

Sustrans annual report and financial statements 2022- 2023

Year ended 31 March 2023.

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

Company Number 1797726 (England and Wales)

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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 (RC)	Chair (resigned 1 April 2022)
Helen Simpson (AR)	Vice Chair
Horace Carter-Allen (AR) (RC)	(resigned 6 January 2023)
Su Crighton (E)	(appointed 27 May 2022)
Alistair Gibbons (FP)	(appointed 27 May 2022)
Moray Macdonald (RC)	Chair (appointed as Chair 23 June 2022)
Catherine Max (AR) (E)	
Stuart Mills (FP) (E) (RC)	
Heather Preen (E) (AR)	
Frank Swinton (FP) (RC)	
Fiona Westwood (FP) (RC)	
Nicola Wood (AR, RC)	(appointed 27 May 2022)

AR = Audit and Risk Committee

FP = Finance and Performance Committee

E = Estates Committee

RC = Remuneration Committee

Rhona Marsland was appointed in the year as a non-Trustee advisory member of the Estates Committee.

Company Secretary Andy Appleby¹

Notes:

¹ Emily Wilson was Company Secretary until 13 December 2022.

Executive Directors

Xavier Brice	Chief Executive
Sally Copley	Executive Director, External Affairs
Susie Dunham	Executive Director, Impact
Harry Hayer	Executive Director, People and Organisational Development
Sam Kemp	Executive Director, Finance and Resources
Karen McGregor	Executive Director, Scotland ²
Matt Winfield	Executive Director, England, Wales and Northern Ireland

Notes:

² Stewart Carruth was Interim Executive Director, Scotland until 31 July 2022.

Advisers

Independent auditors

Crowe UK LLP
Fourth Floor
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Cheltenham, GL50 3PR

Solicitors

Bevan Brittan LLP
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Bristol BS2 0HQ

McCartney Stewart
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Renfrew PA4 8JH

Bankers

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

Handelsbanken
66 Queen Square
Bristol BS1 4JP

Clydesdale Bank plc
23 Bank Street
Airdrie, ML6 6AD3

Santander UK plc
12 Baldwin Street
Bristol BS1 1SD

Creating change together: Our vision for healthier places and happier lives

Sustrans is the charity making it easier for everyone to walk, wheel and cycle. We want to see a society where the way we all travel creates healthier places and happier lives for everyone.

In today's complex and uncertain world, the need to achieve Net Zero is widely recognised. The role of transport as well as its impact on people and places is pivotal.

Transport produced 27% of the UK's total emissions in 2019. Of this, the majority (91%) came from road transport vehicles. This needs to be addressed urgently.

That's why we work across the UK to help people walk, wheel and cycle more – and feel better connected and healthier from doing so. We're passionate about making it easier to leave the car at home by creating safe routes that link up with public transport and active travel alternatives.

This last year (2022-2023) we have focussed on creating spaces that are safer and easier for people to move around in. And we have worked closely with communities to inspire them to change the way we all travel every day, forging closer connections with our neighbours and reducing traffic to create a more sustainable society for us all.

But we haven't done this alone. It is thanks to the support of our generous donors, supporters, our dedicated volunteers, and our partners, that we've been able to reach even more people, empowering them to make healthier travel choices.

In the years to come, we will continue our vital work to create a fairer society by making affordable active travel options accessible to everyone. Because we know that by doing this, we can improve health and wellbeing, increase social connection and improve the environment.



– Xavier Brice, Sustrans Chief Executive



– Moray Macdonald, Chair of Trustees

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 the 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 everyone to walk and cycle.

A revised strategy for Sustrans

Like most organisations, Sustrans has a five-year strategy and, also like most organisations, it's usual to review and refresh that strategy halfway through to ensure it's the best it can be to help us meet our vision and mission.

In the last year we reviewed and refreshed our organisational strategy. This allowed us to highlight exciting new approaches to what we do and how we do it. Also, informed by the refresh, we have evolved how we talk about ourselves.

The refreshed strategy builds upon the great work we have already done to achieve our vision and mission, retains our strategic objectives but strengthens our focus delivering impact at scale, working for and with communities and using our voice to campaign for

change. It will also see us evolving our voice to be bolder, talking more about the positive environmental impacts of our work and the need to reduce car dependency.

[Download our revised strategy from the Sustrans website.](#)

Our strategic priorities

Making it easy to leave the car at home delivers a better environment for everybody. How we choose (or are forced) to travel, and our car-dependency is ruining our environment and contributing towards climate change. This is disproportionately affecting people from marginalised groups and those living in areas with high deprivation, particularly in inner cities.

Air pollution is the biggest environmental threat to health in the UK. What's more, communities already at risk of poorer health are being further disadvantaged by higher exposure to polluted air. Living near busy or dangerous roads can also prevent people from accessing green and public space.

It's because of these challenges that we focus our work on two strategic priorities:

Paths for everyone

The National Cycle Network provides a vital backbone to the country, connecting communities to each other and helping neighbourhoods come to life. As custodians of this Network, we work to ensure it is accessible to everyone and easy to reach from towns and cities, so it continues to be a treasured national asset that is loved locally.

Liveable cities and towns for everyone

We believe the places where we live, work and enjoy ourselves should be planned around people, not cars. To create more liveable cities and towns, we work with decision-makers looking to bring about positive change, helping them to plan and provide active travel options for their communities.

We work to shape policy, provide expertise on planning and building active travel infrastructure, and deliver programmes which shift people away from car use and help communities come to life.

We're for everyone

We're determined to be 'for everyone', recognising that to achieve this, we must address inequity by focusing our work where it can benefit the people most in need and have the greatest positive impact.

We make sure that communities are at the heart of everything we do. We listen to the needs and wants of people, particularly the most marginalised. And we talk to local communities all over the UK to find out what matters to the people who live there.

Together, we can make change happen

We are only able to create healthier places and happier lives for everyone with the support and involvement of others who share our vision.

Our work wouldn't be possible without our generous donors and our dedicated team of volunteers.

We are forever grateful to every individual, company, partner organisation, local authority, trust or foundation who contributes to our work.

With your support, collaboration and commitment we are helping communities across the UK to come to life.

Helping communities come to life in 2022-2023

Putting people first

Working for and with communities is central to delivering our mission and strategic objectives. This year, we supported long-established volunteer and community groups and worked with 165 new groups across the UK to help turn our vision into reality.

We put community involvement at the heart of the National Cycle Network. Supported by Sport England's Together Fund, we administered £150,000 to 26 community groups so that they can support the involvement of culturally diverse communities on the Network. We focussed on reaching low socio-economic groups, disabled people and people with long-term health conditions.

In London, we supported Cycle Sisters to offer guided rides run by local female Muslim volunteers, creating an inclusive and culturally sensitive space for women to try cycling and discover local routes.

In Northern Ireland, we worked with The Conservation Volunteers to provide environmental knowledge and learning to local people and visitors to Forth Meadow Community Greenway.

In England, our ecology volunteers have been protecting the habitats of animals and plants on their local National Cycle Network routes helping to increase biodiversity of our native species. Across the UK we have involved communities in shaping our towns and cities. And we have worked with them to find solutions to help more people get active in their neighbourhoods.

In Scotland, our volunteers have been supporting projects that aim to help young people develop the skills they need to travel actively, safely and confidently to school.

Many communities up and down the country have helped us roll out School Streets – working with schools and local authorities to close roads to vehicles during school drop-off and pick-up times.

Paths for everyone

Improving the quality of the Network

With the support of our strategic partners, this year we completed 113 projects across the UK to improve the National Cycle Network. These included the construction of new traffic-free routes, resurfacing and improving access on existing routes, and removing and redesigning barriers along the Network.

We converted 25 miles of on-road routes to traffic-free and delivered 1.8 miles of quiet-ways. We were short of the ambitious targets that we set ourselves in these areas, however this is due to some projects being delayed and moved into 2023-2024.

We know that we have more to do to improve the quality of traffic-free miles that Sustrans controls (Sustrans owns only 1.5% and has access rights over a further 1.5% of the Network). At the end of the year 27% of these miles are very good, against a target of 40%.

Improving accessibility on the Network

There are thousands of restrictive barriers on traffic-free sections of the Network that prevent many people from accessing and enjoying their local routes. This year we removed or redesigned 377 barriers across the country, exceeding our target of 218. This included 106 on our own land. Thanks to a phenomenal effort from our volunteers, we also audited and mapped every remaining barrier along 5,100 traffic-free miles, so that we can better understand whether they need to be removed or redesigned.

A volunteer based in Hampshire, initially helped by auditing barriers on the Isle of Wight and the south coast. She enjoyed the activity so much that once her area was complete, she volunteered to help audit some of the routes in Yorkshire. Meeting up and working with volunteers from another area of the country was a real highlight for Joy, and it has really helped to encourage her to get back into active volunteering.

We know that the signs on the Network are inconsistent. That is why we are committed to improving signage so that everyone can easily navigate any National Cycle Network route without having to rely on a map or smartphone. This year, we developed a high-level strategy for how this will be achieved, and work continues to turn this into practical next steps.

Increasing the diversity of Network users

We want to see a UK-wide network of traffic-free paths for everyone. That is why we have been working hard to help new users discover the National Cycle Network. In Scotland we celebrated Black History Month in October with art installations and community events across the Network. For example, singer-songwriter Becky Sikasa gave a series of performances in Leith on National Route 75.

This was followed by a focus on Disability History Month in November, where we hosted a series of art installations and events along the Network. Poet, performer and theatre-maker, Ellen Renton sums the events perfectly:

“Disability history is so often neglected, and so being able to not only shed some light on it, but to do so in a free, public space, is a real joy.”

Our Network usage monitoring showed that the number of users per traffic-free mile is down 17% compared with 2020, when we saw new usage patterns during the Covid-19 pandemic. However, it is up 3% compared with 2019. We have also seen an increase in the number of women using the Network.

KPI	Annual target	Actual
1: % total Network miles good/very good	65%	64%
2: % Sustrans controlled traffic-free miles very good	40%	27%
3: # on-road to traffic-free miles delivered	38.9	25
4: # on-road to quiet-way miles delivered	34.6	1.8
5a: # barriers removed or redesigned	218	377
5b: # barriers removed or redesigned on Sustrans-owned land	110	106
5c: % traffic-free Network miles with completed volunteer or staff led audit of barriers	99%	100%
5d: Strategy and plan agreed for how we will achieve our 2040 wayfinding ambition	High-level Strategy complete	High-level strategy complete
6: % traffic-free miles going through areas of high deprivation	30%	26%
7: # activation projects delivered	41	43
8a: % of network miles with a stage 2 plan in place	99%	96%
8b: # Stage 3 feasibility studies completed by March 2023	32	14
9: Increase net promotor score	+53	+60
10: % removed and reclassified miles where signage has been addressed *	95%	54%
11: % increase in # users per traffic-free mile	Increase	2021 - down 17% (compared with 2020) but up 3% (c/w 2019)
12: Increase representation of the UK population amongst NCN users	Increase	Increase in women using the Network
13: # new community groups involved on the Network (C)	64	92
14: % awareness of Sustrans as the charity behind the Network	Baseline	11%
15: Increased level of political support from 2021 baseline	135	175 politicians and Special Advisors engaged
17: Total number of new/growth miles	Track	61.4
18: sub-standard crossings improved **	16	2

*Removal and reclassification of high speed and high volume on-road National Cycle Network routes in 2020 left a legacy of Network branded signs across 3,733 miles. These signs now need to be amended. Progress is slow due to difficulties in securing Highway Authority permissions in some areas.

**As sub-standard crossings are on-road, Sustrans needs to influence highways authorities to improve them. Progress is slow due to this not being a priority for many areas.

Looking forward

Continuing to improve the quality and accessibility of the Network

We will continue to make improvements to the Network, developing new traffic-free routes, resurfacing existing paths, making access improvements and redesigning barriers. We will also finalise our UK-wide Network Development Plan (which was 96% complete at the close of this year), working with our partners to align this with their national, regional and local plans for walking, wheeling and cycling.

Prioritising the environment in our Network development

We will focus on becoming even more environmentally positive throughout delivery of National Cycle Network infrastructure projects. To do this, we will be finding ways to reduce and eliminate our carbon emissions wherever possible and continue to maintain and improve biodiversity on our land.

Improved mapping and information

We are embarking on a digital transformation project to improve our mapping of the National Cycle Network. For this, we aim to provide better accessibility information by displaying the results of our recent barriers audit along with other key route data to members of the public via an online map. This will allow people to more easily plan their journeys, whilst we are working to redesign barriers and improve access on routes.

Liveable cities and towns for everyone

During 2022-2023, our teams worked hard to raise ambition for change, demonstrate what's possible and to amplify seldom-heard voices in urban areas, particularly in our 47 focus cities and towns. We are working with partners in these priority locations to develop 'exemplar places' that demonstrate what a happier and healthier community looks like.

Across the UK, we have sought to increase political support for walking, wheeling and cycling, reinforcing the need for continued investment. We have:

- worked with schools to get more children walking, wheeling and cycling
- engaged communities to create changes to neighbourhoods that they want to see
- taken a more place-based approach working with volunteers and communities
- in consultation with residents and communities, planned and delivered key elements of Low Traffic Neighbourhoods.

We have engaged 74 new volunteer and community groups in our urban projects. Despite falling short of our ambitious target (104 groups), we are proud of the difference this has made to the communities we work for and with.

Raising ambition for change

In May we released the Walking and Cycling Index. The Index is the biggest ever survey of walking, wheeling and cycling in 18 urban areas across the UK and Ireland. Each area reports on the progress they have made towards making walking, wheeling and cycling more attractive, everyday ways to travel. Since our first reports in 2015, this data has informed policy decisions, justified investment and enabled cities to develop more ambitious action plans for walking, wheeling and cycling.

We found that the level of ambition in the cities and towns we are focusing on has remained largely the same, though we continue to push for an increase. We have worked hard to raise the level of political support for liveable cities and towns amongst politicians and special advisors (engaging 175 against a target of 135). However, we know that we have more to do to increase public awareness and support for our urban work and will continue this into 2023-2024.

Demonstrating what's possible

We have set up active travel hubs across the UK to help more people discover healthier, more affordable ways to travel. This year, our hubs hosted activities to help build peoples' confidence on a bike. They offered free bike parking, information on local walking and cycling routes, and bike maintenance sessions to help people fix up their bikes. Our hubs also refurbished donated bikes and sold them to the community for a small, affordable fee so that more people could access a bike. In 2022-2023, we set up hubs in Ayr and Kilmarnock, three in Belfast, and one in Derry. Our Crisp Street Hub in Tower Hamlets was shortlisted for a Chartered Institute of Highways and Transport Award in the Healthy Transport category. And we secured funding to establish five more hubs across the Tees Valley.

We held our annual UK-wide inter-school Big Walk and Wheel challenge between 20-31 March. The challenge saw 2.7 million trips to school logged by over 2,500 schools, which is the highest number of journeys ever recorded for this event. The two weeks culminated with the launch of FRideDays Bike Bus, in partnership with our sponsor the cycle tyre manufacturer Schwalbe, including an event in an inner-city junior school in Leicester with Dame Sarah Storey and TikTok influencer Dom Whiting (DJ on a Bike).

Our schools programme continues to deliver impact across the UK. For example, in Northern Ireland we achieved an increase in pupils travelling actively to school from 30% to 41%. Pupils being driven to school decreased from 62% to 51%.

Progress on our Key Performance Indicators (KPI)

Note: Where it is noted that the target was to baseline, we have done so, and will now track progress against this baseline, going forward.

KPI	Annual target	Actual
1: # of focus cities and towns	None/ track	47
2: % increase in leadership ambition amongst focus cities and towns	<3.3	1% decrease to baseline
3: Increased level of political support from 2021 baseline	135	175 politicians and Special Advisors engaged
4: Public awareness and support (UK, national and regional) for Sustrans' work on liveable cities and towns for everyone	Baseline	9%
5: % of urban projects that are part of a place-based approach	Baseline	15%
6: Increase in % of LCT project sites focused in areas of high deprivation	48%	38%
7: # partnership relationships built with organisations that are taking a place-based approach	61	69
8: # new volunteer and community groups involved in our LCT projects	104	74
9: # exemplar places	6	11

Looking forward

We will continue to campaign for more investment so that everyone has the choice to travel more healthily and affordably around our neighbourhoods. This is more crucial than ever in the context of a cost-of-living crisis and recent government budget cuts.

We will continue to adopt a people-centred, bottom-up approach to meet the unique needs of communities in the areas we work. This will involve working with people who live locally, as well as organisations and stakeholders, to agree objectives and the resources needed to achieve a collective ambition.

We will continue to deliver practical projects that make it easier for people to walk and cycle and that reduce traffic in our neighbourhoods – particularly in our focus cities and towns.

The future funding environment is likely to present many challenges. These challenges will require us to respond effectively so we can continue to have impact at scale whilst achieving efficiencies across all our work.

Influencing for change

Across the UK

We believe everyone should have the right to walk, wheel or cycle around our neighbourhoods with ease, independence, and confidence. That's why we're campaigning for reductions in traffic, pavement parking and speed, and for green and public spaces to be accessible to everyone. To do this, we have been amplifying the voices of those who are seldom heard and building robust evidence to demonstrate the positive impact of active travel.

All Sustrans' influencing work begins with a solid evidence base. During the course of 2022-2023, our External Affairs Directorate has published a series of reports.

In May 2022, we used the [Walking and Cycling Index](#) to share our stance on the discrimination faced by pedestrians, especially those wheeling. This gained attention from outlets including [The Telegraph](#) and the [Daily Express](#) – who later conducted [their own survey](#) revealing 80% support for a ban on pavement parking, an explicit policy priority for us. Subsequently, we began on the development of an interactive dashboard for the Index which will allow a more in-depth exploration of our data set.

In the same month, we published the '[Walkable neighbourhoods: building in the right places to reduce car dependency](#)' report, which examines whether and how local planning authorities take into account the walkable proximity of services and amenities when allocating sites for new developments. It addresses issues of accessibility and the challenges associated with measuring it.

Our [Walking for everyone report](#) was presented at several key conferences over the summer, including Walk 21 in Dublin, Transport Practitioners Meeting in London and the European Transport Conference in Milan. It was also prominent at the National Planning Summit.

In October, we published our [Cost-of-living report](#) which highlighted the barriers and potential of walking, wheeling and cycling for people at risk of rising bills and poverty. The project demonstrated that walking, wheeling and cycling create an annual economic benefit of £36.5 billion for individuals and society across the UK.

Our [Disabled Citizens' Inquiry](#), in partnership with Transport for All and generously funded by the charity Motability, saw us host four two-day disabled citizens' workshops to explore barriers and solutions to making walking and wheeling better for all disabled people (in Manchester, Swansea, Norwich and online). We also conducted a survey of 1,100 disabled people across the UK with Ipsos Mori to gain further insight. We launched the final report in February 2023 with a very well-attended parliamentary event, extensive media coverage, and ongoing political engagement, including an opinion article from an MP and former Government Transport Minister supporting our call for local and central government to set up paid expert panels of disabled people to inform walking and wheeling policy decisions at those crucial early stages of the process, and throughout from an MP.

Notable highlights from our influencing and media coverage over the year include BBC Countryfile featuring our ecology work on the Lias in the Midlands region. We were also the only non-governmental organisation to be quoted in a Department for Transport ([DfT press releases](#)) and, following the announcement of hugely significant cuts to active travel in February, lead on a joint letter (alongside nearly 40 other organisations) published in the Times, calling on the Prime

Minister to overturn the decision. Subsequently, we rallied champions and supporters to address the funding cuts and got MPs to table many written and oral questions.

It was hugely significant that Sustrans' evidence was the only source cited in the DfT's **announcement of the Active Travel Fund 4 (ATF4)** in February, and that they have continued to quote this evidence since.

Our influence has also been impactful in planning. We actively led and gathered broad support for an amendment to the **Levelling Up and Regeneration Bill**. This was evident in the letter from Michael Marmot and other public health experts, and the vocal support expressed in the House of Lords.

In Northern Ireland

Secure cycle parking and shelters

We have advocated for the need for both casual, sheltered cycle parking and secure parking at destinations such as town centres to local councillors across Northern Ireland. Our efforts have largely been focused on Belfast City Council, the largest council area.

The Walking and Cycling Index for Belfast 2021 highlighted security and lack of parking as barriers to cycling. As a result, Belfast City Council is creating secure cycle parking at shopping centres in the city centre. One of these initiatives, the 'Bike Yard', opened last October and provides free, secure cycle parking for 24 cycles.

In addition, councillors from two different parties, the Social Democratic and Labour Party (SDL) and Alliance Party have passed motions in support of 20-Minute Neighbourhoods and a School Streets pilot project, both of which we have been advocating for. [Our Manifesto for local elections](#), which took place on 18 May across Northern Ireland, advocated for these initiatives and received cross-party support.

Northern Ireland Assembly

Prior to the [Assembly elections in May 2022](#), we had campaigned on a range of issues which received cross-party support. However, progress in delivering any of these initiatives has been limited by the instability in the Assembly and a lack of Executive Ministers.

The All-Party Group on Cycling has continued to meet, and we have played a prominent role in influencing its agenda. We gave a briefing on the cost-of-living crisis and the increased importance of walking and cycling. We also kept the pressure on the Department for Infrastructure to build the Belfast Cycling Network and ensure that 10% of the transport budget is allocated to active travel, as legislated by the Climate Change Act.

Championing accessibility

As part of our aim to be a charity for everyone, we work closely with the Inclusive Mobility and Transport Advisory Committee (IMTAC) in Northern Ireland. 2022-2023 successes have included pushing the government to deliver a pavement parking consultation. Although this was completed last year the implementation of the recommendation has been delayed.

In Scotland

Shaping the new Scottish Planning Framework

One significant area of focus was the development of the new Scottish Planning Framework. We provided evidence to the Net Zero, Energy and Transport Committee in February 2022 regarding the National Planning Framework (NPF4). Our contribution, along with our analysis of the draft and consultation response, played a crucial role in shaping the framework published in February 2023. Our efforts contributed to strengthening planning support for active travel and liveable neighbourhoods, towns, and cities.

Working with the Housing Sector

We worked on engaging with representatives of the Housing Sector and delivered several presentations on housing, 20-minute neighbourhoods, and decarbonisation of transport. We presented at the Scottish Housing Festival in May 2022, at the Cross-Party Group on Towns and Town Centres in September 2022 (on the topic of tackling the climate emergency with Liveable Cities and Towns for Everyone) and engaged with the Scottish Federation of Housing Associations (SFHA) in December 2022. We contributed to forums on decarbonising infrastructure and the Climate Emergency Response Group in Scotland.

Encouraging better representation in the transport sector

Gender mainstreaming and women's safety has been another focus for this year. We have engaged with Engender, Scotland's feminist organisation, with Sustrans colleagues presenting at a webinar on gender and policymaking. The objective was to make the case for more inclusion in the transport sector and prioritise women's safety when designing infrastructure and thinking about transport. On a related topic, we gave evidence to the Holyrood Health, Social Care and Sport Committee in March 2023 as part of their inquiry into women and girls' participation in sport and physical activity, presenting our #AndSheCycles campaign and making the case for more inclusive street design.

In Wales

Cymraeg

Cafodd Sustrans Cymru effaith ar y dirwedd gwleidyddol blwyddyn ddiwethaf, gan ddechrau efo sesiwn blasu e-feiciau yn y Senedd.

Mynychodd sawl Aelod Seneddol a'u staff, o amrediad o'r pleidiau gwleidyddol, a chwason nhw eu hymhél â thrafodaeth ar yr angen am fuddsoddiad parhaol ac amgen mewn cefnogaeth ac isadeiledd teithio llesol yng Nghymru.

Aeth Lee Waters AS, Y Dirprwy Weinidog Newid Hinsawdd â chyfrifoldeb am Drafnidiaeth, ati i brynu e-feic trydanol ei hun ar ôl iddo geisio ar fodel Sustrans.

Daeth esiampl flaenllaw arall, efo Prif Weinidog Cymru'n cysylltu â'r tîm Gweithleoedd Iach trwy swyddfa ei etholaeth ar ôl clywed am y digwyddiad yn y Senedd.

Canlyniad hyn oedd Mark Drakeford oedd y person cyntaf i fenthyl e-feic trwy'r llyfrgell beiciau Siartr Teithio Llesol, ac yna fe brynodd y Prif Weinidog e-feic ei hun wrth iddo fynnu defnyddio trafndiaeth gynaliadwy ar gyfer ei deithiau etholaeth a phersonol.

Ym mis Mawrth, cyhoeddodd Sustrans Cymru *Gwneud y Cysylltiad*, adroddiad a arolygodd gwirionedd tlodi trafndiaeth yng Nghymru.

Arweiniodd lansiad yr adroddiad at ddi-ddordeb cynaledig gan y cyfryngau Cymreig, a chafwyd digwyddiad lansiad â thrafodaeth bord gron efo ASau a hapddalwyr y sector cyhoeddus.

Ers 'ny, mae'r adroddiad wedi cael ei gyfeirnoddi sawl gwaith yn ystod Cyfarfodydd Llawn ac yn ystod Cwestiynau'r Prif Weinidog, gan gynnig ASau ar draws y pleidiau gwleidyddol sylfaen gallan nhw ddefnyddio i ymgyrchu am isadeiledd teithio llesol a thrafnidiaeth gyhoeddus well yn eu cymunedau.

Yn dilyn o'r etholiadau Llywodraeth Leol yng Nghymru ym Mai blwyddyn ddiwethaf, lansiodd Sustrans Cymru sesiynau ymgysylltu llwyddiannus efo Cynghorwyr ar led Cymru.

Cynhaliwyd cyfres o sesiynau briffio rhithwir er mwyn trwytho Cynghorwyr newydd a dychweledig ar y pwysigrwydd o deithio llesol, y gefnogaeth gall Sustrans cynnig wrth wella isadeiledd teithio llesol ac adeiladu perthnasau allweddol ar draws yr Awdurdodau Lleol yng Nghymru.

Amlygodd y sesiynau yma bod 'na diffyg gwybodaeth rhwng y Cynghorwyr a'r tимоedd darparu yn eu Hawdurdodau Lleol, gan danlinellu'r gwerth sydd gan Sustrans Cymru o safbwynt adnabyddiaeth leol arbenigol.

Chwaraeodd Sustrans Cymru rhan hefyd wrth gyfrannu i newidiadau polisi allweddol yng Nghymru, yn bennaf y cyflwyniad o derfyniadau cyflymder safonol 20mya ar hewlydd cyfyngedig a Bil yr Amgylchedd (Ansawdd Aer a Seinweddau) (Cymru).

English

Last year saw Sustrans Cymru making some waves in the Welsh political landscape, starting off with an e-bike taster event at the Senedd.

Several Senedd Members (MSs) and their staff attended from across the political parties and were engaged in the discussion around the need for continued and improved investment in active travel support and infrastructure in Wales.

Lee Waters MS, Deputy Minister for Climate Change with responsibility for Transport, proceeded to buy his own electric cycle after trying one of the Sustrans models.

A higher profile example was to follow, with Wales' First Minister contacting the Healthy Workplaces team through his constituency office after hearing about the Senedd event.

This led to Mark Drakeford being the first person to borrow an e-bike through the Healthy Travel Charter bike library, and ultimately lead to the First Minister buying his own e-bike as he sought to make use of more sustainable transport for constituency and personal journeys.

In March, Sustrans Cymru published 'Making the Connection', a report that examined the reality of transport poverty in Wales.

The launch of the report led to sustained media interest, and a launch event took place with a roundtable of MSs and public sector stakeholders.

The report has subsequently been referenced repeatedly in Plenary sessions and during First Minister's Questions, offering MSs across the political parties a basis on which they can campaign for improved active travel and public transport infrastructure in their communities.

Following the Local Government elections in Wales in May last year, Sustrans Cymru launched successful engagement sessions with Councillors from across Wales.

A series of online briefings took place to inform newly elected and returned Councillors on the importance of active travel, the support that Sustrans can offer in improving active travel infrastructure and building key relationships across the Local Authorities in Wales.

These sessions highlighted that there is a knowledge gap between Councillors and the delivery teams in their Local Authorities, underlining the value that Sustrans Cymru offers in terms of expert local knowledge

Sustrans Cymru has also played a significant role in contributing to key upcoming policy changes in Wales, namely the introduction of default 20mph speed limits on restricted roads and the Environment (Air Quality and Soundscapes) (Wales) Bill.

Strengthening our ability to make a difference

Improving how we work to become a dynamic and agile charity

We have made significant progress in improving our operating model in 2022-2023.

Our 'Accelerating for everyone' initiative has strengthened inclusion across the charity and made our commitment to equity, diversity, and inclusion much more visible. Colleagues have come together through the creation and efforts of our groups and networks and there is an increased understanding of equity, diversity, and inclusion issues. And, we have appointed a strategic lead who will drive this work forward.

Through our 'Resourcing Strategy and Implementation' initiative, we have launched an Employee Value Proposition improving processes, applying expertise, and implementing attraction methods to increase the success rate of recruitment and diversity of hires. Our hard-to-fill roles have decreased, and our average time to hire aligns with the industry average.

We have established a single UK-wide management and governance framework for delivering projects, programmes, and portfolios across the charity. We have appointed a Director of Project Assurance and established a Centre of Excellence that will drive maturity of practice, continuously improve our processes, and support our delivery teams.

We have created an Assurance Function, piloted assurance reviews, and developed assurance capabilities across the charity instilling confidence in our project and programme delivery. We have also rolled out training in project management and in our new Delivery Framework across the charity.

We have adopted a new structure in our IT team based on the pillars of Design, Build, and Operate. We have appointed a Chief Information Officer and IT Change Director and made progress in implementing our IT strategy. Our 'Information Management and Sharing' initiative focuses on deploying Microsoft SharePoint and Teams across the charity, and soon we'll be launching a new intranet and migrating our files to cloud services.

With our 'Learning Management System' initiative we are consolidating our learning and development activities into a single system. We have identified requirements, evaluated options, and chosen a solution. We have also simplified our network infrastructure across the charity.

Our 'Environmentally Positive Sustrans' initiative has estimated our carbon baseline emissions with a view to enhance our positive impact and minimise our negative footprint as a charity. We have agreed to work towards a net zero target from our most direct operational emissions by 2030, and target net zero emissions for our wider supply chain from procurement and construction by 2040. We developed a carbon reduction plan which

will allow us to report on our carbon emissions year on year and delivered initial carbon literacy training.

As part of our 'Sustrans Approaches' initiative, we have reviewed our primary areas of delivery and established evidence-based standards to achieve our mission as a charity across these approaches. We have categorised our services under each of these approaches, forming products that we offer as a charity, and defined the delivery tools that are used across these products. We have started the process of reviewing evidence, preparing approach handbooks, product manuals, and delivery tool guides to ensure our delivery is evidence-led and strategically cohesive.

Improving our operating model for the future

We will continue to improve our operating model in 2023-2024 by:

- completing our 'Information Management and Sharing' initiative and embedding the use of Microsoft SharePoint and Teams across the charity
- delivering our 'Learning Management System' initiative and incorporating our learning and development resources into the new system
- progressing our 'Environmentally positive Sustrans' initiative, including the agreement of the required actions to achieve our net zero targets
- finalising our 'Sustrans approaches' initiative to ensure we are impact-led
- managing the interdependencies across our change portfolio efficiently and effectively
- beginning new initiatives in relation to Enterprise Resource Planning, Business Continuity, and other areas, as required to ensure we are an agile and dynamic charity.

Our people

The dedication of our people remains our most valued asset and over the last year we continued to recognise this and improve our offer to colleagues.

Following a comprehensive consultation across Sustrans, we have developed and launched our Employee Value Proposition. It captures the passion, purpose and teamwork that is the essence of working at Sustrans. Reflecting our employer brand and values will continue to demonstrate that Sustrans is a great place to work.

We know that pay is a significant part of the working experience, and we want to ensure that everyone is valued for their contributions and that we attract and retain talent in a competitive job market. That is why we made the bold decision to invest significantly in improving our colleagues' pay and benefits, with effect from next year (financial year 2023-2024). Our gender pay gap slightly increased between 2021-2022 and 2022-2023 (2021-2022 mean 5.75%, median 4.30%. 2022-2023 mean 6.98%, median 4.38%).

Sustrans has an ambitious agenda to be a charity for everyone which is strongly supported by colleagues. We have a set of principles that underpin our work:

- prioritising work with people and in places that challenges inequity, because we know the benefits of walking, wheeling, cycling and healthy places are not experienced equitably
- involving people with different and seldom-heard voices to develop solutions that work for everyone
- questioning and asking if we can do more, because being for everyone is not simply a box we can tick
- working with others to help us include everyone, as we cannot do this on our own.

To continue to make progress, our key priorities for next year are to:

- develop a Sustrans strategy that provides clarity, raises ambition, and increases transparency and accountability for delivering on our ambition to be a charity for everyone, both internally and externally
- establish senior-level oversight, governance, and scrutiny of Equity, Diversity and Inclusion work.

Specifically, regarding disability, Sustrans has a policy which includes:

- full and fair consideration of applications for employment made by disabled persons, having regard to their aptitudes and abilities
- continuing employment of, and arrangement of training for employees who have become disabled persons while employed
- training, career development and promotion of disabled persons.

Our volunteers

Sustrans works at the heart of communities and our volunteers support us to do this. They help look after their local communities by engaging with schools, supporting wildlife conservation, caring for the National Cycle Network and much more.

Sustrans volunteers are helping to create happier and healthier lives for everyone.

What we've achieved this year

Over the past year volunteering at Sustrans has seen many highlights. 5,607 activities and 14,189 hours were recorded by volunteers.

A significant part of this contribution was made during a barrier audit of the National Cycle Network. For the project, 400 volunteers were trained and sent out to conduct the largest data collection exercise ever delivered by Sustrans volunteers. 570 barriers were checked across the UK. The volunteers involved are now keen advocates for the removal and redesign of the barriers they identified along their Network.

In addition, 7,432 standard Network signs were sent out for volunteers to install. This is a clear indication of the effort invested into ensuring the Network is well-signed and navigable.

Volunteer engagement training has been rolled out internally to 130 colleagues across the charity, building our capacity to deliver great work in line with the volunteering strategy.

As well as this, over 300 led walks and rides were organised and delivered by volunteers, supporting more people to walk, wheel and cycle in their local community.

A new volunteer engagement platform

A significant piece of work was carried out during 2022-2023 to implement and launch Assemble; our Volunteer Engagement platform.

The system makes it easier for volunteers to access opportunities, guidance, training and the latest news from their region, as well as to record the impact they deliver.

As part of this programme of work, the processes and communications involved in the volunteer journey were reviewed and updated to improve inclusion.

Our Volunteering for everyone standard

People volunteering with Sustrans should expect to be treated with respect, dignity and kindness by other volunteers and our employees at all times.

This is why we've developed a [Volunteering for everyone standard](#). The guidance is there to ensure that everyone feels safe, welcome and included when volunteering with Sustrans.

The standard sets out the values and behaviours we expect of people engaged with volunteering activities. It also explains how to recognise when behaviour is unacceptable and how to address this.

How we fund our work

Sustrans' approach to funding and fundraising

Sustrans collaborates with governments and local authorities throughout the UK to help people walk, wheel and cycle more. By working in partnership with decision-makers, Sustrans is able to transform communities and strives to create a fairer society by making affordable active travel options accessible to everyone. Much of the funding we receive from national or local government supports the creation and maintenance of infrastructure that enables more walking, wheeling and cycling to happen in a safer environment.

Additionally, we greatly benefit from the generosity of donors, trusts, foundations, corporate partners, philanthropists, and customers who make purchases from our e-commerce shop. These contributions allow us to maintain and enhance the National Cycle Network, including protecting ecology and wildlife, implement programmes to support children to travel actively to school, deliver research projects such as the Disabled Citizens Inquiry, influence government policy, and support our volunteers.

Individual donors

Sustrans is enormously grateful to the generous donors who consistently support our work. Many of our new donors are recruited through our face-to-face programme on the National Cycle Network. In 2022-2023 the number of donors we recruited increased by 37%, and we experienced a significant increase in the average monthly gift for new regular givers, rising from £8.32 to £8.85.

In 2022-2023 we reviewed this programme of work with an external fundraising expert. As a result, we expanded our in-house programme geographically to include Cornwall, Liverpool, and Cardiff. We also explored how we could trial working with an external agency to expand our reach, both on the National Cycle Network and in other locations in 2023-2024.

Throughout 2022-2023 we ran several campaigns to raise unrestricted income, engaging our existing supporters and attracting new donors. These campaigns included an upgrade campaign for existing regular donors, a raffle, a winter appeal highlighting our work to support children to cycle, and a spring appeal which focused on the maintenance of the National Cycle Network. We also successfully tested various new digital engagement offers. The best performing adverts offered a traffic-free guide download and cash gifts to support our ecology work on the National Cycle Network. We will continue to test, monitor and develop these activities next year.

For our telephone work, we partnered with Ethicall, who assisted us in delivering our annual upgrade campaign, a reactivation telephone campaign, and a campaign to convert new leads generated through digital activities into regular donors. We plan to continue these activities on a rolling basis during 2023-2024.

Legacy giving

In 2022-2023 we continued to benefit from the generosity of those that left Sustrans a gift in their Will. In 2023-2024 we will further develop our legacy offer proactively inviting supporters to remember Sustrans in this meaningful way.

Partnerships

Sustrans is incredibly grateful to all our corporate supporters, trusts and foundations, lottery funders and philanthropists, without whom we couldn't deliver some of our most innovative work. Our partnerships allow us to work right at the heart of communities, engage with schools across the UK, deliver research and connect people and places.

Notable partnerships include:

- The charity Motability, who enabled us to deliver the Disabled Citizens Inquiry, giving people with disabilities a voice in walking and wheeling policy and practice.
- The Sport England Together Fund who helped us to empower community organisations on, or near, the National Cycle Network disproportionality affected by COVID-19 and the cost-of-living crisis to engage in walking, cycling and wheeling.
- The Freshfield Foundation, who enabled us to engage and plan for the improvement of streets in Liverpool City Region and the continuation of the Walking and Cycling Index; instrumental in securing funding for active travel across England in 2022-2023.
- Schwalbe Tyres UK Limited who kindly sponsored the Sustrans Big Walk and Wheel for a second year in a row and facilitated the launch of the brand new FRideDays Bike Bus initiative, enabling children across the UK to travel actively to school.

E-commerce

During 2022-2023 we focused on growing our E-commerce audience to increase sales from our online shop, which specialises in our own range of maps and guides. We remain committed to ensuring our products, packaging, and methods are as sustainably sourced as possible, focusing on UK-based production.

In 2022-2023 we introduced EU shipping, which allowed us to expand our reach. Building upon last year's efforts to regain control of the online market space for Sustrans' own products, we have been developing our trade accounts across the UK. A key area this year has been the use of digital channels to broaden our reach, engage with our audience, and increase sales.

Our environmental impact

Making active travel easily accessible delivers a better environment for everybody. We are committed to continuously improving our environmental performance, and we recognise that the activities which underpin our work can negatively affect the environment through emissions, impacts on nature along our paths and the use of resources.

Energy and carbon reporting

We have been reporting our Scope 1 and 2 carbon emissions in our annual report since 2019.

Starting this year, we will also report our estimated Scope 3 emissions according to the scope below.

Over the last year, we have refreshed our Environmental Policy, and developed and agreed our carbon reduction plan. We want to be ambitious in our environmental goals and therefore we have set ourselves the following targets:

- achieve net zero emissions in our operations by 2030, including Scopes 1,2 and elements of Scope 3
- achieve net zero emissions across all three scopes by 2040.

In the coming year, we plan to develop our approach to managing sustainability within our supply chains, adopt the PAS 2080:2023 Carbon Management in Infrastructure standard, and finalise our Biodiversity Action Plan. We are looking for opportunities to fund a hybrid van that will enable us to trial our planned approach to electrifying our fleet of maintenance vehicles.

		Carbon emissions (tCO2e) 2022/23	Carbon emissions (tCO2e) 2021/22	Fuel use 2022/23	Fuel use 2021/22
Scope 1	Gas for offices	10	4	54,640 kWh	23,758 kWh
	Fuel for maintenance vans	60	58	23,656 (l)	22,826 (l)
	Fuel for site equipment	7	7	2,852 (l)	2,616 (l)
Scope 2	Electricity for offices	28	29	143,790 kWh	123,351 kWh
Total Scope 1 and 2		105	98		
Scope 3	Purchased goods and services				
	Procurement of goods and services (* approx.)	5,400			
	Construction activity (* approx.)	4,900			
	Fuel and energy-related activities	27			
	Business travel	122			
	Employee commuting	53			
	Homeworking	153			
Total Scope 3		10,655			

*Our carbon emission estimates for procurement and construction activity were derived from our financial data on spend (£) and as such, they may not be accurate. However, we are reporting them for transparency and to highlight their importance in our approach to carbon management. For future reporting, we intend to move away from spend data by working with our suppliers to gain more accurate data.

We are following GHG Protocol in our approach to carbon management.

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 2022-2023

In 2022-2023 income of £112.5M and expenditure of £109.7M left a surplus for the year of £2.8M. Income and expenditure in the prior year were £114.7M and £114.8M respectively. These measures suggest that activity was comparable year on year, but because a significant proportion of income and expenditure is through grant management, an arguably better measure of activity level is FTE staff numbers. These increased from 644 in 2021-2022 to 700 in 2022-2023 (note 6).

The surplus for the 2022-2023 year, from a break-even budget, was achieved in the main thanks to unbudgeted income from the Department for Transport for maintenance of the network, better than anticipated bank interest on deposit, and an unbudgeted donation restricted for specific routes in the north of England. The surplus of £2.8M is welcome at a time when the charity is facing funding uncertainty. Whilst approximately £1.4M of the surplus is restricted to specific projects, the balance will be held as general reserves to mitigate the risks set out in following sections of this report.

Principal funding sources in 2022-2023

Charitable Activities contributed 93% (2021-2022 – 96%) of all income, with the balance provided by donations, legacies, and investments.

Our principal funding sources are government grants. In 2022-2023 we received £64M (2021-2022: £82M) from Transport Scotland, £27M (2021-2022: £14M) from the Department for Transport, and £0.9M (2021-2022: £0.8M) from the Welsh government.

Contractual activity, mostly with local authorities and other public bodies, amounted to £9.7M (2021-2022 - £9.8M).

Fundraising contributed £5.8M to our income in 2022-2023 (2021-2022: £4.5M), of which £1.6M (2021-2022: £0.1M) was restricted.

Investment income rose from £250K in 2021-2022 to £2.5M in 2022-2023 due to rising interest rates.

Our future financial picture and going concern status

We have several key funding streams – notably our government-funded programmes – which offer us financial protection in the near term. Our 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 2023-2024.

We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the economy, environment, and public health. 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.

Our reserves policy

Our reserves policy enables management of general reserves to ensure we hold an appropriate level of accessible funds to mitigate against identified financial risks (see following section on 'Principal risks and uncertainties'), while ensuring we are making timely and strategic use of our funds. The policy focuses purely on general reserves, as these are the funds that can be deployed at the discretion of the Trustees.

We hold general reserves to provide cover for unexpected changes in income and expenditure, allowing us to continue activities in the event of:

- temporary loss of income
- permanent fall in income, allowing time to adjust our cost base or business model
- incurring one-off costs that are not covered from donor funds.

General reserves also allow us to implement new strategic priorities or invest in new opportunities to achieve our goals. Our general reserves are matched by highly liquid investments so that we can draw on them quickly if necessary.

In 2022-2023 our target general reserves range was £4.8M to £6.5M; our closing general reserves of £7.3M are therefore above the target range. Ahead of approving the 2023-2024 financial budget, the Board reviewed an update of the detailed risk assessment used to assess the level of general reserves that is appropriate for the charity to maintain.

Based on the risk assessment, the Board increased the target range for 2023-2024 to £6.3M-£7.8M.

Our investment policy

Project funds are held by Sustrans 'on trust' and are not to be considered for investment purposes. The principal consideration for these project funds is security. Credit worthiness is the overriding consideration, so project funds should only be held by banks holding a short-term credit rating of Good.

Sustrans has total reserves of approximately £13M. A portion of these reserves has been identified as long-term reserves available for investment (currently £3M). The long-term reserves should be invested, in line with our ethical policy, to grow at least in line with inflation over the long-term.

The Board of Sustrans has delegated investment decisions to the Finance and Performance Committee. Investment management is delegated to an authorised professional investment manager, regulated by the FSA.

Principal risks and uncertainties

Risk management is central to the successful achievement of our strategic aims and objectives.

The Board of Trustees has established an Audit and Risk Committee that is responsible for the oversight of our risk management framework and the monitoring and reporting of the risks of the organisation.

The Board retains accountability for risk management and regularly reviews the charity's principal risks. This includes the appropriateness and impact of risk mitigations. The Board also approves the risk management framework which sets out the processes to identify, assess, report, and manage our risks.

The Audit and Risk Committee meet at least four times per year. The annual work plan for the committee includes regular risk reporting, detailed scrutiny of key strategic risks and reviewing the risk management framework.

There are seven principal risks considered by the Trustees:

Damage to land and structures: The impact of extreme weather events and climate change, and maintaining our assets

Maintaining the National Cycle Network and 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 these routes remain useable and accessible is an increasing challenge.

To mitigate this risk, we have put in place a comprehensive inspection regime and a programme of planned maintenance for all our assets. An asset ranking tool has been implemented to identify those assets we need to prioritise for maintenance. We have also set aside a designated fund for emergency repairs. The Board has established an Estates Committee to oversee the management of our assets and to mitigate the risks associated with asset management.

To address the impact of climate change on our assets, we are seeking to improve our understanding of how to develop more climate resilient paths. In addition, we are ensuring our land acquisition approval processes consider potential climate impacts. We continually review our assets strategy to consider the risk of climate change and to ensure that our strategy and resources can safely maintain our assets.

Funding

The reliance on a small number of major funders coupled with the current financial uncertainty of external factors such as the cost-of-living crisis, inflation and wider pressures on public sector funding creates a risk around the loss of key funding sources 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 have embarked on 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.

Capacity and capability

Many organisations across the UK experienced a high turnover of colleagues as we emerged from the Covid-19 pandemic, and Sustrans is no exception. There is 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 unique culture and our vision enable us to be an employer of choice and build greater diversity across our teams.

We are working to enhance our talent management and recruitment strategies to ensure that we can attract and retain great people. We regularly review our pay policy to ensure that it is transparent, fair and responsive to the challenges our colleagues face, like the current cost of living increase. We have adopted progressive policies around flexible working 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. We are developing a more strategic approach to partnerships and collaborating with other organisations to support the delivery of our work.

Opposition to our agenda

Perceived or actual opposition to our agenda leads to political leadership reducing its support for active travel measures. This then results in a decrease in funding awarded to Sustrans and a lack of public support of our vision.

We continue to campaign against cuts to active travel funding. And we have established communication plans which will help us publicly demonstrate the positive impact of our work. We are engaging politicians and stakeholders in our work to increase awareness of what our charity does and encourage them to support us. We have also worked to clarify what Sustrans does and does not have to respond to with respect to public enquiries.

Safeguarding

Engaging with communities and volunteers is a priority for Sustrans. And adequately safeguarding vulnerable people that we work with is critical.

We regularly review and update our safeguarding procedures and we are committed to providing training regular to all 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 arranged for additional training for our senior managers and Trustees on their roles and responsibilities to safeguarding. We have a team of designated safeguarding officers who oversee our safeguarding processes and implement changes to ensure we are upholding our responsibility to safeguarding in everything we do.

IT and Cyber Security

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 in our various office hubs across the UK.

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 now implementing an IT strategy. This includes creating integrated systems that support security and productivity, and identifying ways of working that will better meet our future needs. We are also strengthening our cyber security to provide robust and reliant systems for our colleagues and to meet the expectations of our stakeholders.

Fundraising

Fundraising compliance and conforming to recognised standards

Sustrans is, and always has been, committed to ensuring a transparent and ethical approach to fundraising activities. We are registered with the Fundraising Regulator and fully adhere to the Code of Fundraising Practice. We are also governed and guided by the Charity Commission.

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.

In 2022-2023 we updated our lawful basis for processing data from informed consent to legitimate interest for new supporters. All our privacy policies were actively updated to reflect this change, which is available to supporters every time they donate or purchase from our shop and can also be found on our website. This change has and will continue to benefit both Sustrans and our supporters by allowing us to communicate more effectively with information relevant to their interests.

We believe this will enable us to maintain long-term relationships with our supporters. Throughout this change, we have been committed to maintaining the highest standards of data protection and ethical practice in all our activities.

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 by contacting our Supporter Care team. 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 six recorded in 2022-2023.

The number of complaints regarding our fundraising has remained consistent with 2021-2022, showing that our increased fundraising activities have not negatively impacted our supporters or the public.

Our complaints policy was updated during the year with a new three-stage escalation structure, and a new procedure was rolled out to all colleagues. This update has allowed us to continue improving our processes and response to fundraising complaints, handling them sensitively and professionally.

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, including people in vulnerable circumstances, 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.

During the year, we engaged an external fundraising expert to conduct a comprehensive review of our face-to-face fundraising programme. Our aims were to ensure that our in-house programme was fully compliant and performing at its best, as well as to define plans for expansion in 2023-2024.

Protecting people in vulnerable circumstances

Sustrans takes its responsibility in protecting vulnerable people very seriously and has clear procedures for reporting and managing any concerns.

We ensure all fundraisers are trained to identify the needs of people in vulnerable circumstances.

Our fundraisers are also trained to recognise someone who may not have the capacity to make an informed decision, and therefore not make a financial ask, and report their concerns to their manager. Any donation received via post will be viewed in a similar way, with any concerns over the individual being reported to the Supporter Care Manager.

Sustrans is currently reviewing its 'Protecting Vulnerable People Policy', which will be followed by mandatory training across all relevant fundraising roles. We will be making this policy publicly available in 2023-2024.

Working with external fundraisers

We work with Ethicall, a professional telephone fundraising agency. They are registered with the Fundraising Regulator, the Chartered Institute of Fundraising, and are accredited by the Data and Marketing Association.

We monitor their work through training and listening to phone calls and have been happy with their quality and ethical approach to fundraising. We will continue to build our relationship and monitor Ethicall's performance moving into 2023-2024.

Structure, governance and management

Governing document

Sustrans is a registered charity in England and Wales and in Scotland, and a private company limited by guarantee registered in England and Wales.

It is governed by its Board of Trustees operating under the terms of the Articles of Association as amended in February 2021.

Subsidiaries

Sustrans has two wholly owned dormant subsidiaries registered in England and Wales, being Sustrans (Trading) Limited (company number 03635468) and Sustainable Transport Limited (company number 03732011).

Charity Governance Code

Sustrans supports the principles of good governance set out in the Charity Governance Code for larger charities and adopted use of the Code in 2018. Trustees welcomed the refreshed version of the Code published in December 2020, with its enhanced principles of integrity and 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 Remuneration, Nominations and Governance Committee again reviewed the Charity's practice against the Code's requirement.

As part of its approach to continuous improvement of governance arrangements the Board approved the recommendations. These include carrying out a Board Effectiveness Review and focusing on strengthening its practice in equality, diversity and inclusion in 2023-24, including when recruiting new Trustees.

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. Trustees are appointed for a term of three years and can be re-appointed for a second consecutive term. In exceptional circumstances a Trustee may be appointed

for one further term. No current Trustee has served for more than six years. None of the Trustees received any remuneration.

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.

In 2022-23, the Board held five formal Board meetings, together with additional meetings as needed and a strategy away day. Meetings are held virtually and in different geographical locations, giving the Trustees the opportunity to experience Sustrans work and engage with stakeholders.

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.

As well as its Committees the Board has appointed 'Trustee Champions' in specific areas such as safeguarding and equality, diversity and inclusion, to support the Board's governance role and to provide additional support to the Executive.

Board Committees

The Board has established four committees to assist it in its role, including by providing advice to and making recommendations to the Board. Each Committee is chaired by a Trustee. Minutes of meetings are circulated to all Trustees and Chairs provide a report to the next following Board meeting.

The Committees provide oversight and assurance to the Board including in relation to the following matters:

1. The Audit and Risk Committee: internal financial controls, risk management and risk reporting and regarding the external audit.
2. The Estates Committee: monitoring Sustrans' property portfolio, approvals of certain disposals and acquisitions and asset management.

3. The Finance and Performance Committee: scrutinising and evaluating the financial and operational performance of Sustrans.
4. The Remuneration, Nominations and Governance Committee (previously the Remuneration Committee): The Committee's remit was expanded during the year and includes pay policies, recruitment of Trustees and good governance practices.

The Board delegates specific responsibilities to the Committees, which meet as required, typically quarterly. Each Committee has the authority to appoint external advisors to the Committee.

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.

The Remuneration, Nominations and Governance Committee oversees the succession planning for, and the recruitment of, a skills-based Board. Trustee roles are advertised widely, including on Sustrans' website and a search agent is used.

The Board has adopted a Board Succession and Diversity Statement to demonstrate its commitment to equity, diversity and inclusion when recruiting to the Board.

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 and project visits, and attending an externally provided Trustee induction and refresher training.

Trustees have appraisals with the Chair of the Board, which 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 in recruitment and annually for inclusion in the register of interests and at Board or Committee meetings if relevant. The Register is included in Board and Committee meeting papers.

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Sustrans 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 Generally Accepted Accounting Practice, including Financial Reporting Standard FRS 102 applicable in the UK and Republic of Ireland.

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
- 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; and
- 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
- the need to act fairly between members.

Our strategic priorities were developed as part of a long-term strategy to make it easier for people to walk, wheel 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.

The likely consequences of any decisions in the long-run

When considering proposals and setting strategies the Trustees consider the long and short-term consequences.

During the year relevant matters Trustees considered include the financial situation and refreshing the Strategy Objectives.

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 Chief Executive and members of the Executive Team are not directors for the purposes of company law.

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. In the year the Trustees approved a new Executive Remuneration Policy for the CEO and Executive Team based on the Korn Ferry ‘public sector and not-for-profit’ benchmark at median level to calibrate the remuneration of Executive Team posts.

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. The Executive team

meets weekly to enable rapid, agile decision-making. Their purpose is 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, programmes of delivery and influencing work.

Management of risk

The Executive reviews the risk register monthly 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.

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. And they keep colleagues informed of key issues through structured communication channels, promote inclusion in the workplace and provide training and development opportunities.

Customers and suppliers

Our relationships with partners and suppliers are key to our effectiveness. Sustrans seeks to pay all suppliers any undisputed amounts due and within agreed terms.

Community and the environment

Working for and with communities is central to delivering our mission and strategic objectives as set out previously.

The charity recognises the importance of its environmental responsibilities and has policies aimed at reducing any potential detrimental environmental impact of its activities. Information regarding our work to reduce our environmental impact is set out previously.

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.

Being fair and inclusive in everything we do

Formally this is of limited application as the Trustees are also the members of the charitable company.

Inclusivity and fairness are important to the Trustees. The benefits of walking, wheeling, cycling and healthy places are not 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 cannot 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. The Board is taking active steps to improve its diversity when seeking new Trustees and to ensure that it is fully inclusive.

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
- 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, Sustrans Chair of Trustees

7th July 2023

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 2023 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 2023 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken during 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 earlier in this document, 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 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 based on these financial statements.

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members.

We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements.

The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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

We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations 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 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.

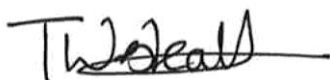
In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect 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
4th Floor
St James House
St James' Square
Cheltenham
GL50 3PR

Date: 10 August 2023

Statement of financial activities for the year 2022-2023

The year ended 31 March 2023. This section includes income and expenditure accounts.

		Unrestricted Funds	Restricted Funds	Total Funds 2023	Total Funds 2022
	Notes	£'000	£'000	£'000	£'000
Income					
Donations and Legacies		4,271	1,556	5,827	4,475
Charitable activities	2	9,727	94,432	104,159	109,990
Investment income		2,477	-	2,477	250
Total income		16,475	95,988	112,463	114,715
Expenditure					
Raising funds		2,150	-	2,150	1,732
Charitable activities		12,786	94,748	107,534	113,087
Total expenditure	3	14,936	94,748	109,684	114,819
Net income / (expenditure)	5	1,539	1,240	2,779	(104)
Transfers between funds		(155)	155	-	-
Net movement in funds		1,384	1,395	2,779	(104)
Reconciliation of funds					
Fund balances brought forward		8,156	2,026	10,182	10,286
Fund balances carried forward		9,540	3,421	12,961	10,182

The notes on pages 52 to 72 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 as of 31 March 2023

Company Number 1797726 (England and Wales)

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2023 £'000	Total Funds 2022 £'000
Fixed assets					
Tangible assets	7	2,252	1,070	3,322	3,261
Current assets					
Stock		256	-	256	233
Debtors	8	7,108	-	7,108	6,297
Cash at bank and in hand		162,072	3,134	165,206	155,338
Total Current Assets		169,436	3,134	172,570	161,868
Creditors: amounts falling due within one year	9	(162,148)	(783)	(162,931)	(154,947)
Net current Assets		7,288	2,351	9,639	6,921
Total Net Assets		9,540	3,421	12,961	10,182
The Funds of the Charity					
Restricted	11			3,421	2,026
Unrestricted					
Designated	12			2,252	6,174
General				7,288	1,982
				9,540	8,156
Total Funds				12,961	10,182

The notes on pages 52 to 72 are an integral part of these financial statements.

These financial statements on pages 49 to 72 including the notes, were approved by the Trustees on 7th July 2023 and were signed on their behalf by:



Moray Macdonald, Sustrans Chair of Trustees

Statement of cash flows for the year of 2022-2023

	Total Funds 2023	Total Funds 2022
	£'000	£'000
Net income / (expenditure) for the reporting period (as per the Statement of Financial Activities)	2,779	(104)
Adjustments for:		
Depreciation charges	337	257
Interest from investments	(2,477)	(250)
(Profit) / Loss on the sale of fixed assets	(271)	2
(Increase) in stocks	(23)	(145)
(Increase) in debtors	(811)	(2,408)
Increase in creditors	7,984	19,768
Net cash provided by operating activities	7,518	17,120
Cash flows from investing activities:		
Interest from investments	2,477	250
Proceeds from the sale of property, plant and equipment	299	-
Purchase of property, plant and equipment	(426)	(1,132)
Net cash provided by / (used in) investing activities	2,350	(882)
Change in cash and cash equivalents in the reporting period	9,868	16,238
Cash and cash equivalents at the beginning of the reporting period	155,338	139,100
Cash and cash equivalents at the end of the reporting period	165,206	155,338

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.

Sustrans has two wholly owned subsidiaries, which have not been consolidated on the basis that they are dormant.

b) 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 2023-2024. We are optimistic, however, given that all UK governments are recognising the importance of walking and cycling to the economy, environment and public health.

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.

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 a particular purpose. The aim and use of designated funds 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 are accounted for in the year in which they are receivable.
- 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 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 several 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.

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 2023	Total 2022
	£'000	£'000	£'000	£'000
England	4,554	28,755	33,309	19,658
London	1,779	355	2,134	2,548
Northern Ireland	851	99	950	944
Scotland	1,249	64,244	65,493	84,746
Wales	1,294	979	2,273	2,094
	9,727	94,432	104,159	109,990

A considerable proportion of Sustrans' impact is delivered through the management of performance-related grants. In several 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 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000
Raising funds	1,896	-	254	2,150	1,732
Charitable Activities					
England	21,653	10,651	2,966	35,270	21,978
London	2,251	17	774	3,042	3,349
Northern Ireland	1,051	-	323	1,374	1,263
Scotland	14,548	47,819	2,553	64,920	84,090
Wales	2,312	8	608	2,928	2,407
	41,815	58,495	7,224	107,534	113,087
Total expenditure	43,711	58,495	7,478	109,684	114,819

*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, and Impact	Finance	IT	HR	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Raising funds	27	60	36	79	52	254	199
England	310	698	421	921	616	2,966	2,420
London	81	182	110	240	161	774	819
Northern Ireland	34	76	46	100	67	323	273
Scotland	267	601	362	793	530	2,553	2,295
Wales	64	143	86	189	126	608	409
Total 2023	783	1,760	1,061	2,322	1,552	7,478	6,415
Total 2022	752	1,690	689	1,803	1,481	6,415	

5. Net income / expenditure

	2023	2022
	£'000	£'000
This is stated after charging:		
Trustees of the Charity are not paid		
Travel and associated expenses incurred by employees and 11 (2022:10) Trustees for attendance at meetings	14	-
Fees payable for statutory audit	20	18
Trustee liability insurance	2	2
	36	20
Fees payable to the auditors for assurance services other than statutory audit	2	2
Depreciation of tangible fixed assets	337	257

6. Employee costs

	2023	2022
	Number	Number
Average full-time equivalent number of employees		
Raising Funds	19.4	16.7
Support Functions	128.6	108.9
Charitable Activities		
England	226.6	201.8
London	59.1	68.4
Northern Ireland	24.7	22.8
Scotland	194.9	191.4
Wales	46.5	34.1
	699.8	644.1

The average head count (number of employees) during the year was 779 (2022: 713).

	2023	2022
	£'000	£'000
Staff costs (for the above employees)		
Wages and salaries	22,619	19,913
Social Security costs	2,193	1,815
Employer's pension contributions	1,609	1,435
	26,421	23,163

Statutory redundancy payments totalling £22K (2022: £51K) were made during the year.

	2023	2022
	Number	Number
The following number of employees received remuneration falling within the following ranges:		
£60,000 to £69,999	12	6
£70,000 to £79,999	1	-
£80,000 to £89,999	-	4
£90,000 to £99,999	6	-
£120,000 to £129,999	-	1
£130,000 to £139,999	1	-

The remuneration shown above is the only employee benefit received by key management personnel.

All jobs are sized according to the Hay job evaluation system.

In the year the Trustees approved a new Executive Remuneration Policy for the CEO and Executive Team based on the Korn Ferry 'public sector and not-for-profit' benchmark at median level to calibrate the remuneration of Executive Team posts.

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 £810K (2022: £734K).

7. Tangible assets

	Freehold land and buildings	Office refurbishment	IT Equipment	Plant and Machinery	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 April 2022	2,167	778	183	848	3,976
Additions	-	280	-	146	426
Disposals	-	-	(4)	(64)	(68)
At 31 March 2023	2,167	1,058	179	930	4,334
Accumulated depreciation					
At 1 April 2022	-	67	167	481	715
Charge for the year	-	145	8	184	337
Disposals	-	-	(4)	(36)	(40)
At 31 March 2023	-	212	171	629	1,012
Net Book Value					
At 31 March 2023	2,167	846	8	301	3,322
At 31 March 2022	2,167	711	16	367	3,261

Tangible fixed assets held in restricted funds total £1,070K (2022: £1,053K) and comprise the National Cycle Network Centre £903K (2022:£903K), land holdings in Yorkshire totalling £150K (2022: £150K), and plant and machinery £17K (2022: nil).

As at 31 March 2023, capital commitments with a value of £nil (2022: £302K) existed for office refurbishments.

8. Debtors

	2023	2022
	£'000	£'000
Trade Debtors	3,251	4,324
Accrued income	2,688	1,549
Sundry debtors and prepayments	1,169	424
	7,108	6,297

9. Creditors: amounts falling due within one year

	2023	2022
	£'000	£'000
Trade Creditors	7,153	10,570
Payments received on account for contracts or performance related grants	126,530	132,979
Accruals	28,155	10,243
Taxation and social security	1,093	1,155
	162,931	154,947

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

	2023	2022
	£'000	£'000
Brought forward as at 1 April 2022	132,979	131,437
Released in the year	(73,099)	(60,603)
New balances deferred	66,650	62,145
Carried forward as at 31 March 2023	126,530	132,979

The new balances deferred in the year of £66.7M (2022: £62.1M) includes funding from the Department of Transport of £2.9M (2022: £38.9M) and Transport Scotland of £58.9M (2022: £20.4M).

Of the Transport Scotland funds brought forward £43.4M (2022: £44.6M) was released in the year. Of the Department of Transport funds brought forward £27.0M (2022: £13.4M) was released in the year.

10. Financial instruments

	2023	2022
	£'000	£'000
Financial Assets		
Cash	165,206	155,338
Accrued income	2,688	1,549
Trade debtors (settlement amount after trade discount)	3,251	4,324
Financial Liabilities		
Trade creditors (settlement amount after trade discount)	(7,153)	(10,570)
Accruals	(28,155)	(10,243)

11. Restricted income funds

		Balance at 1 April 2022	Income	Expenditure	Transfers from unrestricted funds	Balance at 31 March 2023
	Notes	£'000	£'000	£'000	£'000	£'000
Consett and Sunderland Railway Path		-	3	(71)	68	-
Paisley to Kilwinning and Kilmacolm		108	5	-	-	113
York to Selby Railway Path		443	12	(5)		450
Worthington Railway Path – Derby		-	-	(34)	34	-
Mirehouse Railway Path		-	-	(44)	44	-
Historic railway path funds	(1)	551	20	(154)	146	563
National Cycle Network Centre	(2)	223	-	(84)	-	139
Kirklees maintenance fund	(3)	100	-	-	-	100
Two Tunnels maintenance fund	(4)	83	-	-	-	83
Catterick maintenance fund	(5)	17	-	-	-	17
Castleford Greenway	(6)	122	-	(1)	-	121
Lune Valley Cycleway	(7)	862	1,530	(32)	-	2,360
Beadnell to Dunston Steads	(8)	3	-	(12)	9	-
Asda Parklet	(9)	21	-	-	-	21
Camel Trail access improvements	(10)	3	-	(3)	-	-
Big Give	(11)	41	-	(24)	-	17
		1,475	1,530	(156)	9	2,858
England		-	28,761	(28,761)	-	-
London		-	360	(360)	-	-
Northern Ireland		-	99	(99)	-	-
Scotland		-	64,239	(64,239)	-	-
Wales		-	979	(979)	-	-
		-	94,438	(94,438)	-	-
		2,026	95,988	(94,748)	155	3,421

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 2017-2018 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 2022	Income	Expenditure	Transfers (to) / from unrestricted funds	Balance at 31 March 2023
	Notes	£'000	£'000	£'000	£'000	£'000
Fixed asset fund	(1)	2,208	-	(331)	375	2,252
NCN repairs fund	(2)	1,000	-	-	(1,000)	-
Restructure fund	(3)	2,966	-	-	(2,966)	-
		6,174	-	(331)	(3,591)	2,252

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.

In prior years the funds of the Charity included the following designated funds that had been set aside out of unrestricted funds by the Trustees:

2. 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.

- 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.

During the year the reserves policy was updated, removing the designated 'NCN repairs fund' and 'Restructure fund', and instead mitigating these risks with a 'General fund'.

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

	2023	2022
	£'000	£'000
The total of future minimum lease payments under non-cancellable operating leases for each of the following periods:		
Not later than one year	355	210
Later than one year and not later than five years	567	975
	922	1,185
Lease payments recognised as an expense	334	485

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 £400K have been paid to the following institutions as reimbursement for project delivery:

	2023	2022
	£'000	£'000
Aberdeen City Council	86	1,775
Angus Council	393	1,012
Argyll and Bute Council	250	1,457
Ayrshire Roads Alliance	400	72
Canal and River Trust	1,013	-
City of Edinburgh Council	13,458	11,293
Clackmannanshire Council	481	1,283
Clyde Gateway URC	-	600
Cornwall Council	581	-
Doncaster Council	480	-
Dorset County Council	516	-
Dundee City Council	4,100	3,127
East Ayrshire Council	14	660
East Lothian Council	709	1,202
East Renfrewshire Council	321	930
Edinburgh and Lothians Greenspace	657	15
Falkirk Council	316	631
Fife Council	476	1,029
First MTR South Western Trains Ltd	487	-
Glasgow City Council	3,046	7,325
Glasgow Science Centre	12	1,318
Gloucestershire County Council	1,000	-
Hampshire County Council	521	128
Highland Council	1,089	3,176
Lancashire County Council	406	332
NHS Grampian	18	800
North Ayrshire Council	236	1,289
North Lanarkshire Council	-	989
North Somerset Council	800	-
Northern Trains Limited	487	-
Northumberland County Council	463	-
Perth and Kinross Countryside Trust	426	309
Renfrewshire Council	454	964
Scotrail Railways	1,462	-
Scottish Borders Council	9,324	3,384
Scottish Canals	2,956	10,291
SE Trains Limited	1,039	-
South Ayrshire Council	1,067	1,533
South Lanarkshire Council	8	1,502
Staffordshire County Council	-	509
Stirling Council	752	1,492
The Moray Council	436	71
West Dunbartonshire Council	172	2,557
West Lothian Council	345	1,114
Others less than £400K	7,238	7,814
	58,495	71,983

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:

	2023	2022
	£'000	£'000
Transport Scotland	63,664	82,493
Department for Transport	27,349	14,309
Welsh Government	948	817
National Highways	160	-
Midlothian Council	-	100
Other government bodies	288	297
Total	92,409	98,016

18. Net Assets

	2023			2022		
	Restricted Funds	Unrestricted Funds	Total	Restricted Funds	Unrestricted Funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	1,070	2,252	3,322	1,053	2,208	3,261
Current assets	3,134	169,436	172,570	1,672	160,196	161,868
Creditors due within one year	(783)	(162,148)	(162,931)	(699)	(154,248)	(154,947)
Total	3,421	9,540	12,961	2,026	8,156	10,182

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 £121K (2022: £79K) for Finance, HR, Legal and Land management services. Railway Paths charged Sustrans £68K (2022: £41K) for Bridge and Estate management services. At the 31st March 2023 £15K (2022: £27K) was owed by Sustrans to Railway Paths, and £43K (2022: £30K) was owed by Railway Paths to Sustrans.

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

20. Subsidiaries

The following were subsidiary undertakings of Sustrans:

Name	Company Number	Class of shares	Holding
Sustrans (Trading) Limited	03635468	Ordinary	100%
Sustainable Transport Limited	03732011	Ordinary	100%

The financial results of the subsidiaries for the year ended 31 March 2023 were:

Name	Net assets (£)
Sustrans (Trading) Limited	1
Sustainable Transport Limited	1

Both subsidiaries are dormant entities and had no trading activity during this or the prior year. Both subsidiaries have the same registered office or principal place of business as Sustrans.

21. Comparative notes from 2021-2022 financial statements Statement of Financial Activities

		Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	Notes	£'000	£'000	£'000	£'000
Income					
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
Total income		14,470	100,245	114,715	66,945
Expenditure					
Raising funds		1,732	-	1,732	911
Charitable activities		12,461	100,626	113,087	65,350
Total expenditure	3	14,193	100,626	114,819	66,261
Net (expenditure) / income	5	277	(381)	(104)	684
Transfers between funds		(204)	204	-	-
Net movement in funds		73	(177)	(104)	684
Reconciliation of funds					
Fund balances brought forward		8,083	2,203	10,286	9,602
Fund balances carried forward		8,156	2,026	10,182	10,286

22. Comparative notes from 2021-2022 financial statements Balance Sheet at 31 March 2022

		Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	7	2,208	1,053	3,261	2,388
Current assets					
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
Total Current Assets		160,196	1,672	161,868	143,077
Creditors: amounts falling due within one year	9	(154,248)	(699)	(154,947)	(135,179)
Net current Assets		5,948	973	6,921	7,898
Total Net Assets		8,156	2,026	10,182	10,286
The Funds of the Charity					
Restricted	11			2,026	2,203
Unrestricted					
Designated	12			6,174	5,301
General				1,982	2,782
				8,156	8,083
Total Funds				10,182	10,286

23. Comparative notes from 2021-2022 financial statements Restricted funds

		Balance at 1 April 2021	Income	Expenditure	Transfers from unrestricted funds	Balance at 31 March 2022
	Notes	£'000	£'000	£'000	£'000	£'000
Consett and Sunderland Railway Path		-	2	(70)	68	-
Paisley to Kilwinning and 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	-
Historic railway path funds	(1)	551	18	(220)	202	551
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
		1,652	79	(258)	2	1,475
England		-	15,269	(15,269)	-	-
London		-	318	(318)	-	-
Northern Ireland		-	105	(105)	-	-
Scotland		-	83,580	(83,580)	-	-
Wales		-	876	(876)	-	-
		-	100,148	(100,148)	-	-
		2,203	100,245	(100,626)	204	2,026

24. Comparative notes for 2021-2022 financial statements 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
		5,301	-	(257)	1,130	6,174