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ACCOUNTANTS  
27 OCT 2009

207100  
31 MAR 09

PREPARED BY POST TEAM  
COMPLIANCE DIVISION

**THE ROCHESTER BRIDGE TRUST**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31ST MARCH 2009**

**Registered Charity No. 207100**

**THE ROCHESTER BRIDGE TRUST**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2009**

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# THE ROCHESTER BRIDGE TRUST

## REFERENCE AND ADMINISTRATIVE INFORMATION

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### Court members

Rodney Brian Chambers, Esq.\*  
Russell Graham Cooper Esq.  
Frank Gibson, Esq., OBE  
Anthony Ronald Goulden, Esq.  
Paul Edward James Harriott, Esq.  
Alan Leslie Jarrett, Esq.  
Anne Frances Helen Logan+  
Paul Evan Oldham, Esq.  
Russell John Race, Esq., DL  
Michael Victor Snelling, Esq.  
John Alexander Spence, Esq., OBE, DL  
Richard George Thornby, Esq.

Medway Council  
Appointed Member  
Kent County Council  
Medway Council  
Appointed Member  
Medway Council  
Appointed Member  
Maidstone Borough Council  
Appointed Member  
Kent County Council  
Appointed Member  
Appointed Member

- \* Senior Warden
- + Junior Warden

### Principal officers and advisers:

Mrs Sue Threader BEng CEng MICE  
Mrs Heather Kerswell MPhil MRTPI FRSA  
Michael Bird FCA

Bridge Clerk (Maternity leave from 31 July 2008)  
Acting Bridge Clerk (Maternity cover)  
Chief Finance Officer

Investment Manager

J P Morgan Asset Management (UK) Limited

Surveyors

Cluttons (Commercial Estate)  
Smiths Gore (Rural Estate)

Bridge Engineer

Mott MacDonald Ltd

Solicitors

asblaw

Bankers

Lloyds TSB plc

Auditors

haysmacintyre

# THE ROCHESTER BRIDGE TRUST

## ANNUAL REPORT

### FOR THE YEAR ENDED 31ST MARCH 2009

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The Court presents its Annual Report and the financial statements of the Trust for the year ended 31st March 2008.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

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 the Medway Tunnel Act 1990), and Schemes of the Charity Commission, currently one of 1st June 1999 as amended by The Charities (The Rochester Bridge Trust) Order 2000, a Resolution dated 31 July 2006 and a Resolution dated 29 October 2007..

The Trust operates from the Bridge Chamber, 5 Esplanade, Rochester, Kent, and is administered and managed by a Court of members, styled "The Wardens and Assistants of Rochester Bridge in the county of Kent", incorporated under that name by the Rochester Bridge Act 1908.

The Court has twelve members, holding office for various terms of years, 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 are shown under Reference and Administrative Information

All Court Members receive a Members' Information Pack upon appointment. An induction programme has been introduced.

There have been no permanent staffing personnel changes during the year. The Bridge Clerk (Chief Executive) is Mrs. S.E.P. Threader, a Chartered civil engineer with extensive public and private sector experience. The Chief Finance Officer is Mr. M.T. Bird, a qualified accountant with expertise in charity sector management. The Bridge Clerk took maternity leave from 31st July 2008 and Mrs. Heather Kerswell, MP MPhil MRTPI FRSA, was appointed as Acting Bridge Clerk with effect from 2nd September 2008. Both principal officers are employed on a part-time basis. A secretary, finance assistant, archivist and caretaker support the administration of the Trust, all on part time contracts.

The day to day care and maintenance of the Bridges is the responsibility of the Bridge Caretaker and two assistants. The Trust has appointed advisers to give professional advice on the management and control of its assets.

#### Risk management

In August 2008, the Court approved a new Risk Management Policy; reviewed and approved a revised Risk Register; and reviewed and approved a Summary of Major Risks.

The Bridge Clerk keeps the Risk Register under continual review and reports any significant changes to the Court as they arise, and at least every two years. The Court considers the Summary of Major Risks biannually.

Health and Safety arrangements for work on the bridges are being reviewed and it is likely that some changes to working practices will be introduced in the forthcoming year. The intruder alarm system for the Bridge Chamber has been improved. A lone-worker protection alarm system is being installed.

Preparation of an Archive Disaster Recovery Plan has been delayed by the pressure of other work, but it is hoped that this will be completed in 2009/10.

#### Investment powers and policy

The investment powers of the Trust are contained in the Schedule to the 1999 scheme and in the Trustee Act 2000 enabling the Trust to invest in land, mortgages and other property. The policy of the Trust is to split the investment of the General Fund approximately equally between the two with the objective of achieving sufficient annual income to meet annual expenditure. The Bridge and Tunnel Reserve Fund (the Restricted Fund) and Designated Funds are invested in stock exchange securities with the objective of long term growth.

Investment performance in relation to stock exchange securities is measured against the benchmark of the WM Income Constrained Monitor for the General fund and the WM Unconstrained Monitor for the other two funds. The funds suffered from the down turn in the stock market during the year and performance fell below the benchmarks. as the Investment Manager's strategy was to remain in equities for the longer term prospects.

## **THE ROCHESTER BRIDGE TRUST**

### **ANNUAL REPORT (continued)**

#### **FOR THE YEAR ENDED 31ST MARCH 2009**

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### **OBJECTS AND ACTIVITIES**

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

- 1 The maintenance and improvement of the two A2 road bridges (known as Rochester Bridge) and the Medway Tunnel 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 and the Medway Tunnel.
- 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.

The Court is 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 2006.

### **ACHIEVEMENTS AND PERFORMANCE**

Routine maintenance and inspection of the bridges has taken place throughout the year.

A general inspection of the Old Bridge was completed. Contracts have been prepared for additional work to the Old Bridge, namely refurbishment of the upstream cast iron parapet rail and replacement of street lighting. Additional work is needed to repair the Strood upstream portico which was damaged by a lorry in 2006: this will be funded by insurance. Design work for resurfacing of Rochester Esplanade has been completed.

A principal inspection of the New Bridge has been completed and no major issues have been identified.

A study into access arrangements for future inspections and minor works to the Old and New Bridges is underway.

In the late 1980s, Kent County Council (KCC) asked the charity to help construct the Medway Tunnel to help the regeneration of the Medway Towns. The Medway Tunnel Bill, promoted by the Trust, was submitted to Parliament in November 1988. In 1990, the Medway Tunnel Act finally received Royal Assent, granting to the charity the powers to build and own the Tunnel. The charity purchased the necessary land, however the Tunnel itself was built by KCC mainly using public funds. Since 1998, the tunnel has been the responsibility of Medway Council to operate and maintain under a 999-year lease. The charity has voluntarily contributed a proportion of the annual cost of maintaining the Tunnel.

In 2008, Medway Council asked for ownership of the Tunnel to be transferred to it, arguing that it would be sensible for the Council both to own and manage the Tunnel, leaving the charity to manage and maintain the old and new bridges at Rochester, for which it has sole responsibility.

Public consultation on whether the transfer would be a good idea for the charity is being carried out in summer 2009. If this transfer does go ahead, the Trust will also make a payment of £3.648 million to the Council towards the future maintenance of the Tunnel

### **FINANCIAL REVIEW**

The income and expenditure of the Trust are detailed in the Statement of Financial Activities on page 7.

Income for the year was slightly reduced from £2,766,144 to £2,656,883 due to a switch in investments from investment assets to investment properties resulting in higher rental income but lower dividend income. Interest income reduced, reflecting the utilisation of funds held towards the increased investment in property, and lower rates of interest available in the financial markets.

Expenditure on properties totalled £473,096 compared with £274,097 in 2008.

## **THE ROCHESTER BRIDGE TRUST**

### **ANNUAL REPORT (continued)**

#### **FOR THE YEAR ENDED 31ST MARCH 2009**

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#### **FINANCIAL REVIEW (continued)**

After taking account of transfers from and to other funds but excluding profits and revaluations of investment assets and properties, there was a small surplus on the General Fund of £92,537. Expenditure on the bridges and property was higher than the previous year although no major works were undertaken in the year.

#### **Investment performance**

The Trust invested £12,325,267 in the purchase of the Conington Estate in Cambridgeshire to add to its traditional agricultural property investments, financed by short term funds and the disposal of some investment assets. A property valuation at 31 March 2009 shows an unrealised gain of £4,462,879 which helped to partially offset significant unrealised losses, net of, realised gains, amounting to £9,450,115. The Trust's policy is to invest for long term growth in view of the long timescale for replacement of its assets. As such no significant changes were made to investment policy. Investments and investment properties at 31st March 2009 totalled £56,993,530 (2008 £59,722,171).

#### **Reserves policy**

The Trust holds the following reserves at 31st March 2009:

General Fund  
Designated Funds  
Restricted Fund

The General Fund reserve acts as an expendable endowment to generate income to meet the primary objectives of the Trust,

The Designated Funds reserve is an Accumulated Income Fund whose purpose is to provide sufficient resources to enable the Trust to deliver a programme of charitable grants. Should the income of the General Fund prove insufficient in any year it will be topped up from the Accumulated Income Fund.

The Restricted Fund exists to provide for the extraordinary repair, improvement, rebuilding or replacement of Crossings of the River Medway for which the the Trust is responsible. The Fund is maintained by an annual transfer from the General Fund.

#### **FUTURE PLANS**

In the coming year, the Trust plans to:

- place contracts for the replacement of street lighting, refurbishment of the upstream parapet rail and repair of damage to one of the porticos of the Old Bridge
- finalise plans for resurfacing and repair of Rochester Esplanade
- prepare plans to address issues raised by inspections of both road bridges
- seek the removal of redundant statutory undertakers' plant on the Service Bridge
- resolve the long-term management arrangements for the Medway Tunnel
- progress development proposals on one or more sites within the Kent agricultural estate
- prepare a strategic plan for the future management of the Conington Estate
- fundamentally review the Investment Policy in the light of the purchase of the Conington Estate and the future ownership of the Medway Tunnel

**THE ROCHESTER BRIDGE TRUST**

**ANNUAL REPORT (continued)**

**FOR THE YEAR ENDED 31ST MARCH 2009**

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**STATEMENT OF RESPONSIBILITIES OF THE COURT MEMBERS**

The Court is responsible for ensuring that the financial statements are prepared for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming and outgoing resources of the Trust for that period. In preparing those financial statements, the Court is required to;

- select suitable accounting policies and then apply them consistently,
- 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.

The Court is responsible for ensuring that proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Trust and to enable it to ensure that the financial statements comply with the Trust and Charity laws. The Court is responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Court of Wardens and Assistants



17/8/09

THE ROCHESTER BRIDGE TRUST

INDEPENDENT AUDITORS' REPORT TO THE COURT MEMBERS OF THE ROCHESTER BRIDGE TRUST

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We have audited the financial statements of The Rochester Bridge Trust for the year ended 31st March 2009 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Charity's members, as a body, in accordance with the regulations made under the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the court members and auditors**

As described in the Statement of Responsibilities of the Court Members, the court members are responsible for preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993 and whether the information given in the Annual Report is consistent with the financial statements. We also report to you if, in our opinion, the Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records and if we have not received all the information and explanations we require for our audit.

We read the Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

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

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

**Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31st March 2009 and of its incoming resources and application of resources in the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

*haysmacintyre*

haysmacintyre  
Chartered Accountants  
Registered Auditors

*17 August 2009*

Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

**THE ROCHESTER BRIDGE TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31ST MARCH 2009**

	Note	General Fund £	Designated Funds £	Restricted Fund £	2009 Total £	2008 Total £
<b>Incoming Resources</b>						
<b>Activities for generating funds:</b>						
Rents receivable		1,418,486	-	-	1,418,486	1,097,146
Dividends receivable		499,491	227,868	376,678	1,104,037	1,406,238
Bank and other interest		134,360	-	-	134,360	262,760
<b>Total incoming resources</b>	1(c)	<u>2,052,337</u>	<u>227,868</u>	<u>376,678</u>	<u>2,656,883</u>	<u>2,766,144</u>
<b>Cost of generating funds</b>						
Investment management		(39,698)	(8,752)	(14,941)	(63,391)	58,383
Expenditure on investment properties	2	473,096	-	-	473,096	274,099
<b>Charitable Activities</b>						
Maintenance of bridges	3	616,062	-	-	616,062	228,858
Medway Tunnel	4	454,794	-	-	454,794	463,863
Grants payable	5	-	46,868	-	46,868	269,649
		<u>1,504,254</u>	<u>38,116</u>	<u>(14,941)</u>	<u>1,527,429</u>	<u>1,294,852</u>
Governance costs	7	30,546	-	-	30,546	21,006
<b>Total resources expended</b>		<u>1,534,800</u>	<u>38,116</u>	<u>(14,941)</u>	<u>1,557,975</u>	<u>1,315,858</u>
<b>Net (outgoing)/incoming resources before transfers and investment gains</b>		517,537	189,752	391,619	1,098,908	1,450,286
Transfers between funds	15	(425,000)	-	425,000	-	-
Gains (losses) on investment assets	11b	1,527,126	(2,365,067)	(4,149,295)	(4,987,236)	(5,263,681)
Profit on property sales		-	-	-	-	-
<b>Net movement in funds for the year</b>		<u>1,619,663</u>	<u>(2,175,315)</u>	<u>(3,332,676)</u>	<u>(3,888,328)</u>	<u>(3,813,393)</u>
Total funds at 1st April 2008		42,147,906	8,285,520	15,283,858	65,717,284	69,530,679
Total funds at 31st March 2009		<u>£43,767,569</u>	<u>£6,110,205</u>	<u>£11,951,182</u>	<u>£61,828,956</u>	<u>£65,717,284</u>

All transactions are derived from continuing activities.

All recognised gains and losses are included in the statement of financial activities

The notes on pages 9 - 14 form part of these financial statements.

**THE ROCHESTER BRIDGE TRUST**

**BALANCE SHEET**

**AT 31ST MARCH 2009**

	Note	2009 £	2008 £
<b>Fixed assets</b>			
Tangible assets	10	454,001	75,001
Investment properties	11(a)	33,611,000	17,201,864
Investments	11(b)	23,382,530	42,520,317
		<u>57,447,531</u>	<u>59,797,172</u>
<b>Current assets</b>			
Debtors	12	164,923	302,901
Short term deposits		963,779	5,082,838
Cash at bank and in hand		4,285,971	1,130,107
		<u>5,414,673</u>	<u>6,515,846</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(856,781)</u>	<u>(349,267)</u>
<b>Net current assets</b>		4,557,892	6,166,580
<b>Creditors: amounts falling due after one year</b>	14	<u>(176,467)</u>	<u>(246,467)</u>
<b>Total assets less current liabilities</b>		<u><u>£61,828,956</u></u>	<u><u>£65,717,284</u></u>
<b>Funds</b>			
Designated funds	15,16	6,110,205	8,285,520
Restricted fund	15,16	11,951,182	15,283,858
General fund	15,16	43,767,569	42,147,906
<b>Total fund balances</b>		<u><u>£61,828,956</u></u>	<u><u>£65,614,805</u></u>

The financial statements were approved and authorised for issue by the Court of Wardens and Assistants on 12/8/09 and were signed below on its behalf by:



The notes on pages 9 to 14 form part of these financial statements.

**THE ROCHESTER BRIDGE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST MARCH 2009**

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**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" (SORP 2005), which was issued in March 2005 and applicable accounting standards, except where noted below.

**(b) Fund accounting**

Restricted funds are those where there are legally binding restrictions on the use of the funds. The cost of raising and administering such funds are charged against the specific funds. Details of the funds and the use to which they can be put are given in note 15.

Designated funds comprise unrestricted funds that have been set aside by the Court for particular purposes. Designated funds are used to fund major grant commitments and the annual provisions of other grants. They are also to be used to provide sufficient income to enable the trust to assume full responsibility for the Medway Tunnel on the expiry of the existing leases. The aim and use of each designated fund is set out in note 15.

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 represents the capital of the Trust which must be retained in the Trust and income arising from the General Fund's investments can be used by the Court to finance the Trust's expenditure.

Investment income and gains 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.

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

**Expenditure**

Expenditure is included on an accruals basis.

Cost of generating 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.

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

The maintenance of Bridges and Medway Tunnel are detailed in note 3 and 4.

Support costs comprise costs for the running of the charity and are apportioned between charitable activities and governance costs on the basis of time spent by staff.

Governance costs consist of those costs which relate to the overall running of the Trust, including meeting statutory and regulatory requirements.

# THE ROCHESTER BRIDGE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### FOR THE YEAR ENDED 31ST MARCH 2009

#### 1. ACCOUNTING POLICIES (continued)

(d) **Tangible fixed assets**

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

Depreciation is not charged on the historic freehold buildings occupied by the Trust which is not in accordance with the Charities' SORP or FRS15. 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.

Expenditure on furnishings is written off to the statement of financial activities when incurred. Motor vehicles used by the trust are depreciated on a straight line basis over 7 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. The Trustees believe that they should be included within the asset base as their continued use by the public is fundamental to the aims and objectives of the Trust, however they do not believe that a formal valuation should be attached as the bridges are not considered to have residual value.

(e) **Investments**

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

Investment properties are included in the financial statements at the Court's best estimate of their open market value. These estimates are carried out every 5 years. Further details are shown in note 11.

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. As this scheme is a multi-employer scheme, pension contributions have been accounted for as a defined contribution scheme and contributions are included in the statement of financial activities as they are incurred.

#### 2. EXPENDITURE ON PROPERTIES

	2009	2008
	£	£
Professional and other fees	125,106	94,667
Repairs	189,779	76,961
VAT irrecoverable	33,787	29,418
Insurance	22,364	11,186
General and other rates	-	-
Support costs	102,060	61,867
	<u>£473,096</u>	<u>£274,099</u>

**THE ROCHESTER BRIDGE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST MARCH 2009**

<b>3. MAINTENANCE OF BRIDGES</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Repairs	48,342	(54,383)
VAT irrecoverable	30,203	(1,322)
Professional fees	223,034	35,319
Insurance	46,073	41,599
Lighting	6,261	8,434
Cleaning	3,845	3,076
Support costs	258,304	196,135
	<u>£616,062</u>	<u>£228,858</u>

The increase in expenditure on repairs is in respect of normal basic maintenance costs and in professional fees is for the preparation work for future refurbishment projects. The recovery in 2008 relates to a recovery of costs accrued in the previous year.

<b>4. MEDWAY TUNNEL</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Grant to Medway Council	374,240	351,576
Professional fees	21,693	63,711
VAT irrecoverable	2,328	11,149
Support costs	56,533	37,427
	<u>£454,794</u>	<u>£463,863</u>

<b>5. GRANTS PAYABLE</b>		
Miscellaneous grants	35,083	261,700
Support costs	11,785	7,949
	<u>£46,868</u>	<u>£269,649</u>

Miscellaneous grants in 2009 include an additional £47,500 to the University of Greenwich for an uplift to a Professor's post of the Readership in Bridge and Tunnel Engineering, payable over 3 years, offset by write backs for grants from earlier years which had lapsed as terms of the grants made had not been achieved. Miscellaneous grants in 2008 include £220,000 to the University of Greenwich for a Readership in Bridge and Tunnel Engineering, payable over 3 years.

<b>6. SUPPORT COSTS</b>	<b>Governance</b>	<b>Bridges</b>	<b>Properties</b>	<b>Medway Tunnel</b>	<b>Grants</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	16,025	116,505	40,664	12,248	7,069	192,511
Insurance	-	5,173	5,173	5,188	-	15,534
Office and administration	14,521	136,626	56,223	39,097	4,716	251,86
	<u>30,546</u>	<u>258,304</u>	<u>102,060</u>	<u>56,533</u>	<u>11,785</u>	<u>459,231</u>

Net salaries exclude recharges to other parties. Pension costs includes payments to one former employee.

**THE ROCHESTER BRIDGE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST MARCH 2009**

<b>7. GOVERNANCE COSTS</b>	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Salaries and wages	16,025	8,020
Other office costs	1,871	3,286
Auditors' remuneration in respect of the audit	5,950	5,850
Auditors remuneration – other advice	-	-
Meeting costs	6,700	3,900
	<u>£30,546</u>	<u>£21,006</u>
<b>8. EMOLUMENTS OF EMPLOYEES</b>		
Salaries and wages	178,548	145,334
Employer national insurance	13,964	9,909
Superannuation	51,976	45,438
	<u>£244,488</u>	<u>£200,681</u>

The Trust is a participant of the Kent County Council defined benefit multi-employer pension scheme

	<b>No.</b>	<b>No.</b>
Average number of employees (full time equivalents)	<u>6</u>	<u>6</u>
No employee earned £60,000 or more.		

**9. EMOLUMENTS OF THE COURT**

No member of the Court received any remuneration from the Trust or had any expenses reimbursed during the year.

<b>10. TANGIBLE FIXED ASSETS</b>	<b>Freehold land and buildings</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Valuation/cost</b>			
At 1st April 2008 and 31st March 2008	75,001	10,263	85,264
Unrealised profit on Freehold land and buildings	379,000		
	<u>454,001</u>	<u>10,263</u>	<u>464,264</u>
At 31st March 2009	454,001	10,263	464,264
	<u>454,001</u>	<u>10,263</u>	<u>464,264</u>
<b>Depreciation</b>			
At 1st April 2008 and 31st March 2008	-	10,263	10,263
	<u>-</u>	<u>10,263</u>	<u>10,263</u>
<b>Net Book Value</b>			
At 31st March 2009	£454,001	£ -	£454,001
	<u>£454,001</u>	<u>£ -</u>	<u>£454,001</u>
At 1st April 2008	£75,001	£ -	£75,001
	<u>£75,001</u>	<u>£ -</u>	<u>£75,001</u>

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 31st March 2009 by the Court after informal consultation with professional valuers, at their estimated open market value. Included in freehold land and buildings are the bridges at a nominal value of £1.

**THE ROCHESTER BRIDGE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST MARCH 2009**

11. INVESTMENTS	2009 £	2008 £
(a) Investment properties		
Valuation		
At 1st April 2008	17,201,854	17,160,280
Acquisitions	12,325,267	41,574
Unrealised gain on revaluation	4,083,879	-
	<u>£33,611,000</u>	<u>£17,201,854</u>
At 31st March 2009	<u>£33,611,000</u>	<u>£17,201,854</u>

Investment properties were revalued at 31st March 2009 by the Court, after informal consultation with professional valuers, at their estimated open market value. Transactions in 2009 reflect the purchase of the Conington Estate. It is not possible to give the historical cost of investment properties as some were acquired over 600 years ago.

(b) Quoted investments	2009 £	2008 £
Market value of investments at 1st April 2008	41,208,992	46,315,429
Additions	435,722	9,501,743
Disposals at net book value	(12,552,558)	(8,015,865)
Unrealised losses on revaluation	(8,125,041)	(6,592,315)
	<u>20,967,115</u>	<u>41,208,992</u>
Market value of investments at 31st March 2009	20,967,115	41,208,992
Cash held by investment managers	2,415,415	1,311,325
	<u>£23,382,530</u>	<u>£42,520,317</u>
Historic cost at 31st March 2009 (excluding cash)	<u>£27,326,350</u>	<u>£39,443,187</u>
Realised (losses)/gains on disposals	<u>£1,326,650</u>	<u>£1,263,124</u>

	2009 £	2008 £
The portfolio structure is made up as follows:		
UK Equities	13,486,495	27,153,141
Overseas Equities	5,916,347	10,706,664
UK Fixed Income	1,564,273	3,349,187
Cash	2,415,415	1,311,325
	<u>£23,382,530</u>	<u>£42,520,317</u>

Individual investments which represent over 5% of the portfolio market value are as follows:

JP Morgan UK Dynamic Income	£3,480,040
JP Morgan Inst. Continental Europe Income	£1,230,445
JP Morgan US Select	£1,229,079
JP Morgan UK Equity Fund for Charities	<u>£9,629,962</u>

**THE ROCHESTER BRIDGE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST MARCH 2009**

<b>12.</b>	<b>DEBTORS: Amounts falling due within one year</b>		<b>2009</b>		<b>2008</b>
			<b>£</b>		<b>£</b>
	Rents receivable		147,999		288,237
	Other debtors		3,799		5,336
	Prepayments and accrued income		13,147		9,328
			<u>£164,923</u>		<u>£302,901</u>
<b>13.</b>	<b>CREDITORS: Amounts falling due within one year</b>				
	Amounts due including grants allocated but unpaid		807,795		300,729
	Other creditors		48,986		48,538
			<u>£856,781</u>		<u>£349,267</u>
<b>14.</b>	<b>CREDITORS: Amounts falling due after one year</b>				
	Grants allocated but unpaid		<u>£176,467</u>		<u>£246,467</u>
<b>15.</b>	<b>FUNDS</b>	<b>Designated Funds</b>	<b>Restricted Fund</b>	<b>General Fund</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Balance at 1st April 2008	8,285,520	15,283,858	42,147,906	65,717,284
	Net (outgoing)/incoming resources before transfers	189,752	391,619	517,537	1,098,908
	Transfers	-	425,000	(425,000)	-
	Losses on investments	(2,365,067)	(4,149,295)	(2,935,753)	(9,450,115)
	Gains on property investments	-	-	4,462,879	4,462,879
	Balance at 31st March 2009	<u>£6,110,205</u>	<u>£11,951,182</u>	<u>£43,767,569</u>	<u>£61,828,956</u>

**DESIGNATED FUNDS**

There are two designated funds as follows:

**Major Grants Fund** - This has the sole purpose of meeting the commitment in respect of major grants. It is currently the Court's policy not to make new major grants. The balance of this fund as at 31 March 2009 was £Nil (2008: £Nil).

**Tunnel Fund** - This fund was set up to with the object of providing sufficient resources to enable the Trust to assume full responsibility for the operation of the Medway Tunnel. This is assuming it exercises its option to terminate the current lease to Medway Council on or after 31st May 2021, after providing for minor grants; recent analysis has shown that this objective would not be achieved. The Trust has an authorised allocation of up to £100,000 per annum for minor grants. The annual income accruing to the Tunnel Fund shall be applied in the following order:

- i) to meet any deficit for the year on the General Fund
- ii) to meet the cost of approved minor charitable grants for the year
- iii) retention in the Tunnel Fund

The balance of the Tunnel Fund as at 31st March 2009 was £6,110,205 (2008: £8,285,520).

**THE ROCHESTER BRIDGE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST MARCH 2009**

**15. FUNDS (continued)**

**RESTRICTED FUND – Bridges and Tunnel Reserve Fund**

A Charity Commission scheme of 15th June 1995 approved the establishment of The 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. The fund was established by transfer of funds previously held in the Bridge Reserve Fund and the Estate Repair Fund, which were wound up at this date. The fund is to be maintained out of the income of the charity by transfer of such annual sum sufficient for the purposes of the fund. During the year £425,000 was transferred from (2008 £2,375,000 to) the General Fund.

**16. ANALYSIS OF NET ASSETS BY FUND**

	<b>Designated Fund £</b>	<b>Restricted Fund £</b>	<b>General Fund £</b>	<b>Total £</b>
Tangible fixed assets	-	-	454,000	454,000
Investment properties	-	-	33,611,000	33,611,000
Investments	5,760,791	10,308,140	7,313,599	23,382,530
Current assets	734,826	1,653,111	3,026,737	5,414,674
Current liabilities	(120,637)	(10,069)	(637,767)	(768,473)
Long term liabilities	(264,775)	-	-	(264,775)
Total net assets at 31st March 2009	<u>£6,110,205</u>	<u>£11,951,182</u>	<u>£43,767,569</u>	<u>£61,828,952</u>

**17. COMMITMENTS**

Since 1st April 1996, the Trust, at its discretion, has voluntarily contributed up to £450,000 per annum (with inflationary escalations) towards the maintenance of the Medway Tunnel of which £250,000 per annum was transferred each year to the Bridge & Tunnel Reserve Fund to provide for plant and machinery replacement and a contribution to future structural work. The total charge for this amounted to £624,240 (2008: £601,576), of which £374,240 (2008: £351,576) was made as a grant to Medway Council as a discretionary contribution towards insurance costs and day to day running expenses.

**18. RELATED PARTIES**

The Senior and Junior Wardens of The Rochester Bridge Trust are also Presidents of the New College of Cobham. The administration of these entities is run separately and independently. During the year ended 31st March 2009, the Trust awarded grants of £Nil (2008: £Nil) to the New College of Cobham.

RB Chambers Esq., PEJ Harriott Esq., AL Jarrett Esq., and AR Goulden Esq., who are Court Members of The Rochester Bridge Trust; also members of Medway Council to whom the Trust allocates money for grants towards the Medway Tunnel. During the year, the Trust allocated money for a grant of £374,240 (2008: £351,576) to Medway Council.