

# Annual Report and Financial Statements 2021/22

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**Sustrans**

**Year ended 31 March 2022**

<b>Charity Number</b>	326550 (England and Wales) SC039263 (Scotland)
<b>Company Number</b>	1797726 (England and Wales)



**sustrans**  
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# Legal and administrative information

Sustrans is a company limited by guarantee and a registered charity governed by its Articles of Association.

**Registered Office** 2 Cathedral Square, Bristol BS1 5DD

**Charity Number** 326550 (England and Wales)  
SC039263 (Scotland)

**Company Number** 1797726 (England and Wales)

## Trustees and Directors

The trustees who were in office during the year and up to the date of signing the Annual Report and Financial Statements were:

Lynne Berry CBE (RC) Chair (resigned 31 March 2022)

Horace Carter-Allen (AR) (RC)

Su Crighton

Alistair Gibbons

Moray Macdonald (FP) Chair (appointed 23 June 2022)

Catherine Max (AR) (E)

Stuart Mills (FP) (E) (RC)

Heather Preen (E) (AR)

Oliver Reichardt (FP) (resigned 28 July 2021)

Helen Simpson (AR) Vice Chair

Frank Swinton (FP) (RC)

Fiona Westwood (FP) (RC)

Nicola Wood

AR = Audit and Risk Committee

FP = Finance and Performance Committee

E = Estates Committee

RC = Remuneration Committee

**Company Secretary** Emily B Wilson<sup>1</sup>

Notes:

<sup>1</sup> Andy Appleby was Company Secretary until 31 March 2022

## Executive Directors

Xavier Brice	Chief Executive
Stewart Carruth	Interim Executive Director, Scotland <sup>2</sup> (from 28 March 2022)
Sally Copley	Executive Director, External Affairs <sup>3</sup> (from 1 September 2021)
Susie Dunham	Executive Director, Impact
Harry Hayer	Executive Director, People and Organisational Development
Sam Kemp	Executive Director, Finance and Resources <sup>4</sup>
Matt Winfield	Executive Director, England & NI

### Notes:

<sup>2</sup> John Lauder was Deputy Chief Executive with responsibility for Scotland, Wales and Northern Ireland until 28 March 2022

<sup>3</sup> Di Gornall was Acting Executive Director of External Affairs until 31 August 2021

<sup>4</sup> Victoria Reynolds was Interim Executive Director Finance and Resources until 30 June 2021

## Advisers

### Independent auditors

Crowe UK LLP  
Fourth Floor  
St James House  
St James Square  
Cheltenham, GL50 3PR

### Solicitors

Anthony Collins Solicitors LLP  
134 Edmund Street  
Birmingham B3 2ES

Burness Paull LLP  
50 Lothian Road  
Edinburgh EH3 9WJ

Veal Wasborough Vizards LLP  
Narrow Quay House  
Narrow Quay  
Bristol BS1 4QA

McCartney Stewart  
1B Paisley Road  
Renfrew PA4 8JH

### Bankers

Lloyds Bank plc  
Bristol City Centre Branch  
PO Box 1000, BX1 1LT

HSBC Bank plc  
3 Temple Quay  
Bristol BS1 6DZ

Clydesdale Bank plc  
23 Bank Street  
Airdrie, ML6 6AD3

Santander UK plc  
12 Baldwin Street  
Bristol BS1 1SD

# Report of the trustees

## About us

Sustrans is the charity making it easier for people to walk and cycle. We connect people and places, create liveable neighbourhoods, transform the school run and deliver a happier, healthier commute. Sustrans works in partnership, bringing people together to find the right solutions. We make the case for walking and cycling by using robust evidence and showing what can be done. We are grounded in communities and believe that grassroots support combined with political leadership drives real change, fast.

At Sustrans, we are committed to our work being for everyone, and the principle of being inclusive is at the heart of all we do.

## Public benefit

In setting our aims and objectives, carrying out our activities, and reporting on our achievements, we have complied with the requirements of the Charities Act to have due regard to public benefit guidance published by the Charity Commission. The remainder of this report describes how Sustrans has planned and delivered its public benefit.

## Strategic Report

### Our aims and objectives

Sustrans' charitable objects, as set out in our articles of association, are:

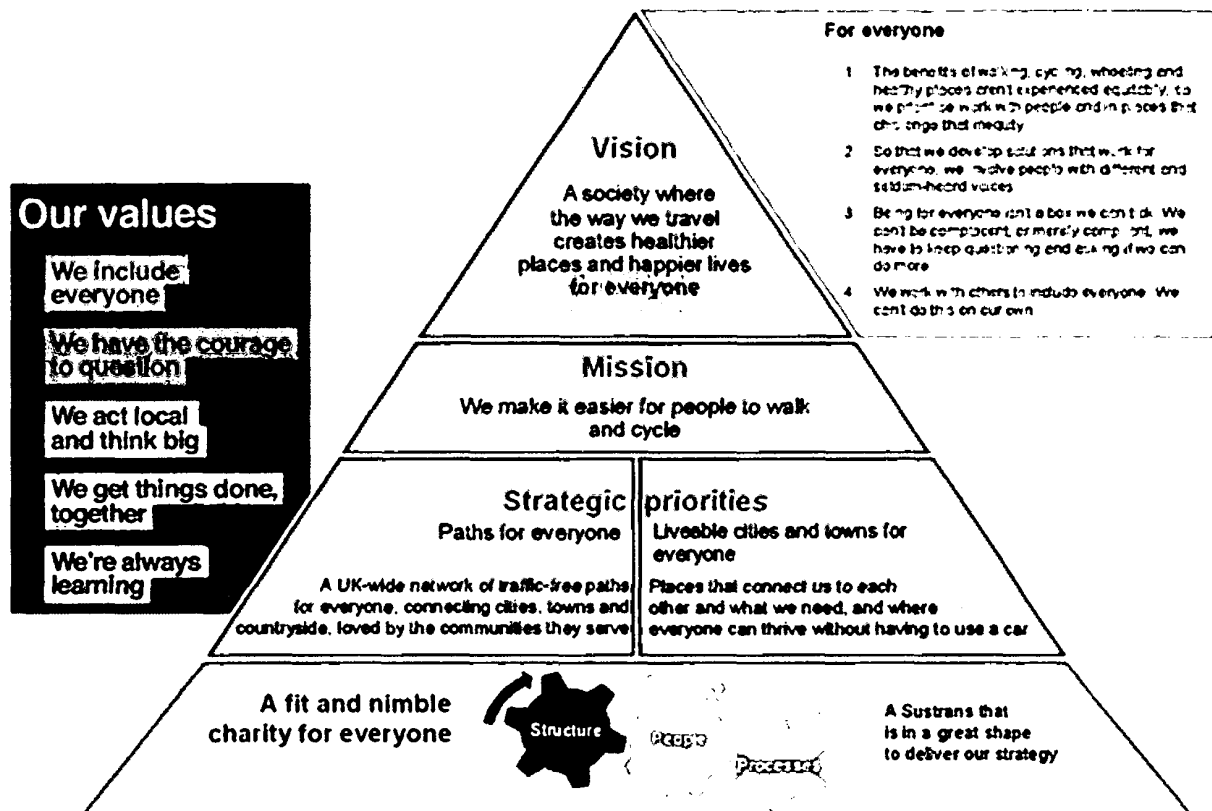
- to promote and encourage, both in the UK and overseas, for the public benefit the development in the community and the provision of safe routes, paths and facilities for cycling, walking and other forms of low energy transport and
- to undertake and carry on projects and activities of a charitable nature which will assist in promoting healthy recreation, the protection of the environment and the conservation of energy resources.

### Our vision

Our vision is of a society where the way we travel creates healthier places and happier lives for everyone.

### Our mission

Our mission is to make it easier for people to walk and cycle.



## For Everyone

We know that people, individually, benefit from walking and cycling, and society overall benefits when more of us are walking and cycling. But those benefits are not enjoyed equitably. Making it easier for people to walk and cycle leads to healthier places and happier lives, but not currently for everyone.

Some people are more likely to experience the negative impact of others' travel choices. They face greater barriers to walking, cycling, wheeling and accessing pleasant, healthy places.

To guide our work we are committed to embedding our 'For Everyone' principles in everything we do:

- The benefits of walking, cycling, wheeling and healthy places aren't experienced equitably, so we prioritise work with people and in places that challenges that inequity.
- So that we develop solutions that work for everyone, we involve people with different and seldom-heard voices.
- Being For Everyone isn't a box we can tick. We can't be complacent, or merely compliant; we have to keep questioning and asking if we can do more.
- We work with others to include everyone. We can't do this on our own.

## Principle 1

The benefits of walking, cycling, wheeling and healthy places aren't experienced equitably, so we prioritise work with people and in places that challenges that inequity.

So, we will work:

- For the benefit of people whose lives are made most unhappy by how we travel;
- In places that have the most potential to be healthier by changing how people travel through them;
- With people whose travel behaviour has a significant impact on the places and people around them; and the partners and organisations that can influence that behaviour.

## Principle 2

So that we develop solutions that work for everyone, we involve people with different and seldom-heard voices.

So, we will:

- Go the extra mile to understand the context;
- Bring beneficiary voices in early;
- Create inclusive places; for example, no steps on the Network.

## Principle 3

Being for everyone isn't a box we can tick. We can't be complacent, or merely compliant; we have to keep questioning and asking if we can do more.

So, we will:

- Seek feedback / open ourselves up to criticism – ensure our platforms allow opportunities for two-way communication, not just broadcast;
- Go beyond our legal responsibilities in recruitment to achieve a more diverse workforce;
- Work in accordance with the public sector equality duty – even when it doesn't apply to us.

## Principle 4

We work with others to include everyone. We can't do this on our own.

So, we will:

- Develop more mutually beneficial partnerships, where we maximise opportunities to learn from each other;
- Take a more active role in convening others and bringing together different perspectives to co-create solutions;
- Challenge and raise the ambitions of our partners, and encourage the same challenge from them.

'For Everyone' is a cross-cutting strategic theme that is central to both our strategic priorities: Paths for Everyone and Liveable Cities and Towns for Everyone, as well as how we work internally as a charity.

## Our values

Our values guide us in everything that we do:

- We include everyone
- We have the courage to question
- We act local and think big
- We get things done, together
- We're always learning

## Strategic Priorities

The following three strategic priorities set out how we will achieve our mission, and ultimately our vision:

1. **Paths for Everyone.** This was developed in 2018 following our wide-ranging and collaborative review of the National Cycle Network in our role as custodian.
2. **Liveable Cities and Towns for Everyone.** This was developed in 2019/20. Our goal is to help shape places that connect us to each other and what we need, where everyone can thrive without having to use a car.
3. Our third priority, developed during 2020/21, focuses on improving our operating model to ensure that Sustrans is a **Fit and Nimble charity for everyone** and is in great shape to deliver our strategy.

### Paths for Everyone

As custodians of the National Cycle Network (NCN), Sustrans has a responsibility to steward this iconic national asset so that more and different users can enjoy it, today and into the future. Working with our supporters and volunteers, and partners across government and the public sector, and other charities we set a shared goal for the Network:

Our goal is to develop a UK-wide network of traffic-free paths for everyone, connecting cities, towns and countryside, loved by the communities they serve.

It has taken over 20 years to deliver 5,000 miles of traffic free infrastructure; we have now set ourselves, and our partners, the target of doubling this by 2040 to over 10,000 miles of traffic-free or segregated routes. The remainder of the Network will be turned into quiet-way routes, where speed limits are low, and walking and cycling can take priority. By 2040 the entire Network will be of a 'good' or 'very good' standard.

Through increasing the number of traffic-free routes, reducing speed limits, redesigning or removing all barriers, improving signage and wayfinding, the Network will become safer and more accessible for everyone. It will better meet the needs of those who are disabled or less physically active, women, new cyclists, children, parents with buggies, wheelchair users, and many more people beyond. Fundamentally, we want to make it easier and more enjoyable for more and different people to use the Network.



## Liveable Cities and Towns for Everyone.

Since 1977, Sustrans has been leading the campaign to tackle car dominance on our streets, and we have been at the forefront of offering millions of people across the country sustainable and active alternatives to the car. Yet over the last four decades, car ownership and traffic levels in our cities and towns has continued to grow. We know this cannot continue. The climate crisis gives us just a decade to radically transform how we move. The solution is simple: we need fewer vehicles on our streets, and more people walking, cycling, scooting and wheeling for everyday journeys.

Over the years, Sustrans has pioneered work to improve the walkability and cycle-friendliness of our towns and cities. Working with our supporters, partners and the wider public we have developed a set of principles for what makes a town or city more liveable for everyone. A liveable city or town:

- Has social connection at its heart
- Has most of what you need just a short walk away
- Has roots and celebrates its unique character
- Is easy for everyone to move around healthily in
- Has clean air and green space for all to live and play in

## A Fit and Nimble Charity for Everyone

During 2020-21, we developed a third strategic priority around improving our operating model. The priority is to be a fit and nimble charity for everyone – a Sustrans that is in great shape to deliver our strategy.

Underpinning this priority are five internal objectives, each described by our aspiration for Sustrans:

### A fit and nimble charity for everyone



— <b>Impact-led</b>	We are always focused on the difference we and our team will make – today and tomorrow
— <b>A charity for everyone</b>	We celebrate diverse lived experiences and voices, and our people feel included, empowered and able to make a difference
— <b>Simple and clear</b>	We are clear on the 'why, how and who' and we choose to achieve more by focusing on fewer things
— <b>Purposefully agile</b>	We embrace consistent rules to enable rapid decision-making, empowered teams and nimble delivery
— <b>Financially sustainable</b>	We plan confidently, balance risk and opportunity, and weather financial storms in the future

OBJECTIVES

We have identified a portfolio of initiatives to make improvements to our operating model. We are taking an evolutionary and agile approach, aimed at making a succession of relatively small improvements, sometimes as tests and pilots, learning from those and then rolling out broader change over a two to three year period. We expect the portfolio to evolve.

An Internal Portfolio Board has been set up to oversee the work, with a fairly simple portfolio management process to coordinate and monitor the individual initiatives.

## Our 2021/22 business plan objectives and targets

### Impact against our strategic priorities

In 2021/22 we delivered against the following objectives, set out against our goals:

#### OBJECTIVES

A UK-wide network of traffic-free paths for everyone, connecting cities, towns and countryside, loved by the communities they serve

- **Improve the quality** of the existing traffic-free network
- **Convert** on-road to traffic-free or quiet-way miles
- **Remove or redesign** barriers
- Increase **community** involvement
- Increase the **number and diversity** of users
- Ensure partners and the public **love and value** it
- Improve **user experience**



Places that connect us to each other and what we need, where everyone can thrive without having to use a car

- **Raise ambition for change** by enabling and encouraging ambitious urban leadership
- **Demonstrate change** by improving liveability in cities or towns
- **Amplify voices for change** through local citizen and stakeholder engagement
- **Provide a credible voice** in shaping the future of cities and towns

#### OBJECTIVES

Delivery against these objectives is through specific programmes and projects owned by teams across Sustrans and is covered in achievements and performance below.

### How we deliver our objectives

We deliver our objectives through a number of different types of activity.

We manage grant programmes to fund partner organisations to deliver their own walking and cycling projects. The policy of grant awards is to invest in projects that fit within Sustrans' strategic vision and objectives and are able to clearly demonstrate impact and value. We have specific written procedures for each of our grant programmes, which reflect our funders' requirements and the objectives of the grant programme. These procedures are guided by our own governance arrangements and our delegated authority framework. All of our grant award procedures include a robust application process, and rigorous assessment through an appropriately skilled and representative advisory panel. Formal funding agreements are in place for all approved grant awards.

We have quality assurance processes in place to ensure that schemes which are funded through our grant programmes meet our specifications and quality standards. In some cases, we also advise and support the design and delivery of projects that benefit from grant funding that we provide.

We also carry out projects with and on behalf of partner organisations. These projects range from working with communities to design solutions to make it easier for them to walk and cycle, conducting feasibility studies for infrastructure proposals, providing advice to partners, and helping enthuse and educate children around the benefits of walking and cycling as part of daily life.

We conduct research and carry out studies to demonstrate the impact of interventions to make it easier for people to walk and cycle; both our own projects and those of partner organisations. This in turn helps to improve the impact of those projects.

We work to influence government policy and funding for walking and cycling at all levels in the UK, including the UK Government, the devolved national governments, city regions, combined authorities, and local authorities.

We also promote walking and cycling to the general public, including the National Cycle Network of which we are custodians. We do this directly ourselves and increasingly through partner organisations.

We also manage our own estate, which carries sections of the National Cycle Network. These are managed to make it easy for people to walk, cycle and enjoy them, and also as ecological sites.

## **Our people**

The dedication of our people has stood out across the year as we have adapted to the post pandemic world.

We have introduced hybrid working and opened our flagship Bristol Hub, as well as other locations, which will enable our colleagues to work flexibly and position us in the market to be able to attract from a wider talent pool. We continued to invest in our colleagues' wellbeing and have introduced a more comprehensive employee assistance programme.

The average number of people employed by Sustrans in 2021/22 was 713, up from 694 the previous year. Voluntary turnover increased to 20% in Quarter 4 of 2021/22, exceeding pre pandemic levels of c.17.5% per annum.

In Quarter 3, a pay and benefits review was conducted by Korn Ferry to strengthen our ability to attract and retain talent and place us in the optimal position to deliver our strategic priorities. Korn Ferry's recommendations are in the process of being implemented over a two-year period.

The labour market was challenging and we have continued to focus on improving our recruitment approach.

We continued to invest in the development of our people. A new leadership programme called 'Leading for Impact' was launched May 2021. This 3-month programme was successfully delivered to c100 leaders across the charity. We launched a new approach to the annual appraisal process called 'Personal Impact and Development', to help improve the consistency, quality, and frequency of performance and development conversations for all colleagues. The new approach enables greater alignment with how a colleague's work contributes to the charity's strategic priorities and reinforces our core values. In addition, we have strengthened our Equality, Diversity and Inclusion training provision by updating our e-learning training and delivering conscious inclusion training sessions.

Our fifth annual Colleague Engagement Survey took place in September 2021. The response rate was extremely high at 90%. The 'employee net promoter score' (eNPS) measuring responses such as 'how likely are you to recommend Sustrans as a place to work?', and giving an indication of levels of engagement, was +22. This was a decline on the previous year's score of +45 but still above the all-sector average (+5) and not-for-profit average (+18).

Our colleague forum continued to grow and provided a valuable sounding board on a range of people matters.

We prioritised employee empowerment and engagement through the creation of five new colleague networks and further developed equality, diversity and inclusion groups across the UK. Our commitment to diversity and inclusion continued through the delivery of our Accelerating for Everyone Programme. We also published a Race Equity statement and plan.

We celebrated National Inclusion week in September 2021 with a week of events to reinforce the importance of dignity and respect at work for all. Our equality, diversity, and inclusion groups and colleague networks created a range of safe spaces for people to raise concerns or ideas and to feel supported. This led to a variety of "learning For Everyone" events throughout the year on topics ranging from LGBTQiA – the basics, and menopause awareness to inclusion in cycling and discussing gender equality in transport for International Women's Day.

For the first time, in 2021, we published pay gaps for ethnicity, disability, and sexual orientation, as well as gender.

In interpreting the data, a positive percentage figure reveals that typically, or overall, the colleagues in that group (e.g. women, people of colour, disabled colleagues) have lower pay than colleagues not in that group. A negative percentage figure reveals that typically, or overall, the colleagues in that group (e.g. women, people of colour, disabled colleagues) have higher pay than colleagues not in that group. A zero percentage figure reveals no gap between the pay of the comparison groups.

Pay gap	2022 – Mean %	2021 – Mean %	2022 – Median %	2021 – Median %	Comment
Gender	5.75	6.67	4.3	4.49	The proportion of women working at Sustrans has increased, but we still had more women in lower paid roles (60%) than in higher paid roles (40%).
Ethnicity – (ACEVO Voice4change method)	1		0		
Ethnicity – (ONS method)	-7		1.26		This demonstrates the sensitivity of pay gap analysis when dealing with a small number of colleagues, particularly at higher grades.
Disability	-5.9		-6		Whilst this was skewed by a small number of senior colleagues, we know that we have proportionately more disabled colleagues in lower grades than any other pay quartile. We not only need to attract more disabled colleagues into Sustrans, we need to retain and help them to progress through our organisation.

We undertook a structural review in Scotland to strengthen our operations and impact. The new structure provides greater clarity around roles, responsibilities and decision making and allows for greater flexibility to manage changing projects and capitalise on future opportunities.

## Our volunteers

Volunteering is fundamental to Sustrans, and our 3,500 volunteers continue to broaden our reach; connecting us to places, people and society; bringing knowledge and skills, and ensuring the legacy of our work. During 2021/22 volunteers recorded over 21,000 hours, a change from the previous year's 7,000 hours which was very low due to the pandemic restrictions on activity.

Sustrans' volunteers, alongside colleagues, partners, community groups and supporters played a key role in actively enabling both our strategic priorities. Contributing to our mission we know their involvement had a direct impact on the key outcomes of stronger social connection, improved physical health and improved wellbeing.

Our 2022 national volunteering survey measured those outcomes in our volunteers: 44% feel closer to their community, 45% have more and/or stronger social connections, 36% increased their physical activity and 42% have improved wellbeing as a result of volunteering with Sustrans.

We have seen a significant improvement in our volunteering Net Promoter Score – “How likely are you to recommend Sustrans to friends and family as a good organisation to volunteer with?” This score rose in the two years since the last survey in 2020, from +2 to +25.

## **Our achievements and performance**

### **Paths for Everyone**

In February we published our new report, *Paths for everyone: Three years on*, updating on work completed across the UK, since we published the National Cycle Network review in 2018.

2021/22 has been a busy year on the Network. We improved the quality of existing traffic-free Network routes, and we converted on-road routes to traffic-free. Working with our partners we completed 12 new ‘activation’ projects that will increase walking and cycling on the Network, exceeding our annual target of 10.

Like the National Cycle Network, completed projects cover the breadth of the UK. For example, a 2km section of the Swiss Valley route, near Tumble in Wales, was resurfaced and drainage upgraded to provide a fully sealed surface – this brought the entire length of the Swiss Valley route up to NCN standards.

Scotland’s ‘Bowline’ project formally opened in September. This project included refurbishment of three former railway bridges, removal of a dangerous road crossing along Route 7, installation of a fully accessible ramp connection to Route 7 at Bowling Harbour, and creation of an attractive traffic-free link, including a linear park inspired by New York City’s Highline.

Many improvements took place across the Network in England, for example, in March we completed a project to widen and resurface a popular section of Hadrian’s Cycleway (National Cycle Network route 72) between Wylam in Northumberland and the city of Newcastle’s Newburn area. We repaired and widened the surface of the 2m path to create a 4m sealed surface along the riverside route, benches were installed, and planting improved the local environment.

To make the Network more accessible for all, we have removed or redesigned 423 barriers, exceeding our annual target of 213. In addition to removing and redesigning barriers, we undertook a volunteer-led audit of what the remaining barriers are and where they are, across the Network. We also completed a Barrier Removal Strategy and Action Plan which will guide our delivery going forward.

We continue to build community involvement, with 63 new community groups engaged, against a target of 35. For example, in Scotland, where communities continued to deliver exciting projects with support from our community art fund ‘ArtRoots’ - empowering them to feel more connected with the Network and to love and care for their local routes, as well as making them more exciting places to visit.

Increasing the number and diversity of users is a critical objective for us, and we want to ensure that all users enjoy their experience. In 21/22 - the number of traffic-free Network users increased by 24%, alongside an increased Net Promotor Score (+53, up from +47). We delivered a range of activities to attract people to the Network. For example, we launched a series of art installations and performances celebrating Black History Month along traffic-free National Cycle Network routes in Glasgow, Edinburgh, Dundee, North Ayrshire and West Dunbartonshire. Eight pieces along the routes celebrated notable Black people from Scotland's history, and key events that have made Scotland the country it is today.

2021/22 has been a challenging year, and we did not meet all of the targets that we set for ourselves. For example, we did not deliver the amount of traffic-free and quietway miles that we had hoped to, or address all the signage issues we had identified for action. A combination of external factors led to this, including delays in the award of funding, Covid impacts and cost inflation leading to reduced project scope. We work with local authority and other stakeholders to deliver our Paths for Everyone goal, and many have experienced similar constraints.

Despite this external context, we are proud of the impact we have achieved in collaboration with our partners, communities, volunteers and supporters.

### **Liveable Cities and Towns**

We closed 2021/22 having consolidated our focus cities and towns - down from 58 in 2020/21 to 45 in 2021/22. Our focus cities and towns will continue to fluctuate over the course of our 5-year strategy, with some falling out of focus where practice is not meeting with ambition, and others moving into focus due to raised ambition/changes in the political and funding context.

### **Raising ambition for change**

We continued to raise ambition for change – most notably through our work to support government and local authority active travel strategic planning. For example, in Northern Ireland, we worked with the Northern Ireland Climate Coalition to influence the Climate Change Bill, which was passed at Stormont in early March – this is a landmark piece of legislation that should ensure greater investment in active travel.

Following successful delivery of £29m of temporary infrastructure with Local Authorities in Scotland over Covid, we have been progressing the 'Route Map to Permanence' with Transport Scotland, focused on the most impactful projects.

In England, we supported the development of ambitious Local Cycling and Walking Implementation Plans, sharing concept designs with local authorities. We are now focused on influencing partners to turn their ambition into reality.

### **Demonstrating change**

This year the number of our projects located within the most deprived areas (the two highest quintiles for deprivation) increased to 46%, exceeding the annual target of 44%.

We continued to demonstrate change, predominantly in our work to deliver Low Traffic Neighbourhoods across the UK. School Streets also continued to play a large role in our delivery. For example, Sustrans' Healthy Streets Officer team in London supported the delivery of more than 300 Schools Streets across the capital.

Our work in collaboration with partners has been award winning. Our cycling project supporting women and children staying in a refuge in Brighton was awarded 'Best Partnership' at the Modeshift National Sustainable Transport Awards 2021.

## **Amplifying voices for change**

This year, we enjoyed the opportunity to get back to in-person public and stakeholder engagement focused on the changes people want to see to their local areas. In England we delivered 'Advocates Workshops', supporting people with the skills to advocate for Low Traffic Neighbourhoods.

We continued to use our voice and amplify voices for change at a UK level, through the delivery of initiatives like 'Big Walk and Wheel' - the UK's biggest interschool walking, wheeling and cycling competition. This year 2.2 million journeys were logged, with 796,000 pupils taking part from over 2,000 schools. Our Amazing Journeys theme encouraged pupils to see their local area from a new perspective whilst learning about the benefits of active travel.

## **Policy and influencing successes to make it easier for everyone to walk and cycle**

### **UK wide**

2021 saw the global climate summit COP26 take place in Glasgow. Together with the Sustainable Transport Alliance we delivered an event entitled 'People Make Transport' at the COP26 Green Zone on 'Transport Day'. Chaired by our Chief Executive, the panel spoke about the importance of coming together on public transport, on walking and cycling, and about ways of moving that connect us to ourselves, each other and our places.

Through years of positive influence and working in partnership seeking to make walking, wheeling and cycling more accessible and desirable, significant changes were made to the new Highway Code published in January 2022. The Highway Code now prioritises safety for all and introduces a hierarchy of road users. This means that those walking and cycling are now recognised as the most vulnerable road users, making their safety of paramount importance.

We were one of the few organisations asked to contribute to the draft Cycling and Walking Investment Strategy 2 and were successful in securing five years of funding for the National Cycle Network.

We undertook research to prepare six clear policy recommendations for our forthcoming work on spatial planning. This is work that is crucial to ensuring increased delivery of 20-minute neighbourhoods and therefore, liveable cities and towns for everyone. These policy recommendations also underpin our work on Paths for Everyone, calling for the National Cycle Network to be recognised as a nationally strategic piece of infrastructure akin to coastal paths.



February 2022 saw the publication of the Paths for Everyone, Three Years On report, which updates on the work completed by Sustrans teams across the UK's nations and regions to improve the access, safety, and public appeal of the Network. The report highlighted that 72% of users stated the Network is their best option for transport, with 95% using it for exercise. The use of the Network also dramatically increased throughout the Covid-19 pandemic: since 2019, approximately 121 million more trips were taken on the Network than the previous year and at the height of pandemic in 2020, the Network carried approximately 4.9 million users over 764.8 million trips.

Working in partnership with others continues to be important to us, and we worked in close collaboration with ARUP and Living Streets to publish our Walking for Everyone guidance, for inclusive walking and wheeling. Our research found that walking is often ignored in transport policy: 72% of disabled people would find fewer cars parked on the pavement useful to walk or wheel more. This guide was designed to support national and local governments including transport and spatial planning professionals, organisations helping to improve the lives of people who may be marginalised, and anyone helping to make walking and wheeling more inclusive. We launched the document at the first national Walking Summit in March 2022, a hybrid event which was also attended by a Minister and the Active Travel Commissioner for England.

## **Northern Ireland**

The Climate Change Bill was passed at Stormont in early March 2022. This is a landmark piece of legislation that should ensure greater investment in active travel. It includes a clause that a minimum 10% of the transport budget should be spent on walking and cycling. We worked with the NI Climate Coalition on actions to achieve this. Northern Ireland continues to have the lowest investment in walking and cycling in the UK.

Following the success of our greenways/National Cycle Network workshop for all 11 councils in Northern Ireland, the Department for Infrastructure awarded Sustrans a grant of £50,000 in January 2022. This is to carry out an assessment of the current state of greenway development across Northern Ireland and to develop a phased programme for greenway delivery with councils.

A report has been completed and we hope to be awarded a further grant to coordinate delivery. The aim is to progress delivery of the greenway proposals, as set out in the government's plan 'Exercise Explore Enjoy: A Strategic Plan for Greenways'.

We have also responded to a careless driving consultation and a pavement parking consultation. In line with our policy position across Sustrans and our colleagues at The Inclusive Mobility and Transport Advisory Committee, we have called for Option 2 – a ban on pavement parking, with some exemptions.

The Belfast Cycling Network was published in June 2021 but without a delivery plan. Sustrans worked hard to make a case for a delivery plan as well as funding and a dedicated team to make it happen. The plan was finally published in March 2022 but we still await funding and a delivery team.

## Scotland

2021/22 has been a very successful year in policy and public affairs in Scotland. Our Holyrood 2021 manifesto was published early in 2021. Out of our six Holyrood 2021 asks, most parties committed to allocating 10% of the transport budget to active travel. Three of the five major parties committed to at least four of our asks, with two parties committing to five.

The Scottish Parliament elections took place in May 2021, and the SNP formed a minority government with a co-operation agreement with the Scottish Green Party, where the Scottish Greens were given two ministerial posts. Party co-convenor, Patrick Harvie was given the post of Minister for Net Zero Buildings, Active Travel and Tenants' rights.

Our Manifesto asks featured strongly in the co-operation agreement, most importantly with a commitment secured by the Scottish Greens to an increase in funding for active travel to gradually increase to £320m by the end of the parliament.

Another Sustrans manifesto ask on giving access to bikes for children in disadvantaged areas was taken up in the new Scottish Government's Programme for Government, and Sustrans is now leading the pilot programme to deliver this.

On wider influencing, we worked closely with the UK Sustainable Transport Alliance (STA) to have a strong presence at the STA 'greenzone' event at COP26. We gained agreement from the Alliance for Sustrans' CEO, Xavier Brice to chair the session, secured Minister for Active Travel Patrick Harvie as a speaker and ensured active travel projects in Glasgow, funded by Sustrans and Glasgow City Council, were showcased.

In March 2022, we published our local government manifesto asks ahead of Scotland's local elections. The policy and public affairs team are finalising a post-election engagement plan, using the recently published Walking and Cycling Index as a starting point for engagement.

In terms of our policy work, since April 2021, we have responded to 10 national government consultations and 7 local or regional government consultations. These include a consultation on the new national planning framework, government proposals to achieve a 20% reduction in vehicle km, Cleaner Air for Scotland (strategy on air quality), LEZs, and the Strategic Transport Projects Review (STPR2), the latter of which is of significant importance to achieving our objectives on expanding active travel networks in Scotland.

We have given oral evidence to the Scottish Parliament Net Zero Committee on the National Planning Framework.

## Wales

During 2021/22, we took steps to connect Members of the Senedd with the National Cycle Network and brief them on our overall priorities. During the summer recess, Members joined us on the Network in their constituency to enjoy a break from online meetings and experience the benefits the Network has to offer. It was a very popular opportunity and a third of Members joined us allowing us to open communication with members from all parties on a range of topics related to our work.

We secured funding for the National Cycle Network for the first time, with a £300k fund dedicated to improvements.

We supported the Welsh Government with 20mph pilots which have led to a proposal for default speed limits being put to the Senedd in the coming year.

We influenced the creation of a procurement framework which includes active travel and this is now being taken forward by Transport for Wales. The creation of this framework will make it easier for Local Authorities to procure specialist services and should drive skills and standards across the sector.

During 2021/22, the Welsh Government created a Transport Performance Board which our Director has been appointed to. We are also represented on the Core Reference Group which provides advice to Welsh Government on the delivery of the Wales Transport Strategy – Llwybr Newydd.

Finally, we now lead the newly created Inclusion Sub-Group which reports to the Wales Active travel Board. This has been created to ensure all voices are heard in the delivery of active travel priorities.

## England

In England, delivery of our Paths for Everyone (PfE) and Liveable Cities and Towns for Everyone (LCTfE) priorities ramped up over 2021/22. We have built a one, five and ten year pipeline of NCN projects that will help us meet our targets for an improved Network. Delivery of new and improved routes continues at pace across England, including the Lias Line – a new connection between Leamington Spa and Rugby that connects rural communities and is the largest construction project that Sustrans has delivered in England. Elsewhere we are removing barriers, resurfacing and widening existing routes, realigning where better alternatives have become available. We are working with local communities to diversify users and increase usage. All of this can only be done with a range of partners.

Our LCTfE work has increasingly and deliberately focused on a shortlist of towns and cities (and boroughs) where we can have the greatest impact. This includes working in Lambeth to convert temporary infrastructure into permanent infrastructure and scoping a neighbourhood scale project in Liverpool to support the delivery of hundreds of school streets across the country. Our 'Local Cycle & Walking Infrastructure Plan' work, on behalf of the Department for Transport, continues to develop urban networks across England, with the ambition set out in the Westminster Government's 'Gear Change' policy allowing us to push for greater ambition. Our training of hundreds of local authority Members and Officers on the new design guidance (LTN 1/20) has helped raise ambition further.

Our range of projects partnering with excluded and seldom-heard people has grown. Examples include a project with jobseekers in Nottingham, work with a women's cycle hub in Tower Hamlets and an initiative working with refugees in Portsmouth.

We have been challenged by the increase in construction costs and the availability of suitable contractors. The current jobs market, and relative infancy of the active travel sector, has created resource pressures that we continue to address. But our talented team continue to deliver to a high standard in a positive working environment, with a Net Promotor Score of +38.

## **A fit and nimble charity – improving our operating model (IOM)**

We took a number of significant steps towards improving our operating model in 2021/22. An IT strategy workstream identified some of the challenges of our current legacy systems, pointed towards a more coherent solution and created a roadmap of activity which will be undertaken over the coming years. This included scoping initiatives with delivery beginning from 22/23.

We updated our project management framework. This is being rolled out across England and will be further developed through a wider Project and Programme Assurance initiative in 22/23. Initiatives to improve performance included both investment in developing our leadership team and the adoption of a new approach to colleague development and performance. We also adopted hybrid working standards and redeveloped our Bristol office into a more collaborative working space – the first of our more hybrid-friendly ‘hubs’.

Other initiatives included work to accelerate progress on our long-standing commitment towards equality, diversity and inclusion (‘Accelerating for Everyone’), as well as streamlining our invoice approval process, creating greater agility in our Research and Monitoring Unit and adopting more effective cross-Sustrans approaches in Design and Engineering.

## **Fundraising**

In addition to our government funded work, Sustrans relies on the generosity of supporters to deliver our mission, including individual donors; trusts; corporate partners; philanthropists and sales from our e-commerce shop.

Our main source of voluntary income is from individual donors, in particular our loyal base of regular givers; the majority of whom we currently engage through our face-to-face programme on the National Cycle Network. In 2021/22 we successfully maintained a low cancellation rate of 8% across all donors giving regularly and achieved a generous increase in the average monthly gift for new regular givers to £8.32. Throughout the year we ran an upgrade campaign for existing regular donors, a winter raffle and two appeals; one being an emergency appeal following the storms in February 2022. Investment in fundraising has increased for 2021/22 with the expectation of financial returns into the future.

Our face-to-face programme restarted in April 2021 post-lockdown, in a controlled manner with appropriate measures in place to keep our fundraisers and the public safe in line with ongoing restrictions and government guidelines. We have received positive results with increased giving levels and engagement.

Our legacy income continues to grow with only a small percentage of legacies coming from our notified pledges, showing there is room for growth in the long-term.

We were successful in securing generous restricted donations from a number of grant making trusts, corporates and major donors and are increasing our efforts in these areas of fundraising to deliver growth in line with our fundraising strategy.

In 2021/22, e-commerce sales remained a key income stream. During this period we invested in a new e-commerce strategy, launched a new e-commerce platform, retook control of the online market space for Sustrans’ own products and updated all our own maps, which account for 78% of e-commerce income.

## Streamlined Energy and Carbon Reporting (SECR)

We are committed to the continuous improvement of our environmental performance. This is part of our overall goal of implementing the principles of sustainable development in all areas of our work. We are also committed to at the very least compliance with applicable governmental requirements. Additionally, we will optimise resources and continue to investigate ways of reducing resource use and minimising our environmental impact. We will also encourage our partners and suppliers to do the same.

Our aim is to ensure that environmental objectives are integrated into relevant business objectives in a cost-effective manner. Sustrans wishes to set standards of environmental best practice above and beyond relevant legislation in all its activities throughout the organisation within the resources available.

During 2021/22 we completed a major refurbishment of our owned premises in Bristol. We invested in an environmental survey and have created designs and a refurbishment which will reduce the environmental impact of this building as far as possible.

2021/22 is the third year that the data in the table below has been reported. Fuel used has been collated from expenditure records and converted to emissions using standard UK Government conversion factors.

### Energy and emissions report 2021/22

	Fuel used (kWh)	Conversion factor used	Associated Greenhouse gas emissions (KgCO <sub>2</sub> e) 2021/22	Associated Greenhouse gas emissions (KgCO <sub>2</sub> e) 2020/21
Electricity (kWh)	123,351	0.23314	28,758	42,558
Natural gas (kWh)	23,758	0.18387	4,368	8,589
Fuel for vehicles and site equipment (kWh)	406,579	0.24057	97,811	82,906
	<b>553,688</b>		<b>130,937</b>	<b>134,053</b>
<b>FTE staff</b>			<b>644</b>	<b>591</b>
<b>Intensity ratio - Emissions per FTE</b>			<b>203</b>	<b>227</b>

UK energy use covers all of the charity's activities.

Energy used in employee commuting, business travel, outsourced activities and disposal of waste is excluded. Associated greenhouse gases have been calculated using the UK Government GHG Conversion Factors for Company Reporting.

In the reporting period all staff and volunteers were encouraged to travel in a sustainable way wherever practical. Employees walk and cycle wherever practicable, longer journeys are by train, with car, taxi and air used only by exception.

## Our plans for the future

During 2022/23 we will continue to pursue our strategic priorities and objectives, with Key Performance Indicators set for all our teams.

### Paths for Everyone - 2022/23

New Paths for Everyone initiatives planned for this year include:

- Development of a strategy and plan for how we will achieve our 2040 wayfinding ambition.
- Work to understand the extent to which we are supporting volunteer and community groups to deliver activities that support Sustrans' Paths for Everyone objectives, particularly in areas of high deprivation.
- Work to increase the level of political support for the National Cycle Network.

Ref	Metric	Target
1	% total Network miles good/very good	65%
2	% Sustrans-controlled traffic-free miles very good	40%
3	# on-road to traffic-free miles	38.9
4	# on-road to quiet-way miles	34.6
5a	# barriers removed or redesigned	218
5b	# barriers removed or redesigned on Sustrans-controlled land	110
5c	% of Network miles with completed audit of barriers by March 2023	99%
5d	Strategy and plan agreed for how we will achieve our 2040 wayfinding ambition by September 2023	Complete
6	% miles going through areas of high deprivation	30%
7	# activation projects delivered by March 2023	41
8a	% of the Network has a Stage 2 Plan in place by March 2023	99%
8b	# feasibility studies complete by March 2023	32
9	Increase net promoter score (annual KPI)	<53
10	% reclassified miles where signage has been addressed by March 2023	95%
11	% increase in # users per traffic-free miles	Increase
12	Increased representation of the UK population amongst National Cycle Network users and involved community members (annual KPI)	Increase
13a	# new volunteer and community groups involved on the Network	64

13b	£ funding granted to support existing and new volunteer and community groups to deliver activities which support Sustrans' work	Baseline
13c	PfE-13d: % of existing and new supported volunteer and community groups in areas of deprivation	Baseline
14	PfE-14: % public awareness of the National Cycle Network (new measurement)	Baseline/increase
15	PfE-15: % awareness of Sustrans as the charity behind the Network (new measurement)	Baseline/increase
16	PfE-16: Increased level of political support from 2021 baseline	Increase
17	Total number of new/growth miles (running total)	No target/track
18	# sub-standard crossings improved	16

## Liveable Cities and Towns - 2022/23

New Liveable Cities and Towns for Everyone initiatives planned for this year include:

- Development of our place-based work, including the introduction of standard approaches to help us scale-up up what works in urban environments.
- Work to understand the extent to which we are supporting volunteer and community groups to deliver activities which deliver on Sustrans' urban objectives, particularly in areas of high deprivation.
- Work to increase the level of political support for our urban work.

Ref	Metric	Target
1	# of focus cities and towns	48
2	% increase in leadership ambition amongst focus cities and towns	Increase
3	# of urban leaders that recognise positive change and Sustrans' contribution to this change in focus cities and towns	75
4	Increased level of political support from 2021 baseline	Increase
5	Supporter awareness and support (UK, national and regional) for Sustrans' work on liveable cities and towns for everyone	Baseline
6	Public awareness and support (UK, national and regional) for Sustrans' work on liveable cities and towns for everyone	Baseline
7	#/% of urban projects that are part of a place-based approach	Baseline
8	Increase in #/% of LCT project sites focused in areas of high deprivation	48%
9	# partnership relationships built with organisations that are taking a place-based approach	61
10a	# new volunteer and community groups involved in our LCT projects	104
10b	£ funding granted to support existing and new volunteer and community groups to deliver activities which support Sustrans' work	Baseline
10c	% of existing and new supported volunteer and community groups in areas of deprivation	Baseline
11	LCT-11: # exemplar places	6
12	As a result of involvement with Sustrans, people in our exemplar places feel more empowered	Baseline



## **Improving our operating model**

Improving our operating model (IOM) initiatives planned for 2022-23 include:

- Rolling out the first elements of our new IT roadmap – in particular, improving information management and sharing, and simplifying network infrastructure
- Better understanding, measuring and mitigating our negative environmental impacts through our Environmentally Positive Sustrans initiative
- Improving the effectiveness of our project and programme assurance
- Developing a resourcing strategy to meet our capability and capacity needs and take the first steps in its implementation

## **Financial review**

Sustrans is funded through a mixture of government grants, fundraising activity and paid contracted activities which deliver our objectives. There is investment in our agenda in all four nations of the United Kingdom and by local authorities across the country. The income that we generate is spent efficiently to deliver the best possible impact. As well as providing funding to others through our grant programmes, we also work in partnership with communities and with local and national governments to deliver projects and programmes that make it easier for people to walk and cycle. We invest our fundraising income into managing the parts of the National Cycle Network that we own, and in supporting our unfunded activities, such as our influencing and campaigning activity.

### **Our financial performance in 2021/22**

In 2021/22 we saw income and expenditure of approximately £115M, significantly higher than any previous financial year.

The small deficit for the year of £104K means that overall funds are maintained at £10.2M (2020/21: £10.3M). This was an improvement on the budgeted deficit of £608K.

The improvement over budget was due in the main to lower than budgeted support costs, despite a growing organisation. The strong performance was also attributable to our loyal regular supporters who continued to donate throughout the pandemic.

### **Principal funding sources in 2021/22**

Our principal funding sources are government grants. In 2021/22 we received £82M (2020/21: £45M) from Transport Scotland, £14M (2020/21: £5M) from the Department for Transport, and £0.8M (2020/21: £0.2M) from the Welsh government (see note 17).

Fundraising contributed £4.5M to our income in 2021/22 (2020/21: £4.5M), of which £0.1M (2020/21: £0.7M) was restricted.

The balance of our funding comes from contractual activity, mostly with local authorities and other public bodies.

## Going concern

We have a number of key funding streams – notably our government-funded programmes – which offer us financial protection in the near term. Our healthy reserves balance further mitigates remaining financial risks. The economic uncertainty for the whole country means that we have recognised we have further financial risks in relation to 2022/23. We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the recovery from the pandemic. But we are not complacent. We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity's objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements. The Charity therefore continues to adopt the going concern basis in preparing its financial statements. The Trustees have considered specifically the financial risks associated with the current economic uncertainty. The Trustees consider that Sustrans has the flexibility to respond to any unexpected fluctuations in income levels and has adequate reserves and operational provisions to manage the loss of major funding streams.

## Principal risks and uncertainties

The Board of Trustees has established an Audit and Risk Committee that is responsible for oversight of risk management and the monitoring and reporting of the risks of the organisation. The Audit and Risk Committee meet at least four times per year and the annual workplan for the committee includes regular risk reporting, detailed scrutiny of key strategic risks and reviewing the risk management framework. The Board retains accountability for risk management and regularly reviews the charity's principal risks including the appropriateness and impact of risk mitigations, and also approves the risk management framework. The principal risks considered by the trustees are:

### 1. Damage to Land and Structures

Maintaining the National Cycle Network (NCN) and the Sustrans estate involves managing engineered structures and ex-railway assets such as bridges, embankments and drainage systems, as well as the land and ecologies around our paths. Due to the age and history of our assets and additional complications caused by climate change and extreme weather events, maintaining the land and structures we use and ensuring our networks remain useable and accessible is an increasing challenge. To address this risk, we have adopted a comprehensive inspection regime and deliver a programme of planned maintenance for all our assets. We also have a specific designated fund for emergency repairs. The Board has established an Estates Committee to oversee the management of our assets, including the risks around asset management.

### 2. Funding

With increasing focus on climate change and the need to address the environmental impacts of travel, funding for active travel is increasing, particularly from government sources. However, it is acknowledged that reliance on a small number of major funders creates risks around the loss of a key funding source for Sustrans.

To mitigate this risk we are implementing a fundraising strategy to diversify our sources of funding and to increase our unrestricted funds. We proactively engage with our key funders to ensure we continue to deliver valuable outcomes.

We are implementing a programme to improve the efficiency and effectiveness of our operating model which will improve our agility and responsiveness to financial opportunities and risks.

We have also established designated reserves to ensure that the Charity can remain operational in the event of the sudden loss of a significant source of funding.

### 3. IT and Cybersecurity

The dependence on information technology (IT) systems has dramatically increased in the last few years. Sustrans has embraced a flexible hybrid working policy allowing colleagues to work from home and/or an office 'hub'. We rely on complex data and analytics to design our programmes and monitor their impact. The risk of cyber security events has also increased in the last few years, including the heightened risks associated with the Covid-19 pandemic and the conflict in Ukraine.

These events have led to us recognise the need to increase our investment in IT. As part of our strategy to improve our operating model, we have developed and are implementing an IT strategy. This includes creating integrated systems that support security and productivity and identifies ways of working that will better meet our future needs. We are also strengthening our cybersecurity to provide robust and reliance systems for our colleagues and also meet the expectations of our stakeholders.

#### 4. Complaints and conflict

Government and local authorities have an increasing focus on active travel to address issues like climate change, pollution, traffic congestion, health and wellbeing. As a response there has been a significant increase in investment leading to the development of better and more infrastructure to support active travel.

These developments can be perceived to be at the expense of other stakeholders, particularly where temporary infrastructure is installed with only light community engagement (as happened through the pandemic).

We have observed increasing misunderstanding and conflict within communities, including instances of abuse against our colleagues and partners. We ensure close co-ordination and communication with partners, supporters and volunteers and we carry out full consultation with each local community for every project and make sure that there is clarity about our role and the scheme purpose. We are delivering employee training in handling conflict and in resilience and negotiation, and will actively support any employee who encounters abuse of any kind. We have a robust complaints procedure for anyone to raise a complaint and know that it will be dealt with in a fair way.

#### 5. Capacity and capability

Many (if not most) organisations across the UK experienced high turnover as we emerged from the Covid-19 pandemic, including Sustrans. With increasing funding available for active travel, there is also increasing competition for skills and experience. This creates a risk to Sustrans' capacity and capability to deliver the impact that we want to see. However, we believe that our culture and vision will support Sustrans to be an employer of choice and build greater diversity across our teams.

We are working on enhancing our talent management and recruitment strategies to ensure that we can attract and retain good people. We regularly review our pay policy to ensure that it is transparent and fair and is responsive to the challenges our colleagues face, like the current cost of living increase. We have adopted progressive policies around flexible working and promote work-life balance and try to maintain a kind and inspirational working culture. Our annual employee survey results indicate that our colleagues think Sustrans is a great place to work.

We also recognise that we need to be agile and responsive to emerging opportunities and are developing a more strategic approach to partnerships and other organisations to support delivery of our work.

## 6. Safeguarding

Engaging with communities and volunteers is a priority for Sustrans and therefore adequately safeguarding vulnerable people we work with is critical. We regularly review and update our safeguarding procedures and can demonstrate commitment to providing training to all of our colleagues and volunteers who work with children and vulnerable adults. Where we work with schools and other organisations we ensure that we are reporting and monitoring safeguarding concerns appropriately. We have also arranged for additional training for our senior managers and trustees on their roles and responsibilities in safeguarding and we have a team of designated safeguarding officers who oversee our safeguarding processes.

## 7. Colleague wellbeing

Sustrans managed well through the challenges of the Covid-19 pandemic largely because of the resilience and commitment of our colleagues. Ensuring the physical and mental well-being, and health and safety of employees in the last year has been of paramount importance. We have been following UK Government guidelines and ensuring that all employees were able to work effectively and safely from home. As we have emerged from the restrictions imposed by COVID-19, we have encouraged and supported colleagues to reconnect with and spend time with peers in a safe and responsible way. We have adopted flexible working practices and are updating our offices to accommodate a more flexible and changing workforce. We continue to review and monitor colleague wellbeing and actively consider additional measures to support our colleagues.

### Our reserves policy

On the basis of the assessed risks facing the Charity, the Trustees have reviewed the level of reserves required in line with the guidance issued by the Charity Commission. The Trustees recognise the need to ensure that the reserves held enable financial stability, are adequate to meet working capital requirements and can safeguard the Charity's current commitments against fluctuations in income levels, particularly in the current uncertain economic climate.

The Trustees have set aside £1M designated funds to ensure that routes which are well used and owned by Sustrans could be re-instated in the event of severe and unexpected damage. The details of designated funds, including the 'NCN Repairs' fund, can be found in Note 12 to the financial statements.

The fixed asset fund of £2.2M has been set up to facilitate the identification of those funds that require time to be made liquid and should therefore be excluded from the freely available reserves calculation. It represents the net book value of tangible fixed assets, except for those that form part of Restricted Funds. The change in the fixed asset fund over the year arises from the net change in unrestricted tangible fixed assets during this year.

The restructure fund of £2.9M has been set up to cope with a scenario in which Sustrans has to restructure to reduce activities significantly because of a lack of funding but retain a core activity which could be funded by continuing charitable donations.

The Trustees consider that the designated funds set aside, as mentioned above, are sufficient to respond to risk events. The trustees aim to invest the remaining 'available' or 'free' reserves in strategic initiatives to develop new or improved services, or to make internal improvements to systems or ways of working. Available reserves are released by the Trustees on an annual basis for inclusion in the business planning process, up to a maximum amount of £1M per annum. Available reserves at 31 March 2022 are £1.9M (2021 - £2.7M).

In the 2021/22 financial year Restricted funds decreased by £177K, Designated funds increased by £873K and Available reserves decreased by £800K. Total funds therefore decreased by £104K, to £10.1M.

This compares with the 2020/21 financial year where Restricted funds increased by £473K, Designated funds increased by £139K and Available reserves increased by £72K. Total funds therefore increased in 2020/21 by £684K.

The Trustees will continue to review the external environment and future needs to ensure that the funds set aside are prudent and the level of available reserves is adequate for planned operational activity and for strategic investment in new services or improved systems or ways of working.

An updated Reserves Policy was approved by the Board of Trustees on 24 June 2022 which will be reflected in the Financial Statements for the year ending 31 March 2023.

### **Our investment policy**

We 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. In addition, given the potential calls on free reserves, it is imperative that funds are tied-up for no longer than 12 months. Over the year, we have sought to minimise the exposure of the charity by holding funds with five banks. Given the wider economic climate this policy is under constant review.

## **Fundraising**

### **Our approach to fundraising and conforming to recognised standards**

Sustrans is, and always has been, committed to employing a transparent and ethical approach to fundraising activities. We are registered with the Fundraising Regulator and fully adhere to the Code of Fundraising Practice.

Our colleagues are trained in accordance with the Fundraising Regulator's code and this ensures that our fundraising activities are neither intrusive nor persistent. Our fundraising promise further demonstrates our clear commitment to how we treat our donors:

- We will commit to high standards
- We will be clear, honest, open and respectful
- We will be fair and reasonable
- We will be accountable and responsible.

### **Personal data and consent**

Our donors' personal data is held in accordance with the requirements of General Data Protection Regulations (GDPR). All data is held securely and only for as long as required. We will never sell or share donors' details with other organisations to use for their own purposes, other than when we are required to do so by law.

We make every effort to ensure that our fundraising activity never feels unreasonably intrusive, persistent or pressurised, but rather focuses on inspiring support and celebrating the impact of fundraised income. Donors can manage their permissions online or by contacting our supporter service centre. We always respect the wishes of donors who do not wish to receive fundraising communications, including those who have registered with the Fundraising Preference Service.

### **Fundraising complaints**

Our ethical and open approach to fundraising is reflected in the low number of fundraising complaints that we have received, with 6 recorded in 2021/22 (3 in 2020/21). We have procedures in place to ensure that fundraising complaints are handled carefully and follow our clear fundraising complaints policy.

### **Face-to-face fundraising**

A major strand of our fundraising activity engages new supporters face-to-face on the National Cycle Network. All our face-to-face fundraisers are trained and managed directly by Sustrans. The company 'Inspired People' recruits agency colleagues.

Our fundraisers receive in-depth training and are always required to be friendly, professional and never engage in actions that could be construed as pressurising or manipulative. Our team of fundraisers are supervised by a team leader, who assesses their performance and conduct on a daily basis. Ongoing coaching and formal performance reviews are conducted with all of our fundraisers.

## **Protecting people in vulnerable circumstances**

Sustrans takes safeguarding responsibilities very seriously and has clear procedures for reporting and managing any concerns. In relation to fundraising, we ensure all fundraisers are trained to identify the needs of people in vulnerable circumstances. Where this is the case, fundraisers do not make a financial ask and will report their concerns to their manager. Any donations being received via post will be viewed in a similar way, with any concerns over the individual being reported to the Head of Individual Giving & E-Commerce.

## **Railway Paths Limited**

Sustrans collaborates with Railway Paths Limited, which was set up in 1998 to manage a large portfolio of disused railway land for transforming into walking and cycling routes. The 'support, promotion and encouragement of the activities of Sustrans' is one of its charitable objects. Although the two organisations are not legally connected entities, we have disclosed the transactions between the two organisations in Note 19 to the Financial Statements in the interests of transparency.

## **Structure, governance and management**

### **Governing document**

Sustrans is a registered charity in England, Wales and Scotland, and a private company limited by guarantee. It is governed by its Board of Trustees operating under the terms of the Articles of Association as amended in February 2021.

### **Charity Governance Code**

Sustrans supports the principles of good governance set out in the Charity Governance Code for larger charities. The Trustees welcomed the refreshed version of the Code, published in December 2020, with its focus on 'Principle 6. Equality, diversity and inclusion'. The recommended practice has been reviewed against our 'For Everyone' principles and the supporting practices and changes which were already being implemented. The Board will continue to review the charity's practice against the Code's requirements as part of its approach of continuous improvement of governance arrangements.

### **The Trustees**

The Board of Trustees is responsible for the governance and strategy of Sustrans. The Articles allow for between five and twelve trustees, who have full legal responsibility for the activities of Sustrans. They are the company directors of Sustrans for the purposes of company law. They are appointed for a term of three years and can be re-elected for a second consecutive term. In exceptional circumstances a trustee may be elected for one further term.



## **Role of the trustees**

The Trustees meet at least six times a year, to review strategy and performance, agree operating plans and annual budgets, and to meet with and hear from stakeholders and employees. The Board delegates specific responsibilities to the Finance and Performance Committee, the Audit and Risk Committee, the Estates Committee and the Remuneration Committee, which meet as required, typically quarterly. The members of these committees are shown on page 3.

Trustees monitor and have overall responsibility for:

- approving the overall strategy and annual budget of the organisation, ensuring the allocation of the necessary resources to achieve the objectives defined in the business plan;
- 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 establishing 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.

## **Recruitment and appointment of trustees**

The Trustees have a wide range of skills and experience. The Trustees, together with the Executive, identify the skills, experience and background required of the Trustees to ensure that the board is able to deliver its duties, and to support and challenge the Executive. To improve oversight of both Trustee and employee recruitment and retention the Board has formed a Remuneration Committee, which first met in May 2021. Sustrans is committed to diversity and inclusiveness and welcomes applications from everyone.

## **Trustee induction and training**

The induction for new Trustees includes the provision of a Trustee Handbook containing key documentation, one-to-one meetings with key people, site/project visits, and attending an externally provided Trustee induction and refresher training.

Trustees have appraisals with the Chair of the Board, this enables any training and development needs to be identified and addressed. All Trustees receive periodic updates and guidance on their role as Trustees of the charity.

## **Conflicts of interest**

Each Trustee is required to disclose potential or actual conflicts of interest to the Chair for inclusion in the register of interests and also at Board or Committee meetings if relevant.

## **The Executive**

The day-to-day running of the Charity is delegated to the Chief Executive, who in turn delegates specific responsibilities to members of the Executive Team. The Trustees set out delegated authority through the Delegated Authority Framework, which is reviewed annually.

The Executive ensures that appropriate structures and processes are in place to enable effective oversight, scrutiny and decision-making across the organisation, that there is accountability for those decisions and that there is effective leadership of, and communication with, colleagues across the organisation.

The salary of the Chief Executive is set by the Board of Trustees. Other roles are scored according to the Hay Job Evaluation system and graded accordingly.

The senior executive committee is the Executive team, which recommends strategies to the Board for approval and runs the Charity's operations day-to-day. During 2020/21, Executive team meetings moved to a weekly cycle of shorter meetings, to enable the rapid, agile decision-making demanded by the global pandemic. Their purpose being to review the performance of the Charity's work, and to address any issues and opportunities arising with regards to finance, health and safety, risk management, resourcing and programmes of delivery and influencing work. The weekly meeting cycle has since been maintained and supplemented by fortnightly discursive meetings for deeper exploration of topics, typically those shaping strategy.

## **Management of risk**

The Trustees have revised their risk policy during the year. This review ensures that the arrangements are robust and provide for effective systems and processes to identify, assess, and escalate risks and the management of risk. As part of this policy review, the Trustees have reflected on their risk appetite in relation to a number potential areas of risk for Sustrans, in order to inform the control measures and other mitigation measures put in place.

The Executive reviews the risk register on a monthly basis and tracks the movement of risk rating and the implementation of mitigation measures. The Executive escalates risks for the review of the Board and its Committees as deemed necessary. The Audit and Risk Committee reviews the effectiveness of the risk management processes, and reviews the entire Executive risk register at least annually.

## **Statement of Trustees' Responsibilities**

The Trustees (who are also directors of Sustrans Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of

the charitable company for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As permitted by the Articles of Association, the Trustees have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Trustees' and Officers' liability insurance in respect of itself and its Trustees.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In line with Charities' best practice, Sustrans' Trustees have reviewed the criteria for charities, set out in the Charities Act 2011. The Trustees have concluded that:

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

## **Section 172 statement**

Section 172 of the Companies Act 2006 requires the Trustees (the Directors) to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

- the likely consequences of any decision in the long term;
- the interests of the charity's employees;
- the need to foster the charity's relationships with suppliers, customers and others;
- the impact of the charity's operations on the community and the environment;
- the desirability of the charity maintaining a reputation for high standards of business conduct; and
- the need to act fairly.

Our strategic priorities were developed as part of a long-term strategy to make it easier for people to walk and cycle. We routinely review external developments and horizon scan for future trends and ensure that our plans can be adapted as needed to meet changing circumstances.

The Trustees act in good faith to make decisions, the outcome of which, they consider will most likely be to promote the success of the charitable company both in current periods and in the long term.

In discharging their duties above, the Trustees carefully consider amongst other matters, the impact on and interests of other stakeholders in the charitable company and factor these into their decision-making processes.

## **Employees**

Our colleagues are vital to Sustrans and we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular surveys and address any issues raised as quickly as possible through departmental action plans. Feedback from our employee representative forum is shared regularly with our Executive team. We also have employee networks which have been set up to bring together and represent specific groups of employees, aimed at helping to establish a sense of community and support for these groups of people, as well as providing social and professional networks. We are committed to promoting a healthy workforce comprising both physical and mental wellbeing. Trustees receive information on various employee metrics. The Trustees keep colleagues informed of key issues through structured communication channels, promote inclusion in the workplace and also provide training and development opportunities.

## **Customers and suppliers**

Our relationships with partners and suppliers are key to our effectiveness. We act to service our customer's needs to the highest standards and work quickly to resolve any isolated disagreements that may arise from time to time. Sustrans seeks to pay all suppliers any undisputed amounts due and within agreed terms.

## **Community and the environment**

The charity recognises the importance of its environmental responsibilities and has policies aimed at reducing any potential detrimental environmental impact of its activities.

## **Standards and conduct**

The charity has a series of defined codes of practice regarding ethical standards and the conduct of business. These are clearly communicated to every colleague and adherence is expected and enforced.

## **Inclusivity and fairness**

The benefits of walking, cycling, wheeling and healthy places aren't experienced in the same way by everyone. We prioritise work with people and in places where we can make the most difference to those who may feel excluded. We involve people with different and seldom-heard voices, to develop solutions that work for everyone. We keep questioning

and asking if we can do more. We know we can't do this on our own so we work closely with others.

We are also committed to inclusivity inside the charity, supported by our EDI groups and networks, promoted by the accelerating for everyone programme, and underpinned by our values and the way in which leaders and their teams work.

### **Statement of disclosure of information to auditors**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

By order of the Board of Trustees who approve the Strategic Report as Directors.



Moray Macdonald  
24 June 2022

# Independent auditor's report to the members and trustees of Sustrans

## Opinion

We have audited the financial statements of Sustrans ('the charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of cash flows 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 March 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 trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

### **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, 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 the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). 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 were taxation and employment 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 grant and contract income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit and Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence including that with the Charity Commission and Scottish Charity Regulator, designing audit procedures over the timing of grant and contract income, 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.



Tara Westcott  
Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
Fourth Floor, St James House  
St James Square  
Cheltenham  
GL50 3PR  
Date: 5 August 2022

# Statement of Financial Activities for the year ended 31 March 2022

(Including an Income and Expenditure Account)

		Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	Notes	£'000	£'000	£'000	£'000
<b>Income</b>					
Donations and Legacies		4,431	44	4,475	4,432
Charitable activities	2	9,789	100,201	109,990	62,183
Investment income		250	-	250	330
<b>Total income</b>		<b>14,470</b>	<b>100,245</b>	<b>114,715</b>	<b>66,945</b>
<b>Expenditure</b>					
Raising funds		1,732	-	1,732	911
Charitable activities		12,461	100,626	113,087	65,350
<b>Total expenditure</b>	3	<b>14,193</b>	<b>100,626</b>	<b>114,819</b>	<b>66,261</b>
<b>Net (expenditure) / income</b>	5	<b>277</b>	<b>(381)</b>	<b>(104)</b>	<b>684</b>
Transfers between funds		(204)	204	-	-
<b>Net movement in funds</b>		<b>73</b>	<b>(177)</b>	<b>(104)</b>	<b>684</b>
<b>Reconciliation of funds</b>					
Fund balances brought forward		8,083	2,203	10,286	9,602
<b>Fund balances carried forward</b>		<b>8,156</b>	<b>2,026</b>	<b>10,182</b>	<b>10,286</b>

The notes on pages 46 to 64 are an integral part of these financial statements.

All gains and losses recognised in the year are included in the Statement of Financial Activities. All income and expenditure relates to continuing operations.

There is no difference between the net income for the years stated above and their historical cost equivalents.

# Balance Sheet at 31 March 2022

Company Number 1797726 (England and Wales)

		Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	7	2,208	1,053	3,261	2,388
<b>Current assets</b>					
Stock		233	-	233	88
Debtors	8	6,297	-	6,297	3,889
Cash at bank and in hand		153,666	1,672	155,338	139,100
<b>Total Current Assets</b>		160,196	1,672	161,868	143,077
<b>Creditors:</b> amounts falling due within one year	9	(154,248)	(699)	(154,947)	(135,179)
<b>Net current Assets</b>		5,948	973	6,921	7,898
<b>Total Net Assets</b>		8,156	2,026	10,182	10,286
<b>The Funds of the Charity</b>					
Restricted	11			2,026	2,203
Unrestricted					
Designated	12			6,174	5,301
General				1,982	2,782
				8,156	8,083
<b>Total Funds</b>				10,182	10,286

The notes on pages 46 to 64 are an integral part of these financial statements. These financial statements on pages 43 to 64 including the notes, were approved by the trustees on 24 June 2022 and were signed on their behalf by:



**Moray Madonald**

**Chair**

# Statement of Cash Flows for the year ended 31 March 2022

	Total Funds 2022	Total Funds 2021
	£'000	£'000
<b>Net (expenditure) / income for the reporting period (as per the Statement of Financial Activities)</b>	<b>(104)</b>	<b>684</b>
<b>Adjustments for:</b>		
Depreciation charges	257	122
Interest from investments	(250)	(330)
Loss on the sale of fixed assets	2	-
(Increase) / Decrease in stocks	(145)	130
(Increase) / Decrease in debtors	(2,408)	3,323
Increase in creditors	19,768	32,860
<b>Net cash provided by operating activities</b>	<b>17,120</b>	<b>36,789</b>
<b>Cash flows from investing activities:</b>		
Interest from investments	250	330
Proceeds from the sale of property, plant and equipment	-	13
Purchase of property, plant and equipment	(1,132)	(164)
<b>Net cash provided by investing activities</b>	<b>(882)</b>	<b>179</b>
Change in cash and cash equivalents in the reporting period	16,238	36,968
Cash and cash equivalents at the beginning of the reporting period	139,100	102,132
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>155,338</b>	<b>139,100</b>

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

# Notes to the Financial Statements

## 1. Principle accounting policies

### a) Basis of preparation

The financial statements have been prepared under the historical cost convention in UK pounds sterling. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) for charities, which is based on the Financial Reporting Standard (FRS) 102 effective from 1st January 2019, the Charities Act 2011, the Companies Act 2006, the Charities Accounts (Scotland) regulations 2006 and Charities and Trustee Investment (Scotland) Act 2005. The financial statements have been prepared on a going concern basis and accounting policies have been applied consistently. The financial statements have been prepared on the basis that it is a public benefit entity under FRS 102.

### b) Going concern

We have key funding streams – notably our government-funded programmes – which offer us financial protection in the near term. Our healthy reserves balance further mitigates any remaining financial risks. The economic uncertainty for the whole country means that we have recognised we have further financial risks in relation to 2022/23. We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the recovery from the pandemic. But we are not complacent. We are working to bolster our fundraising operations so that we have a secure core of funding that will enable us to continue to deliver our charity's objectives should other income sources start to reduce. We are actively planning to ensure that we can react quickly to changing financial risks, and opportunities, in a sustainable way.

After making enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements. The Charity therefore continues to adopt the going concern basis in preparing its financial statements. The Trustees have considered specifically the financial risks associated with the current economic uncertainty. The Trustees consider that Sustrans has the flexibility to respond to any unexpected fluctuations in income levels and has adequate reserves and cash and operational provisions to manage the loss of major funding streams.

### c) 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 12 to the financial statements.

**Restricted Funds** - Income restricted to a specific purpose is treated as restricted funds. The description and purpose of these restricted funds are provided in Note 11.

#### **d) Incoming Resources**

Income is recognised in the statement of financial activities (SoFA) when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities.

Income is only recognised 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.
- Probable – 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.

If any of these criteria are not met but the cash has been received, then the income is deferred.

- Donations – Donations are accounted for in the year in which they are receivable.
- Legacies – For legacies, entitlement is taken as the earlier of: the date on which the Charity is aware that probate has been granted; the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made; or when a distribution is received from the estate.
- Grants receivable – Grants from government bodies and other sources are received for specific projects and are recognised in accordance with their individual terms and conditions. Income is recognised when the Charity has entitlement to the funds which is when any performance conditions attached are met, it is probable that the income will be received and the amount can be reliably measured. Grant income will be deferred if received in advance of meeting performance conditions or if the funder specifically states that the income must be spent in a future accounting period.

#### **e) 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 have been allocated to activities on the basis of full-time equivalent employee numbers. 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 financial statements. 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 regulations.

## **f) Tangible assets**

Tangible fixed assets costing more than £2,000 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. The rates of depreciation utilised are as follows:

IT Equipment	25% per annum
Plant and machinery	25% per annum
Office refurbishments	10% per annum or the lease term

Freehold land and buildings are not depreciated because (a) it is the Trustees' intention to hold the assets for the long term and (b) their residual value is at least equal to the carrying value. Assets not depreciated are subjected to an annual impairment review.

## **g) Key sources of estimation uncertainty and judgements**

Preparation of the financial statements requires management to make estimates and judgements. The items in the financial statements where the most significant estimates and judgements have been made are:

- Income recognition on grants: Income is recognised when there is evidence of entitlement, the amount can be measured and the receipt is probable. Where terms and conditions have not been met, or, uncertainty exists as to whether Sustrans can meet the terms and conditions otherwise outside of its control, the income is not recognised but deferred as a liability until it is probable that the terms and conditions imposed can be met
- Valuation of tangible fixed assets and assessment of the remaining useful lives of tangible fixed assets: see accounting policy (1f) for details of the estimate of useful economic lives applied and consideration of impairment;
- Valuation of debtors with regards to making an assessment for impairment: see accounting policy (1d).
- Accrued and deferred income: Income is recognised when there is evidence of entitlement, the amount can be measured and the receipt is probable. Where terms and conditions have not been met, or, uncertainty exists as to whether Sustrans can meet the terms and conditions otherwise outside of its control, the income is not recognised but deferred as a liability until it is probable that the terms and conditions imposed can be met.

## **h) Stock**

The Charity holds stocks of maps which are recognised at cost, and adjusted (where applicable) for any loss of service potential.

## **i) Maintenance**

The Charity has a maintenance obligation 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 there is a constructive obligation.



#### **j) Taxation**

The company, which is a registered Charity, is entitled to taxation exemptions on all income and gains properly applied for its charitable purposes.

#### **k) Pension costs**

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

#### **l) Operating leases**

Rentals applicable to operating leases, where substantially all the benefits and risk of ownership remain with the lessor, are charged to the statement of financial activities on a straight-line basis.

#### **m) Grants**

Grants payable in furtherance of the Charity's objects are recognised when the commitment is communicated to the grant recipient or when payment is due in accordance with the terms of the contract, which is normally upon providing evidence of the project work being undertaken.

#### **n) Volunteers**

The Charity benefits from gifts in kind in the form of volunteer time and unclaimed out of pocket expenses. As per the Charity SORP, these are not recognised in the accounts as they cannot be reliably valued, but further information is provided in the Trustees' annual report on page 13.

#### **o) Financial instruments**

The Charity only has financial assets and financial liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### **p) Redundancies**

Termination payments are accounted for in the period an obligation is made or liability incurred.

#### **q) Cash**

Cash includes UK bank balances available within 121 days.

## 2. Income from Charitable Activities

	Unrestricted	Restricted	Total 2022	Total 2021
	£'000	£'000	£'000	£'000
England	4,337	15,321	19,658	10,634
London	2,230	318	2,548	2,525
Northern Ireland	841	103	944	781
Scotland	1,163	83,583	84,746	47,310
Wales	1,218	876	2,094	933
	9,789	100,201	109,990	62,183

A considerable proportion of Sustrans' impact is delivered through the management of performance-related grants. In a number of significant cases this funding is paid to the charity in advance of delivery. Accordingly the income is deferred until the performance related conditions are met and the income is then recognised. This can lead to the charity holding significant amounts as cash (please see the Balance Sheet) and deferred income (please see note 9).

## 3. Total Expenditure

	Activities undertaken directly	Grant funding of activities (to institutions)*	Support costs	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000
<b>Raising funds</b>	1,533	-	199	1,732	911
<b>Charitable Activities</b>					
England	16,878	2,680	2,420	21,978	12,727
London	2,530	-	819	3,349	3,532
Northern Ireland	990	-	273	1,263	1,159
Scotland	12,502	69,293	2,295	84,090	46,567
Wales	1,988	10	409	2,407	1,365
	34,888	71,983	6,216	113,087	65,350
<b>Total expenditure</b>	<b>36,421</b>	<b>71,983</b>	<b>6,415</b>	<b>114,819</b>	<b>66,261</b>

\* See Note 16.

Sustrans' charitable activities are delivered by geographically focussed teams across the UK.

## 4. Analysis of support costs

	Chief Executive and Governance	Brand, Marketing, & Impact	Finance	IT	HR	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds	23	53	21	56	46	199	100
England	284	637	260	680	559	2,420	1,865
London	96	216	88	230	189	819	750
Northern Ireland	32	72	29	77	63	273	231
Scotland	269	604	247	645	530	2,295	2,001
Wales	48	108	44	115	94	409	240
<b>Total 2022</b>	<b>752</b>	<b>1,690</b>	<b>689</b>	<b>1,803</b>	<b>1,481</b>	<b>6,415</b>	<b>5,187</b>
Total 2021	629	1,328	748	1,301	1,181	5,187	

## 5. Net income

	2022	2021
	£'000	£'000
<b>This is stated after charging:</b>		
Trustees of the Charity are not paid	-	-
Travel and associated expenses incurred by employees and 10 (2021:11) Trustees for attendance at meetings	-	2
Fees payable for statutory audit	18	18
Trustee liability insurance	2	2
	<b>20</b>	<b>22</b>
Fees payable to the auditors for assurance services other than statutory audit	2	2
Depreciation of tangible fixed assets	257	122

## 6. Employee costs

	2022	2021
<b>Average full-time equivalent number of employees</b>	<b>Number</b>	<b>Number</b>
Raising Funds	16.7	9.6
Support Functions	108.9	95.2
Charitable Activities		
England	201.8	178.7
London	68.4	71.8
Northern Ireland	22.8	22.2
Scotland	191.4	191.6
Wales	34.1	23.0
	<b>644.1</b>	<b>592.1</b>

The average head count (number of employees) during the year was 713 (2021: 694).

	2022	2021
<b>Staff costs (for the above employees)</b>	<b>£'000</b>	<b>£'000</b>
Wages and salaries	19,913	17,975
Social Security costs	1,815	1,646
Employer's pension contributions	1,435	1,177
	<b>23,163</b>	<b>20,798</b>

Statutory redundancy payments totalling £51k (2021: £6k) were made during the year.

	2022	2021
	<b>Number</b>	<b>Number</b>
The following number of employees received remuneration falling within the following ranges:		
£60,000 to £69,999	6	2
£70,000 to £79,999	-	4
£80,000 to £89,999	4	1
£110,000 to £119,999	-	1
£120,000 to £129,999	1	-

The remuneration shown above is the only employee benefit received by key management personnel. The salary of the Chief Executive is set by the Board of Trustees. Other roles are scored according to the Hay Job Evaluation system and graded accordingly.

The key management personnel are considered to be the Executive team, and during the year, the total payroll cost for members of the Executive team was £734k (2021: £715k).

## 7. Tangible assets

	Freehold land and buildings	Office refurbishment	IT Equipment	Plant and Machinery	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
<b>At 1 April 2021</b>	<b>2,167</b>	<b>-</b>	<b>224</b>	<b>534</b>	<b>2,925</b>
Additions	-	778	3	351	1,132
Disposals	-	-	(44)	(37)	(81)
<b>At 31 March 2022</b>	<b>2,167</b>	<b>778</b>	<b>183</b>	<b>848</b>	<b>3,976</b>
<b>Accumulated depreciation</b>					
<b>At 1 April 2021</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>337</b>	<b>537</b>
Charge for the year	-	67	11	179	257
Disposals	-	-	(44)	(35)	(79)
<b>At 31 March 2022</b>	<b>-</b>	<b>67</b>	<b>167</b>	<b>481</b>	<b>715</b>
<b>Net Book Value</b>					
<b>At 31 March 2022</b>	<b>2,167</b>	<b>711</b>	<b>16</b>	<b>367</b>	<b>3,261</b>
At 31 March 2021	2,167	-	24	197	2,388

Tangible fixed assets held in restricted funds total £1,053K (2021: £1,053K) and comprise the National Cycle Network Centre £903K (2021:£903K) and land holdings in Yorkshire totalling £150K (2021: £150K).

As at 31 March 2022, capital commitments with a value of £302K (2021: £nil) existed for office refurbishments.

## 8. Debtors

	2022	2021
	£'000	£'000
Trade Debtors	4,324	2,030
Accrued income	1,549	1,411
Sundry debtors and prepayments	424	448
	<b>6,297</b>	<b>3,889</b>

## 9. Creditors: amounts falling due within one year

	2022	2021
	£'000	£'000
Trade Creditors	10,570	1,691
Payments received on account for contracts or performance related grants	132,979	131,437
Accruals	10,243	1,075
Taxation and social security	1,155	976
	<b>154,947</b>	<b>135,179</b>

### Reconciliation of payments received on account for contracts or performance related grants

	2022	2021
	£'000	£'000
Brought forward as at 1 April 2021	131,437	96,026
Released in the year	(60,603)	(30,655)
New balances deferred	62,145	66,066
Carried forward as at 31 March 2022	<b>132,979</b>	<b>131,437</b>

The new balances deferred in the year of £62.1M (2021: £66.1M) includes funding from the Department of Transport of £38.9M (2021: £23.0M) and Transport Scotland of £20.4M (2021: £40.6M). Of the Transport Scotland funds brought forward £44.6M (2021: £23.9M) was released in the year.

## 10. Financial instruments

	2022	2021
	£'000	£'000
<b>Financial Assets</b>		
Cash	155,338	139,100
Accrued income	1,549	1,411
Trade debtors (settlement amount after trade discount)	4,324	2,030
<b>Financial Liabilities</b>		
Trade creditors (settlement amount after trade discount)	(10,570)	(1,691)
Accruals	(10,243)	(1,075)

## 11. Restricted income funds

		Balance at 1 April 2021	Income	Expenditure	Transfers from unrestricted funds	Balance at 31 March 2022
	Notes	£'000	£'000	£'000	£'000	£'000
Consett & Sunderland Railway Path		-	2	(70)	68	-
Paisley to Kilwinning & Kilmacolm		108	4	(4)	-	108
York to Selby Railway Path		443	12	(34)	22	443
Worthington Railway Path – Derby		-	-	(69)	69	-
Mirehouse Railway Path		-	-	(43)	43	-
<b>Historic railway path funds</b>	(1)	<b>551</b>	<b>18</b>	<b>(220)</b>	<b>202</b>	<b>551</b>
National Cycle Network Centre	(2)	363	-	(140)	-	223
Kirklees maintenance fund	(3)	100	-	-	-	100
Two Tunnels maintenance fund	(4)	83	-	-	-	83
Catterick maintenance fund	(5)	17	-	-	-	17
Frome's missing link donations		6	-	(6)	-	-
Track of the Ironmasters		-	38	(40)	2	-
Castleford Greenway	(6)	122	-	-	-	122
Lune Valley Cycleway	(7)	918	-	(56)	-	862
Beadnell to Dunston Steads	(8)	18	-	(15)	-	3
Asda Parklet	(9)	21	-	-	-	21
Camel Trail access improvements	(10)	4	-	(1)	-	3
Big Give	(11)	-	41	-	-	41
		<b>1,652</b>	<b>79</b>	<b>(258)</b>	<b>2</b>	<b>1,475</b>
England		-	15,269	(15,269)	-	-
London		-	318	(318)	-	-
Northern Ireland		-	105	(105)	-	-
Scotland		-	83,580	(83,580)	-	-
Wales		-	876	(876)	-	-
		<b>-</b>	<b>100,148</b>	<b>(100,148)</b>	<b>-</b>	<b>-</b>
		<b>2,203</b>	<b>100,245</b>	<b>(100,626)</b>	<b>204</b>	<b>2,026</b>

- (1) The historic railway path funds cover routes acquired from BRB (Residuary) Ltd. Agreements with the relevant local authority state that income arising from the land must be ring-fenced to that land. Where unrestricted funds have been spent on these routes these are shown as transfers into the fund.
- (2) In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. A grant for £605k was received from the Millennium Commission to assist with the purchase. An appeal to supporters and trusts raised a further £332k. This restricted fund is used to maintain the building.
- (3) A maintenance fund from Yorkshire Water to be spent on the network within Kirklees.
- (4) A fund restricted to the long-term maintenance of the Two Tunnels in Bath.
- (5) Funds received for the long-term maintenance of the Connect 2 project at Catterick, Yorkshire.
- (6) Funds received in 2017/18 from the Railway Heritage Trust for the viaduct and greenway phases connecting to the Castleford Greenway in Yorkshire.
- (7) Funds received from a major donor for the Lune Valley Cycleway in Lancashire.
- (8) Funds received from a major donor to review off-road alternatives for the NCN 1 between Beadnell and Dunstan Steads in Northumbria.
- (9) A donation received from a major supermarket to create a pocket park near the NCN 66 in Leeds.
- (10) Funds received from a donor for access improvement works on the Camel Trail in Cornwall.
- (11) Funds received from individual donors and match funding from the Big Give to undertake ecology work along the National Cycle Network.

## 12. Designated funds

		Balance at 1 April 2021	Income	Expenditure	Transfers from unrestricted funds	Balance at 31 March 2022
	Notes	£'000	£'000	£'000	£'000	£'000
NCN repairs fund	(1)	1,000	-	-	-	1,000
Fixed asset fund	(2)	1,335	-	(257)	1,130	2,208
Restructure fund	(3)	2,966	-	-	-	2,966
		<b>5,301</b>	<b>-</b>	<b>(257)</b>	<b>1,130</b>	<b>6,174</b>

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

- (1) There is a risk that there could be damage to the NCN which falls outside of the affordability provided by normal land management and maintenance budgets. The Trustees have set aside £1M designated funds to ensure that routes which are well used, and owned by Sustrans could be repaired and re-instated in the event of severe and unexpected damage.
- (2) The fixed asset fund has been set up to facilitate the identification of those funds that require time to be made liquid and should therefore be excluded from the freely available reserves calculation. It represents the net book value of tangible fixed assets, except for those that form part of Restricted Funds. The change in the fixed asset fund over the year arises from the net change in unrestricted tangible fixed assets during this year.
- (3) The restructure fund has been set up to cope with a scenario in which Sustrans has to restructure to reduce activities significantly because of a lack of funding but retain a core activity which could be funded by continuing charitable donations.



## 13. Limitation by guarantee

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.

## 14. Financial commitments

	2022	2021
	£'000	£'000
<i>The total of future minimum lease payments under non-cancellable operating leases for each of the following periods:</i>		
1. Not later than one year	210	266
2. Later than one year and not later than five years	975	59
	<b>1,185</b>	<b>325</b>
Lease payments recognised as an expense	<b>485</b>	<b>522</b>

## 15. Legal charges

In December 1995 the Charity entered into a debenture with the Millennium Commission giving a floating charge over the assets of the Charity as part of the agreement for grants from the Millennium Commission. In the financial year to 31 March 2004 the Charity acquired a building in central Bristol to be the new National Cycle Network Centre. A grant for £605,000 was received from the Millennium Commission to assist with this purchase. A charge over the building was created, in addition to the existing Debenture held by the Commission, in October 2005.

When the Millennium Commission was abolished in November 2006 these charges transferred to its successor, the Big Lottery Fund. In August 2014 the Big Lottery Fund released Sustrans from the floating charge, but the fixed charge over the building in central Bristol remains.

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 (now Durham County Council) 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 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 Council

## 16. Grants paid to institutions

During the reporting year grants of more than £200K have been paid to the following institutions as reimbursement for project delivery:

	2022	2021
	£'000	£'000
City of Edinburgh Council	11,293	5,134
Scottish Canals	10,291	7,506
Glasgow City Council	7,325	5,310
Scottish Borders Council	3,384	173
Highland Council	3,176	1,143
Dundee City Council	3,127	872
West Dunbartonshire Council	2,557	-
Aberdeen City Council	1,775	1,095
South Ayrshire Council	1,533	376
South Lanarkshire Council	1,502	-
Stirling Council	1,492	141
Argyll and Bute Council	1,457	150
Glasgow Science Centre	1,318	206
North Ayrshire Council	1,289	205
Clackmannanshire Council	1,283	839
East Lothian Council	1,202	866
West Lothian Council	1,114	511
Fife Council	1,029	390
Angus Council	1,012	115
North Lanarkshire Council	989	314
Renfrewshire Council	964	1,369
East Renfrewshire Council	930	-
NHS Grampian	800	-
East Ayrshire Council	660	-
Falkirk Council	631	-
Clyde Gateway URC	600	-
Staffordshire County Council	509	-
Perth and Kinross Council	397	817
Cambridgeshire County Council	368	200
Buckinghamshire County Council	364	-
Inverclyde Council	361	-
Abellio East Midlands Limited	340	144
North East of Scotland Transport	334	-
Lancashire County Council	332	-
Tactran	315	196
Perth and Kinross Countryside Trust	309	419
Aberdeenshire Council	308	-
SEPA	281	184
The Chiltern Railway Company	275	565
Hertfordshire County Council	271	-
Renfrewshire City Deal	270	-
Queens Cross Housing Association	201	-
Others less than £200K	4,015	5,990
	<b>71,983</b>	<b>35,230</b>

## 17. Grants received from government bodies

During the year grants of more than £100K were received from government bodies in relation to a wide number of projects that fall under the Charity's objectives as outlined in the Trustees' Report. The granting government bodies were:

	2022	2021
	£'000	£'000
Transport Scotland	82,493	45,189
Department for Transport	14,309	4,634
Welsh Government	817	154
Midlothian Council	100	-
Coronavirus Job Retention Support	19	360
West Yorkshire Combined Authority	9	344
Other government bodies	269	240
<b>Total</b>	<b>98,016</b>	<b>50,921</b>

## 18. Net Assets

	Restricted Funds	Unrestricted Funds	2022 Total	Restricted Funds	Unrestricted Funds	2021 Total
	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	1,053	2,208	3,261	1,053	1,335	2,388
Current assets	1,672	160,196	161,868	1,710	141,367	143,077
Creditors due within one year	(699)	(154,248)	(154,947)	(560)	(134,619)	(135,179)
<b>Total</b>	<b>2,026</b>	<b>8,156</b>	<b>10,182</b>	<b>2,203</b>	<b>8,083</b>	<b>10,286</b>

## 19. Railway Paths Limited

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 as to transform them into walking, horse-riding and cycling routes for the benefit of the public. One of the charitable objectives of Railway Paths Limited is the support, promotion and encouragement of the charitable activities of Sustrans Ltd. We collaborate with Railway Paths Limited to work as efficiently as possible and share resources to achieve our aligned objectives and vision. Although the two organisations are not legally connected entities, we have disclosed the transactions between the two organisations below in the interests of transparency.

During the year Sustrans charged Railway Paths £79K (2021: £83K) for Finance, HR, Legal and Land management services. Railway Paths charged Sustrans £41K (2021: £80K) for Bridge and Estate management services. At the 31st March 2022 £27K (2021: £29K) was owed by Sustrans to Railway Paths, and £30K (2021: £25K) was owed by Railway Paths to Sustrans.

There were no other related party transactions in the current or prior year.

## 20. Comparative notes from 2020/21 financial statements

### Statement of Financial Activities

		Unrestricted Funds	Restricted Funds	Total Funds 2021
	Notes	£'000	£'000	£'000
<b>Income</b>				
Donations and Legacies		3,758	674	4,432
Charitable activities	2	9,800	52,383	62,183
Investment income		330	-	330
<b>Total income</b>		<b>13,888</b>	<b>53,057</b>	<b>66,945</b>
<b>Expenditure</b>				
Raising funds		911	-	911
Charitable activities		12,638	52,712	65,350
<b>Total expenditure</b>	3	<b>13,549</b>	<b>52,712</b>	<b>66,261</b>
<b>Net income</b>	5	<b>339</b>	<b>345</b>	<b>684</b>
Transfers between funds		(128)	128	-
<b>Net movement in funds</b>		<b>211</b>	<b>473</b>	<b>684</b>
<b>Reconciliation of funds</b>				
Fund balances brought forward		7,872	1,730	9,602
<b>Fund balances carried forward</b>		<b>8,083</b>	<b>2,203</b>	<b>10,286</b>

## 21. Comparative notes from 2020/21 financial statements

### Balance Sheet at 31 March 2021

		Unrestricted Funds	Restricted Funds	Total Funds 2021
	Notes	£'000	£'000	£'000
<b>Fixed assets</b>				
Tangible assets	7	1,335	1,053	2,388
<b>Current assets</b>				
Stock		88	-	88
Debtors	8	3,889	-	3,889
Cash at bank and in hand		137,390	1,710	139,100
<b>Total Current Assets</b>		141,367	1,710	143,077
<b>Creditors:</b> amounts falling due within one year	9	(134,619)	(560)	(135,179)
<b>Net current Assets</b>		6,748	1,150	7,898
<b>Total Net Assets</b>		8,083	2,203	10,286
<b>The Funds of the Charity</b>				
Restricted	11			2,203
Unrestricted				
Designated	12			5,301
General				2,782
				8,083
<b>Total Funds</b>				10,286

## 22. Comparative notes from 2020/21 financial statements

### Restricted funds

		Balance at 1 April 2020	Income	Expenditure	Transfers from unrestricted funds	Balance at 31 March 2021
	Notes	£'000	£'000	£'000	£'000	£'000
Consett & Sunderland Railway Path		-	4	(46)	42	-
Paisley to Kilwinning & Kilmacolm		95	19	(6)	-	108
York to Selby Railway Path		443	11	(26)	15	443
Worthington Railway Path – Derby		-	-	(42)	42	-
Mirehouse Railway Path		-	-	(42)	42	-
<b>Historic railway path funds</b>	(1)	<b>538</b>	<b>34</b>	<b>(162)</b>	<b>141</b>	<b>551</b>
National Cycle Network Centre	(2)	450	-	(87)	-	363
Kirklees maintenance fund	(3)	100	-	-	-	100
Two Tunnels maintenance fund	(4)	164	-	(81)	-	83
Catterick maintenance fund	(5)	22	-	(5)	-	17
Frome's missing link donations	(6)	12	-	-	(6)	6
Track of the Ironmasters	(7)	-	93	(86)	(7)	-
Castleford Greenway	(8)	122	-	-	-	122
Lune Valley Cycleway	(9)	260	669	(11)	-	918
Beadnell to Dunston Steads	(10)	32	-	(14)	-	18
Asda Parklet	(11)	24	-	(3)	-	21
Camel Trail access improvements	(12)	6	-	(2)	-	4
		<b>1,192</b>	<b>762</b>	<b>(289)</b>	<b>(13)</b>	<b>1,652</b>
England		-	5,568	(5,568)	-	-
London		-	83	(83)	-	-
Northern Ireland		-	43	(43)	-	-
Scotland		-	46,411	(46,411)	-	-
Wales		-	156	(156)	-	-
		-	<b>52,261</b>	<b>(52,261)</b>	-	-
		<b>1,730</b>	<b>53,057</b>	<b>(52,712)</b>	<b>128</b>	<b>2,203</b>

## 23. Comparative notes for 2020/21 financial statements

### Designated funds

		Balance at 1 April 2020	Income	Expenditure	Transfers from unrestricted funds	Balance at 31 March 2021
	Notes	£'000	£'000	£'000	£'000	£'000
NCN repairs fund	(1)	1,000	-	-	-	1,000
Fixed asset fund	(2)	1,306	-	(122)	151	1,335
Restructure fund	(3)	2,856	-	-	110	2,966
		<b>5,162</b>	<b>-</b>	<b>(122)</b>	<b>261</b>	<b>5,301</b>