

**THE ROCHESTER BRIDGE TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2018**

Registered Charity No. 207100

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REFERENCE AND ADMINISTRATIVE INFORMATION

Principal Office

The Bridge Chamber
5 The Esplanade, Rochester
Kent, ME1 1QE

Registered Charity Number

207100

Court members

Derek Butler, Esq.
Russell Graham Cooper, Esq. FRICS, *
Philip Filmer, Esq.**
Raymond Peter Harris, Esq.
Paul Edward James Harriott, Esq.
Mrs Sarah Virginia Hohler
Peter John Homewood, Esq.
Alan Leslie Jarrett, Esq.
Dr Anne Frances Helen Logan
Russell John Race, Esq. JP, DL
John Alexander Spence, Esq., OBE, DL
Richard George Thornby, Esq. MRICS,
Lars Lemonius, Esq.

Maidstone Borough Council
Appointed Member
Medway Council
Medway Council
Appointed Member
Kent County Council
Kent County Council
Medway Council
Appointed Member
Appointed Member
Appointed Member (to 31 May 2017)
Appointed Member
Appointed Member (from 11 January 2018)

* Senior Warden to 31 May 2019

** Junior Warden to 31 May 2019

Principal officers

Mrs Sue Threader BEng HonDSc CEng FICE
Paula Puxty BA(Hons) ACA

Bridge Clerk (Chief Executive)
Chief Finance Officer

Principal advisors

Investment Manager

Rathbone Investment Management Ltd
1 Curzon Street, London
W1J 0LP

Estate Surveyor

Savills (UK) Limited
23 Kings Hill Avenue
West Malling, Kent
ME19 4UA

Bridge Engineer

Arcadis Consulting (UK) Limited
Arcadis House
34 York Way
London
N1 9AB

Solicitor

asblaw
Origin Two
106 High Street
Crawley, West Sussex
RN10 1AS

Bankers

Lloyds Bank plc
142-146 High Street
Chatham, Kent
ME4 4DQ

Independent Auditors

Saffery Champness LLP
71 Queen Victoria Street,
London
EC4V 4BE

**THE ROCHESTER BRIDGE TRUST
ANNUAL REPORT
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INTRODUCTION

The Charity known as the Rochester Bridge Trust ("the Trust") is formally styled as "The Wardens and Assistants of Rochester Bridge in the County of Kent", incorporated under that name by the Rochester Bridge Act 1908 and registered in England under that name with charity registration number 207100.

The board of trustees is referred to as the Court of Wardens and Assistants ("the Court").

The Court presents its Annual Report and Financial Statements of the Trust for the year ended 31 March 2018, prepared in accordance with the Charities Act 2011 and the Financial Reporting Standard 102.

OVERVIEW

The Rochester Bridge Trust was founded in 1399 to provide and maintain a bridge across the River Medway in Rochester in perpetuity. Benefactors gave land and money in trust to be used for this purpose.

The Trust is still responsible for providing its two substantial road bridges and a further bridge to carry essential services across the river at Rochester at no cost to the public purse. Its funding continues to be derived from the original 14th and 15th century endowments. It receives no public funds, no grants and does not carry out fundraising activities.

The Trust has no responsibility for providing other crossings of the river although it does have the powers to contribute when appropriate. When surplus funds are available, the Trust may make grants in accordance with its Grants Policy, or fund projects for charitable purposes.

The Court takes a very long-term view of its assets to ensure that funds are available for future maintenance and eventual replacement of the structures.

The Trust's investments at the start of the year were approximately split 60:40 between direct property holdings and financial investments. Following a number of property purchases during the year, combined with a drop in financial investment values at the end of the year, the balance between property and financial investments was approximately 65:35 compared to the long-term target of 50:50. The Trust is content for the proportion of property investments to be within a tactical range of approximately 35-75% depending on the relative performance of financial and property investments and trustees are satisfied that the current position is appropriate given global stockmarket and geopolitical uncertainty.

At the end of 2017/18, the total value of the Trust's net assets was £113.8 million, an increase of 10.5% on last year. The Court was pleased with this achievement given the continuing uncertainty around Brexit.

OBJECTS AND ACTIVITIES

The Rochester Bridge Trust is an ancient institution originally created as a commonalty by letters patent in 1399 and incorporated by statute in 1409. It has since been regulated by various Acts of Parliament, (the statutes still extant being the Rochester Bridge Acts of 1908 and 1965), and Schemes of the Charity Commission, currently one of 1 June 1999 as amended by The Charities (The Rochester Bridge Trust) Order 2000; Charity Commission Orders dated 20 June 2006 and 30 December 2013; and Resolutions dated 31 July 2006, 20 October 2007, 19 November 2012, 1 September 2014, 11 January 2018 and 12 March 2018.

The formal charitable objects of the Trust are, in order of priority:-

1. The maintenance and improvement of the bridges (known as Rochester Bridge) and the approaches thereto belonging to the Trust and of the banks and channel of the River Medway so far as the conditions thereof may affect the maintenance of Rochester Bridge.
2. The promotion of the following purposes connected with the River Medway by means of contributions to:
 - (a) the execution and maintenance of works (including the approaches thereto, whether or not belonging to the Trust) tending to facilitate passage over, under or across the River Medway; and/or
 - (b) the execution of works for the maintenance of the banks and channels of the River Medway so far as the condition thereof may affect passage over, under or across the River Medway.
3. The promotion of such other charitable purposes as may from time to time be determined in the United Kingdom and primarily in the County of Kent.

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Under its third object, the Trust supports a range of charitable activities, including the making of grants, delivery of education projects (primarily engineering and local history) and maintenance of its important archives. Grants are made for engineering education, heritage structures, historical research and projects linked to greater understanding and positive use of the River Medway.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Public Benefit Statement

The Court has considered the guidance on public benefit published by the Charity Commission and was satisfied that its work, primarily to provide facilities for the general public to cross the River Medway with all the secondary benefits that this freedom of movement enables, clearly meets the "public benefit test" of the Charities Act 2011.

Governance

The Court has twelve members, six nominated by local authorities, known as "Nominated Members" and six co-opted, known as "Appointed Members". Details of those members who served during the year and to the date of approving this report are shown under Reference and Administrative Information.

Nominated Members are appointed by Medway Council (three), Kent County Council (two) and Maidstone Borough Council (one). Each appointment is for a period of four years. Nominated Members are not necessarily members of the appointing body and do not represent the views of that body.

Appointed Members are appointed by the Court itself for a term of five years. The Court attempts to secure that collectively the members of the Court possess an appropriate spread of expertise having regard to the objects of the charity, the nature of its property and its activities.

There is no limit on the number of consecutive terms which can be served.

Every two years the Court appoints, from its membership, a Senior Warden and a Junior Warden usually to hold office for a period of two years.

The Court holds four Ordinary meetings each year which focus on Trust policy and strategy. Additionally, Special Court Meetings may be called at any time by a Warden or by any two members of the Court.

Five Committees meet on a quarterly basis to discuss key areas of the Trust's activities. They are the Bridge; Property; Resources; Education, Grants & Archives; and Wardens' Committees. Each committee has detailed Terms of Reference and a Scheme of Delegated Authority in place which is kept under continual review.

Members of the Court are required to make a declaration of their interests and loyalties which is recorded in the Register of Members' Interests made available at every meeting. Any member having an interest in any item being discussed at a Court or Committee meeting is required to declare their interest, and may refrain or withdraw from the discussion if appropriate. Related party transactions are disclosed in note 20 to the accounts.

The Court conducted a comprehensive Governance Review in 2015 by reference to the Charity Commission approved *Good Governance: a Code for the Voluntary and Community Sector*. An action plan was put in place and priority actions have been completed. Further progress will be made on lower priority items in 2018 and 2019. The Court is aware that a new version of the Charity Governance Code was published on 13 July 2017, however it was decided that the implementation of the recommendations of its 2015 Governance Review would be completed before assessing the Trust's position against the new Code.

Trustee induction and training

All trustees have access to the online Members' Information Portal which includes a Members' Information Pack and a Property Estate Terrier. The Terrier was reviewed and updated in June 2018. Regular estate visits are organised for trustees so that they can become familiar with the property portfolio.

A new skills audit was carried out in December 2016 and used to inform a two-year trustee information and briefing programme. Briefings for all members of the Court were carried out on the management of the Trust's archives in 2017. Following the retirement of J.A.Spence, Esq. OBE, a long standing member of the Court, there was a vacancy for an appointed member. A review of the Skills Audit of existing trustees identified the objective of recruiting a trustee with investment management experience. In line with the Trust's established practice, public advertisements were placed on charity recruitment websites, the Trust's website and social media accounts.

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A specialist trustee recruitment agency was also engaged. A number of strong applications were received and, following an interview process, Lars Lemonius, Esq. was appointed. Induction training was provided, including an estate visit.

Management and staffing

The Bridge Clerk (Chief Executive) is Mrs. S.E.P. Threader, a Chartered Engineer and Fellow of the Institution of Civil Engineers with extensive public and private sector experience. The Chief Finance Officer, Mrs P.J Puxty, is a Chartered Accountant with both corporate and charity experience. The Trust's Management Team comprises the Operations Manager, Contracts & Project Manager and Archives & Records Manager. The first two posts were created and filled for the first time in the year. Following the death of Bridge Archivist, Dr J.M. Gibson, a new Archives & Records Manager was appointed in May 2018. A Finance Officer, Secretary and Contracts Administrator support the financial management and administration of the Trust. Two Education Officers are employed under a job share arrangement to deliver the engineering education activities. During the year there were twelve staff in the establishment, ten part-time and two full-time. Professional staff routinely work in the office on Tuesdays and Thursdays to ensure a high standard of internal communication is maintained. Email and mobile communication is used extensively outside of office hours in emergency situations.

The Court makes extensive use of advisers to give professional advice on the management and control of its assets and a number of its other activities.

The Trust considers the Court of Wardens and Assistants and the Principal Officers (Bridge Clerk and Chief Finance Officer) as comprising the key management personnel of the Trust in charge of directing and controlling the Trust and running and operating the Trust on a day to day basis.

No trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 20 to the accounts.

The pay of the Principal Officers is reviewed annually by reference to the Trust's Remuneration Guidelines. The remuneration is benchmarked with charities of a similar size and activity to ensure that pay set is fair and not out of line with that generally paid for similar roles.

The gender pay gap shows the difference between the average (mean) earnings of men and women. It is expressed as a percentage of men's earnings. The mean gender pay gap for the Trust has been calculated as -27% (i.e. overall male employees have lower pay than female employees).

INVESTMENT POWERS

The investment powers of the Trust are contained in the Schedule to the 1999 Charity Commission scheme and in the Trustee Act 2000.

INVESTMENT POLICY

The Investment Policy sets out the approach to achieving a balanced but diverse portfolio across all asset classes. Tactical ranges and strategic guidelines are included in the policy to ensure that risk is adequately mitigated and concentration within one asset class is not too high.

RESERVES POLICY

The Trust needs to ensure that it has sufficient reserves to meet the cost of major maintenance of the bridges at the appropriate time and, in the long-term, to fund replacement of each bridge at no cost to the public where this is appropriate. To determine whether reserves are sufficient to cover the cost of maintaining and replacing the bridges in perpetuity, a formal Actuarial Opinion is taken at appropriate intervals to test assumptions and monitor financial performance. The most recent report considered financial data to 31 December 2014 and was received by the Court on 1 June 2015. Under current assumptions, the Court is satisfied that it does have sufficient resources in the short and long term to deliver its responsibilities.

No annual reserves target is set because there is considerable variability between maintenance expenditure demands from year to year and also a substantial proportion of the investment performance is unrealised gains from stockmarket investments. Rather, Trustees seek to maximise total return from all investments to ensure best performance of the underlying assets.

The Trust holds funds appropriate to the normal operation of the Trust, including some routine activities on the Bridges in the General Fund, an unrestricted fund intended:

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- to provide sufficient resources to meet the routine running costs of the Trust;
- to fund investment in other charitable purposes, including a sum for charitable grants.

Assets of the General Fund are held primarily in cash or easily liquidated assets. Operational buildings, fixed and heritage assets and the Bridges are also held in the General Fund.

The Bridges Reserve Fund is a very long-term fund, invested primarily in land, property and stock exchange securities with the objective of long term growth in order to fund the maintenance and ultimate replacement of the bridges. It is managed to deliver sufficient income to transfer funds to the General Fund as required to meet its obligations.

The River Medway Fund is invested in cash to fund expenditure related to the use and history of the River Medway.

PRINCIPAL RISKS AND UNCERTAINTIES

The Court is committed to sound risk management as part of its strategy to secure the Trust's long-term ability to meet its objectives; preserve and enhance its assets; deliver the best service to the travelling public; and ensure the safety of the public, its staff and contractors. A Risk Management Policy is in place.

The Court has approved a detailed Risk Register for its activities and identifies the most significant risks in the Major Risk Matrix. The Court reviews the full Risk Register at least every two years (most recently May 2017) and the Major Risk matrix at least annually. The Bridge Clerk and Chief Finance Officer keep the Risk Register under review and consult the Trust's professional advisers on risk regularly. Actions identified during the risk review process are managed as part of the usual work of the Trust under the supervision of the Bridge Clerk. Appropriate controls are maintained and remedial actions identified.

The identified major risks faced by the Trust are:

- Bridge/River Wall damage or collapse
- Insufficient funds to meet objectives in perpetuity
- Inadequate flood protection provided by others

The controls in place include the employment of highly experienced and appropriately qualified principal officers, supplemented by extensive use of external professional advice on all matters where there may be material risk to the Trust. Advisers are retained for engineering, financial investment, property management, external communications and legal advice. Other specialists are appointed as required. Fire, intruder and lone worker alarms are in place and control is exercised over health and safety at work.

Arrangements are in place for handling emergencies and disaster recovery. Emergency Plans are in place for the bridges and incidents affecting the archives. A Business Continuity plan is also in place. Staff are issued with a contact list for their colleagues and key professional advisors.

Insurance cover is in place for most residual risks and the cover types and levels are reviewed on an annual basis. All three bridges owned by the Trust are insured for their full replacement value.

An actuarial opinion is sought at regular intervals on the long-term costs of maintenance and replacement of the Trust's three bridges to determine whether the charity has sufficient funds to cover the cost of maintaining and replacing the bridges in perpetuity.

ACHIEVEMENTS AND PERFORMANCE

The Trust has made excellent progress against the objectives set for the year. Performance against these objectives are summarised below:

Bridges and Esplanade

- Preparation for the major refurbishment of the bridges and Esplanades has continued. Prototyping of ornate lighting units was completed. Detailed design for other aspects of the project was nearing completion at the end of the year, with few items outstanding. The necessary approvals in principle have been obtained. Contract drafting is in progress and it is anticipated that tenders will be invited by the end of the Summer.
- The remains of a Watergate for Rochester Castle were discovered during work to the Esplanade. The Trust worked closely with Historic England to investigate and protect the remains.

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- Plans are in place to remove redundant services (gas main and sewer) from the Old Bridge as part of the forthcoming refurbishment project.
- Extensive negotiations have taken place with Medway Council regarding the design of flood defences associated with the Strood Riverside developments. The bridge engineer and planning adviser achieved improvements to the design to protect the Trust's property and interests. Discussions regarding strategic flood defences for Strood continue and, in the meantime, the Trust is preparing local flood defence measures to protect the bridge infrastructure.

Property Estate

- A new Property Portfolio Strategy was put in place in May 2017. This identified a number of property acquisition and disposal objectives to achieve the required balance of property asset classes. During the year, new commercial investment properties were acquired in Suffolk, Cambridgeshire and Rochester, and residential properties in Borough Green and Rochester. Various residential disposals were also completed.

Operational Property

- A lease was taken on St Andrew's House from Rochester Cathedral, commencing 1 April 2018. After renovation this will become the office base for the majority of the Trust's staff, allowing a return to Rochester after two years based at serviced offices in Chatham.
- The architect, Hugh Broughton, completed initial designs for a comprehensive refurbishment of the Bridge Chamber and Chapel.

Engineering Education

- A programme of engineering education activities was delivered, including:
 - hands on workshops with Primary School pupils in 19 different schools;
 - providing interactive learning experiences to over 1,000 students at Science fayres;
 - families learning together at community fun days, private cinema screenings and Langdon's Den alongside our Bridge Works exhibition;
 - inspirational trips for our Bridge Wardens' scholars and their families; and
 - preparation of engineering education resources with the Rotary Club.
- A total of 400 teachers, over 1,500 families and more than 1,500 students were engaged in these activities.

Exhibition

- A major new exhibition, "Bridge Works – A Story of the Rochester Bridge Trust" was designed and opened in the newly refurbished crypt of Rochester Cathedral. To 31 March 2018, a total of 16,000 visitors had attended the exhibition, which has now been extended to November 2018 and will then be relocated to the Medway Archive Centre in Strood.

Staff Establishment

- Mr Andrew Freeman was appointed to the new post of Operational Manager in August 2017. Miss Ilona Hurrell was appointed to the new post of Contracts and Project Manager in September 2017. Two new posts of Archives & Records Manager and Archives & Records Assistant were added to the establishment.

Grants

- A wide range of grants were made, including a grant of £40,000 to the Medieval Bridge Chapel Research Company Ltd, £25,000 to the Kent Mining Heritage Foundation and £2,000 to the Folkestone People's History Centre. There were a number of small educational grants awarded to assist with bridge building activities in schools. No grants were awarded from the River Medway Fund during the year.

Archives

- Progress towards Accredited Archive Status has been delayed following the sad passing of the Trust's Archivist, Dr James Gibson.

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The Old Bridge

The Old Bridge was originally constructed as a cast iron arch with stone piers and abutments in 1856 to the designs of Sir William Cubitt. Following repeated collisions, the deck of the bridge was reconstructed as a bowstring girder just before the outbreak of the First World War and was formally opened on 14 May 1914.

The Trust is in the final stages of preparations for a major programme of repair and renewal work to the bridges and Esplanade. For the Old Bridge this will involve strengthening of the Old Ship's Passage, renovation of the heritage street lighting, addition of enhanced lighting, replacement of expansion joints and various repairs. The Trust is seeking removal of redundant service pipes as part of the refurbishment project.

The New Bridge

The New Bridge was completed in 1970. It was constructed on the foundations of a redundant Victorian railway bridge with concrete piers and a concrete deck supported by steel box girders.

The major renovation and refurbishment project to be let in 2018/19 will include the replacement of the sub-standard parapet rails and outdated street lighting, restoration of three running lanes across the full length of the bridge and waterproofing works.

The Service Bridge

The Service Bridge is a separate concrete beam bridge constructed on the foundations of a redundant Victorian railway bridge. It carries service pipes and cables across the River Medway and its use and funding is governed by the 1965 Rochester Bridge Act. Much of the cost of providing and maintaining the bridge is recharged to the utility companies by the Trust under the provisions of the Act.

Rochester and Strood Esplanades

The Trust is concerned about the risk of flooding to its bridge assets on the Strood bank, notably the electrical system. The risk arises from river flooding, particularly because of the removal of the flood walls previously contained within the arches of the railway bridge, and surface water flooding at high tide because of the unsatisfactory design of the local drainage system which is the responsibility of South East Water. The Trust is working closely with Medway Council and other partners to seek satisfactory solutions to these issues.

On the Rochester Esplanade, the refurbishment project will include a solution to longstanding carriageway subsidence. The redundant Victorian lavatories will be filled, drainage replaced, landscape improvements carried out and historical interpretation features will be introduced.

Education

The Trust has continued to promote engineering education for young people, with a particular focus on primary school aged children. The mascot "Langdon the Lion" has been very successful in engaging young children and also attracting media interest to the programme. The book written by the Bridge Clerk, Learning about Bridges, and the "Supporting Engineering Education" website has been promoted widely.

A wide range of engineering education events have been organised, all of which have been well-received. In partnership with Rotary Clubs of Great Britain and Ireland, the Trust developed and launched the second year of the national Junior Technology Tournament project. A full programme of events and resource development is in place to continue this work.

The Trust is a keen supporter of The Arkwright Scholarships Trust, a national charity dedicated to raising funds from businesses, institutions, and individuals to sponsor talented would-be engineers through their sixth-form studies and into university. Five former Bridge Wardens' Arkwright Scholars are studying civil engineering at Bristol, Cardiff, Newcastle and Durham Universities. Three new Bridge Wardens' Arkwright Scholarships were awarded in November 2016 and the Trust is also informally supporting a fourth scholar whose sponsor is unable to provide practical opportunities.

At the end of the year, a new scheme was introduced, the Rochester Bridge Trust Spence Agricultural Scholarship Scheme. In partnership with the University of Nottingham, this scheme will provide funding to three undergraduates in the first year to support their study of agriculture.

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Local engagement

The Bridge Clerk and other members of staff gave presentations to around 15 local interest groups about the work and history of the Trust. News and information about the Trust were published on the main website at www.rbt.org.uk, the education website at www.rochesterbridgetrust.org.uk, as well as in a range of local, lifestyle and national news publications. Positive coverage in the local media continues to raise the Trust's profile and communicate its activities on behalf of its benefactors.

The Trust continued to engage in social media, primarily Twitter and Facebook; both channels are proving useful for gathering information and disseminating news and facts about the charity. Public relations and external communications advice is obtained from Maxim PR.

Financial Investment Management

Approximately a third of the Trust's reserves and income are derived from financial investments including equities, bonds and infrastructure funds. The financial investment portfolio is managed primarily by Rathbone Investment Management Limited but approximately £1.6million is invested by the Trust in various indirect charity property funds.

The performance of financial investments was strong in the early part of the year but the last quarter of the year saw a fall in investment values. The total value of the portfolio decreased in the year to £39.6million, a decrease of 0.3%. However the investment income target for the year was exceeded.

A significantly higher cash balance was held within the financial investment portfolio at the end of the year compared to the end of the prior year. This was in preparation for the withdrawal of £8.2million post year end to fund the purchase of a property investment in West Yorkshire.

The performance of the Trust's financial investment portfolio managed by Rathbone Investment Management Limited is measured against a minimum target of RPI + 3% growth per annum and a bespoke composite index. RPI + 3% for the year was +6.3% and the Composite Index was +1.3%. The portfolio total return was +3% for the year, falling short of the RPI target but ahead of the Composite Index. The income target from these financial investments was £1.18million for the year and £1.27million was achieved, exceeding the target by 7%. The majority of investments are held directly rather than in pooled funds.

Property Estate

The balance of the Trust's investments are held in direct property holdings in Kent, West Sussex, Suffolk, Cambridgeshire and Lincolnshire. The portfolio includes industrial, retail, residential, commercial and over 6,000 acres of agricultural holdings. The property is let to generate income.

The performance of the Trust's property investment portfolio managed by Savills is measured against a long-term total return target of 6.25% gross (i.e. before any deduction for investment expenses). The target is for overall portfolio performance rather than individual holdings but nonetheless each property is reviewed periodically to ensure that it makes a sufficient contribution. Disposal and new investment decisions are informed by estimates of anticipated return over the long-term.

A "Red Book" revaluation of the property portfolio was carried out by qualified valuers from Savills to 31 March 2018. Unrealised property gains of £9.9 million were recorded as a result of this calculation.

On 25 May 2018, the Trust invested £9.4 million in the purchase of a property estate in West Yorkshire.

Grants

The Trust's primary activity is the maintenance of its bridges at Rochester and the management of its investments to generate the resources required. There is a long history of making grants to other charities or carrying out other charitable projects when surplus funds are available. The Trust has limited funds for this purpose and grants are focused on areas which reflect the Trust's own history, values and activities, e.g. education in engineering, preservation of heritage buildings, education about the Trust's history and improving understanding of the River Medway.

Operational Buildings

Growth in the Trust's activities and the corresponding increase in the staff establishment means that the Bridge Chapel and Chamber are no longer capable in their current form of accommodating all the Trust's administrative functions in acceptable working conditions.

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The office operation was relocated in April 2016 to temporary, serviced accommodation in Chatham pending a decision by trustees about the future use of the Bridge Chamber and the long-term solution for suitable office accommodation in Rochester. A study was carried out into the options for the use of the buildings in addition to its main functions as the meeting place of the Court of Wardens and Assistants and the home of the Trust's archives. An architect has completed the feasibility study, which will be considered by the Court. The buildings are scheduled and listed and are in need of internal refurbishment (including replacement of services) and accessibility improvements.

FINANCIAL REVIEW

The income and expenditure of the Trust are detailed in the Statement of Financial Activities on page 13. Income for the year remained consistent with last year, falling slightly to £3.61million from £3.65million reflecting a good year for dividend income but with less income from property (due to an exceptional lease surrender payment in prior year).

Expenditure related to the bridges was £1.6million. There has been a notable improvement in bridge condition and presentation since the engagement of FM Conway as Term Maintenance Contractor in line with the Trust's primary charity objective.

Expenditure on properties in the year was £0.98million.

Overall, income exceeded expenditure in the year on the Trust's charitable purposes and generating investment returns by £292,854 (2017: £303,727 expenditure exceeded income), but after gains on investments of £10,441,989 (2017: £6,768,378), the net income for the year was £10,734,843 (2017: £6,464,651).

Taking account of actuarial loss and restriction of surplus on pension fund and excluding revaluations of tangible assets, the net movement in funds for the year was £10,801,473 (2017: £6,380,021), an increase in total funds of 10.5%.

No expenditure was charged to the River Medway Fund in the year for grants payable (2017: £26,986). The Court intends actively to seek applications for grants from this fund in 2018 and 2019.

INVESTMENT PERFORMANCE

The value of financial investments and investment properties at 31 March 2018 totalled £110.4million, a 10.8% increase over the 2017 value of £99.7million.

RESERVES PERFORMANCE

The latest actuarial opinion is based on an expected long-term total return on the property portfolio of 6.25% gross, with returns of 4.25–7.25% assumed on the various classes of financial investments. The weighted average investment return, after expenses of 1.0%, is 5.47%.

Under core assumptions in the Actuary's valuation, the Court is content that it has a small surplus within its reserve fund and decided in November 2015 to allocate £2 million to be expended in the period to 31 March 2021 on a range of education, grants and archive projects under the third charitable object.

The Trust held the following reserves at 31 March 2018:

General Fund	£2,696,646
River Medway Fund	£70,104
Bridges Reserve Fund	£111,047,108
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	£113,813,858
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FUTURE PLANS

The Trust's plan for the coming year to deliver its charitable objectives includes to:

- Appoint a contractor for the Bridges and Esplanade Refurbishment Contract and make a start on site;
- Complete the purchase of a new estate in West Yorkshire and undertake compliance works and building condition surveys;
- Submit planning and listed building applications for the Bridge Chamber and Chapel;
- Complete the refurbishment of St Andrew's House and complete relocation of the staff;
- Put in place a new viticulture lease for Boarley Farm and new arrangements for management of other parts of the holding;
- Deliver a programme of practical engineering education events, resources and support;
- Offer a grants programme which promotes the charitable objectives of the Trust, primarily in engineering education, historic building and heritage conservation and projects linked to the River Medway; and
- Make progress towards Accredited Archive Status.

STATEMENT OF RESPONSIBILITIES OF THE COURT MEMBERS

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

Law applicable to charities in England and Wales requires the Court Members (who are the trustees) to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Court Members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in business.

The Court Members are responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, applicable accounting regulations and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Court Members fulfil their responsibilities explained above by appointing an appropriately qualified and experienced Chief Finance Officer who undertakes to maintain the Trust's financial records on a day to day basis. The Court Members review these records on at least a quarterly basis.

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

On behalf of the Court of Wardens and Assistants



Russell Cooper
Senior Warden
21 August 2018

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FOR THE YEAR ENDED 31 MARCH 2018**

Opinion

We have audited the financial statements of The Rochester Bridge Trust for the year ended 31 March 2018 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of 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 charity's affairs as at 31 March 2018 and of its incoming resources and application of resources 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 Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditors' 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**THE ROCHESTER BRIDGE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2018**

Responsibilities of trustees

As explained more fully in the Statement of Responsibilities of the Court Members set out on page 10, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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

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 auditors' report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees 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 charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP
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Saffery Champness LLP
Chartered Accountants
Statutory Auditors
71 Queen Victoria Street
London
EC4V 4BE

Date: *29 August 2018*

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

THE ROCHESTER BRIDGE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2018

	Note	General Fund £	River Medway Fund (Designated) £	Bridges Reserve Fund (Designated) £	2018 Total £	2017 Total £
Income from:						
Investments						
Rents receivable		-	-	2,251,733	2,251,733	2,364,821
Dividends receivable		-	-	1,354,013	1,354,013	1,272,221
Bank and other interest		11,409	-	177	11,586	12,988
Total income		11,409	-	3,605,923	3,617,332	3,650,030
Expenditure on:						
Raising funds						
Investment management	3	-	-	204,203	204,203	196,451
Expenditure on investment properties	4	983,198	-	-	983,198	1,430,071
Charitable Activities						
Maintenance of bridges	5	1,614,299	-	-	1,614,299	2,012,239
Grants payable	6	141,835	-	-	141,835	87,973
Other charitable activities	7	380,943	-	-	380,943	227,023
		2,137,077	-	-	2,137,077	2,327,235
Total expenditure		3,120,275	-	204,203	3,324,478	3,953,757
Net (expenditure)/ income before investments gains and losses		(3,108,866)	-	3,401,720	292,854	(303,727)
Unrealised gain on investment assets	13b	-	-	123,980	123,980	4,983,455
Realised (loss)/gain on investment assets	13b	-	-	(111,171)	(111,171)	845,735
Unrealised property gains	13a	-	-	9,948,207	9,948,207	593,430
Realised gain on investment property sales	13a	-	-	480,973	480,973	345,758
Net (expenditure)/income		(3,108,866)	-	13,843,709	10,734,843	6,464,651
Transfers between Reserve Funds	18	2,934,073	-	(2,934,073)	-	-
Other recognised gains/(losses)						
Actuarial gain/(loss) on pension fund	11	86,000	-	-	86,000	(23,000)
Restriction on surplus on pension fund	11	(56,000)	-	-	(56,000)	(67,000)
Unrealised gain on tangible assets	12a	36,630	-	-	36,630	5,370
Net movement in funds for the year		(108,163)	-	10,909,636	10,801,473	6,380,021
Total funds brought forward		2,804,809	70,104	100,137,472	103,012,385	96,632,364
Total funds carried forward	18	£2,696,646	£70,104	£111,047,108	£113,813,858	£103,012,385

All transactions are derived from continuing activities. All recognised gains and losses are included in the statement of financial activities. The notes on pages 16 - 30 form part of these financial statements.

**THE ROCHESTER BRIDGE TRUST
BALANCE SHEET
AT 31 MARCH 2018**

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	12(a)	588,414	548,368
Heritage assets	12(b)	585,969	585,969
Investment properties	13(a)	70,834,003	59,936,461
Investments	13(b)	39,612,010	39,738,130
		<u>111,620,396</u>	<u>100,808,928</u>
Current assets			
Debtors	14	588,471	525,322
Short term deposits		406	406
Cash at bank and in hand		2,663,254	2,823,232
		<u>3,252,131</u>	<u>3,348,960</u>
Creditors: amounts falling due within one year	15	<u>(1,058,669)</u>	<u>(1,145,503)</u>
Net current assets		<u>2,193,462</u>	<u>2,203,457</u>
Net assets excluding pension asset/ (liability)		<u>113,813,858</u>	<u>103,012,385</u>
Pension asset/ (liability)	11	-	-
Net assets including pension asset/ (liability)		<u>£113,813,858</u> =====	<u>£103,012,385</u> =====
Funds			
Bridges Reserve (Designated) fund	18,19	111,047,108	100,137,472
General fund	18,19	2,696,646	2,804,809
River Medway (Designated) fund	18,19	70,104	70,104
Total fund balances		<u>£113,813,858</u> =====	<u>£103,012,385</u> =====

The financial statements were approved and authorised for issue by the Court of Wardens and Assistants on 21 August 2018 and were signed below on its behalf by:



Russell Cooper
Senior Warden

The notes on pages 16 to 30 form part of these financial statements.

**THE ROCHESTER BRIDGE TRUST
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2018**

	2018 £	2017 £
Cash flows from operating activities	<u>(3,442,509)</u>	<u>(3,760,511)</u>
Cash flows from investing activities		
Dividends and interest	3,617,332	3,650,030
Purchase of property, plant and equipment	(5,367)	(13,169)
Proceeds from sale of property, plant and equipment	-	19,838
Purchase of investments	(6,207,040)	(5,162,699)
Proceeds from sale of investments	10,907,595	7,444,919
Net cash provided by investing activities	<u>8,312,520</u>	<u>5,938,919</u>
Change in cash and cash equivalents in the year	4,870,011	2,178,408
Cash and cash equivalents at the beginning of the year	4,946,616	2,768,208
Cash and cash equivalents at the end of the year	<u>£9,816,627</u>	<u>£4,946,616</u>

Notes to the Cash Flow Statement

	2018 £	2017 £
Reconciliation of Net Income to Net Cash Flow from Operating Activities		
Net income	10,734,843	6,464,651
(Gains) on investments	(10,441,988)	(6,768,378)
Depreciation charges	1,951	1,172
(Profit) on the sale of fixed assets	-	(679)
(Increase) in debtors	(63,149)	(1,709)
(Decrease)/increase in creditors	(86,834)	214,462
Pension costs	30,000	(20,000)
Dividends, interest and rents from investments	(3,617,332)	(3,650,030)
Net cash used in operating activities	<u>(£3,442,509)</u>	<u>(£3,760,511)</u>

	2018 £	2017 £
Analysis of Cash and Cash Equivalents		
Cash at bank and in hand	2,663,254	2,823,232
Short term deposits	406	406
Cash held by investment managers	7,152,967	2,122,978
	<u>£9,816,627</u>	<u>£4,946,616</u>

1. ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed assets, and in accordance with the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust meets the definition of a public benefit entity under FRS 102.

The Court Members are satisfied that the Trust has sufficient reserves to continue as a going concern for the foreseeable future.

(b) Fund accounting

Designated funds comprise unrestricted funds that have been set aside by the Court for particular purposes. The aim and use of the designated fund is set out in note 18.

The General Fund is an unrestricted fund which is available to use at the discretion of the Court in furtherance of the general objectives of the Trust and which has not been designated for other purposes. The General Fund includes income arising from the General Fund's short term cash investments which can be used by the Court to finance the Trust's expenditure. Additional funding is provided by way of transfer from the Designated Fund as applicable.

Investment income and gains/(losses) are allocated to the appropriate fund.

(c) Income and expenditure recognition

Income

Rental income is accounted for in the period in which the charity is entitled to receipt.

Dividend income is accounted for in the statement of financial activities in the period in which the charity is entitled to receipt.

Bank and other interest are included in the statement of financial activities when received.

Expenditure

Expenditure is included on an accruals basis.

Costs of raising funds comprise the costs directly attributable to managing the investment portfolio and raising income.

Grants payable are charged in the year when the offer is conveyed to the recipient. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Expenditure on properties is expenditure in relation to the maintaining of the investment properties.

The maintenance of Bridges is detailed in note 5.

Support costs comprise costs for the running of the charity and are apportioned between charitable activities and costs of raising funds on the basis of time spent by staff. Governance Costs are not treated as an activity of the Trust for the purpose of allocation of Support Costs but are reallocated across the main activities of the charity in the same way as Support Costs. Governance Costs consist of those costs which relate to the overall running of the Trust, including meeting statutory and regulatory requirements.

(d) Tangible fixed assets (including Heritage Assets)

Freehold land and buildings are included in the financial statements at the Court's best estimate of their open market value. Further details are shown in note 12.

Depreciation is not charged on the historic freehold buildings occupied by the Trust which is not in accordance with the Charities' SORP or FRS102. However in the opinion of the Court, the buildings have a life in excess of 50 years and consequently any depreciation charge and resultant accumulated depreciation, would be immaterial.

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Since a Fixed Asset policy was introduced on 1 April 2016, an item is deemed to be a Fixed Asset when its purchase value (ex. VAT) is equal to or exceeds £250 and where its estimated useful life is more than one year. The following depreciation terms are applied to write down the value of an asset over its useful life:

- motor vehicles (7 years); and
- fixtures & fittings, computers, plant & machinery (5 years).

The three bridges, (the two road bridges and the service bridge) that are known collectively as Rochester Bridge are included in Freehold Land and Buildings at a nominal cost of £1. All maintenance and improvement costs are written off as incurred. The Trustees believe that the bridges should continue to be included within the asset base at £1 as their continued use by the public is fundamental to the aims and objectives of the Trust.

The Trust maintains archives and historical records in support of the Trust's objectives. The Court Members consider that owing to the incomparable nature of the archives and historical records, conventional valuation approaches lack sufficient reliability and that, even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the Trust and users of the accounts. As a result, no value is reported for these assets in the Trust's Balance Sheet. Further details are shown in note 12.

A collection of fine art, furniture, silverware and other historic artefacts is owned by the Trust and reported in the Balance Sheet as Heritage Assets. Additions to and disposals from this collection are not anticipated apart from in exceptional circumstances. Assets are preserved to the best of the Trust's ability, using professional conservators where appropriate. The collection is privately held by the Trust, however public access is permitted during periodic open days. Further details are shown in note 12.

(e) Investments

Quoted investments are included in the financial statements at market value at the balance sheet date.

A 'Red Book' revaluation of the property portfolio was carried out by qualified valuers from Savills to 31 March 2018. Further details are shown in note 13.

Realised and unrealised gains and losses on revaluation and disposals occurring in the year are reported in the statement of financial activities.

(f) Pension scheme

The Trust contributes to the Kent County Council defined benefit scheme. This scheme is a multi-employer scheme. The charity's share of surplus or deficit of the scheme is recognised on the balance sheet. Changes in the assets and liabilities of the scheme in the year are disclosed and allocated as follows:

Changes relating to current or past service costs and gains and losses on settlements and curtailments, and pension finance costs arising from changes in the net of the interest costs and expected return on assets, are allocated to the relevant activity heading based on staff costs of employees within the scheme. Pension finance income arising from similar changes is recognised as an incoming resource. Actuarial gains and losses are recognised below net income.

The assets, liabilities and movements in the surplus or deficit of the scheme are calculated by qualified independent actuaries as an update to the latest full actuarial valuation. Details of the scheme assets and liabilities and major assumptions are shown in note 11.

Any pension surplus arising at the year end is not recognised in the balance sheet as the surplus does not meet the FRS102 criteria for recognition as an asset. See note 11 for further details.

(g) Deferred income

Deferred income comprises property rental income received in advance which relates to the following year.

(h) Financial instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. A specific provision is made for debts for which recoverability is in doubt.

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

Financial instruments are detailed in note 23.

(i) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

(k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(l) Employee benefits

Short term benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received. No holiday pay accrual is required in line with FRS102 as the Trust's holiday year is co-terminus with the financial year and holiday is not generally carried over into the following year.

Employee termination benefits

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

(m) Critical estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Trustees believe that the bridges should continue to be included within the asset base at a nominal value of £1 as detailed in accounting policy note (d). Support costs (including governance costs) are allocated across the activities of the Trust, based on a judgement of resources spent on each activity during the year.

2. NET MOVEMENT IN FUNDS

Net movement in funds are stated after charges for audit fees of £10,815 (2017: £10,500).

3. INVESTMENT MANAGEMENT FEES

	2018	2017
	£	£
Investment management fees	136,259	126,696
Support costs (note 8)	67,944	69,755
	<u>£204,203</u>	<u>£196,451</u>
	=====	=====

The investment management fee is related to the value of the portfolio.

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

4. EXPENDITURE ON PROPERTIES	2018	2017		
	£	£		
Professional and other fees	463,090	495,448		
Maintenance and repairs	130,641	550,238		
VAT Irrecoverable	46,443	88,069		
Insurance	37,781	39,130		
Ground rents	15,649	18,269		
Compliance costs	11,605	48,407		
Vacant property costs	18,951	9,893		
Bad debts	659	1,650		
Support costs (note 8)	258,379	178,967		
	<u>£983,198</u>	<u>£1,430,071</u>		
	=====	=====		
5. MAINTENANCE OF BRIDGES	2018	2017		
	£	£		
Professional fees	718,520	705,266		
Maintenance and repairs	404,314	697,618		
VAT irrecoverable	226,148	281,886		
Insurance	45,193	54,176		
Lighting	7,903	6,541		
Support costs (note 8)	248,238	278,283		
Recharged costs	(36,017)	(11,531)		
	<u>£1,614,299</u>	<u>£2,012,239</u>		
	=====	=====		
6. GRANTS PAYABLE	General Fund	River Medway Fund	2018 Total	2017
	£	£	£	£
Miscellaneous grants	73,877	-	73,877	46,470
Other grant costs	3,615	-	3,615	6,198
Support costs (note 8)	64,343	-	64,343	35,305
	<u>£141,835</u>	<u>-</u>	<u>£141,835</u>	<u>£87,973</u>
	=====	=====	=====	=====

No grants are made to individuals. A grant of £40,000 was awarded in the year to the Medieval Bridge Chapel Research Company Ltd and £25,000 to the Kent Mining Heritage Foundation.

No grants were awarded from the River Medway Fund during the year. There were no other grants amounting to more than £10,000. The total number of grants awarded in 2018 was 17 (2017: 12).

All grants awarded during the current and preceding year were in the furtherance of the Trust's third object (the promotion of such other charitable purposes as may from time to time be determined in the United Kingdom and primarily the County of Kent).

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

7. OTHER CHARITABLE ACTIVITIES	2018	2017
	£	£
Education	57,958	62,659
Other Charitable Activities	116,961	12,769
Support costs (note 8)	206,024	151,595
	<u>£380,943</u>	<u>£227,023</u>
	=====	=====

During the year, a number of activities were undertaken in furtherance of the third charitable object of the Trust. The main focus of this work was the continuing development of the programme of engineering education and delivery of a programme of events and resources, including a major exhibition.

EDUCATION	2018	2017
	£	£
Wages and salaries	46,404	29,757
Education activities	11,554	32,902
	<u>£57,958</u>	<u>£62,659</u>
	=====	=====

OTHER CHARITABLE ACTIVITIES	2018	2017
	£	£
Awards & Sponsorship	12,939	8,921
Exhibitions	92,225	-
Archive Projects	1,001	-
Other Charitable Projects	10,796	3,848
	<u>£116,961</u>	<u>£12,769</u>
	=====	=====

8. SUPPORT AND GOVERNANCE COSTS

2018	Bridges	Properties	Financial Investments	Grants	Other Charitable Activities	Total
	£	£	£	£	£	£
Wages and salaries	129,929	129,930	33,744	31,467	79,252	404,322
Insurance	17,684	19,199	5,112	4,914	18,948	65,857
Office and administration	100,625	109,250	29,088	27,962	107,824	374,749
	<u>£248,238</u>	<u>£258,379</u>	<u>£67,944</u>	<u>£64,343</u>	<u>£206,024</u>	<u>£844,928</u>
	=====	=====	=====	=====	=====	=====

2017	Bridges	Properties	Financial Investments	Grants	Other Charitable Activities	Total
	£	£	£	£	£	£
Wages and salaries	124,128	78,317	30,073	15,451	49,913	297,882
Insurance	17,705	11,560	4,558	2,280	11,678	47,781
Office and administration	136,450	89,090	35,124	17,574	90,004	368,242
	<u>£278,283</u>	<u>£178,967</u>	<u>£69,755</u>	<u>£35,305</u>	<u>£151,595</u>	<u>£713,905</u>
	=====	=====	=====	=====	=====	=====

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Support costs are allocated to activities based on an estimate of the time spent by staff on each activity.

Included in the above are the following:

GOVERNANCE COSTS	2018	2017
	£	£
Salaries and wages	43,809	36,960
Meeting costs	4,478	3,681
Auditors' remuneration in respect of the audit	10,815	10,500
FRS102 Pension Report	676	473
Trustee Training	1,562	878
	<u>£61,340</u>	<u>£52,492</u>
	=====	=====

Governance Costs are reallocated across the main activities of the charity in the same way as Support Costs.

9. EMOLUMENTS OF EMPLOYEES	2018	2017
	£	£
Salaries and wages	315,717	253,110
Employer national insurance	29,272	22,131
Superannuation	75,737	72,398
Net interest and service costs of defined benefit pension scheme	30,000	(20,000)
	<u>£450,726</u>	<u>£ 327,639</u>
	=====	=====

	No.	No.
Average number of employees (headcount)	12	10
	=====	=====
	No.	No.
Average number of employees (full time equivalents)	6	4
	=====	=====

The Trust considers the Court of Wardens and Assistants and the Principal Officers (Bridge Clerk and Chief Finance Officer) as comprising the key management personnel of the Trust. The total employment benefits, including employer pension contributions, of the key management personnel were £181,552 (2017: £182,886).

One employee of the Trust earned between £90,000 and £100,000 during the year. No other employee earned £60,000 or more.

10. EMOLUMENTS OF THE COURT

No member of the Court received any remuneration from the Trust. Expenses paid (e.g. travel and subsistence) for Trustees attending meetings, training and events on behalf of the Trust during the year amounted to £3,477 for 12 Trustees (2017: £5,451 for 12 Trustees).

11. PENSION COST

The Trust is a participant of the Kent County Council defined benefit multi-employer pension scheme. The scheme remains open to new entrants and is compliant with Auto-Enrolment rules.

A full actuarial valuation was carried out at 31 March 2013 and updated to 31 March 2018 by a qualified independent actuary. The next actuarial valuation will be carried out as at 31 March 2019.

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Employer contributions payable for the year ended 31 March 2019 are projected to be £74,000.

Changes in the present value of the defined benefit obligation are as follows:

	2018	2017
	£	£
Opening defined benefit obligation	1,403,000	1,069,000
Current service cost	108,000	53,000
Contributions by scheme participants	23,000	17,000
Interest cost	39,000	41,000
Change in financial assumptions	(76,000)	329,000
Change in demographic assumptions	-	(24,000)
Experience gain on defined benefit obligation	-	(69,000)
Benefits paid	(13,000)	(13,000)
Closing defined benefit obligation	£1,484,000	£1,403,000
	=====	=====

Changes in the fair value of plan assets are as follows:

	2018	2017
	£	£
Opening fair value of plan assets	1,470,000	1,139,000
Interest on assets	42,000	45,000
Return on assets less interest	10,000	200,000
Other actuarial gain	-	13,000
Administration expenses	(1,000)	(1,000)
Contributions by employer	76,000	70,000
Contributions by scheme participants	23,000	17,000
Estimated benefits paid	(13,000)	(13,000)
Closing fair value of plan assets	£1,607,000	£1,470,000
	=====	=====

The amounts recognised in the balance sheet are as follows:

	2018	2017
	£	£
Present value of funded obligations	(1,484,000)	(1,403,000)
Fair value of plan assets (bid value)	1,607,000	1,470,000
Net asset	123,000	67,000
Restriction on pension surplus	(123,000)	(67,000)
Net asset/(liability) recognised in the balance sheet	-	-
	=====	=====

The pension surplus of £123,000 as at 31 March 2018 was not recognised in the balance sheet as the surplus did not meet the FRS102 criteria for recognising the surplus as an asset.

The amounts recognised in the Statement of Financial Activities are:

	2018	2017
	£	£
Service cost	108,000	53,000
Net interest on the defined liability/(asset)	(3,000)	(4,000)
Administration expenses	1,000	1,000
Total	£106,000	£50,000
	=====	=====

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Remeasurement of the net assets / (defined liability)	2018	2017
	£	£
Return on Fund assets in excess of interest	10,000	200,000
Change in financial assumptions	76,000	(329,000)
Change in demographic assumptions	-	24,000
Experience gain on defined benefit obligation	-	69,000
Other actuarial gain	-	13,000
Total	£86,000	(£23,000)

The major categories of plan assets as a percentage of total plan assets are as follows:

	2018	2017
Equities	67%	70%
Gilts	1%	1%
Other Bonds	10%	10%
Property	13%	12%
Cash	3%	3%
Absolute Return Fund	6%	4%

The assets in the scheme were:	Value at 31/3/18	Value at 31/3/17
	£	£
Equities	1,073,000	1,037,000
Gilts	12,000	11,000
Other bonds	154,000	143,000
Property	202,000	183,000
Cash	53,000	38,000
Absolute Return Fund	113,000	58,000
Total market value of assets	£1,607,000	£1,470,000

The expected return for the year to 31 March 2018 was 3% across all asset classes.

The major assumptions of the actuary were:-

	At 31/3/18	At 31/3/17
RPI Increases	3.3%	3.6%
CPI Increases	2.3%	2.7%
Salary increases	3.8%	4.2%
Pension increases	2.3%	2.7%
Discount rate	2.6%	2.8%
Assumed life expectancies at age 65 are:		
Retiring today		
Males	23.1	23.0
Females	25.2	25.0
Retiring in 20 years		
Males	25.3	25.1
Females	27.5	27.4

In addition it was assumed that members will exchange half of their commutable pension for cash at retirement and that members will retire at the pension weighted average tranche retirement age. It is further assumed that the proportion of members that had taken up the option to pay 50% of contributions for 50% of benefits at the previous valuation date remain the same.

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

12. TANGIBLE FIXED ASSETS

(a) Assets recognised in the balance sheet	Freehold Land and buildings £	Office Equipment £	Furniture and Fixtures £	Total £
Valuation/cost				
At 1 April 2017	542,371	5,602	1,567	549,540
Additions	-	5,367	-	5,367
Disposals	-	-	-	-
Revaluation	36,630	-	-	36,630
At 31 March 2018	579,001	10,969	1,567	591,537
Depreciation				
At 1 April 2017	-	1,094	78	1,172
Disposals	-	-	-	-
Depreciation charge for the year	-	1,637	314	1,951
At 31 March 2018	-	2,731	392	3,123
Net Book Value				
At 31 March 2018	£579,001	£8,238	£1,175	£588,414
At 1 April 2017	£542,371	£4,508	£1,489	£548,368

The net book value of tangible fixed assets represents fixed assets used for general management and administration of the Trust. The freehold land and buildings were valued at 31 March 2018 as part of a "Red Book" revaluation of the Trust's property portfolio. This was carried out by qualified valuers from Savills and resulted in an unrealised gain of £36,630. Included in freehold land and buildings are the bridges at a nominal value of £1.

(b) Heritage assets recognised in the balance sheet

The Trust owns a portfolio of artwork, furniture and silverware which is reported in the Balance Sheet at the most recent insurance valuation, carried out by Christie's in 2013. The Trust expects to review the valuation on a five yearly basis, however this was not carried out in 2018 as a large proportion of the assets are currently in storage pending the refurbishment of the Bridge Chamber. Gains and losses on revaluation are recognised in the Statement of Financial Activities.

The main limitation of the valuation used is that its intended purpose is that of providing a valuation for insurance purposes. The value of the assets if realised may be different from this valuation. The Court does not intend selling any of the heritage assets within its possession and therefore deems it would be inappropriate use of charitable funds to seek a further valuation for accounting purposes.

The Trust intends to maintain its collection of the above mentioned heritage assets. These items are deemed to have indeterminate lives and the Court does not therefore consider it appropriate to charge depreciation. Disposal of any item from this collection would require approval of the Court, although this would happen only in exceptional circumstances.

Summary analysis of heritage asset transactions

	2018 £	2017 £	2016 £	2015 £	2014
Balance brought forward	585,969	579,969	579,969	579,669	578,240
Purchases	-	6,000	-	-	1,429
Donations	-	-	-	300	-
Balance carried forward	£585,969	£585,969	£579,969	£579,969	£579,669

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

There have been no disposals of heritage assets recognised in the balance sheet during the last five years.

(c) Heritage assets not recognised in the balance sheet

Following the construction of the medieval stone bridge during the last decade of the 14th century, Sir Robert Knolles and Sir John de Cobham obtained royal patents for the incorporation of the Wardens and Commonalty of Rochester Bridge. Since that time the records of Rochester Bridge, beginning with the 14th-century wardens' account rolls and estate records, have been maintained at the Bridge Chamber. Records arising from the current business of The Rochester Bridge Trust continue to be added to the archive. Researchers may consult the Rochester Bridge archives by appointment with the Bridge Archivist or browse the online archive catalogue.

13. INVESTMENTS	2018	2017
	£	£
(a) Investment properties		
Valuation at 1 April	59,936,461	60,455,000
Acquisitions	2,870,000	-
Disposals at net book value	(1,920,665)	(1,111,969)
Revaluation	9,948,207	593,430
	<u>£70,834,003</u>	<u>£59,936,461</u>
At 31 March	=====	=====

A "Red Book" revaluation of the property portfolio was carried out by qualified valuers from Savills to 31 March 2018. Unrealised property gains of £9.9 million were recorded as a result of this calculation.

It is not possible to give the historical cost of investment properties as some were acquired over 600 years ago.

On 25 May 2018, the Trust invested £9.4 million in the purchase of a property estate in West Yorkshire.

b) Quoted investments	2018	2017
	£	£
Market value of investments at 1 April	37,615,152	32,610,456
Additions	3,337,040	5,162,699
Disposals at net book value	(8,617,129)	(5,141,458)
Unrealised gain on revaluation	123,980	4,983,455
	<u>32,459,043</u>	<u>37,615,152</u>
Market value of investments at 31 March	32,459,043	37,615,152
Cash held by investment managers	7,152,967	2,122,978
	<u>£39,612,010</u>	<u>£ 39,738,130</u>
	=====	=====
Historic cost at 31 March (excluding cash)	£33,483,686	£29,559,335
	=====	=====
Realised (loss)/gain on disposals	£(111,171)	£845,735
	=====	=====

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

	2018	2017
	£	£
The portfolio structure is made up as follows:		
UK Equities	14,280,357	17,176,672
Overseas Equities	9,581,344	11,224,925
UK Fixed Income	3,946,401	4,158,642
Indirect Property/Infrastructure	4,210,383	3,866,240
Private Equity	440,558	1,188,673
Cash	7,152,967	2,122,978
	<u>£39,612,010</u>	<u>£39,738,130</u>
	=====	=====
14. DEBTORS: Amounts falling due within one year	2018	2017
	£	£
Rents receivable	365,263	362,191
Prepayments and accrued income	186,719	134,766
Other debtors	36,489	28,365
	<u>£588,471</u>	<u>£525,322</u>
	=====	=====
15. CREDITORS: Amounts falling due within one year	2018	2017
	£	£
Trade and other creditors	168,398	331,782
Accruals	436,298	458,300
Deferred income (note 16)	267,029	269,694
Grants allocated but unpaid (note 17)	100,096	50,853
Other taxes and social security	78,816	25,289
Pension contributions payable	8,032	9,585
	<u>£1,058,669</u>	<u>£1,145,503</u>
	=====	=====
16. DEFERRED INCOME		
	£	
Balance at 1 April 2017	269,694	
Amount released to property income	(269,694)	
Amounts deferred in the year	267,029	
	<u>£267,029</u>	
	=====	
17. GRANTS ALLOCATED BUT UNPAID RECONCILIATION		
	£	
Balance at 1 April 2017	50,853	
Paid in the year	(24,634)	
Grants expired or no longer required	-	
Awarded in the year	73,877	
	<u>£100,096</u>	
	=====	
Balance at 31 March 2018	£100,096	
	=====	
Of which:		
Falling due within one year	£100,096	
	=====	

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

18. FUNDS

2018

	General Fund £	River Medway (Designated) Fund £	Bridges Reserve (Designated) Fund £	Total £
Balance at 1 April 2017	2,804,809	70,104	100,137,472	103,012,385
Net income before investments gains and losses	(3,108,866)	-	3,401,720	292,854
Unrealised gain on investments	-	-	123,980	123,980
Realised loss on investments	-	-	(111,171)	(111,171)
Unrealised property gains	-	-	9,948,207	9,948,207
Realised gains on property sales	-	-	480,973	480,973
Transfers between Reserve Funds	2,934,073	-	(2,934,073)	-
Actuarial gain on pension fund	86,000	-	-	86,000
Restriction of surplus on pension fund	(56,000)	-	-	(56,000)
Unrealised gains on tangible assets	36,630	-	-	36,630
Balance at 31 March 2018	<u>£2,696,646</u>	<u>£70,104</u>	<u>£111,047,108</u>	<u>£113,813,858</u>

2017

	General Fund £	River Medway (Designated) Fund £	Bridges Reserve (Designated) Fund £	Total £
Balance at 1 April 2016	2,557,101	85,439	93,989,824	96,632,364
Net income before investments gains and losses	(3,718,023)	(26,986)	3,441,282	(303,727)
Unrealised gain on investments	-	-	4,983,455	4,983,455
Realised gain on investments	-	-	845,735	845,735
Unrealised property gains	-	-	593,430	593,430
Realised gains on property sales	-	-	345,758	345,758
Transfers between Reserve Funds	4,050,361	11,651	(4,062,012)	-
Actuarial loss on pension fund	(23,000)	-	-	(23,000)
Restriction of surplus on pension fund	(67,000)	-	-	(67,000)
Unrealised gains on tangible assets	5,370	-	-	5,370
Balance at 31 March 2017	<u>£2,804,809</u>	<u>£70,104</u>	<u>£100,137,472</u>	<u>£103,012,385</u>

DESIGNATED FUNDS

There are two designated funds as follows:

Bridges Reserve Fund

The Charity Commission scheme of 1 June 1995 provided for the maintenance of Bridge and Tunnel Reserve Fund for the purpose of providing for the extraordinary repair, improvement, rebuilding or replacement of the property of the Charity and also for future liabilities in respect of the Medway Tunnel. Upon the transfer of the freehold of the Medway Tunnel to Medway Council on 28 October 2009, a substantial capital payment was made from that fund in full and final satisfaction of any obligation to continue to make payments for Tunnel maintenance. At the same time, the Trust discontinued payments into the Bridge and Tunnel Reserve Fund for the purpose of maintenance of the Medway Tunnel.

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

In February 2012, the Trust adopted a new reserves policy such that the Bridge and Tunnel Reserve Fund became the Bridges Reserve Fund. This reflects the fact that the Trust has no ongoing liabilities, nor any potential future liabilities in relation to the Medway Tunnel.

An amendment to the 1999 Charity Commission Scheme to reflect the change in the reserve fund structure was made by a Memorandum dated 19 November 2012.

The Bridge Reserve Fund is managed to deliver sufficient income to transfer funds to the General Fund as required to meet its obligations. The value of this transfer is the amount required to rebalance the General Fund to equal the closing value of the Trust's operational assets and liabilities. For the year ended 31 March 2018, the value transferred was £2,934,073.

River Medway Fund

The Trust maintains the River Medway Fund with a view to distributing the remaining funds from a previous charity, the Medway Heritage Centre Trust (MHCT) in line with the Trust's objects, which are broadly in line with the previous objects of MHCT.

19. ANALYSIS OF NET ASSETS BY FUND

2018	General Fund	River Medway Fund	Bridges Reserve Fund	Total
	£	£	£	£
Tangible fixed assets	588,414	-	-	588,414
Heritage assets	585,969	-	-	585,969
Investment properties	-	-	70,834,003	70,834,003
Investments	-	-	39,612,010	39,612,010
Current assets	2,300,807	83,200	868,124	3,252,131
Current liabilities	(778,544)	(13,096)	(267,029)	(1,058,669)
Total net assets at 31 March 2018	<u>£2,696,646</u>	<u>£70,104</u>	<u>£111,047,108</u>	<u>£113,813,858</u>

2017	General Fund	River Medway Fund	Bridges Reserve Fund	Total
	£	£	£	£
Tangible fixed assets	548,368	-	-	548,368
Heritage assets	585,969	-	-	585,969
Investment properties	-	-	59,936,461	59,936,461
Investments	-	-	39,738,130	39,738,130
Current assets	2,526,729	89,657	732,574	3,348,960
Current liabilities	(856,257)	(19,553)	(269,693)	(1,145,503)
Total net assets at 31 March 2017	<u>£2,804,809</u>	<u>£70,104</u>	<u>£100,137,472</u>	<u>£103,012,385</u>

20. RELATED PARTIES

Two (2017: two) of the Wardens and Assistants who served during the year are members of Kent County Council, and one (2017: one) other is an Ambassador for Kent County Council. During the year ended 31 March 2018, the Trust paid £75,738 (2017: £72,398) in employer pension contributions to the Kent County Council Pension Scheme, a Local Government Pension Scheme administered by Kent County Council. The balance of pension contributions outstanding as at 31 March 2018 was £8,032 (2017: £9,584). The Trust also paid £665 (2017: £418) during the year for other services in relation to the pension fund and £450 (2017: £Nil) for other miscellaneous goods and services from Kent County Council or associated companies.

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Four (2017: four) of the Wardens and Assistants who served during the year are members of, or nominated by Medway Council. The Trust's principal office and the three bridges fall within the area managed by Medway Council. During the year ended 31 March 2018, Medway Council charged the Trust non-domestic rates charges of £1,894 (2017:£1,684), and other fees of £178 (2017: £1,096) for room hire at the Innovation Centre and Guildhall Museum.

Two (2017: two) of the Wardens and Assistants who served during the year are members of Rochester Cathedral Council, one of whom is also Chairman of the Rochester Cathedral Business Guild and a trustee of the Rochester Cathedral Trust. During the year ended 31 March 2018, Rochester Cathedral charged the Trust £2,946, for costs associated with All Souls Day (room hire, choir etc), room hire for lectures and event attendance.

One of the Wardens and Assistants is Chairman of the Kent Wildfowling and Conservation Association. During the year ended 31 March 2018, the Trust received fees in respect of Sporting Leases of £20,553 (2017: £19,450) from the Kent Wildfowling and Conservation Association.

21. FINANCIAL COMMITMENTS

Total financial commitments at the balance sheet date were £13,930 (2017:£29,420), with £8,622 falling due within one year and £5,308 due in more than one year. The total commitment includes the following: a licence for serviced office accommodation, ground rent on a long leasehold investment property and office equipment operating lease payments.

22. OPERATING LEASE RECEIPTS

	2018	2017
	£	£
Minimum lease receipts under non-cancellable operating leases to be received:		
- not later than one year	1,684,313	1,532,596
- later than one year and not later than five years	3,702,704	3,469,901
- later than five years	7,727,678	7,914,996
	<u>£ 13,114,695</u>	<u>£12,917,493</u>
	=====	=====

23. FINANCIAL INSTRUMENTS

	2018	2017
	£	£
Financial assets measured at amortised cost		
Rent receivable and other debtors	588,471	525,322
Cash and cash equivalents	2,663,660	2,823,638
Financial assets measured at fair value		
Investment properties	70,834,003	59,936,460
Investments	39,612,010	39,738,130
Financial liabilities measured at amortised cost		
Trade and other creditors	168,398	331,782
Accruals excluding deferred income	436,298	458,300
Grants allocated but unpaid	100,096	50,853

THE ROCHESTER BRIDGE TRUST
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

24. STATEMENT OF FINANCIAL ACTIVITIES – COMPARATIVE

	General Fund	River Medway Fund (Designated)	Bridges Reserve Fund (Designated)	2017 Total
	£	£	£	£
<u>Income from:</u>				
Investments				
Rents receivable	-	-	2,364,821	2,364,821
Dividends receivable	-	-	1,272,221	1,272,221
Bank and other interest	12,297	-	691	12,988
Total income	<u>12,297</u>	<u>-</u>	<u>3,637,733</u>	<u>3,650,030</u>
<u>Expenditure on:</u>				
Raising funds				
Investment management	-	-	196,451	196,451
Expenditure on investment properties	1,430,071	-	-	1,430,071
Charitable Activities				
Maintenance of bridges	2,012,239	-	-	2,012,239
Grants payable	60,987	26,986	-	87,973
Other charitable activities	227,023	-	-	227,023
	<u>2,300,249</u>	<u>26,986</u>	<u>-</u>	<u>2,327,235</u>
Total expenditure	<u>3,730,320</u>	<u>26,986</u>	<u>196,451</u>	<u>3,953,757</u>
Net (expenditure)/ income before investments gains	<u>(3,718,023)</u>	<u>(26,986)</u>	<u>3,441,282</u>	<u>(303,727)</u>
Unrealised gain on investment assets	-	-	4,983,455	4,983,455
Realised gain on investment assets	-	-	845,735	845,735
Unrealised property gains	-	-	593,430	593,430
Realised gain on property sales	-	-	345,758	345,758
Net income	<u>(3,718,023)</u>	<u>(26,986)</u>	<u>10,209,660</u>	<u>6,464,651</u>
Transfers between Reserve Funds	4,050,361	11,651	(4,062,012)	-
Other recognised (losses)/gains				
Actuarial loss on pension fund	(23,000)	-	-	(23,000)
Restriction on surplus on pension fund	(67,000)	-	-	(67,000)
Unrealised gain on tangible assets	5,370	-	-	5,370
Net movement in funds for the year	<u>247,708</u>	<u>(15,335)</u>	<u>6,147,648</u>	<u>6,380,021</u>
Total funds brought forward	2,557,101	85,439	93,989,824	96,632,364
Total funds carried forward	<u>£2,804,809</u> =====	<u>£70,104</u> =====	<u>£100,137,472</u> =====	<u>£103,012,385</u> =====