

Charity No: 205658

**THE CLIFTON SUSPENSION BRIDGE
TRUST**

Report and Financial Statements

31 December 2021

THE CLIFTON SUSPENSION BRIDGE TRUST

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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THE CLIFTON SUSPENSION BRIDGE TRUST
CHARITY NUMBER: 205658

TRUSTEES AND PROFESSIONAL ADVISERS

RESIDENT TRUSTEES

Chris Booy (Chairman)
David Walker (Deputy Chairman and outgoing Chairman of the Technical Committee)
John Benson (Chairman of the Property Committee)
Margaret Cooke
Steve Denton
Valerie Harland (Chairman of the Heritage, Engagement and Development Committee)
Ian Jenkins (incoming Chairman of the Technical Committee)
William Mather (Chairman of Investment Committee)
Ann Metherall
Professor Colin Taylor

REPRESENTATIVE TRUSTEES

Councillor Katy Grant (Bristol City Council)
Councillor Ashley Cartman (North Somerset Council)

BRIDGE MASTER

Patricia Johnson

VISITOR SERVICES MANAGER

Laura Hilton

CLERK TO THE TRUSTEES

T J Baines

REGISTERED OFFICE

Clifton Suspension Bridge
Leigh Woods
Bristol
BS8 3PA

CONSULTING ENGINEERS

COWI UK
Building 2, Riverside Court
Bowling Hill, Chipping Sodbury
Bristol
BS37 6JX

INVESTMENT ADVISORS

Smith & Williamson Investment Management
Portwall Place
Portwall Lane
Bristol
BS1 6NA

AUDITORS

Bishop Fleming LLP
10 Temple Back
Bristol
BS1 6FL

THE CLIFTON SUSPENSION BRIDGE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees have pleasure in presenting the financial statements on pages 8 to 23 for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

History and work of the Trust

The Clifton Suspension Bridge was opened in 1864, and since then has spanned the Avon Gorge from Clifton to Leigh Woods. The Clifton Suspension Bridge Trust is established under the Clifton Suspension Bridge Act 1952 and is responsible for the ongoing maintenance and upkeep of the bridge, for making provision for exceptional repairs, and for considering the eventual replacement of the structure, should that become necessary. The bridge has become an important part of Bristol's urban traffic network and its continuing reputation as an internationally famous landmark is also well recognised. A list of Trustees can be found on page 1.

Review of the year, Covid-19, future plans and reserves policy

The objectives of the Trust remain the same each year – to maintain the bridge in good order, to provide a good service to the travelling public and visitors, and to plan ahead so that these objectives can be met in future years. The importance of planning ahead and retaining sufficient reserves has been very well demonstrated over the last two years, with the challenges posed by the Covid-19 pandemic. So, toll income fell dramatically in the first two months of the pandemic, and has fluctuated since then, dependent on the spread of the pandemic, and of lockdowns. Overall, 2021's toll income was around 80% of pre-pandemic levels. Most crossings are now made contactless, a very significant switch from 2019. It remains unclear where traffic volumes will settle down in the long-term, and whether the pandemic will result in long-term changes to traffic patterns, for example around home working. Most of our own staffing has now returned to normal, excepting that some working from home is still taking place.

The pandemic has meant it has been hard to carry out all of our planned larger maintenance projects, but we were able to carry out a significant project of precautionary stabilisation of the Clifton rockface, the conclusion of many years' worth of exploratory analysis. Much time has also been spent in planning for future works, with a £4m project to fully repaint the chains and replace the current lighting scheduled for 2023-2024.

Sadly, it did not prove possible to keep our Visitor Centre fully open during 2021 and it has opened and shut in turn mirroring lockdown advice. We hope to be fully open for most of 2022, with visits, vault and other tours, and our educational work restarting. We have very much appreciated both the government's ongoing furlough grants, and support from Bristol City Council, North Somerset Council and the Arts Council. The Trust continues to actively work towards museum status and is improving our archiving facilities in pursuit of this. We were pleased with the success of the "light the night" event in the autumn. We look forward to welcoming back all our visitors in 2022.

Looking ahead, the Trustees intend to continue to seek to maintain the bridge in good order, and to carry out whatever maintenance and repair work is necessary to secure the future of the bridge for future generations. To enable this to happen, the Trust has always followed a policy of retaining sufficient reserves both to deal with emergencies (via an Emergency Repair Fund), and to have sufficient funds to enable it to finance the next 3 years' worth of maintenance projects, regardless of toll income levels or investment performance. The Trust's reserves policy is set out in note 1 to the accounts.

The trustees have given careful consideration to the issue of going concern, not least in the light of covid, but given the Trust's prudent reserves policies and careful management of its investments, we are confident that the Trust remains a going concern, even with uncertain toll volumes.

Public Benefit

The Trustees view it as self-evident that preserving such an historic monument as the Clifton Suspension Bridge for posterity, whilst allowing it to be used and visited by many millions each year, provides great public benefit to Bristol and Bristolians, to the South West, to the UK, and internationally. In furtherance of these charitable aims the Trustees

THE CLIFTON SUSPENSION BRIDGE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

have complied with the duty under s.17 of the Charities Act 2011 to have due regard to the Charity Commission's published guidance concerning the operation of the Public Benefit requirement under that Act.

While the primary object of the charity is the preservation of the bridge, the trustees also believe they have a public benefit obligation to collect, safeguard and make accessible historical artefacts related to the Bridge, and to celebrate the Bridge as an icon of human ingenuity, British engineering and Bristolian identity. To further advance this public benefit obligation, the Trust is now working towards museum status and was officially designated 'Eligible' by Arts Council England in December 2019.

Investments

The management of the Trust's investments is delegated to the Investment Committee, advised by the Trust's investment advisors, Smith & Williamson (S&W). The Investment Committee meets quarterly and has established a mechanism to take more urgent decisions in the intervening period. The investment policy is set so as to achieve the optimum total return, based on a medium risk investment approach. Investment performance is monitored by this Committee using suitable benchmarks. During 2021, the value of the Trust's investments advised by S&W returned 12.6% against a fund benchmark performance of 14.1%.

Governance and Risk Management

The Governance of the Trust is carried out by the Trustees, the majority of whom ("Resident Trustees") are selected and appointed by a Nomination Committee of the existing Trustees, aiming to provide the Trust with a breadth of professional experience. In addition, there are two Trustees appointed by the relevant local authorities ("Representative Trustees"). The Trust operates both in general meetings and through sub-committees. These are currently the Technical Committee, the Investment Committee, the Property Committee and the Heritage, Engagement and Development Committee. Trustee induction is by a series of meetings and briefings, and ongoing training is arranged as and when deemed necessary. The Trustees delegate day to day decisions to the Bridge Master, The Clerk, and, for visitor centre matters, to the Visitor Services Manager.

Risk management is very important to the Trust and the Trust has identified that its major risks relate to the integrity of the structure of the bridge and the Trust's obligations to staff, contractors, bridge users and visitors. In relation to these aspects the Trust operates a comprehensive system of risk recognition, mitigation and incident reporting, overseen by our external advisors and insurers. The process and risk register is overseen by the Technical Committee and key issues, where relevant, are reported to full trustees' meetings. In this connection, the Trustees are satisfied that the major risks to which the Trust is exposed, in their opinion, have been considered during the year, and procedures put in place, where appropriate to manage the risks.

Remuneration Policy for Key Management Personnel

The Remuneration Policy for Key Management Personnel is considered annually by the Chairman and Deputy Chairman, bearing in mind the cost of living, local authority pay awards and performance in role. The bridge's unique status precludes effective benchmarking but trustees are alert to pay levels in both the public sector and in other charities.

Auditors

The trustees propose Bishop Fleming LLP's reappointment as auditors.

The Trustees wish to place on record their thanks to the Bridge Master, the Visitor Services Manager and their staff and volunteers for their hard work during the year.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

THE CLIFTON SUSPENSION BRIDGE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Charity law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for the year. In preparing those 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 charity will continue in business.

The trustees are responsible for keeping accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and regulations made thereunder. 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.

Approved by the Chairman
on behalf of the Trustees on 14 June 2022

Chris Booy

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CLIFTON SUSPENSION BRIDGE TRUST

OPINION

We have audited the financial statements of Clifton Suspension Bridge Trust for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, Analysis of Net Funds and the related notes, 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 December 2021 and its incoming resources and application of resources, including 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 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 United Kingdom, including the Financial Reporting Council'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 charity'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. 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

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- the charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charity's 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; or

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CLIFTON SUSPENSION BRIDGE TRUST

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees 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 auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and Trustees in relation to their own identification and assessment of the risk of irregularities within the entity; and
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Charities Act and FRS 102 (Charities SORP). In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or avoid a material penalty.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Assessing year end reserve balances and in year transfers between the funds;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE CLIFTON SUSPENSION BRIDGE TRUST

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

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 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 Auditors' 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 Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Bishop Fleming LLP

Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 14 June 2022

THE CLIFTON SUSPENSION BRIDGE TRUST

STATEMENT OF FINANCIAL ACTIVITIES Year ended 31 December 2021

INCOME AND EXPENDITURE

		Unrestricted Funds £	Designated Funds £	Endowed Funds £	Total Funds 2021 £	Total Funds 2020 £
	Note					
Income from:						
Charitable activities	3	2,070,883	-	-	2,070,883	1,668,723
Other incoming resources	19	33,336	-	-	33,336	60,785
Investments		392,548	-	-	392,548	345,315
Total income		2,496,767	-	-	2,496,767	2,074,823
Expenditure on:						
Charitable expenditure:						
Charitable activities	4	(2,229,154)	-	-	(2,229,154)	(1,882,659)
Total expenditure		(2,229,154)	-	-	(2,229,154)	(1,882,659)
Realised and unrealised gains/(losses) on investment assets		1,415,456	-	-	1,415,456	(5,842)
Net income / (expenditure)	2	1,683,069	-	-	1,683,069	186,322
Transfers between funds	15	906,000	(6,000)	(900,000)	-	-
Other recognised gains and losses:						
Actuarial gain/ (loss) on pension liability	7	512,000	-	-	512,000	(391,000)
Net movement in funds		3,101,069	(6,000)	(900,000)	2,195,069	(204,678)
Fund balances brought forward at 1 January 2021		3,112,106	5,925,000	6,960,008	15,997,114	16,201,792
Fund balances carried forward at 31 December 2021	5	6,213,175	5,919,000	6,060,008	18,192,183	15,997,114

All results relate to continuing activities.

The notes on pages 12 to 23 form part of these financial statements.

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BALANCE SHEET Year ended 31 December 2021

	Note	2021	2020
		£	£
FIXED ASSETS			
Tangible assets	8	1,952,133	2,070,342
Investments	9	15,301,887	13,941,263
		<u>17,254,020</u>	<u>16,011,605</u>
CURRENT ASSETS			
Stock – finished goods for resale		47,862	50,976
Debtors	10	40,169	27,988
Cash and cash equivalents	17	2,445,814	1,894,322
		<u>2,533,845</u>	<u>1,973,286</u>
CREDITORS: amounts falling due within one year	11	<u>(962,682)</u>	<u>(891,777)</u>
NET CURRENT ASSETS		<u>1,571,163</u>	<u>1,081,509</u>
NET ASSETS BEFORE PENSION LIABILITY		18,825,183	17,093,114
Pension liability	7	<u>(633,000)</u>	<u>(1,096,000)</u>
NET ASSETS		<u>18,192,183</u>	<u>15,997,114</u>
FUNDS			
Endowment Funds			
Permanent Endowment	5	60,008	60,008
Expendable Endowment	5	6,000,000	6,900,000
Reserves	5		
Designated Funds		5,919,000	5,925,000
Unrestricted Funds		<u>6,213,175</u>	<u>3,112,106</u>
		<u>18,192,183</u>	<u>15,997,114</u>

These financial statements were approved and authorised for issue by the Trustees on 14 June 2022.

Signed on their behalf by:

C Booy
Chairman

T J Baines
Clerk to the Trustees

THE CLIFTON SUSPENSION BRIDGE TRUST

CASH FLOW STATEMENT Year ended 31 December 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	16	214,930	12,440
Cash flows from investing activities:			
Dividends, interest and rents from investments		392,548	345,314
Purchase of property, plant and equipment		-	-
Proceeds from sale of investments		2,155,344	1,417,861
Purchase of investments		(2,211,330)	(1,563,108)
Net cash (used in)/provided by investing activities		336,562	200,067
Change in cash and cash equivalents in the year		511,492	212,507
Cash and cash equivalents at the beginning of the reporting period	17	1,894,322	1,681,815
Cash and cash equivalents at the end of the reporting period	17	2,445,814	1,894,322

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

1. ACCOUNTING POLICIES

Basis of preparation of the financial statements

The financial statements have been prepared on the historical cost basis of accounting, modified to include the revaluation of investments. The accounts have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities preparing their accounts in accordance with FRS102 issued on 16 July 2014 and the Charities Act 2011 and in accordance with applicable accounting standards in the United Kingdom.

The financial statements 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trust constitutes a public benefit entity as defined by FRS102. Each year the trustees give careful consideration to the issue of going concern in the light of the Trust's reserve policies, investments and commitments. Having carried out the review at the time of approval of these accounts the trustees consider that there are no material uncertainties which should not be able to be supported from the Trust's reserves, and so are confident that the Trust remains a going concern.

The Clifton Suspension Bridge Trust is an unincorporated charity, registered in England & Wales. The principal office is Clifton Suspension Bridge, Leigh Woods, Bristol, BS8 3PA

Reserves Funds and Policies

The Trust is governed under the Clifton Suspension Bridge Acts 1952, 1980 and 1986 and these Acts define the Trust's obligations in relation to its funds, referring to the Trust's funds using words such as capital funds, sinking funds, reserve funds and general funds, which were presumably in common use at the time. The Trust carried out a detailed review of its Funds in 2018 and these accounts have been prepared on the basis of decisions made following that review. As a result of this review the following represents the position in relation to the Trust's funds:

- The original capital and assets of £60,008 acquired from the Clifton Suspension Bridge Company on 1 January 1953 represents Permanent Endowment as the trust is not able to dispose of the major assets therein
- The Emergency Repair Fund is an Expendable Endowment Fund, to be used only for significant unexpected or emergency work
- The New Projects Fund is a designated fund, the fund allowing the Trust to proceed with commissioning essential maintenance projects as and when they are necessary
- In relation to net monies expended on operating the visitor centre, the trustees consider annually whether making good monies expended in this way is "reasonably practicable" given the circumstances of the Trust and applicable charitable law and practice. The outcome of this year's review is shown in note 15.

Tangible Fixed Assets

The Trust treats as fixed assets the land, buildings and structure of the suspension bridge which were taken over from the Clifton Suspension Bridge Company on 1 January 1953, together with additions since that date. No depreciation is provided on these assets as, in the opinion of the Trustees, the asset is historical and its economic life is so long, that any depreciation charged would be immaterial. Items costing less than £1,000 are not capitalised. Non 'bridge' assets, are depreciated to write off the costs of fixed assets, less their estimated residual

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

values, on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Motor vehicles	3 years
Plant, equipment and fixtures	10 years
Visitor Centre Building/Operations Building	30 years/40 years
Toll Houses	20 years

With regard to bridge improvements which are replacements of existing items the Trust views that these should only be capitalised if they significantly enhance the economic benefit of the asset in accordance with Section 17 of FRS 102. In most cases this does not take place and so such expenditures are written off as repairs and maintenance as and when incurred.

Income

Income, in the form of toll and visitor centre income, is accounted for on a receipt basis, with the exception of card crossings which are accounted for when the crossing takes place. Grant income is included in the Statement of Financial Activities when the charity has entitlement to the funds, probability of receipt and the amount can be measured with sufficient reliability. Investment income is accounted for when receivable.

Investment Income

Dividend income from investments is included as income in the year in which it is received.

Investments

Listed stocks and shares are shown at market value at the balance sheet date. The surplus or deficit arising on each annual valuation is credited or debited direct to the Statement of Financial Activities.

The net book profit or loss on realisation of investments is arrived at by comparing the consideration with the market value at the previous year end or the cost if the investments were purchased during the year.

Stock

Stock represents both the cost of history booklets held for resale at the year end and goods for resale at the Visitor Centre. Provision has been made where necessary for obsolete or slow moving stocks.

Taxation

As a registered charity, the Trust is potentially exempt from taxation on its income and gains to the extent that they fall within section 505 of the Income and Corporation Taxes Act 1988 and section 256 of the Taxation and Chargeable Gains Act 1992. No tax charge has arisen in the year.

Resources expended

All expenditure is accounted for on an accruals basis. All direct and support costs of the Charity's operations have been shown under direct charitable expenditure. Expenditure associated with strategic management of the Charity and compliance with constitutional and statutory requirements has been separately identified as governance costs. The Trust is not able to make any meaningful split between its direct charitable activities and its support costs for those activities, and therefore such a split is not provided.

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

1. ACCOUNTING POLICIES (continued)

Pension costs

The Charity operates defined contribution and defined benefit pension schemes. Employees who have been with the Trust for many years participate in a funded defined benefit pension scheme, Avon Pension Fund. More recent employees are enrolled in a defined contribution scheme administered by Scottish Widows. In relation to the Avon Scheme, the assets of the Avon Pension Fund are held independently from the Trust and the cost of providing benefits is based on annual actuarial valuations. Actuarial gains and losses are recognised in full in the year in which they occur. The present value of the defined benefit obligation net of the fair value of fund assets is recognised on the balance sheet. The Scottish Widows Scheme is participatory, with both the employer and employee contributing, with rates set as a proportion of salary.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial instruments includes cash at bank, trade debtors, accrued income from financial instruments (comprising dividends and interest due from investments), trade creditors and accrued expenditure.

Debtors

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

2.	NET INCOME FOR THE YEAR	2021	2020
		£	£
	Net income is arrived at after charging/(crediting)		
	Depreciation	118,209	120,209
	Auditor's remuneration – audit services	6,240	5,640
		<u> </u>	<u> </u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Total funds	Total funds
	2021	2020
	£	£
Toll income	1,951,650	1,610,722
Other income (note 13)	(14,289)	7,844
Visitor Centre (see note below)	133,522	50,157
	<u> </u>	<u> </u>
	2,070,883	1,668,723
	<u> </u>	<u> </u>

The Visitor Centre income includes grants from Bristol City Council, North Somerset Council and the Arts Council, donations re Light the Night and income from a commercial contact re internet cable access across the bridge. Note that certain of the grants and donations received are restricted in nature but virtually all such grants are fully spent in year (and if not, then in the subsequent year), and so, due to their level not being material to the Trust's activities as a whole, no separate restricted funds section is provided in these accounts.

4. TOTAL RESOURCES EXPENDED

Charity	Staff	Depreciation	Other	Total	Total
	Costs		costs	2021	2020
	£	£	£	£	£
Direct Charitable Expenditure	894,085	118,209	1,146,084	2,158,378	1,865,182
Governance	-	-	21,776	21,776	17,477
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	894,085	118,209	1,167,860	2,180,154	1,882,659
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Included in direct charitable expenditure is investment management fees of £54,042 (2020: £45,211).

Included in governance costs are meeting costs, management charges and audit fees.

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

5. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 December 2021 are represented by:	Unrestricted funds	Endowed funds	Total funds
	£	£	£
Tangible fixed assets	1,905,214	46,919	1,952,133
Investments	9,301,887	6,000,000	15,301,887
Current assets	2,520,756	13,089	2,533,845
Current liabilities	(962,682)	-	(962,682)
Pension liability	(633,000)	-	(633,000)
	<u>12,132,175</u>	<u>6,060,008</u>	<u>18,192,183</u>

6. INFORMATION REGARDING TRUSTEES AND EMPLOYEES:

Employee costs during the year:	2021	2020
	£	£
Wages and salaries	730,384	735,694
Social security costs	64,138	66,252
Pension costs incl. FRS102 adjustment	148,563	153,792
	<u>943,085</u>	<u>955,738</u>
Average number of persons employed:	No.	No.
	<u>28</u>	<u>28</u>

In accordance with the Clifton Suspension Bridge Act 1952, the Trustees were entitled to receive fees for attending meetings. Total fees for 2021 totalled £Nil (2020: £Nil). Out of pocket expenses totalling £0 were paid in total in 2021 to all Trustees relating to the recharge of telephone, meals and travel expenses (2020: £0). Amounts paid to third parties in respect of Trustees meetings were £1,300 (2020: £100). No Trustees received any remuneration (2020: none). There was one employee with emoluments between £80,000 and £90,000 during the financial year (2020: one, £80,000 and £90,000).

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

7. PENSION SCHEMES

The Charity operates defined contribution and defined benefit pension schemes and contributes to external defined contribution schemes.

The assets of the defined contribution schemes are held separately from those of the Charity in independently administered funds. The pension cost charge represents contributions payable by the Charity to the funds and amounted to £60,032 (2020: £69,443). Contributions totalling £1,167 (2020: £1,167) were payable to the funds at the balance sheet date and are included in creditors.

The Charity contributes to the Avon Pension Fund administered by Bath and North East Somerset Council on behalf of its employees. The scheme is a defined benefit scheme providing pension and lump sums at retirement based on final salary and length of service. The scheme is a multi-employer scheme; the Charity's share of the assets and liabilities disclosed below are as advised by the scheme's actuary.

The Charity provides pension arrangements to full time employees through a defined benefit scheme and the related costs are assessed in accordance with the advice of professionally qualified actuaries.

The amounts recognised in the balance sheet are as follows:

	2021	2020
	£'000	£'000
Fair value of scheme assets	3,412	2,970
Present value of scheme liabilities	<u>(4,045)</u>	<u>(4,066)</u>
Defined benefit pension liability	<u>(633)</u>	<u>(1,096)</u>

Analysis of amount charged in Statement of Financial Activities:

	2021	2020
	£'000	£'000
Current service cost	79	71
Net interest cost	15	12
Past service cost	-	19
Administration expenses	<u>1</u>	<u>1</u>
Defined benefit scheme charge recognised	<u>95</u>	<u>103</u>

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

	2021	2020
	£'000	£'000
Defined benefit obligation at beginning of the year	4,066	3,581
Current service cost	79	71
Interest on pension liabilities	56	70
Member contributions	12	12
Past service cost	-	19
Benefits paid	(93)	(104)
Actuarial loss/(gain)	<u>(75)</u>	<u>417</u>
Defined benefit obligation at end of the year	<u>4,045</u>	<u>4,066</u>

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

7. PENSIONS (continued)

Changes in the fair value of schemes assets is as follows:

	2021	2020
	£'000	£'000
Fair value of scheme assets at beginning of the year	2,970	2,933
Interest on plan assets	41	58
Administration expenses	(1)	(1)
Employer contributions	46	46
Member contributions	12	12
Benefits paid	(93)	(104)
Actuarial gain/(loss)	<u>437</u>	<u>26</u>
Fair value of scheme assets at end of the year	<u>3,412</u>	<u>2,970</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities is a loss of £334,000 (2020: loss of £391,000).

The charity expects to contribute approximately £46,000 to the defined benefit scheme in 2022.

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

	2021	2020
Equities	42.1%	40.6%
Government bonds	11.1%	12.1%
Other bonds	8.2%	9.0%
Property	6.1%	4.4%
Cash/liquidity	1.4%	8.3%
Other	31.1%	25.6%

Principal actuarial assumptions at the balance sheet date are as follows:

	2021	2020
Discount rate	1.8%	1.4%
Rate of increase in salaries	4.3%	3.9%
Rate of increase in pensions	2.9%	2.5%
Inflation assumption (CPI)	2.8%	2.4%

Amounts for the current and previous four periods are as follows:

	2021	2020	2019	2018	2017
	£'000	£'000	£'000	£'000	£'000
Present value of scheme liabilities	(4,045)	(4,066)	(3,581)	(3,101)	(3,105)
Fair value of scheme assets	<u>3,412</u>	<u>2,970</u>	<u>2,933</u>	<u>2,691</u>	<u>2,729</u>
Pension deficit	<u>(633)</u>	<u>(1,096)</u>	<u>(648)</u>	<u>(410)</u>	<u>(376)</u>
Experience adjustments on scheme liabilities	<u>(75)</u>	<u>833</u>	<u>416</u>	<u>(54)</u>	-
Experience adjustments on scheme assets	<u>437</u>	<u>235</u>	<u>209</u>	<u>(56)</u>	<u>236</u>

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

8. TANGIBLE FIXED ASSETS

	Freehold Property £	Inherited Land and Buildings £	Plant Equipment and Fixtures £	Motor vehicles £	Total £
Cost					
At 1 January 2021	2,265,617	46,919	331,986	6,000	2,650,522
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 December 2021	2,265,617	46,919	331,986	6,000	2,650,522
Depreciation					
At 1 January 2021	341,794	-	232,386	6,000	580,180
Charge for the year	85,011	-	33,198	-	118,209
Disposals	-	-	-	-	-
At 31 December 2021	426,805	-	265,584	6,000	698,389
Net book value					
At 31 December 2021	<u>1,838,812</u>	<u>46,919</u>	<u>66,402</u>	<u>-</u>	<u>1,952,133</u>
At 31 December 2020	<u>1,923,823</u>	<u>46,919</u>	<u>99,600</u>	<u>-</u>	<u>2,070,342</u>

All assets of material value are held for use on a continuing basis in the charity's activities. Included above is £46,919, which represents inherited land and buildings and which is not depreciated.

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

9. FIXED ASSET INVESTMENTS

	Listed Investments and Unit Trusts £	Charity property fund £	Short term deposits £	Total £
Market value 1 January 2021	12,538,620	1,047,797	354,846	13,941,263
Additions	1,941,656	-	269,674	2,211,330
Disposals	(2,155,344)	-	-	(2,155,344)
Net unrealised investment gains/(losses)	1,194,828	109,810	-	1,304,638
Market value 31 December 2021	13,519,760	1,157,607	624,520	15,301,887
Historical cost as at 31 December 2021	9,762,737	937,500	354,846	11,055,083
Investment income derived from the above	347,214	45,118	216	392,548

No single investment is held which is material in the context of the investment portfolio.

10. DEBTORS

	2021 £	2020 £
Sundry debtors	20,300	9,000
Prepayments	17,398	18,988
Trade debtors	2,471	-
	<u>40,169</u>	<u>27,988</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Deferred income – cards (see note 13)	839,699	773,448
Trade creditors, other accruals and deferred income	100,261	95,964
HMRC, pension and VAT	22,722	22,365
	<u>962,682</u>	<u>891,777</u>

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

12.	FINANCIAL INSTRUMENTS	2021 £	2020 £
	Financial assets that are measured at fair value		
	Listed investments	13,519,760	12,538,620
	Financial assets that are measured at amortised cost		
	Cash and cash equivalents	2,245,814	1,894,322
	Sundry debtors	20,300	9,000
		<u>2,466,114</u>	<u>1,691,215</u>
	Financial liabilities that are measured at amortised cost		
	Trade creditors and other accruals	<u>100,261</u>	<u>95,964</u>

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

13. PREPAYMENT CARD PROVISION RELEASE

Prepayment cards have been issued by the Trust since 1999 and, since these are prepayment cards, the Trust used to account for the full creditor. However, it became increasingly clear that since cards which have been lost and cards belonging to persons who have died or have moved away are unlikely to ever be used, that continuing to accrue for the full level of card creditor would increasingly overstate the “true” level of outstanding crossings which are likely to be claimed. Therefore, in order to seek to include within these accounts a more accurate outstanding crossing creditor figure, from 2015 onwards, any outstanding crossings on cards whose price categories have been withdrawn and which in total for that category, exceed two years’ usage of crossings, are released from the crossings creditor and netted off toll income in the statement of financial activities. The 2021 year-end position is therefore as follows;

	£
Gross level of crossings outstanding	1,190,276
Released to other income prior years	(364,865)
Charged/(Released) to other income 2021	14,288
Net level of crossings outstanding	<u>839,699</u>

14. COMMITMENTS

The Charity is committed to pay the supplier of the toll system purchased in 2012 in quarterly amounts for maintenance until 2022. These annual payments total £66,747, with £30,212 payable within one year and none payable in more than one year.

15. FUNDS

In 2018 the trustees carried out a full review of the trust’s funds, which included taking independent legal advice on our practices and obligations. The Trust’s funds, totalling £18.192m at 31 December 2021 now comprise the following:

Permanent Endowment

The original capital and assets of £60,008 acquired from the Clifton Suspension Bridge Company on 1 January 1953 represent Permanent Endowment as they are not able to dispose of the major assets therein.

Expendable Endowment

This comprises an Emergency Repair Fund, to be used only for unexpected or emergency work, or unexpected falls in toll revenues. The methodology behind the Fund was updated in 2021 and is increased by building inflation each year. The fund now stands at £6.0million (2020: £6.9million).

Designated Fund

This comprises a New Projects Fund for new maintenance projects, of £5.919m (2020: £5.925m), representing the scheduled new maintenance projects currently scheduled for the next 3 years. This fund allows the Trust to proceed with commissioning essential projects as and when they are necessary.

Unrestricted Funds

The remaining funds are held as free reserves and to cover short-term deficiencies in income as and when they arise. At 31 December 2021 they totalled £6.213m (2020: £3.112m). The trustees are aware that the value of the free reserves is heavily dependent on the performance of world stock markets, and so can fluctuate widely over time. In relation to net monies expended on providing a visitor centre at present the trustees do not view making good such monies (in the way set out in note 1) as being reasonably practicable, based on the current custom and practice of museums not charging entrance fees and also the wider public interest and community demands on our operations, but intend to keep this under review annually.

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	1,683,069	186,322
Adjustment for:		
Depreciation charges	118,209	120,209
Loss/(Gain) on investments	(1,304,638)	(54,785)
Dividends, interest and rents from investments	(392,548)	(345,314)
(Increase) / decrease in stocks	3,114	(3,114)
(Increase) / decrease in debtors	(12,181)	(2,487)
Increase / (decrease) in creditors	70,905	54,609
Defined benefit pension scheme	49,000	57,000
Net cash provided by operating activities	<u>214,930</u>	<u>12,440</u>

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	<u>2,245,814</u>	<u>1,894,322</u>

18. RELATED PARTIES

The remuneration of key management personnel (including employers' pension contributions) for the year was £140,851 (2020: £137,747). The Trust also used the services of Alder King, property consultants, a firm in which John Benson, a trustee is an equity partner, and was charged £2,112 (2020: £Nil).

19. OTHER INCOMING RESOURCES

Other incoming resources represents grants of £33,336 (2020: £60,785) provided to the Trust under the UK government's furlough scheme.

THE CLIFTON SUSPENSION BRIDGE TRUST

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2021

2020 Statement of Financial Activities

	Note	General Funds £	Designated Funds £	Capital Funds £	Total Funds 2020 £	Total Funds 2019 £
Income from:						
Charitable activities	3	1,668,723	-	-	1,668,723	2,390,494
Other incoming resources		60,785	-	-	60,785	-
Investments		345,315	-	-	345,315	396,075
Total income		2,074,823	-	-	2,074,823	2,786,569
Expenditure on:						
Charitable expenditure:						
Charitable activities	4	(1,882,659)	-	-	(1,882,659)	(2,053,673)
Total expenditure		(2,053,673)	-	-	(2,053,673)	(2,053,673)
Realised and unrealised gains/(losses) on investment assets		(5,842)	-	-	(5,842)	1,767,027
Net income	2	186,322	-	-	186,322	2,499,923)
Transfers between funds		(1,143,000)	1,043,000	100,000	-	-
Other recognised gains and losses:						
Actuarial gain/ (loss) on pension liability	7	(391,000)	-	-	(391,000)	(207,000)
Net movement in funds		(1,347,678)	1,043,000	100,000	(204,678)	2,292,923
Fund balances brought forward at 1 January 2020		4,459,784	4,882,000	6,860,008	16,201,792	13,908,869
Fund balances carried forward at 31 December 2020	5	3,112,106	5,925,000	6,960,008	15,997,114	16,201,792