *Our most recent data from the National Cycle Network revealed that, at 386 million journeys, average usage has now topped one million trips per day for the first time in the Network’s history.*

Hold a series of ‘Fresh Air Miles’ bike rides organised by volunteers – family-friendly fundraising rides on traffic-free sections of the National Cycle Network with the aim of bringing people back to cycling

- *Hundreds of people took part in a series of ‘Fresh Air Miles’ walks and bike rides. These leisurely, family-focussed fundraising events helped to reintroduce the joy of cycling to many people who had given up on the idea of getting around by bike*

Launch new online mapping on the Sustrans website to enable people to find their way on foot, bike or public transport to their local shops, schools and green spaces as well as further afield

- *We launched a new online mapping service, making it easy for anyone with internet access to find local walking and cycling routes as well as public transport information and local shops and services. Usage of the mapping continues to grow, and it is being used widely in schools, workplaces, within communities and other places where Sustrans works to enable more people to walk, cycle and use public transport*

Increase the number of people giving up a car journey for our Change Your World campaign to 15,000 and persuading them to walk, cycle or use public transport instead

- *Change your World ran successfully for the third year – over 8,000 people pledged to change a car journey to a more sustainable way of getting around.*

Launch and run Sustrans' Bike Belles website for women aimed at understanding the barriers to cycling amongst women, and then using this information to advise on what needs to change to encourage many more women to travel by bike.

- *We launched our Bike Belles website as part of our campaign to tackle the gender imbalance amongst cyclists.*
- *The themes of Bike Belles clearly resonated with thousands of women in the UK and at the end of the year Sustrans presented a 9,000 voice petition to government asking for safer cycling provision for women (and everyone else).*

Sculpture

Implement proposed projects to develop high quality public space by involving communities wherever possible in working with artists to develop an inspiring local environment

- *We installed ten new artworks on a section of the Network in Lincolnshire. The Network now hosts the largest collection of outdoor art in the UK – all of which is freely available to all, 365 days of the year*

Connect2

Complete, with our many partners, a further three Connect2 schemes, part of a UK-wide project to transform local travel for millions of people by building new crossings of busy roads, railways and rivers, connecting to networks of walking and cycling routes.

- *Parents with buggies, cyclists and wheelchair users now find it far easier to explore Watermead Country Park in Leicester, thanks to Sustrans' Connect2 project renovating an old canal bridge. Connect2 consists of 79 Big Lottery Funded schemes which are bringing new walking and cycling networks to approximately six million people*

Soft Measures

Bike It

Begin work with new schools in rural areas of Northern Ireland to increase the levels of children walking and cycling

Extend Bike It to reach 100,000 children in schools in England and Wales, provided by 70 staff, giving them the skills they need to cycle to school, and their parents the peace of mind to let them

- *Our successful school cycling project, Bike It, was extended to Northern Ireland. We were able to increase the opportunities to walk and cycle to school for more than 100,000 children, giving them a healthy, active travel habit for life*

Travel Actively

Continue work on Travel Actively, the portfolio of 50 projects funded by the Big Lottery Fund's Well-being programme, with the aim of providing nearly two million people with opportunities to be more active by 2012

- *Over 20,000 people were reintroduced to the joys of walking and cycling through activities as diverse as family bike rides, lunchtime health walks and cycle maintenance courses*

Travelsmart

Complete our work on three TravelSmart projects in Exeter, Lowestoft and Watford working with 30,000 households to enable people to walk, cycle and use public transport more. TravelSmart reduces car use by up to 14%

- *We helped over 30,000 households make smarter daily travel choices by giving them the support and information they needed*

Infrastructure & Soft Measures

Continue work with the Scottish Government to tackle the school run and develop and improve the National Cycle Network

- *We continued to work with the Scottish Government on tackling the school run, publishing a groundbreaking hands up survey of how children travel to school in Scotland – the biggest survey of its kind – which will now become an annual count to inform the work necessary to increase levels of active travel to school*

Publish and widely distribute a policy call detailing the major changes needed to deliver genuinely sustainable travel throughout the UK.

- *More Haste, Less Speed – Sustrans' call on governments UK wide to double the number of local journeys being made by foot, bike and public transport from 2 to 4 out of 5 was published.*

Objectives and aims 2010/11InfrastructureNational Cycle Network & Local Routes

- We will work with a wide range of partners to develop a tourism strategy and plan for the National Cycle Network as a contribution to developing sustainable tourism in the UK responding to the need to travel less far and less fast, and to cater for people choosing to holiday at home
- Continue to develop the National Cycle Network to serve everyday destinations like stations and schools. We will develop links to stations in Wales, enabling people to walk and cycle to catch trains, making more sustainable integrated travel possible

Sculpture

- Begin delivery of a new series of artworks around the UK by involving local communities in the design and installation of portrait benches to celebrate the completion of these local walking and cycling networks

Links to Schools

- We will work in a further 150 communities in England to create traffic-free links to schools to the benefit of many thousands of children and the wider community
- Complete with our many funders 10 local walking and cycling networks focused on new bridges and crossings in communities UK-wide, enabling thousands to walk and cycle to everyday destinations.

Soft MeasuresLiveable Neighbourhoods

- Publish the results of our work with communities to pilot affordable ways of reducing traffic speeds on residential streets and produce a toolkit and 'how to' guide to help more communities to tackle speeding traffic and improve their quality of living, and work with new partners to roll out this approach to other UK neighbourhoods

Travelsmart

- Complete our work with 25,000 individual households in Ipswich, Broxbourne and Croydon to enable people to walk, cycle and use public transport more
- We will complete our evaluation of the work done during 2009 in Exeter, Lowestoft and Watford in anticipation of seeing a 10-14% reduction in car trips
- We will pilot new ways of developing the work we do with households on travel behaviour change to promote a wider range of pro-environmental behaviours such as reducing energy use.

Infrastructure & Soft Measures

- Bring together the experience from our established infrastructure and behaviour change programmes and from our smaller pilot projects to develop new, integrated and cost-effective solutions for promoting walking and cycling in communities, schools, colleges and universities and in workplaces across the UK

Financial Review

In 2009/10 Sustrans has continued the trend of growth seen over recent years. This has been most marked with our highly successful Links to Schools project. Now in its sixth year, income rose to £13m, which includes income shown within Monitoring Bike It too continued its year on year income growth, rising to £3.8m this year and extending the reach of the project into Scotland and Northern Ireland.

Growth of existing projects was not at the expense of new initiatives. 2009/10 saw our first Universities project, in Nottingham, and also work on the NCN made possible by the Future Jobs Fund.

Sustrans staff numbers again rose, from 270 in 2008/09 to 308 in 2009/10 (full time equivalent average). Over the same period Bike It staff numbers have risen from 49 to 73.

2009/10 was the second full year of activity on our two large projects part-funded by the Big Lottery Fund, "Travel Actively" and "Connect2". The nature of these projects is explained elsewhere in this report, and on our website at www.sustrans.org.uk. Both have seen increased levels of activity.

Overall therefore it is not surprising to see a significant jump in income, from £26.1m last year to £40.7m in 2009/10. However, when comparing these figures the rules under which these financial statements are prepared must be remembered. The Charities Statement of Recommended Practice (SORP) requires preparers of accounts to recognise grant income when received (unless the grant is "performance related") rather than when work is performed. Accordingly, large receipts can be received and therefore recognised in a different financial year to that in which the work is delivered.

The Trustees continue to review the reserves of the Charity on an annual basis as part of the planning process. In the financial year reserves increased by £931k (2008/09 £729k) - the explanation for movements between Restricted, Designated and Unrestricted funds is given in Notes 12, 14, and 15 to the accounts, respectively.

The Trustees regularly review the investment policy to be applied to any cash deposits held by the Charity. Cash balances are largely required for working capital and to meet short-term obligations. Owing to the volatility of equity and other markets, the Trustees have for many years adopted a 'no market risk' investment strategy to safeguard the Charity's cash assets.

2009/10 was another difficult year for UK banks, so whilst Sustrans seeks to minimise investment risk the Trustees acknowledge the difficulties presented by the ongoing uncertainty within the wider economy. Over the year the Trustees sought to minimise the exposure of the charity by holding funds with three large banks. These include our main banker, the Co-operative Bank plc, which has an enviable ethical policy, together with Lloyds Banking Group plc and Royal Bank of Scotland plc where the UK Government is a major shareholder.

Employees

Sustrans does employ disabled people and has continued its policy of giving disabled people full and fair consideration for all job vacancies for which they offer themselves as suitable applicants, having regard to their particular aptitudes and abilities. Training and career development opportunities are available for all employees and, if necessary, retraining of an employee who becomes disabled is given.

The Company's policy is to continue to develop its communications with all employees, to inform them on matters of concern to them as employees and to promote awareness of the financial and economic factors affecting the performance of the Company and, subject to practical and commercial considerations, to consult them in decisions that affect their current jobs or future prospects.

Governance and Management

Sustrans is governed by its Trustees operating under the terms of the Memorandum & Articles of Association. The senior executive committee is the Senior Management Team (SMT) which recommends strategies to the Board for approval. This Group is comprised of senior staff drawn from all disciplines of the organisation. Meetings are held monthly and usually last for one day. Their purpose is to review the performance of the Charity's work, address issues arising on the integration and co-ordination of projects and the allocation of resources, geographically and by project.

Sustrans is governed by an independent Trustee body, the members of which have a wide range of skills and experience. They are appointed for a period of three years, which is renewable normally no more than once. The Trustees, together with the SMT, identify the skills, experience, and geographical location required among the Trustees, and ensure that the board reflects this need each year.

The Trustees meet four times a year to review strategy and performance and to agree operating plans and annual budgets. Trustees also form key committees within Sustrans, including the Finance and Land Committees, which meet as required, typically quarterly. The members of these committees are shown on page 1.

Trustees monitor and have overall responsibility for:

- approving the overall strategy and supporting work plans of the organisation, together with the allocation of the necessary resources to achieve the defined objectives,
- ensuring that the Charity has appropriate systems of controls, financial and otherwise,

- keeping proper accounting records which comply with the Companies Act 2006 and the Charities' SORP,
- safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities,
- providing assurance that the Charity is operating efficiently and effectively, carrying out a risk assessment to identify possible risks to the achievement of the Charity's objectives and establish procedures, actions and systems to mitigate them.

This monitoring of financial and other areas of performance ensures that the Trustees are continually appraised of progress and the risks the Charity faces

As part of its normal planning procedures, the Board of Trustees has reviewed during the year an assessment of the risks to which the charity is exposed, particularly 'business', 'operational', 'liquidity' and financial risks, and introduced procedures and reporting regimes to manage and reduce the identified risks. Trustees have agreed clear lines of delegation and authority to appropriate managers and involved staff in recognition of risk in all their activities

According to Charities' best practice, Sustrans' Trustees have conducted an exercise to ensure that a set of new criteria for charities, set out in the Charities Act 2006, are met. The Trustees have concluded that

- Sustrans' purposes remain charitable
- Sustrans satisfies the public benefit test.

Statement of Trustees' Responsibilities

Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Trustees are required to

- Select suitable accounting policies and then apply them consistently,
- Make sound judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

In accordance with company law, as the Company's directors, we certify that.

- so far as we are aware, there is no relevant audit information of which the Company's auditors are unaware, and
- as the directors of the Company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information

Connected Charities

Railway Paths Limited was established as a Charity in May 1998 to take ownership of a number of disused railway lines from Rail Property Ltd. One of the charitable objectives of Railway Paths Limited is to make these lines available to Sustrans for development of walking and cycling routes.

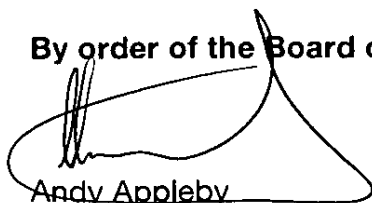
Under the guidelines of the Charities' SORP, Railway Paths Limited is a 'connected charity' as some of its members are common to Sustrans. Mr M. Shepherd, Sustrans' Chief Executive, and Mr. H. Davies, Sustrans' NCN Director, are also trustees of Railway Paths Limited. Mr C. Curling is a Trustee of both Sustrans and Railway Paths Limited.

Each charity supports the work of the other. To aid efficiency Sustrans provides an accounting and administrative service to Railway Paths Limited, and charged £10,000 for this service in the year under review. Railway Paths Ltd is contracted by Sustrans to provide Estate Management services and received £10,000 during the year.

Auditors

A resolution to re-appoint PricewaterhouseCoopers LLP as auditors will be proposed at the annual general meeting.

By order of the Board of trustees



Andy Appleby
Company Secretary
3rd July 2010

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF
SUSTRANS LIMITED**

We have audited the financial statements of Sustrans Limited for the year ended 31 March 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with those Acts.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with those financial statements.

We also report to you if, in our opinion, the company has not kept adequate and proper accounting records, if the company's financial statements are not in agreement with these accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Report and the legal and administrative information. We consider the implications for our report if we become aware of any apparent misstatements or

material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

Basis of audit opinion

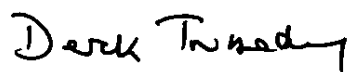
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure and cash flows, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.



Derek Trubody (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

PricewaterhouseCoopers LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Bristol

5th July 2010

Statement of Financial Activities **for the year ended 31 March 2010** **(including Income and Expenditure account)**

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2010 £'000	Total Funds 2009 £'000
<u>Incoming resources</u>					
Incoming resources from charitable activities					
Infrastructure		4,685	20,510	25,195	12,593
Soft measures		2,879	9,575	12,454	9,958
	3	7,564	30,085	37,649	22,551
Incoming resources from generated funds					
Interest received and rental income		164	5	169	483
Donations from Supporters		2,870	-	2,870	2,907
Realised gains on disposal of land		27	-	27	156
		3,061	5	3,066	3,546
Total incoming resources		10,625	30,090	40,715	26,097
<u>Resources expended</u>					
Costs of generating funds					
Fundraising and supporters costs		648	-	648	672
Charitable activities					
Infrastructure		5,935	20,661	26,596	14,442
Soft measures		805	11,679	12,484	10,170
		6,740	32,340	39,080	24,612
Governance costs		56	-	56	84
Total resources expended	4	7,444	32,340	39,784	25,368
Net incoming / (outgoing) resources before transfers					
Gross transfers between funds	16	3,181	(2,250)	931	729
Net movement in funds		(2,153)	2,153	-	-
		1,028	(97)	931	729
Total funds brought forward at 1 April		4,638	985	5,623	4,894
Total funds carried forward at 31 March	16	5,666	888	6,554	5,623


The Charity has no recognised gains and losses other than those included above, and therefore no separate statement of total recognised gains and losses has been presented. All income and expenditure relates to continuing operations.

There is no difference between the net incoming resources for the year stated above and its historical cost equivalent.

Balance Sheet at 31 March 2010

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2010 £'000	Total Funds 2009 £'000
Fixed Assets					
Tangible assets	8	1,800	1,140	2,940	2,953
Current Assets					
Debtors	9	1,657	-	1,657	2,343
Cash at bank and in hand	10	11,687	14,909	26,596	12,494
		13,344	14,909	28,253	14,837
Creditors amounts falling due within one year	11	(9,478)	(15,161)	(24,639)	(12,167)
Net current assets / (liabilities)		3,866	(252)	3,614	2,670
Net assets		5,666	888	6,554	5,623
Funds					
Restricted	12			888	985
Designated	14			4,300	3,093
Unrestricted	15			1,366	1,545
Total funds				6,554	5,623

The financial statements on pages 17 to 37 were approved by the trustees on 3rd July 2010 and were signed on their behalf by.



Trustee
Marian Lauder

Cashflow Statement for the year ended 31 March 2010

	2010 £'000	2009 £'000
Net cash inflow / (outflow) from operating activities	<u>14,003</u>	<u>(3,418)</u>
Returns on investments and servicing of finance		
Interest received	111	461
Rental receipts	<u>58</u>	<u>22</u>
	<u>169</u>	<u>483</u>
Capital expenditure		
Purchase of tangible fixed assets	(165)	(39)
Sale of tangible assets	<u>100</u>	<u>195</u>
	<u>(65)</u>	<u>156</u>
Cash inflow / (outflow) before financing	14,107	(2,779)
Financing		
Repayment of interest free loans from supporters	(5)	(3)
Increase / (Decrease) in cash in the year (note 10)	<u>14,102</u>	<u>(2,782)</u>

	2010 £'000	2009 £'000
Operating activities		
Net incoming resources for the year	931	729
Net return on investments and servicing of finance	<u>(169)</u>	<u>(483)</u>
Net incoming resources before returns on investments and servicing of finance	762	246
Depreciation of fixed assets	71	68
Property impairment	34	209
Realised gains on disposal of land	(27)	(156)
Decrease / (Increase) in trade debtors	695	(86)
Increase in sundry debtors and prepayments	(9)	(56)
Decrease in trade creditors	(602)	(575)
Increase in taxation and social security	56	81
Increase in deferred income	239	216
Increase / (Decrease) in grants payable to partner organisations and other accruals	12,861	(3,391)
(Decrease) / Increase in Landfill Tax receipts in advance	(77)	26
Net cash inflow / (outflow) from operating activities	<u>14,003</u>	<u>(3,418)</u>

There is no movement on net debt in the year other than cash

Notes to the Financial Statements for the year ended 31 March 2010

1 Principal accounting policies

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments that are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006.

(b) Fund Accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in Note 14 to the financial statements.

Restricted Funds - The major project of the Charity is the design, development and construction of the National Cycle Network. Any income identified specifically for other projects by the donor or by the terms of an appeal is treated as restricted funds. Likewise, funds established through agreements with local authorities and BRB (Residuary) Ltd (formerly British Rail) for the future maintenance and development of specific routes are restricted funds. The assets and liabilities attached to these agreements form part of these funds, as does any income arising from the use of the assets. The description and purpose of these restricted funds are provided in Note 12.

(c) Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Invoices outstanding on the Charity's construction and other expenditure to the year end have been included in these accounts. In some cases payments have been made in advance of expenditure or an initial mobilisation payment received. In these cases the element of payment in advance has been included in creditors.

Receipts under the landfill tax credit scheme and other payments in advance are accounted for as deferred income within creditors until the Charity has met the conditions of the relevant project, at which point the creditor is released to income over the life of the project.

(d) Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Support costs and costs that cannot be directly attributed to particular headings, have been allocated to activities on the basis of the head count. Non-recoverable VAT is attributed to the heading of cost where the expenditure is incurred.

All expenditure up to the year-end payable on projects under the management of the Charity has been included in the accounts. Some wages and operating costs were funded through various employment action schemes administered by other agencies. This expenditure was not paid through the Charity and has not been included in the accounts.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

(e) Tangible fixed assets

The cost to the Charity of freehold land and buildings purchased with the resources of the Charity and of fixtures and fittings is capitalised.

Land to be used for paths and landscaping has not been revalued, but is retained at not less than cost. It is not the intention of the trustees to dispose of such land.

Tangible fixed assets costing more than £1,500 are capitalised and included at cost.

Depreciation is calculated to write off the cost of tangible fixed assets over their expected useful lives on a straight-line basis. Freehold land and buildings are not depreciated because, in the opinion of the directors, the net realisable value of these assets is not materially different from their cost. Assets not depreciated are subjected to an annual impairment review.

The rates of depreciation utilised are as follows:

NCN Centre refit	10% per annum
Computer Equipment	33.3% per annum
Plant and machinery	30.0% per annum

(f) Maintenance

The Charity has a maintenance liability over a number of disused railways where it owns the land and structures upon it. A planned maintenance policy is adopted with routine maintenance expenditure being funded from Restricted funds and Designated

funds as appropriate. Significant short-term maintenance liabilities are provided for as and when they are identified.

(g) Taxation

The Company is a non-profit making organisation and a registered charity with the Charity Commissioners. It is generally exempt from Corporation Tax and there is no tax charge for the year.

(h) Operating Leases

Income and costs in respect of operating leases are credited/charged on a straight-line basis over the lease term.

(i) Pension costs

The Charity makes contributions to a defined contribution pension scheme on behalf of certain staff members. The cost of these contributions is charged in the accounts as incurred. This scheme is available to all staff.

2 Grant programmes in respect of Partners

Sustrans is the coordinator of a number of grant programmes which further the development of the National Cycle Network and other projects. During the financial year, funds from the Welsh Assembly, the Scottish Government, the Big Lottery Fund, and the Department for Transport were paid over to Local Authority Partners. Further details of these projects can be found in note 13 to these accounts and on Sustrans website (www.sustrans.org.uk).

Our Travel Actively project is delivered through a consortium of partners. They are CTC, Ramblers, Leeds University, Cycling Projects, Cornwall & Isles of Scilly PCT, London Cycling Campaign, Living Streets and Walk England.

3 Incoming resources from charitable activities

	Unrestricted £'000	Restricted £'000	Total 2010 £'000	Total 2009 £'000
Infrastructure				
<u>National Cycle Network</u>				
NCN route development	3,329	924	4,253	3,448
NCN construction funded by Landfill Tax Credits	-	46	46	114
Scottish Government funded NCN enhancement	-	2,869	2,869	1,552
Welsh Assembly Government funded Celtic Trail / VCN	-	314	314	651
Grants including Chantable Trusts	181	-	181	142
Maintenance	126	18	144	197
Sculpture	15	43	58	37
Volunteer Ranger Programme	50	84	134	134
National and Regional implementation	412	102	514	606
Mapping and publications	336	266	602	304
Research & Monitoring Unit	234	651	885	477
Future Jobs Fund	-	346	346	-
	4,683	5,663	10,346	7,662
<u>Connect 2- part funded by Big Lottery Fund</u>				
	2	2,111	2,113	1,587
<u>Department for Transport funded Links to Schools</u>				
	-	12,736	12,736	3,344
	4,685	20,510	25,195	12,593
<u>Soft measures</u>				
<u>Active Travel</u>				
Active Travel England	127	51	178	257
Active Travel Scotland	-	190	190	192
Active Travel Wales	157	147	304	326
Travel Actively - part funded by Big Lottery Fund	81	620	701	569
	365	1,008	1,373	1,344
<u>Bike It</u>				
Bicycle Association / Cycling England / Local Authorities	321	875	1,196	1,135
Cycling Demonstration Towns & City	717	3	720	50
Primary Care Trusts	476	179	655	143
Transport for London	-	158	158	143
Travel Actively - part funded by Big Lottery Fund	145	687	832	451
Welsh National Assembly / Bicycle Association	-	120	120	120
Bicycle Association - NI	-	41	41	-
Bicycle Association - Scotland	-	120	120	-
	1,659	2,183	3,842	2,042
<u>Liveable Neighbourhoods</u>				
	144	85	229	200
<u>School Travel</u>				
School Travel Scotland	-	1,741	1,741	1,972
School Travel Northern Ireland	41	14	55	71
School Travel Wales	3	50	53	-
School Travel UK	28	106	134	158
	72	1,911	1,983	2,201
<u>Travel Actively- part funded by Big Lottery Fund</u>				
	-	3,667	3,667	2,565
<u>Travelsmart</u>				
Travel Actively - part funded by Big Lottery Fund	222	485	707	1,025
Other projects	279	236	515	581
	501	721	1,222	1,606
<u>Universities</u>				
	138	-	138	-
	2,879	9,575	12,454	9,958
	7,564	30,085	37,649	22,551

4 Analysis of total resources expended

	Direct staff costs £'000	Support costs £'000	Other direct costs £'000	Total 2010 £'000	Total 2009 £'000
Cost of generating funds					
Fundraising and supporters	187	8	453	648	872
Costs in furtherance of the charity's objects					
Infrastructure					
National Cycle Network					
NCN route development	637	7	2 759	3,403	2 812
NCN construction funded by Landfill Tax Credits	-	-	46	46	114
Scottish Government funded NCN enhancement	190	-	2,679	2,869	1,552
Welsh Assembly Government funded Celtic Trail / VCN	-	-	314	314	651
Maintenance	150	18	1 047	1,215	926
Sculpture	43	2	71	116	71
Volunteer Ranger Programme	337	15	166	518	442
National and Regional implementation	1 264	88	181	1,533	2,212
Mapping and publications	109	5	457	571	300
Research & Monitoring Unit	379	19	420	818	439
Future Jobs Fund	7	-	339	346	-
	3,116	154	8 479	11,749	9,519
Connect 2- part funded by Big Lottery Fund	760	8	1,343	2,111	1,579
Department for Transport funded Links to Schools	427	3	12,306	12,736	3,344
	4 303	165	22,128	26,596	14 442
Soft measures					
Active Travel					
Active Travel England	120	6	2	128	222
Active Travel Scotland	79	3	127	209	188
Active Travel Wales	219	7	135	361	338
Travel Actively - part funded by Big Lottery Fund	359	15	326	700	578
	777	31	590	1,398	1,326
Bike It					
Bicycle Association / Cycling England / Local Authorities	1,062	48	60	1,170	960
Cycling Demonstration Towns & City	295	11	412	718	57
Primary Care Trusts	248	1	406	655	158
Transport for London	73	1	91	165	160
Travel Actively - part funded by Big Lottery Fund	386	25	416	827	550
Welsh National Assembly / Bicycle Association	63	3	53	119	121
Bicycle Association - NI	15	-	35	50	-
Bicycle Association - Scotland	22	-	98	120	-
	2 164	89	1,571	3,824	2,006
Liveable Neighbourhoods	200	8	77	285	238
School Travel					
School Travel Scotland	195	7	1,537	1,739	2,010
School Travel Northern Ireland	11	-	51	62	126
School Travel Wales	38	7	6	51	-
School Travel UK	107	-	27	134	149
	351	14	1,621	1,986	2,285
Travel Actively- part funded by Big Lottery Fund	128	3	3,535	3,666	2,568
Travelsmart					
Travel Actively - part funded by Big Lottery Fund	218	10	418	646	1,107
Other projects	174	10	358	542	640
	392	20	776	1,188	1,747
Universities	86	4	47	137	-
	4,098	169	8,217	12,484	10,170
Costs in furtherance of the charity's objects	8,401	334	30,345	39,080	24,612
Governance costs					
Costs of Trustee travel and accommodation	-	-	5	5	7
Apportionment of staff and support costs	28	-	7	34	61
Audit fees	-	-	15	15	14
Trustees' indemnity insurance	-	-	2	2	2
	28	-	29	56	84
Total Resources Expended	8,616	342	30,827	39,784	25 368

5 Summary of Practical Projects

	2010			2009		
	Income	Expenditure	Surplus / (deficit)	Income	Expenditure	Surplus / (deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
Infrastructure						
<u>National Cycle Network</u>						
NCN route development	4,253	3,403	850	3,448	2,812	636
NCN construction funded by Landfill Tax Credits	46	46	-	114	114	-
Scottish Government funded NCN enhancement	2,869	2,869	-	1,552	1,552	-
Welsh Assembly Government funded Celtic Trail / VCN	314	314	-	651	651	-
Grants including Chantable Trusts	181	-	181	142	-	142
Maintenance	144	1,215	(1,071)	197	926	(729)
Sculpture	58	116	(58)	37	71	(34)
Volunteer Ranger Programme	134	518	(384)	134	442	(308)
National and Regional implementation	514	1,533	(1,019)	606	2,212	(1,606)
Mapping and publications	602	571	31	304	300	4
Research & Monitoring Unit	885	818	67	477	439	38
Future Jobs Fund	346	346	-	-	-	-
	10,346	11,749	(1,403)	7,662	9,519	(1,857)
<u>Connect 2- part funded by Big Lottery Fund</u>	2,113	2,111	2	1,587	1,579	8
<u>Department for Transport funded Links to Schools</u>	12,736	12,736	-	3,344	3,344	-
	25,195	26,596	(1,401)	12,593	14,442	(1,849)
Soft measures						
<u>Active Travel</u>						
Active Travel England	178	128	50	257	222	35
Active Travel Scotland	190	209	(19)	192	188	4
Active Travel Wales	304	361	(57)	326	338	(12)
Travel Actively - part funded by Big Lottery Fund	701	700	1	569	578	(9)
	1,373	1,398	(25)	1,344	1,326	18
<u>Bike It</u>						
Bicycle Association / Cycling England / Local Authorities	1,196	1,170	26	1,135	960	175
Cycling Demonstration Towns & City	720	718	2	50	57	(7)
Primary Care Trusts	655	655	-	143	158	(15)
Transport for London	158	165	(7)	143	160	(17)
Travel Actively - part funded by Big Lottery Fund	832	827	5	451	550	(99)
Welsh National Assembly / Bicycle Association	120	119	1	120	121	(1)
Bicycle Association - NI	41	50	(9)	-	-	-
Bicycle Association - Scotland	120	120	-	-	-	-
	3,842	3,824	18	2,042	2,006	36
<u>Liveable Neighbourhoods</u>	229	285	(56)	200	238	(38)
<u>School Travel</u>						
School Travel Scotland	1,741	1,739	2	1,972	2,010	(38)
School Travel Northern Ireland	55	62	(7)	71	126	(55)
School Travel Wales	53	51	2	-	-	-
School Travel UK	134	134	-	158	149	9
	1,983	1,986	(3)	2,201	2,285	(84)
<u>Travel Actively- part funded by Big Lottery Fund</u>	3,667	3,666	1	2,565	2,568	(3)
<u>Travelsmart</u>						
Travel Actively - part funded by Big Lottery Fund	707	646	61	1,025	1,107	(82)
Other projects	515	542	(27)	581	640	(59)
	1,222	1,188	34	1,606	1,747	(141)
<u>Universities</u>	138	137	1	-	-	-
	12,454	12,484	(30)	9,958	10,170	(212)
	37,649	39,080	(1,431)	22,551	24,612	(2,061)

6 Net incoming resources

	2010 £'000	2009 £'000
These are stated after charging:		
Fees payable for audit	15	14
Fees payable for other services pursuant to legislation	1	4
Fees payable for taxation services	4	9
Depreciation of tangible fixed assets	71	68
Board costs	7	9
Operating leases rentals		
land and buildings	242	196
other	23	38

Board costs of £6,573 (2009 £8,517) includes provision of trustee liability insurance of £1,838 (2009 £1,838) The remaining costs include travel and other expenses paid on behalf of 8 Trustees for attendance at Board and other meetings The trustees of the Charity are not paid

7 Staff Costs

The average full time equivalent number of employees during the year was

	2010 Number	2009 Number
Infrastructure	146	139
Soft measures		
Active Travel	26	24
Bike It	73	49
Liveable Neighbourhoods	7	5
School Travel	12	14
Travel Actively- part funded by Big Lottery Fund	2	2
Travelsmart	16	17
Universities	3	-
	139	111
Support functions	23	20
	308	270

The average number of employees during the year was

	2010 Number	2009 Number
Infrastructure	161	150
Soft measures		
Active Travel	27	25
Bike It	78	50
Liveable Neighbourhoods	7	6
School Travel	12	14
Travel Actively- part funded by Big Lottery Fund	2	2
Travelsmart	40	36
Universities	3	-
	169	133
Support functions	24	20
	354	303

Staff costs (for the above persons)

	2010 £'000	2009 £'000
Wages and Salaries	7,770	6,441
Social Security costs	738	615
Employer's pension contributions	108	86
	8,616	7,142

The number of employees whose emoluments fell within the range £70,000 to £80,000 during the year was one (2008/09, one) The number of employees whose emoluments fell within the range £60,000 to £70,000 during the year was nil (2008/09, nil)

Under the Company's articles of association trustees are not permitted to receive remuneration from the Company

8 Tangible fixed assets

	Freehold Land and Buildings £'000	NCN Centre Refit £'000	IT Equipment £'000	Plant & Machinery £'000	Total £'000
Cost					
At 1 April 2009	3,022	200	144	89	3,455
Additions	109	-	29	27	165
Disposals	(73)	-	-	-	(73)
At 31 March 2010	3,058	200	173	116	3,547
Depreciation					
At 1 April 2009	209	105	119	69	502
Charge for year	-	20	30	21	71
Property impairment	34	-	-	-	34
Disposals	-	-	-	-	-
At 31 March 2010	243	125	149	90	607
Net book amount					
At 31 March 2010	2,815	75	24	26	2,940
At 31 March 2009	2,813	95	25	20	2,953

Fixed assets held in restricted funds total £1.14m and comprise the National Cycle Network Centre (£0.98m), plus land holdings in Scotland, Yorkshire, and Derbyshire (£0.16m)

Within Freehold Land and Buildings is £806k (2009: £806k) being the cost of three properties now held for resale. At 31 March 2009 these properties were not being actively marketed. The value of these properties has been impaired by £192k (2009 £158k) since purchase

9 Debtors

	2010 £'000	2009 £'000
Trade Debtors	1,457	2,152
Sundry Debtors and prepayments	200	191
	1,657	2,343

10 Cash

The cash balances of £26.6m are made up of the following

	2010 £'000	2009 £'000
Unrestricted Balances		
General funds held at the end of the financial year	11,687	7,156
Restricted Funds		
Construction and maintenance funds	546	547
DfT Links to Schools	12,180	3,914
Connect 2	894	-
Active Travel Consortium	863	-
Landfill Tax Credit Accounts – funds held for the future construction of 14 projects on the NCN	408	485
Other Restricted Funds	18	392
	<u>14,909</u>	<u>5,338</u>
Total Cash Balances	<u><u>26,596</u></u>	<u><u>12,494</u></u>

11 Creditors: amounts falling due within one year

	2010 £'000	2009 £'000
Trade creditors	969	1,571
Tax and social security	437	381
Interest free loans from supporters for land purchase	162	167
Grants payable to partner organisations & other accruals	20,954	8,093
Deferred Income	1,709	1,470
Landfill Tax receipts in advance	408	485
	<u>24,639</u>	<u>12,167</u>

The movement in deferred income and landfill tax receipts in advance is analysed below

Deferred Income (Inc Landfill Tax receipts in advance)	2010 £'000	2009 £'000
Deferred income at 1 April	1,955	1,712
Amounts released from previous years	(1,594)	(1,341)
Incoming resources deferred in 2009/10	1,756	1,584
Deferred income at 31 March	<u>2,117</u>	<u>1,955</u>

12 Restricted funds

Notes	Movement in resources				Balance 31 March 2010 £'000	
	Balance 1 April 2009	Incoming	Outgoing	Transfers from Unrestricted funds		
	£'000	£'000	£'000	£'000		
Infrastructure						
National Cycle Network						
Consett & Sunderland Railway Path	183	3	(43)	-	143	
Paisley to Kilwinning and Kilmacolm	-	5	(12)	7	-	
York to Selby Railway Path	126	-	(11)	-	115	
Worthington Railway Path - Derby	-	-	(41)	41	-	
Construction and Maintenance Funds	(1)	309	8	(107)	48	258
Spenn Valley Maintenance Fund	(2)	-	10	(30)	20	-
Devon Viaducts Maintenance Fund	(3)	-	1	(1)	-	-
The National Cycle Network Centre	(4)	651	-	(26)	-	625
NCN route development	(5)	-	924	(924)	-	-
NCN construction funded by Landfill Tax Credits	(6)	-	46	(46)	-	-
Scottish Government funded NCN enhancement	(7)	-	2 869	(2 869)	-	-
Welsh Assembly Government funded Celtic Trail / VCN	(8)	-	314	(314)	-	-
Maintenance	(9)	-	5	(5)	-	-
Sculpture	(10)	-	43	(43)	-	-
Volunteer Ranger Programme	(11)	-	84	(84)	-	-
National and Regional implementation	(12)	-	102	(102)	-	-
Mapping and publications	(13)	-	266	(266)	-	-
Research & Monitoring Unit	(14)	-	651	(651)	-	-
Future Jobs Fund	(15)	-	346	(346)	-	-
		960	5 669	(5,814)	68	883
Connect 2- part funded by Big Lottery Fund	(16)	-	2,111	(2,111)	-	-
Department for Transport funded Links to Schools	(17)	-	12,736	(12,736)	-	-
		960	20,516	(20,661)	68	883
Soft measures						
Active Travel						
Active Travel England	(18)	-	51	(128)	77	-
Active Travel Scotland	(19)	25	190	(210)	-	5
Active Travel Wales	(20)	-	147	(360)	213	-
Travel Actively - part funded by Big Lottery Fund	(21)	-	620	(700)	80	-
		25	1,008	(1 398)	370	5
Bike It						
Bicycle Association / Cycling England / Local Authorities	(22)	-	874	(1 170)	296	-
Cycling Demonstration Towns & City	(23)	-	3	(718)	715	-
Primary Care Trusts	(24)	-	179	(653)	474	-
Transport for London	(25)	-	158	(164)	6	-
Travel Actively - part funded by Big Lottery Fund	(26)	-	687	(826)	139	-
Welsh National Assembly / Bicycle Association	(27)	-	120	(120)	-	-
Bicycle Association - NI	(28)	-	41	(50)	9	-
Bicycle Association - Scotland	(29)	-	120	(120)	-	-
		-	2 182	(3,821)	1,639	-
Liveable Neighbourhoods	(30)	-	85	(85)	-	-
School Travel						
School Travel Scotland	(31)	-	1,741	(1,741)	-	-
School Travel Northern Ireland	(32)	-	14	(61)	47	-
School Travel Wales	(33)	-	50	(51)	1	-
School Travel UK	(34)	-	106	(134)	28	-
		-	1,911	(1,987)	76	-
Travel Actively- part funded by Big Lottery Fund	(35)	-	3 667	(3 667)	-	-
Travelsmart						
Travel Actively - part funded by Big Lottery Fund	(36)	-	485	(485)	-	-
Other projects	(37)	-	236	(236)	-	-
		-	721	(721)	-	-
		25	9,574	(11,679)	2,085	5
		985	30,090	(32 340)	2,153	888

- 1 The construction and maintenance funds cover the routes acquired from BRB (Residuary) Ltd over which the Charity has a maintenance liability as a result of agreements with the relevant Local Authorities
- 2 The Spen Valley Maintenance Fund has been established with contributions from Kirklees Metropolitan Borough Council. In 2008 the Fund was converted into a creditor, making provision for future maintenance of the structures on the walking and cycling route on the previously disused railway line
- 3 Devon Viaducts – established with a lease of Easements, relating to 3 viaducts in Devon, with Devon County Council. The Fund is established to make provision for future maintenance of the 3 viaducts
- 4 In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. The payments shown here are non-capital expenditure. The full Millennium Commission grant was for £605,000, and now that the redevelopment of the building is complete has been drawn down in full
- 5 The Charity has developed new NCN routes during the financial year funded by grants which are restricted to a specific purpose
- 6 The Charity is a registered 'Environmental Body' with Entrust, the regulator of the Landfill Tax Community Fund. The Charity has received funding through the scheme for construction of various projects on the National Cycle Network
- 7 Following on from the successful completion of works funded by the Scottish Executive / Scottish Government since 2002/03, the Charity was awarded a further grant during this financial year
- 8 The Charity has received funding for new walking and cycling infrastructure in Wales as part of the Valley Cycle Network projects, part-funded by ERDF
- 9 The Charity has maintained NCN routes during the financial year funded by grants which are restricted to a specific purpose
- 10 During the financial year the Charity has worked on 4 (2009-3) sculpture projects on the National Cycle Network. We are grateful to the Calouste Gulbenkian Foundation, Ernest Cook, Arts Council England and the Wellcome Trust for their support of the Arts programme
- 11 The National Community Volunteer Rangers Programme is now in its eighth year. We now have in place over 2,500 volunteers, who 'look after' sections of the National Cycle Network and liaise with local communities to encourage use of the Network through arranging events. The volunteer Ranger programme in Wales is funded by the Big Lottery Fund - Saddles and Secateurs project £24,021 and the Welsh Assembly Government (Active Community via WCVA)
- 12 Funding continued from the National Assembly for Wales towards the activities of the Charity within Wales
- 13 The Charity received funding from Defra's Greener Living Fund which will be used to update the online mapping resource
- 14 Sustrans' Research and Monitoring Unit has received funding from The Department for Transport and Scottish Government to continue measuring the usage of routes. A range of data sources are used. These include continuous cycle counters, route user surveys, manual user counts, other user surveys, and central government data sources
- 15 The Charity will establish 13 teams of 14 trainees, a total of 182 young people funded by the Government's Future Jobs Fund. They will work for 6 months on enhancing the condition of NCN routes across the UK

- 16 Connect2 is a project made up of 79 schemes across the UK, aiming to solve problems of severance. This might mean building a foot or cycle bridge over a river or railway, creating a pleasant path that will become the first option people think of for shorter journeys in their area. Connect2 was one of the projects competing for a single £50 million pound grant from the Big Lottery Fund's "Living Landmarks: The People's Millions" competition. Connect 2 won the public TV vote in December 2007.
- 17 During the financial year the Charity was awarded a grant of £13m from the Department for Transport for the continuation of its "Links to Schools" program. This project will provide links to over 300 schools.
- 18 Active Travel is a project that aims to raise the profile of cycling and walking as cost-effective forms of health promotion. In England, the programme is supported by the Department of Health.
- 19 The Active Travel project in Scotland has been funded by the Scottish Government.
- 20 In Wales the Active Travel programme has been made possible by funding from the Big Lottery Fund – Bike it – Walk it – £62,352, the Welsh Assembly Government and the Sports Council.
- 21 Active Travel officers across England are funded through the Big Lottery Fund's Wellbeing programme, as part of the Travel Actively portfolio of projects. The project in Ashington is part funded by Northern Rock Foundation.
- 22 Building on the outstanding success of Sustrans' Bike It project, piloted in 2004, the programme now employs 55 officers, 6 supervisors, one support officer and a national manager. Each officer works to promote cycling in 10 schools across England and Wales. The Bicycle Association, Cycling England and Local Authorities fund 18 officers in England.
- 23 The Cycling Demonstration Towns & City funding pays for 12 officers in England.
- 24 Primary Care Trusts fund 10 officers in England.
- 25 Transport for London fund 2 officers in London.
- 26 The BIG Lottery Fund's Wellbeing Programme, as part of the Travel Actively Portfolio, and Local Authorities, fund 10 officers in England.
- 27 National Assembly of Wales & Bicycle Association fund 2 officers in Wales.
- 28 The Bicycle Association funds an officer in Northern Ireland.
- 29 The Bicycle Association funds two officers in Scotland.
- 30 DIY Streets, run by our Liveable Neighbourhoods programme and funded by the Esmée Fairbairn Foundation, is a new project being piloted in 10 communities in the UK helping residents to redesign their own streets to make them safer and more attractive places to live in.
- 31 Our School Travel programme in Scotland has benefited from the support of the Scottish Government. The funding has enabled us to carry out training and support to the network of School Travel Co-ordinators and provide training to school champions. In addition we have been able to supplement the information service developed across the UK with Scotland-specific case studies, newsletters and information sheets. Another key area of work developed with this funding has been policy and partnership work with key national organisations in Scotland and the Scottish Government.
- 32 Northern Ireland School Travel is funded under the Northern Ireland Programme for Building Sustainable Prosperity, European Structural Funds 2000-2006. The project aims to work with a

number of schools across Northern Ireland to produce school travel plans and reduce the number of car journeys made to those schools

- 33 School Travel Wales is funded by Sports Council Wales
- 34 School Travel is a national project run by Sustrans to encourage safe cycling and walking to school. The programme has been supported by the Department for Transport.
- 35 Grants are paid to our partners in the Big Lottery Fund's Wellbeing programme, as part of the Travel Actively portfolio of projects.
- 36 TravelSmart projects in Watford, Exeter and Lowestoft are part-funded by the Big Lottery Fund's Wellbeing programme, as part of the Travel Actively portfolio of projects.
- 37 TravelSmart works with households offering tailor-made information and support, enabling people to walk, cycle and use public transport more often. It delivers measurable and sustained reductions in car use by enabling people to make a few changes to their daily travel choices when and where it suits them best. Projects in Broxbourne and Ipswich are being part funded by Defra's Greener Living Fund.

13 Restricted income by major funding source

	Big Lottery Fund ATC	Big Lottery Fund Connect 2	DfT Links to Schools	DfT other	Scottish Govt	Welsh Assembly	Other	Total Funds 2010	Total Funds 2009
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Infrastructure									
National Cycle Network									
Consett & Sunderland Railway Path	-	-	-	-	-	-	3	3	20
Paisley to Kilwinning and Kilmacolm	-	-	-	-	-	-	5	5	4
York to Selby Railway Path	-	-	-	-	-	-	-	-	1
Worthington Railway Path - Derby	-	-	-	-	-	-	-	-	-
Construction and Maintenance Funds	-	-	-	-	-	-	8	8	25
Spenn Valley Maintenance Fund	-	-	-	-	-	-	10	10	10
Devon Viaducts Maintenance Fund	-	-	-	-	-	-	1	1	1
The National Cycle Network Centre	-	-	-	-	-	-	-	-	-
NCN route development	-	-	-	-	-	-	924	924	-
NCN construction funded by Landfill Tax Credits	-	-	-	-	-	-	46	46	114
Scottish Government funded NCN enhancement	-	-	-	-	2,869	-	-	2,869	1,552
Welsh Assembly Government funded Celtic Trail / VCN	-	-	-	-	-	314	-	314	651
Grants including Charitable Trusts	-	-	-	-	-	-	-	0	142
Maintenance	-	-	-	-	-	-	5	5	-
Sculpture	-	-	-	-	-	-	43	43	34
Volunteer Ranger Programme	-	-	-	-	-	-	84	84	82
National and Regional Implementation	-	-	-	-	-	102	-	102	105
Mapping and publications	-	-	-	-	-	-	266	266	-
Research & Monitoring Unit	-	146	214	-	291	-	-	651	415
Future Jobs Fund	-	-	-	-	-	-	346	346	-
	146	214	-	-	3,160	416	1,733	5,669	3,131
Connect 2 - part funded by Big Lottery Fund	-	2,111	-	-	-	-	-	2,111	1,572
Department for Transport funded Links to Schools	-	-	12,736	-	-	-	-	12,736	3,344
	-	2,257	12,950	-	3,160	416	1,733	20,516	8,047
Soft measures									
Active Travel									
Active Travel England	-	-	-	-	-	-	51	51	111
Active Travel Scotland	-	-	-	-	190	-	-	190	190
Active Travel Wales	-	-	-	-	-	147	-	147	272
Travel Actively - part funded by Big Lottery Fund	576	-	-	-	-	-	44	620	438
	576	-	-	-	190	147	95	1,008	1,011
Bike It									
Bicycle Association / Cycling England / Local Authorities	-	-	-	795	-	-	79	874	920
Cycling Demonstration Towns & City	-	-	-	-	-	-	3	3	-
Primary Care Trusts	-	-	-	-	-	-	179	179	-
Transport for London	-	-	-	-	-	-	158	158	142
Travel Actively - part funded by Big Lottery Fund	620	-	-	-	-	-	67	687	287
Welsh National Assembly / Bicycle Association	-	-	-	-	-	80	40	120	120
Bicycle Association - NI	-	-	-	-	-	-	41	41	-
Bicycle Association - Scotland	-	-	-	-	-	-	120	120	-
	620	-	-	795	-	80	687	2,182	1,469
Liveable Neighbourhoods	-	-	-	-	-	-	85	85	124
School Travel									
School Travel Scotland	-	-	-	-	1,741	-	-	1,741	1,970
School Travel Northern Ireland	-	-	-	-	-	-	14	14	71
School Travel Wales	-	-	-	-	-	-	50	50	-
School Travel UK	-	-	-	-	-	-	106	106	155
	-	-	-	-	1,741	-	170	1,911	2,196
Travel Actively - part funded by Big Lottery Fund	3,617	-	50	-	-	-	-	3,667	2,565
Travelsmart									
Travel Actively - part funded by Big Lottery Fund	485	-	-	-	-	-	-	485	772
Other projects	-	-	-	-	-	-	236	236	13
	485	-	-	-	-	-	236	721	785
	5,298	-	50	795	1,931	227	1,273	9,574	8,150
Total Funds 2010	5,298	2,257	13,000	795	5,091	643	3,006	30,090	-
Total Funds 2009	4,012	1,585	3,500	1,123	3,984	1,043	950	-	16,197

14 Designated funds

	Notes	Balance 1 April 2009 £'000	Incoming £'000	Outgoing £'000	New designations £'000	Balance 31 March 2010 £'000
Land acquisition fund	(i)	300	27	(266)	439	500
Long-term Maintenance fund	(ii)	1,000	125	(1,103)	1,978	2,000
Fixed asset fund	(iii)	1,793	166	(159)	-	1,800
		<u>3,093</u>	<u>318</u>	<u>(1,528)</u>	<u>2,417</u>	<u>4,300</u>

The funds of the Charity include the following designated funds that have been set aside out of unrestricted funds by the trustees

- (i) The trustees have established a land acquisition fund with the aim of earmarking sufficient resources to cover the land costs for and legal fees associated with essential purchases to meet the targeted growth of the National Cycle Network over two years. At 31 March 2010, 12,639 miles of the Network were completed
- (ii) Owing to the continuing success of the National Cycle Network and the consequent increase in distance of route established, the trustees recognise the need to provide for the future maintenance of that route on land owned by the Charity, or where it has accepted a maintenance responsibility to the extent that it is not funded in other ways. This fund is in addition to the Restricted Funds identified in Note 12 to these accounts. The trustees note expenditure of £1,103k in the year in this Designated Fund together with expenditure in the Restricted Funds (see Note 12(1)) of £107k. The trustees have created new designations totalling £2,417k in the year
- (iii) The fixed asset fund has been set up to facilitate the identification of those funds that are not free funds. It represents the net book value of tangible fixed assets except for those that form part of Restricted Funds. Fixed assets held in restricted funds total £1,140k (please see the Balance Sheet), and comprise the National Cycle Network Centre (£980k), plus land holdings in Scotland, Yorkshire, and Derbyshire (£160k). The change in the fixed asset fund over the year arises from the net change in unrestricted tangible fixed assets during this period

15 Unrestricted funds

The unrestricted funds of the Charity have decreased in the year to £1,366k. This represents approximately 10 weeks of unrestricted expenditure (£143k per week) at current levels of activity. This level of unrestricted funds is considered adequate for the coming financial year.

This policy level is periodically reviewed as part of the Charity's planning process.

16 Movement of funds

	Unrestricted	Designated	Total Unrestricted	Restricted	Total 2010	Total 2009
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April	1,545	3,093	4,638	985	5,623	4,894
Net incoming/(outgoing) resources	4,391	(1,210)	3,181	(2,250)	931	729
Transfer/new designations	(4,570)	2,417	(2,153)	2,153	-	-
At 31 March	<u>1,366</u>	<u>4,300</u>	<u>5,666</u>	<u>888</u>	<u>6,554</u>	<u>5,623</u>

The transfers totalling £2,153k into Restricted Funds are explained in Note 12. The trustees created new designations totalling £2,417k. Explanations of these new designations are included within Note 14 to these accounts.

The trustees have actively sought to add to total reserves in recent years, to provide flexibility of working capital and a sufficient 'buffer' to ensure continuity of activities in a period of sustained economic uncertainty. They have set a target of adding £2.5m over the five year period ending March 2012. This reserves target is designed to recognise that the successful delivery of our Connect 2 programme will increase our ongoing liabilities for maintenance, in addition to the ongoing growth of the NCN. Reserves stood at £4.2m in April 2007. Over the three year period to March 2010 a total of £2.35m has been added, so the trustees will aim to add a further £0.15m over the next two years.

17 Share capital

The Company is limited by guarantee and does not have a share capital. The liability for members in the event of winding up is limited to an amount not exceeding £1 per member.

18 Financial commitments

At 31 March the Company had annual commitments under non-cancellable operating leases as follows

	Land and buildings*		Other Assets	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
Expiring within one year	29	5	22	38
Expiring within one to five years	213	160	-	-
Expiring in more than five years	-	31	1	-
	242	196	23	38

19 Legal Charges

Over a number of years Sustrans acquired disused railway lines in England which were covered by a fixed charge in favour of the appropriate authority. The legal charges in existence are as follows

- Land situated at Naburn, Escrick and Riccall, North Yorkshire is covered by a fixed charge in favour of Selby District Council
- Land on the Consett to Sunderland Railway is covered by a fixed charge in favour of Derwentside and Chester-le-Street District Councils and Sunderland City Council
- Land forming the track bed of part of the disused railway in Cumbria is covered by a fixed charge in favour of Copeland Borough Council
- The Camerton Bridge (Workington) is covered by a fixed charge in favour of Allendale Borough Council
- The Worthington Branch Line is covered by a fixed charge in favour of Derbyshire County Council and Leicestershire County Council
- The Foss Island branch line is covered by a fixed charge in favour of the City of York

In December 1995 the Charity entered into a debenture with the Millennium Commission giving a floating charge over the assets of the Charity, excluding real property, as part of the agreement for grants from the Millennium Commission

We received a grant of £605k from the Millennium Commission towards the acquisition of the National Cycle Network Centre. A fixed charge over this building was added to the existing Debenture in October 2005