



Making Roads Safer

Annual Report 2019-20



Making Roads Safer

2019-20 at a Glance

£932,473

Total Grants Awarded within the period

14

Projects awarded within the period

£37,585

Additional grants to projects awarded in earlier funding rounds

£28,608

Impact Fund grants

£3,132,479

Charity & consolidated reserves at the end of the year

£3,652,865

Total awarded to date

49

Total projects awarded to date

£74,548

Average awarded per project

21

Number of completed projects

Projects making roads safer for...

Others (2)



23

All road users



8

Pedestrians



8

Drivers



6

Pedal cyclists



2

Motorcyclists

Funded Road Safety Project outputs & outcomes:

20

Resources & Tools produced

11

Reports & Academic Publications

52

Conferences, workshops & events

27

New partnerships & collaborations

8

Policy impacts

2.75

Number of FTE (Trust) staff

496

Twitter followers at 31/3/20

59

Pieces of media coverage on projects/ grants 1/7/19-31/3/20

Company Number: 08837451

Registered Charity Number: 1156300

The Road Safety Trust
(Limited by Guarantee)

Report and Financial Statements
for the year ended 31 March 2020

The Road Safety Trust is a grant-funding charity committed to making UK roads safer, achieving impact through the funding of practical measures, research, dissemination and education. We have funded 49 projects and awarded £3.7m in grants since the charity was established in 2014, becoming the largest independent grant funder of road safety initiatives in the UK. Our trading subsidiary company, UK ROEd Limited ("UKROEd"), enables us to meet our charitable objectives through its education of road offenders and by distributing its surplus to the charity to give out in grants. We share the same vision and this report shows what we've been doing this year to help make our vision a reality.

Before that, we would like to acknowledge the contribution made by Jerry Moore OBE, UKROEd CEO, to the creation of NDORS and UKROEd. Jerry sadly passed away after a period of illness in April 2020. His dedication and commitment to improving road safety will live on through the entire organisation and its work. Suzette Davenport, Chair of UKROEd: "There were a great many highlights to Jerry's career that spanned five decades, including the award of an OBE for his contribution to road safety in the 2015 New Year's Honours List. Jerry was a founding member of the NDORS scheme. He has left an inspirational legacy that has made an enormous contribution both to road safety and to our criminal justice system. A passionate believer in the value of roads policing, Jerry said: 'It has been my love, for the feeling you are doing something which will save people. It is a great part of the police to work in. It's my life and one of the most important things. If I can save just a few more people from dying on the roads that would be fantastic.'"



Contents

Legal and administrative information	1
Trustees' Report incorporating the Strategic Report	2
From the Chair and Chief Executive.....	2
Vision, Purpose and Activities	6
Report of the Board of Trustees	10
Financial Review	16
Structure, Governance and Management	20
Plans for Future Periods.....	26
Principal Risks and Uncertainties.....	28
Statement of Internal Financial Control.....	30
Statement of Trustees' Responsibilities	32
Financial Statements	
Independent Auditor's Report	34 - 36
Consolidated statement of financial activities.....	37
Charity statement of financial activities.....	38
Consolidated and charity balance sheets	39
Consolidated and charity statements of cash flows	40
Accounting policies	41 - 43
Notes to the financial statements.....	44 - 55

Legal and administrative information

Trustees

Rachel Aldred
(appointed 25th April 2019)
Anthony Bangham
Oliver Carsten
Jagdeep Singh Chaggar
(appointed 26th April 2019)
Jo Clift
(resigned 3rd September 2019)
Tony Fuller, Vice Chairman
Sonya Hurt
(appointed 23rd January 2020)
David Jamieson
James Kean
(appointed 6th November 2019)
Catherine McMahon OBE
James Millar
Gary Walker
Heather Ward
(appointed 25th April 2019)
Kathy Webster
(appointed 25th April 2019)
Ashton West OBE, Chairman
Philippa Young
(resigned 6th November 2019)

Company Secretary

Hugh Sutherland

Chief Executive

Sally Lines OBE

Company Number

08837451

Registered Charity Number

1156300

Registered Office

Colwyn Chambers
York Street
Manchester
M2 3BA

Website

www.roadsafetytrust.org.uk

External Auditor

RSM UK Audit LLP
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
MK9 1BP

Internal Auditor

BDO LLP
55 Baker Street
London, W1U 7EU

Bankers

NatWest
City of London Office
PO Box 12258
1 Princes Street
London, EC2R 8BP

Legal Advisers

Pannone Corporate LLP
378-380 Deansgate
Manchester, M3 4LY



From the Chair and Chief Executive

Welcome to our consolidated Annual Report and Accounts for the year ended 31st March 2020.

It is an unusual and exceptional time to be compiling an annual report. 2019-20 was an exciting period, as it marked the first year of implementing the Trust's new 5-year grant-giving strategy and against which there is much positive news to report. Then a health emergency turned into a national and international emergency with Covid-19 in the middle of March 2020, effectively changing everything that had been planned for April 1st 2020 onwards. The Trust was forced to rethink its grant-giving capacity going forward because of significantly reduced funding from its trading subsidiary and the need to reduce the Trust's cost



Ashton West OBE, Chair

base accordingly. The outlook may have changed for next financial year as a result of Covid-19, however the progress made by the charity and its trading subsidiary during 2019-20 puts the Trust in a strong position to counter the challenges ahead.

The purpose of the Road Safety Trust is to achieve maximum impact on UK road safety through the initiatives it funds and the 2.75 FTE staff and Board of Trustees work tirelessly to this end. Early in 2019-20, the Trust opened its fifth round of grant funding under the Main Theme of 'Innovative Traffic Calming and Provision for Vulnerable Road Users'.

This theme had been identified through the stakeholder consultation carried out in 2018 as the second most important gap in work and research, with the most important gap to do with the use of technology planned for early 2020-21. The Main Theme attracted 20 quality applications, with 6 grants awarded totalling £837,900. Also in September 2019, the Trust launched the first of its annual Small Grants



Sally Lines OBE, Chief Executive

Programme call for applications. With a total budget of £120,000 for projects between £10,000 and £30,000 each, the Small Grants Programme is designed to enable smaller organisations with more local and practical initiatives to access its funds and make a difference to road safety in local communities. The first Small Grants Programme call attracted 50 applications, of which 6 were successful and awarded towards the end of the year, using the budgeted allocation of £120,000. In addition to the 2019 Main Theme and Small Grants awards, the Trust awarded £28,608 Impact Fund grants and £37,585 as additional grants to existing projects during the year. As grant funded initiatives were completed during the year at a cost saving relative to the total approved grant, grant commitments were reduced by a total of £91,620.

Throughout the year and working in partnership with its grantees, the Trust continued to work towards the vision that it shares with its trading subsidiary, UKROEd:

'To have the safest roads in the world with zero road deaths and serious injuries'



About UKROEd

UKROEd provides the central assurance, standards and consistency of NDORS (the National Driver Offender Retraining Scheme). While the scheme has run for more than 20 years, UKROEd's new governance structures were only established in 2016 after the Road Safety Trust was created as its parent charity. Through its activities educating road offenders, UKROEd carries out primary purpose trading for the charity and helps meet its charitable objectives. UKROEd is a not for profit company which distributes all its surpluses up to the Road Safety Trust for distribution through the Trust's grants strategy.

Public benefit

During 2019-20, Trustees continued to review the Charity Commission's guidance in relation to public benefit and were again able to give assurance that the Road Safety Trust had met the requirements of that guidance throughout the year.

In particular, Trustees concluded that the Trust demonstrates public benefit through its support of projects that benefit vulnerable road users such as children, young drivers and mobility scooter users, to cite a few examples. Its grant-funded projects and development plans illustrate how the Road Safety Trust aims to benefit all UK road users and pass the test of whether our society would be the poorer for its absence.



The Board confirms that it has complied with the duty in section 17(5) of the 2011 Charities Act to have due regard to guidance published by the Charity Commission (i.e. public benefit statement).

Thank you to our members, grantees and stakeholders

Our members are the UK-based police forces that participate in the National Driver Offender Retraining Scheme (NDORS). Their support of the Trust's work is vital to enable the charity to make the difference it is here to make. Member police forces work in partnership with road safety organisations and local communities, encouraging grant applications and spreading awareness about successful projects and initiatives. We have so far funded 49 road safety projects being run by 36 different organisations – our grantees. We work in partnership with all our grantees who understand that their project objectives are our charitable objectives, and it is in the interest of our beneficiaries (the road-using public) to work with our grantees to help achieve those objectives. Each project is a journey we embark on together with our grantee, and we thank them for respecting the honesty, transparency and collaborative approach that a genuine partnership requires and which consistently aligns to the values that the Trust is committed to:

- Rigour
- Partnerships
- Independence and challenge
- Knowledge

The Road Safety Trust is a relatively young charitable grant funder and has a number of stakeholders in addition to those above, for whose support we are grateful. Its source of income for grants is its trading subsidiary company, UKROEd, so a sincere 'thank you' is due to UKROEd staff team of 14 (12.6 FTE) and Board of Directors for continuing to operate the NDORS scheme efficiently and effectively around the country. The speed and proactiveness of UKROEd in establishing an online offering necessitated by Covid-19 within two to three weeks of social distancing restrictions being imposed was impressive and appreciated. As with many other organisations, Covid-19 continues to present challenges for both the charity and its trading subsidiary but the necessary operational adjustments have been smoothly implemented and positively received by stakeholders so far.

In the meantime, NDORS courses continue and anyone who attends a course – physically or virtually - can be assured that costs are kept to a minimum, while contributing any surplus generated directly to the charity's purpose of making UK roads safer; UKROEd is the channel through which this virtuous circle is made possible.



Vision, Purpose and Activities

The vision of the Trust, which is shared with its wholly owned trading subsidiary company (UKROEd), is to **have the safest roads in the world with zero road deaths and serious injuries.**

The purpose of the Trust is to **make UK roads safer, achieving impact through the funding of practical measures, research, dissemination and education.**

UKROEd focuses on education of road offenders which serves as the charity's primary purpose trading activity; the practical measures, research, dissemination and other complementary education initiatives in road safety are funded through the grants awarded by the Trust.

The activities for 2019-20 were structured in accordance with the four Strategic Priorities set out in the Trust's Strategic Plan approved January 2019, i.e. to focus on:

- Research that informs
- Pilots that test
- Dissemination that reaches, and
- Advocacy that influences

The two main goals driving the activities within each strategic priority are as follows:

- To achieve impact for all road users
- To treat each project as a journey to making a tangible difference on the roads

Progress made against the strategic priorities and objectives through 2019-20 is summarised below:

1 Strategic Priority: Research that informs

a) Attract high quality research applications

By focussing on one Main Theme each year (Innovative Traffic Calming and Provision for Vulnerable Road Users in 2019), the Trust was able to run its communications, events and promotion of the grant programme to prospective applicants in a more targeted way than previously. This worked in 2019, with the result of 20 high quality applications being received under this first Main Theme.

The prospects for the 2020-21 Main Theme (How Technology Can Be Used To Reduce Road Offending And Improve Road Safety) looked very positive because of being able to lead up to it with almost a year's advance promotion, until the difficult decision to suspend the programme had to be made in light of Covid-19.

b) A clear pathway for >75% of projects to progress from research to practical intervention

The message about projects needing ultimately to think about, and plan for, how they are going to make a tangible difference on the roads, has been included in all the grant documentation and terms of partnership with the Trust. The Grants Team will support grantees and recommend third party intervention if it feels that will add value to the potential impact of the projects, such as in the case of Virtual Road World (game app for children age 7-9 yrs) where input from the Trust's Impact Fund resulted in an additional 883 downloads of the game from the Apple Store.

c) Consistent methodology for articulating impact of research projects in place by end 2019

The online application forms for the new Main Theme and Small Grants were designed to collect this information at the application stage, making it considerably easier to monitor and report against as standard going forward. The challenge for the Trust with this objective, and for grantees from rounds 1 to 4, was to collect the same data retrospectively from previous or ongoing projects. Both methodologies are now in place and being monitored. It is acknowledged that more work needs

to be done for the Trust to prove the impact it's had on road safety through its initiatives, and this work will be a focus for 2020-21.

2 Strategic Priority: Pilots that test

a) Small Grants Programme used to encourage piloting of potentially high impact initiatives

The Trust's first Small Grants Programme was launched in September 2019 and the application window was open for 3 months. There was considerable interest in the programme and it was oversubscribed, with a total of 50 applications received by the deadline totalling a value of more than £1m versus the £120,000 overall budget total available. The Road Safety Initiatives Committee (RSIC) was impressed at the potential for the 6 awarded relatively small projects of between £10,000-£30,000 each to have high impact, although of course the event of Covid-19 has meant a delayed start date for several of those projects.



b) Reference to trials and pilots is included in the applications of all projects as standard consideration by the end of 2019

The opportunity to include the practical follow-on potential for projects came with the new online application system produced for Main Theme projects and Small Grants. Having this within the online application reinforces the Trust's quest to prompt prospective applicants to think about 'next steps' for research projects in particular. This was implemented with the launch of both funding programmes through the course of 2019-20.

c) RST is considered a vital support and awareness-raising partner in the project's journey to practical intervention

In line with its value of 'partnership', the Trust has emphasised through 2019-20 in its documentation, its publications, social media and public speaking events how it works closely with grantees throughout the lifetime of their projects. This reflects the reality that a project's objectives represent the Trust's objectives and they are dependent on each other for achieving that charitable purpose of making UK roads safer for all. The Communications and Stakeholder Strategies both serve to inform how the Trust adds value to projects, with the ability to engage its PR resource with Impact work. Case studies on 4 RST-funded projects were produced during 2019-20 and the portfolio of materials outlining the type of projects the Trust funds to achieve its charitable purpose is enhanced as a result. Social media activity takes place in partnership with grantees, promoting project awards,

progress, reports and results as and when they become evident. The level of activity in this area has increased significantly on previous years and continues to form part of the Trust's support of its grantees work.

3 Strategic Priority: Dissemination that informs

a) RST Dissemination Strategy in place by the end of 2019

The Trust uses a number of tools at its disposal to help projects disseminate their project reports and outputs, ranging from placing them on the new website (launched August 2019), promoting and linking via Twitter and Linked-In, issuing press releases and featuring them in presentations at relevant conferences or workshops. Each project is slightly different in terms of its target audience, so the strategy serves as a useful framework for arriving at the best channel and method to be applied.

b) Knowledge Bank established by the end of 2020

As completed projects produce their outputs – whether that's reports for dissemination, websites, tools and resources – the Trust adds them to its website. The knowledge bank is building steadily and consistently as projects approach their completion, so this objective is on track.

c) Entire road safety community are clear about RST role and engage with all RST facilities

The stakeholder engagement work that took place during 2019-20 was designed to help those in the road safety community understand what the Trust's role is and how they can engage with it. This work continues into 2020-21, however significant progress has been made in 2019-20 with the rebranding work, new website, production of Trust materials and invitation to subscribe to a Trust e-newsletter.

4 Strategic Priority: Advocacy that influences

a) An Advocacy Strategy is compiled by the end of 2020

As the Trust builds its portfolio of road safety projects, it is in more of a position to be able to advocate on certain aspects, based on evidence-based work that it has funded. The objective of compiling an Advocacy Strategy is a piece of work for 2020-21 and will form the natural next step to the dissemination activities that have been undertaken up to that point.



Report of the Board of Trustees

In the year under review, the Road Safety Trust embarked on its new grant-giving strategy with launch of a Main Theme early in the year followed by a Small Grants Programme in the second half.

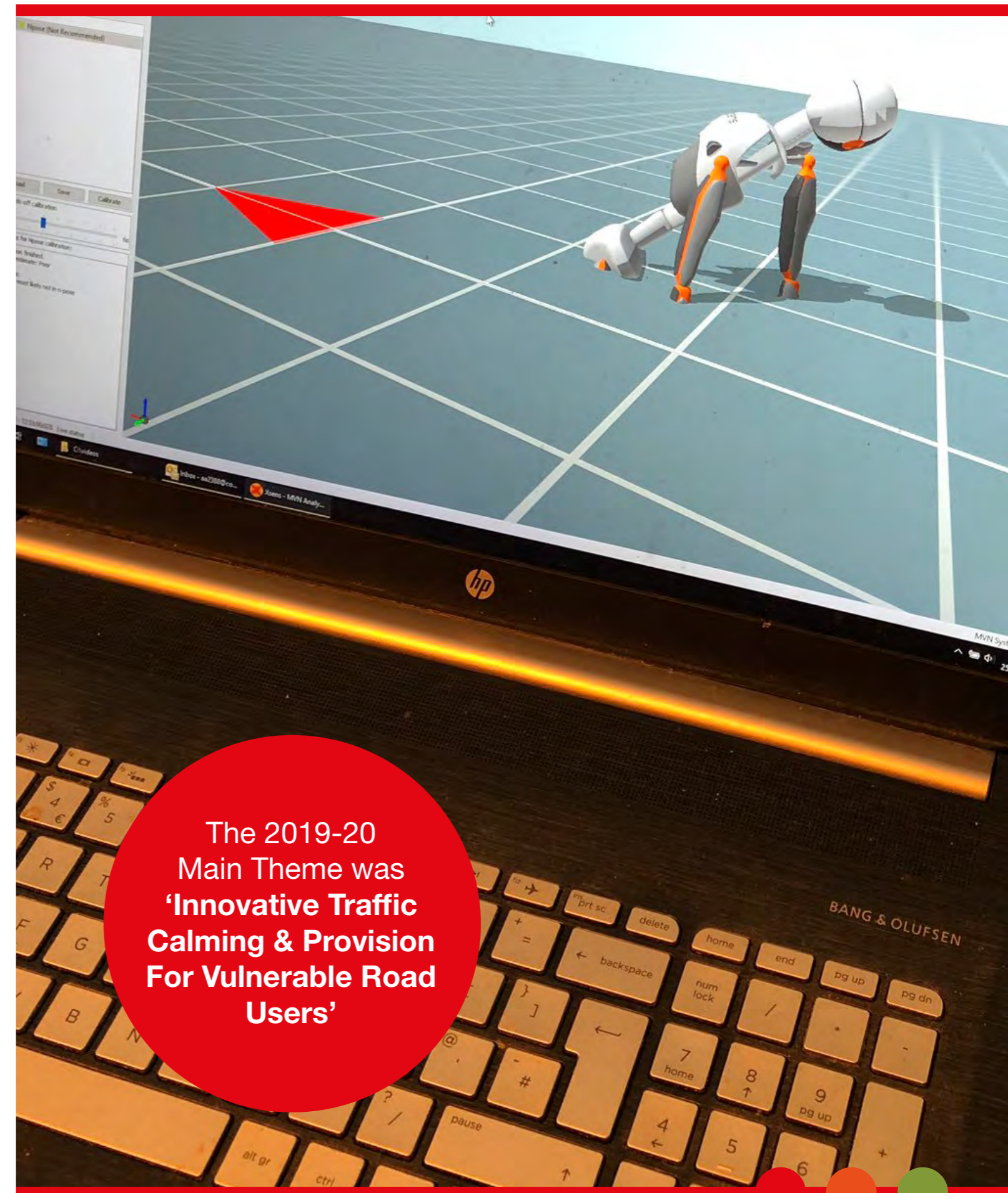
Both these programmes were developed and implemented according to plan and the Trust was pleased with the response – signalling a positive start to the new 5-year organisational strategy approved at the end of the previous period.

The 2020-21 Main Theme of ‘How Technology Can Be Used To Reduce Road Offending and Improve Road Safety’ opened for applications on 14th February 2020 and was due to close on 15th May, however Trustees took the difficult decision to suspend this funding

round at the end of March 2020 with a view to re-opening when the effects of the pandemic became clearer. Whilst the suspension of the 2020-21 Main Theme and Small Grants Programme does not affect the Trust’s reporting against the 2019-20 period, it does affect the planning for future periods and the ability for many grantees to be able to progress or complete their projects within the original timescale.

The Trust has now funded 49 projects up to 31st March 2020. 13 of these completed during 2019-20 and 2 were withdrawn. A number of the 27 projects continuing into 2020-21 are achieving outcomes that meet our strategic priorities before they complete. Every organisation that runs a project is our partner; we work together throughout the project’s lifetime to achieve mutual objectives. Full project details are featured on the Trust’s website.

The 14 new projects awarded during 2019-20 are listed on pages 12-14.



The 2019-20 Main Theme was ‘Innovative Traffic Calming & Provision For Vulnerable Road Users’

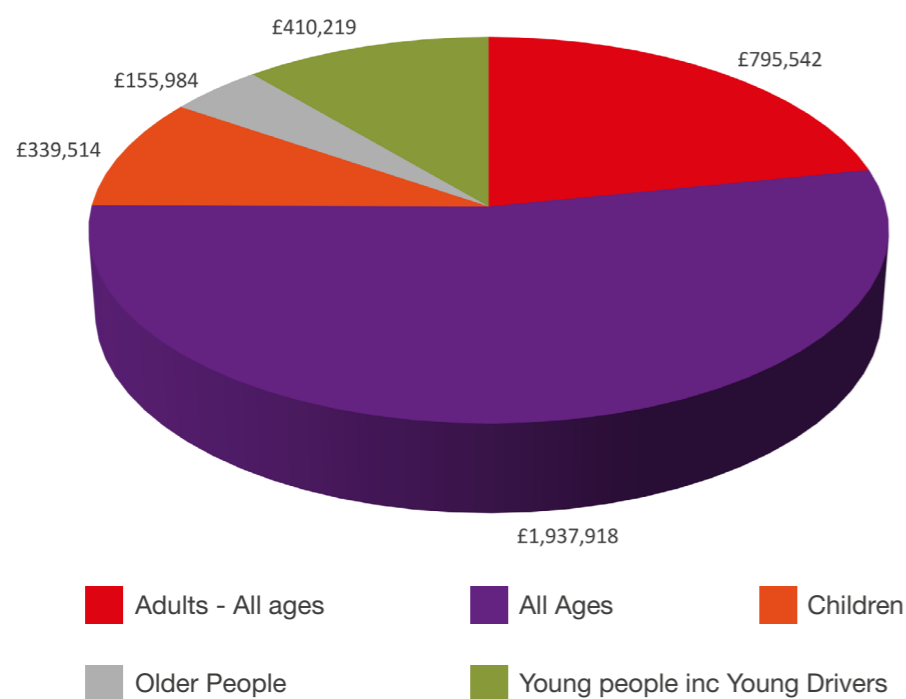


Main Theme 2019-20: Innovative Traffic Calming & Provision For Vulnerable Road Users

Title	Amount Awarded	Lead Organisation
Safeguarding vulnerable road users: motorcycle safety in Scotland using applied psychology to influence rider behaviour	£169,250	Transport Scotland
School street closure traffic displacement and road safety concerns	£95,147	Sustrans
A nudge in the right direction – using insights from behavioural science to improve pedestrian crossing design	£196,253	Liverpool City Council
Design development of road crossings for pedestrians and cyclists	£117,383	UWE-Bristol
Enhancing iRAP investment plans for vulnerable road users	£199,867	Road Safety Foundation
Lower urban speed limits in Europe – what does the evidence show?	£60,000	PACTS – The Parliamentary Advisory Council for Transport Safety

Amount awarded (£) by age of beneficiaries

(based on 49 projects funded to date)

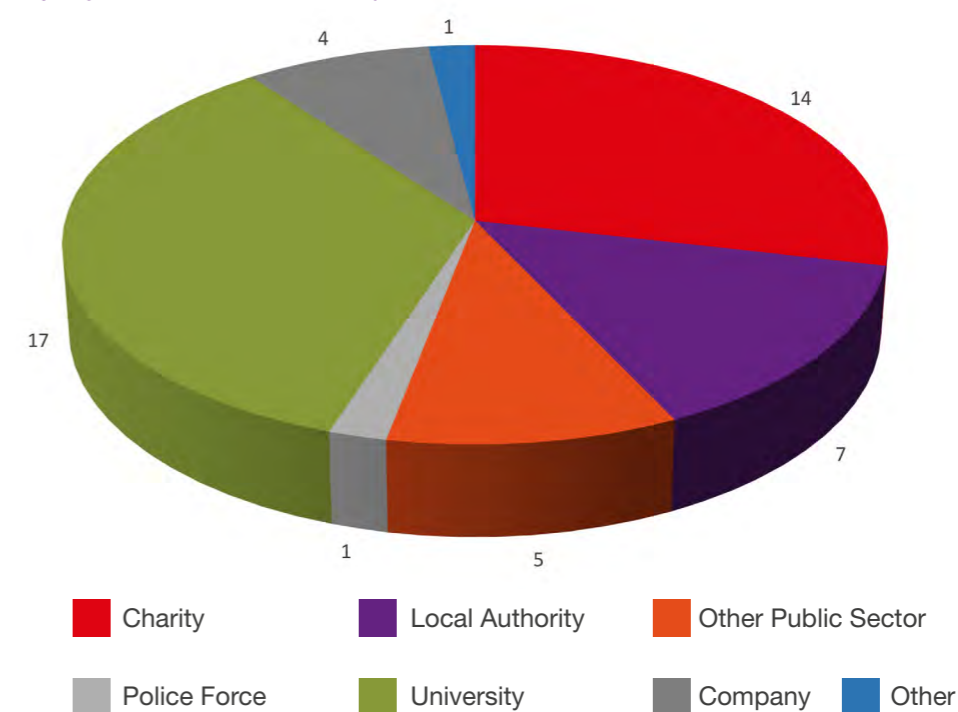


Small Grants Programme 2019-20

Title	Amount Awarded	Lead Organisation
Harecroft: an evaluation of how to apply psychological speed reductions through a rural hamlet through incremental changes in visual deterrents over a fixed period of time	£19,940	Wilsden Parish Council (WPC)
Local Authority Crash Model for skid resistance	£30,000	Derby City Council
Development and evaluation of the 'Who's Driving You' pre-drive impulse control intervention	£17,000, of which £7,940 was awarded under the Impact Fund	eDriving Solutions Ltd
Pre-Driver Theatre & Workshop Education Research (PdTWER)	£28,000	Kent Fire and Rescue Service (KFRS)
Young Rural Drivers	£20,000	The AA Charitable Trust for Road Safety and the Environment
Know the Dangers!	£13,000	Shiny Side Up Partnership

Number of awarded grants by organisation

(based on 49 projects funded to date)

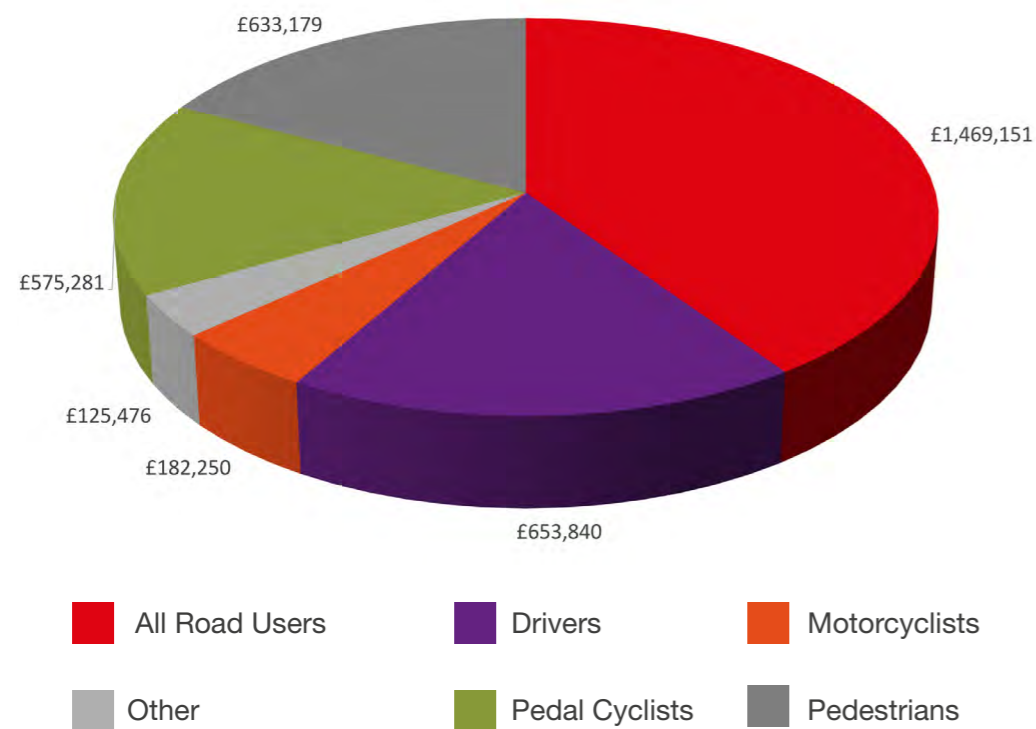


Additional Grants 2019-20

Title	Amount Awarded	Lead Organisation
Evaluation of Albion Green/All Hallows Road design commission and public events programme	£20,585	Sustrans
Cycle Helmet Safety Testing	£17,000	Folksam

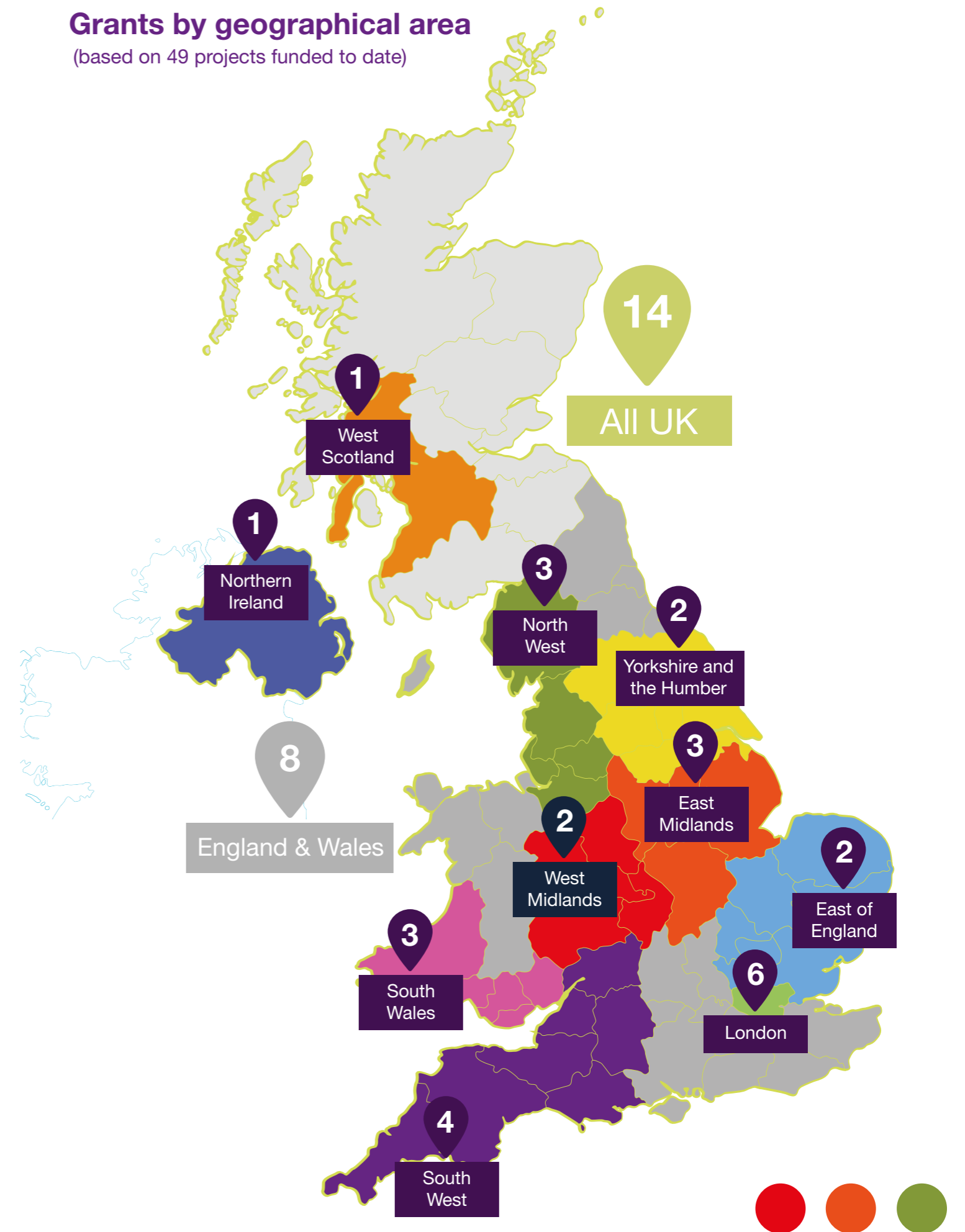
Amount awarded (£) by road users

(based on 49 projects funded to date)



Grants by geographical area

(based on 49 projects funded to date)



Financial Review

Since its establishment, the Road Safety Trust has awarded £3.7m to 49 projects. It has set a prudent level of reserves and manages its investment in its trading subsidiary with a focus on governance and control over costs.

The Road Safety Trust relies on surpluses generated by its wholly owned trading subsidiary company, UKROEd, to be able to carry out its grant-giving activity and meet its charitable objectives, and does not undertake any fundraising activities with the public.

The Charity is conscious of keeping its operational overheads in proportion to grants awarded, as it is the allocation of grants that indirectly reaches the ultimate beneficiaries of the Trust via the projects it funds: the UK road user.

The cost of operating the Trust's grant-giving activity came to £336,100 in 2019-20 (2018-19 £325,293). Most of this was salaries for the five staff (2.75 FTE) of £160,406 (2018-19 £169,706), other operating costs of £97,050 (2018-19 £53,857) and governance costs of £78,644 (2018-19 £101,730). The Trust monitors the level of overhead running costs for the Charity against grants awarded each year. In 2019-20, the ratio of operating costs as a percentage of grants awarded was 36%

(2018-19 49%). With the implementation of the new grant-giving strategy in 2019-20 the ratio came more into line with pre 2018-19 levels, resulting in an average of 29% since its establishment and which is considered reasonable for a grant-giving charity.

In operating the NDORS scheme, UKROEd generated a surplus of £1.7m for the year 2019-20 (deficit of £786,000 for the year 2018-19), which after making up the brought forward deficit, enabled £867,644 to be distributed to the charity at 31st March 2020. The return to financial surplus also enabled repayment in full of the £1.5m inter-company loan made by the Trust to UKROEd to assist with working capital requirements at the beginning of the period. A loan facility of £1m (2019 £1.5m due as an inter-company balance prior to converting into a loan) was provided by the charity to its trading subsidiary in January 2020 for the year 2020-21 to assist with working capital requirements. In the light of Covid-19 in March 2020, however, the decision was taken by Trustees to approve a further £1m inter-company loan facility for its trading subsidiary (totalling £2m available overall) to mitigate the financial risks arising from the impact of the pandemic. Both decisions were made in line with Charity Commission guidance, the rules in its governing document and reserves policy.

The control measures introduced by legislation to address the Covid19 pandemic known as 'lockdown' effectively halted the provision of training courses under the Scheme. The lockdown started in March 2020

and reduced the number of courses delivered for that month and therefore the year as a whole by approximately 40,000.

While the impact on UKROEd in the year in review was minimal, the disruption and uncertainty caused by the pandemic has necessitated rapid assessment of operational and financial risks, development of alternative methods of delivery of courses which are safe, and consultation on how to support police forces to enforce road traffic laws in changing circumstances.

The UKROEd team produced a new operational plan supported by a revised set of financial budgets and provision of courses resumed through virtual classrooms in April 2020. The social and economic disruption caused by the Covid19 pandemic has not altered the fundamental financial model of NDORS nor the ability of UKROEd to operate the Scheme and provide support to police forces and to the Trust.

Up until the end of the financial period being reported, Trustees were satisfied that the financial forecast was sufficiently robust for the Trust to use reserves in 2020-21 to continue with implementation of the new grant-giving strategy, with a main theme and small grant programme. The significant impact on income to UKROEd from Covid-19 prompted the Trust's decision, however, to suspend its grant funding for 2020-21 until the financial situation became clearer.

The detail on how expenditure for 2019-20 supports the charity's strategic priorities is outlined in the previous section and details of projects funded.

The Trust has not borrowed any money, has established a prudent level of reserves and maintains control over

costs through the Covid-19 crisis. On this basis the Board confirms that it is appropriate to continue to adopt the going concern method of accounting for the group.

Reserves policy

The Reserves Policy demonstrates the compliance of the Road Safety Trust with its legal duties to act in the interests of the Charity and its beneficiaries, to protect and safeguard the assets of the charity, to act with reasonable care and skill and to ensure that the Charity is accountable. The Policy is designed to:

- Justify and clearly explain the keeping or not keeping of reserves;
- Identify and plan for the maintenance of grants for beneficiaries;
- Reflect the risks of unplanned closure associated with the business model, spending commitments, potential liabilities and financial forecasts of the Trust and of its trading subsidiary, which operates NDORS; and,
- Help to address the risks of unplanned closure on projects we fund, staff and suppliers.

The Reserves Policy is monitored annually to review its effectiveness and application in light of changing road safety research needs and priorities, as well as changes affecting NDORS. The Trust keeps a level of reserves that is sufficient to:

- Meet a minimum of one year of operating expenditure in case of unplanned closure of the Trust;
- Mitigate the financial aspects of risk in the activities of NDORS; and,
- Commit to large road safety projects of long duration.

Reserves are unrestricted and are not formally designated for a specific purpose.

- One year of operating expenditure in case of unplanned closure of the Trust £0.3m;
- Mitigating the financial aspects of risk in the activities of NDORS £5m; and,
- Commit to large road safety projects of long duration £3m.

The amounts listed are recognised as covering contingencies which can be met concurrently rather than cumulatively.

The Trust will therefore aim to hold reserves between £3m and £5m.

As at 31st March 2020, the free reserves held by the charity amounted to £3,132,479 (2019 £3,505,331). The consolidated reserves of the group are £3,132,479 (2019 £2,719,091). UKROEd had adopted a financial strategy including a budget for 2020-21 which projected a moderate surplus for the year. The impact on income from Covid-19 restrictions necessitated an amended budget which forecasts a break-even position. Given the uncertainty of Covid-19, UKROEd may at some point require additional support from its parent charity and so the total inter-company loan facility was increased from £1m to £2m. The additional £1m will be drawn down only if needed and is subject to satisfactory monthly financial monitoring against the revised budget.

Despite the challenges outlined above, the Trustees consider that the level of reserves remains satisfactory and is compliant with the Reserves Policy.

Investment policy and performance

The secondary income source to the Trust was dividends and interest from

investments which totalled £126,931 (2018-19 £61,304). During the year the Trust placed £1m of funds with CCLA Investment Managers Limited in line with its Investment Policy. At the end of the year, the CCLA investment was valued at £901,146 giving rise to an unrealised loss of £98,854 (2019 £Nil). During the year the Trust advanced an unsecured loan of £1.5m to its trading subsidiary at an interest rate of 6% as an investment within its portfolio which was repaid at the end of the year. A £1m loan facility on similar terms was approved to fund working capital requirements in 2020-21. A further £1m loan facility on similar terms to be called down as necessary to help UKROEd through the Covid-19 crisis period was approved. At the year end, in addition to the £2m loan facility to UKROEd, £1.5m (2019 £2m) was held in interest bearing treasury deposit accounts with National Westminster Bank plc.

The Trust's Investment Policy states that the long term investment objective is to generate a total return in excess of inflation (as measured by CPI), while generating an income to support the ongoing activities of the Trust, the level of which will be determined by Trustees from time to time, subject to acceptable levels of risk. The Trust also has the ability to invest in its trading subsidiary in order to provide sufficient funds for its continued operation of the NDORS scheme.

Trustees place a high priority on maintaining the real value of capital funds and of income returns over the long term, subject to acceptable levels of risk. They accept that at times this will mean accepting short- or medium-term fluctuations in capital value. The key risk to the long-term reserves is inflation, and surplus assets should be invested to mitigate this risk over the long term. Trustees understand that this is likely to mean that investment will be partly

allocated to share-based financial assets that are subject to risk and that the capital value will fluctuate. A well-diversified, multi-asset pooled fund is a suitable approach where the funds to invest are not great enough to create our own portfolio in a cost-effective way.

Investment in the Trust's trading subsidiary is in the form of a loan. Trustees considered the risks associated with the loan of £1.5m made during 2019-20, determined the appropriateness of advancing a loan and set the terms of repayment and interest accordingly. The loan bore interest at the rate of 6% per annum and was repaid at the year end. The £1m loan facility for future working capital requirements bears interest of 6% and is repayable on 31 October 2021. In the event that all or part of the further loan facility for mitigating the financial

risks arising from the Covid crisis is utilised, it is repayable on 31 October 2021.

Short term cash reserves are held to provide financial security and may be required at short notice. As such, capital volatility is avoided by choosing instant access and short term bank deposits. The balance of funds in pooled investments, term bank deposits and instant access bank deposits are reviewed periodically. The overall return on invested assets (i.e. investments, deposit accounts and instant access accounts) was 0.8% (1.8% in 2018-19).

The cost of operating the Trust's grant-giving activity came to £336,100 in 2019-20



Structure, governance and management

The Road Safety Trust is a company limited by guarantee, not having a share capital (Company number 08837451) incorporated on 8 January 2014 and is a charity registered in England and Wales on 20 March 2014 (Charity number 1156300).

Its governing document is its Articles of Association and its members are the Police Forces of the United Kingdom which participate in the NDORS Scheme.

Recruitment, training and appointment of new Trustees

The Directors of the Road Safety Trust are also the Trustees for the purposes of charity law.

There were two new appointments to the Trust Board made in 2019-20, carried out in accordance with the Trust's Trustee Recruitment Procedure and in order to fill the gaps left in the Board and relevant Committee's skills matrices by the resignation of two Trustees (Jo Clift and Philippa Young). Both appointments (James Kean and Sonya Hurt) are subject

to confirmation by the members at the 2020 AGM, at which point their term of office officially commences. The Articles of the Charity include a suitable means to cover the retirement and potential re-appointment of existing Trustees. The four Trustees appointed in April 2019 (Kathy Webster, Heather Ward, Jagdeep Chaggar and Rachel Aldred) had their appointments confirmed by the members at the 2019 AGM.

The skills-led approach to Trustee recruitment forms the basis of one of the Trust's key objectives under Diversity, Equality and Inclusion which is now being monitored as part of the Trust's commitment to the Charity Governance Code. At 31st March 2020, the Board's minimum required number of Trustees with skills/experience was exceeded in all 24 areas identified as necessary for an effective Board.

The Charity recognises the importance of a comprehensive induction for new Trustees and learning and development for new and existing Trustees in order to be able to discharge their duties and fulfil their roles properly. There is a Trustee Induction, Training & Development Procedure in place which outlines how individual Trustees will be supported in their development during their term of office. Part of this involves a number of subscriptions and memberships that benefit Trustees' learning and development. Examples include National Council of Voluntary Organisations (NCVO), Association of Charitable Foundations (ACF), Civil Society

Governance & Leadership magazine and online access, and the Association of Chairs for the Chair and Vice Chair, as well as a number of road safety specific subscriptions. Opportunities for Trustee learning and development are circulated to the Board by the Chief Executive as they arise.

Board Governance

The Board meets quarterly. Trustees are encouraged to be members of at least one Committee. The Audit & Risk (A&R) and Road Safety Initiative (RSI) Committees meet three or four times per year. The Remuneration Committee meets annually unless otherwise required. In accordance with its Terms of Reference, the Remuneration Committee ensures that the Trust staff are remunerated in line with the Remuneration Policy.

Towards the end of the reporting period, the Trust also created a Nominations Committee to focus on the Charity's leadership and sustainability. The establishment of this Committee was a recommendation made in a full review of the Trust's Governance carried out by BDO LLP at the end of 2019, especially in light of the current Chair's forthcoming end of second and final term as a Trustee in 2021. The Governance Review assessed the Trust's position and performance against the Charity Governance Code, to which the Trustee Board is fully committed as a tool for continuous improvement towards the highest standards.

The following factors were taken into account by BDO LLP on concluding the Governance Review:

- The level of maturity of the Governance Framework by each of the 7 Principles of the Charity

Governance Code

- The overall effectiveness of the Board, and
- The relationship with, and oversight of, the trading subsidiary (UKROEd)

With regard to the 7 Principles of the Charity Governance Code, BDO LLP considered the Organisational Purpose and Leadership of the Charity to be 'enabled'; its Openness and Accountability, Integrity and Board Effectiveness to be 'managed', and its Decision-Making, Risk and Control, and Diversity, to be 'defined'.

Senior Management members report to the committees that relate to their areas of responsibility (e.g. the Head of Finance reports to the Audit & Risk Committee and the Grants Director reports to the RSI Committee). In this way Trustees are kept abreast of the practical and pertinent issues affecting the Trust directly by staff other than the Chief Executive and are able to make decisions on an informed basis. Minutes from Committee meetings are issued in time to be circulated to all of the Board for the quarterly Board meeting and Committee chairs bring significant items arising to the Board for discussion and decisions accordingly. Each of the Committees reviewed their Terms of Reference within the period, with changes brought to the full Board for approval. The Audit & Risk Committee completed the review of its effectiveness towards the end of the reporting period with no significant areas of concern identified. The RSI Committee and Remuneration Committees are due to complete the reviews of their effectiveness at the beginning of 2020-21.

The Directors and Officers insurance and third party indemnity insurance for Trustees remains in place and was renewed 23rd July 2019. The nature and

scale of the policy will continue to be kept under review. The cost of the insurance for the year was £6,053 (2019 £5,600).

The Charity continues to be supported by a small team of 5 part-time employees (2.75 FTE): Sally Lines (Chief Executive), Hugh Sutherland (Head of Finance), Louise Palomino (Grants Director), Tanya Qadir (Grants Officer) and Victoria Sinclair (Administration Officer). Vicki Debinney-Wright (Administration Manager) left the

Trust in August 2019. Hugh Sutherland exercises financial management responsibilities for the Charity and its trading subsidiary, UK ROEd Limited, of which he is a director. Trustees are grateful to the team for the professional support that the team has provided through the year.

In addition, HR, website, PR and graphic design support is provided on a consultancy basis.

Board and Committee Attendance Records for the period 1st April 2019 to 31st March 2020



Individual attendance records 2019-20

	Board	RemCom	RSIC	A&RC	UKROEd Board
Ashton West, Chair	100%				
Tony Fuller, Vice Chair	100%	100%			
Kate McMahon, Chair RSIC to July 2019	100%		100%		
Anthony Bangham, Chair A&RC	83%			100%	
James Millar (resigned from A&RC Nov 2019)	100%		100%	50%	
Gary Walker	67%			100%	
Jo Clift (resigned Sept 2019)	0%			0%	
David Jamieson	67%				
Oliver Carsten	67%	100%	83%		
Philippa Young	100%		66%		
Heather Ward	80%		100%		
Rachel Aldred	80%		100%		
Jagdeep Chaggar	80%			66%	
Kathy Webster	100%	100%			100%
James Kean (appointed Nov 2019)	100%			100%	
Sonya Hurt (appointed Jan 2020)	50%		100%		

*There were four Trustee Board meetings scheduled for 2019-20, but in March 2020 two exceptional teleconference Board meetings were arranged at short notice. Sonya was unable to make one of these meetings, hence her attendance is based on only two meetings held within 3 weeks of each other.

Diversity, equality and inclusion

The Charity recognises the benefits of embracing diversity, equality and inclusion.

During 2019-20 and picking up on the recommendations made by BDO LLP in its review against the Diversity section of the Charity Governance Code, the Chair became the Lead Trustee for Diversity and the following Diversity objectives were agreed for the Board's recruitment of new Trustees:

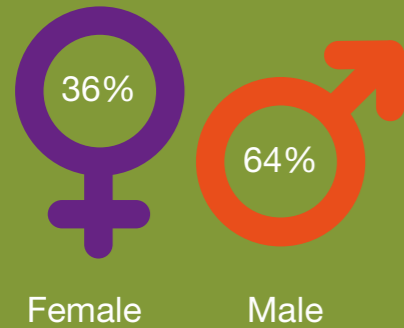
1. To meet the skills and experience identified as necessary at Board and Committee level;
2. To actively encourage and seek out individuals from under-represented groups who are able to fill the skills and experience gaps as and when Trustee vacancies arise;
3. To strive for a balanced and diverse Board in its widest sense;
4. To reflect as far as possible the community of interest of the charity's ultimate beneficiaries.

The graphic on the following page outlines the Trust's performance against these objectives as at 31 March 2020.

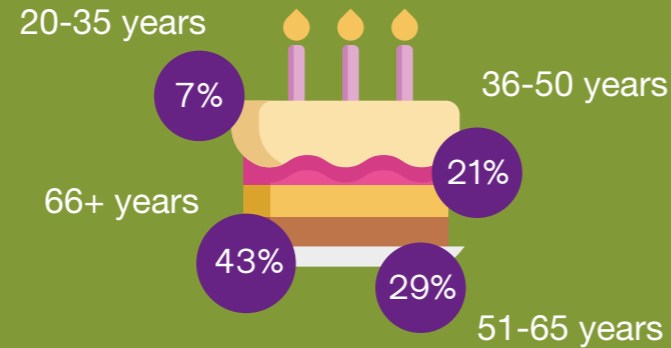


2019-20 Board

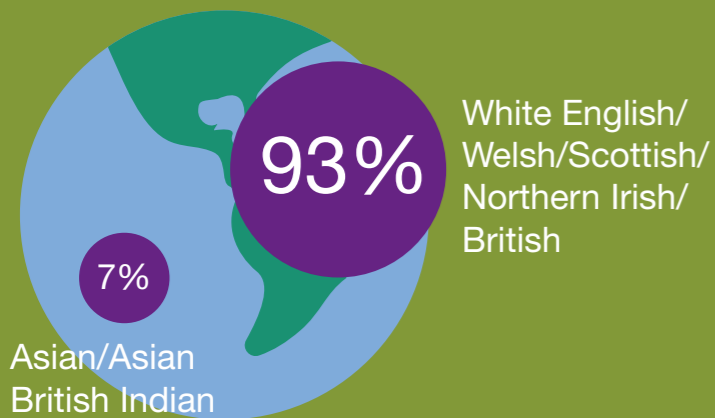
Gender



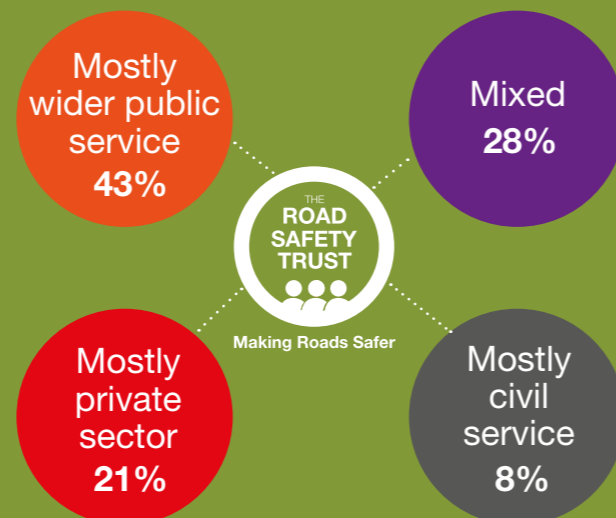
Age



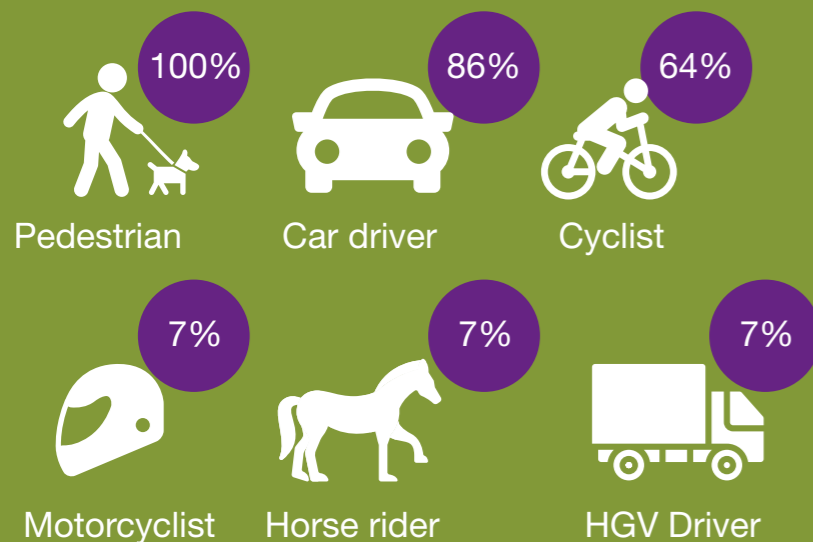
Ethnic Origin



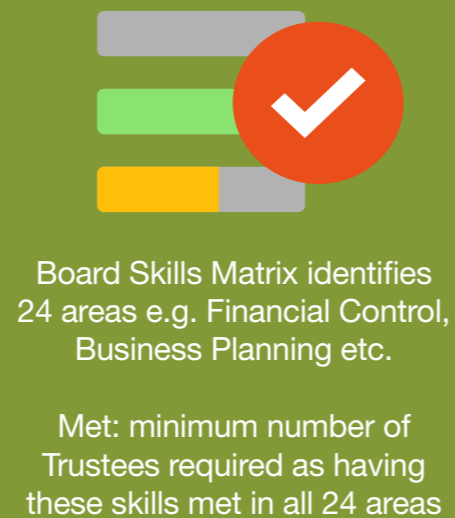
Sector Background



Type of Road User



Skills



Stakeholder representation and engagement

Our police force members are represented on the Board of Trustees by Anthony Bangham, Chief Constable of West Mercia Police and NPCC Lead on Roads Policing.

The Association of Police and Crime Commissioners (APCC) also has representation on the Trustee Board, thanks to David Jamieson, PCC for the West Midlands. There was constitutional correspondence with police force members prior to the 2019 AGM and as part of the Trust's newly approved Communications Strategy in July 2019 several communications were had with members and other key stakeholders during the period, orientated around the following areas:

- The published 2018-19 Road Safety Trust Annual Report and Accounts
- Launch of the 2019 Main Grant-Giving Theme: 'Innovative Traffic Calming & Provision For Vulnerable Road Users'
- Launch of the Charity's new website in August 2019
- Launch of the Small Grants Programme in September 2019
- Lead up to and launch of the 2020 Main Theme around the use of

- Technology (February 2020)
- Production of individual case studies profiling projects funded by the Road Safety Trust
- Invitation to subscribe to the Road Safety Trust's e-newsletter (compliant with GDPR requirements)

In June 2019, the Charity contracted with Campaign Collective, a social enterprise PR agency, to take on its media support role, which formed an important part of its Communications Strategy, alongside rebranding and new website. The three key objectives given to Campaign Collective were to:

- Raise the profile of the Road Safety Trust and the difference it makes to road safety as a result of its grant-giving activity
- Encourage and invite interest in its grant funding with a view to receiving high quality applications
- Promote road safety

Over the course of the 9 months to the end of March 2020, Campaign Collective reported 59 pieces of media coverage (with an 'opportunity to see' of 347,228), 25 separate media enquiries and 10 engaged stakeholders from their work. New targets have been set for 2020-21, albeit these risk being affected by the Covid-19 impact on grants and grantees.



Plans for future periods

The Trust's 5-year 'strategy map' applies to 2020-21; it helps all stakeholders to understand what the Trust's charitable goals and priorities are and what we expect from the road safety projects we fund.

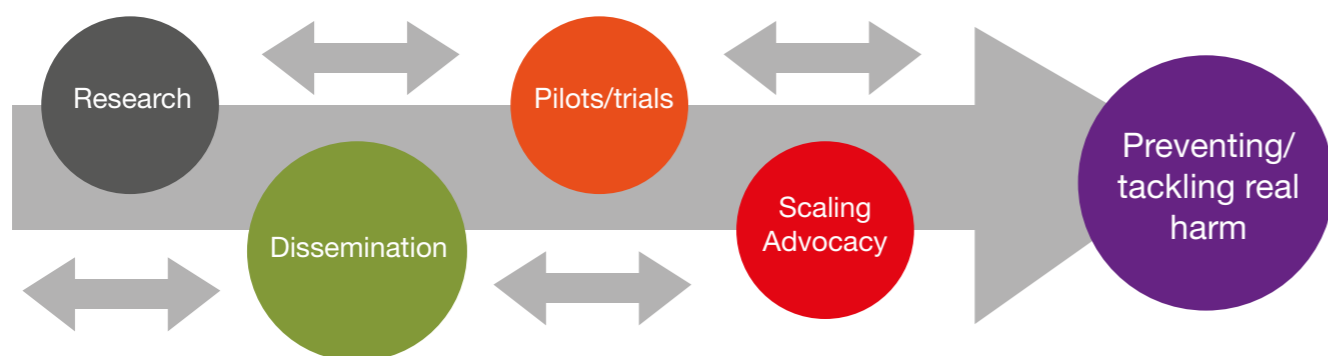
While the grant-giving purpose of the Trust is unchanged, the unexpected Covid-19 pandemic towards the very end of the reporting period has resulted in complete disruption of 'the norm' and has affected the ability for the Trust, as with many organisations, to be able to plan with certainty going forward.

The 2020-21 Main Theme entitled 'How Technology Can Be Used To Reduce Road Offending and Improve

Road Safety' was opened for online applications on 14th February 2020 with a deadline of 15th May; this was suspended until further notice on 26th March 2020 following an exceptional Trust Board meeting on 25th March to discuss the impact of Covid-19 on the entire organisation (UKROEd and the Charity).

The Trust's ability to re-open its deferred Main Theme on Technology and to launch the 2020-21 planned Small Grants Programme will depend on UKROEd's recovery from the impact of Covid-19 on NDORs, which has been severely affected. Close monitoring of the situation and finances will determine if and when the Trust can resume its grant-giving in line with its 5-year strategy – the first year of which had proved successful and was looking promising for the future. The 31 existing projects and grantees are the focus of the team's support in the interim, with more in-depth work being carried out on Impact Measurement of its grant programmes in 2020-21.

The progression of projects towards making a practical difference is vital for the Trust to meet its charitable purpose:



Principal risks and uncertainties

The Strategic Risk Register is reviewed quarterly by the Audit & Risk Committee and then reported to the Trust Board with a summary of the operational risks that are, or have become, significant.

The Audit & Risk Committee reviewed the strategic risks on 5th March 2020 at its annual risk workshop; at that point the seriousness and significance of Covid-19 had not yet become evident and has since been assessed and incorporated into the five key strategic risks where applicable, rather than creating a sixth separate risk. The potential impact of each of the strategic risks outlined below is considerable.

Financial sustainability

The Trust depends on its trading subsidiary as its sole source of income (other than investment returns on its cash reserves). While its subsidiary is legally obliged to distribute all of its surplus to the Trust, the amount of the surplus each year is variable and subject to risks which the Trust cannot wholly control, such as the event of Covid-19 affecting UKROEd's income

significantly. The Trust holds reserves in respect of the risks associated with both the Trust and with UKROEd and made a loan of £1.5m to UKROEd within the period which was repaid prior to the year end. Care has been taken with the 3-year strategy and financial planning of the trading subsidiary to ensure its viability so that the Trust can continue its grant-making activity, however the uncertainty brought on by the pandemic has resulted in modified plans and budgets that require careful and close monitoring to be able to assess the medium to longer term impact on the Charity's grant-giving activity. A number of measures and monitoring tasks from governance to operations are in place to manage this risk.

Compliance

The Road Safety Trust or its trading subsidiary could inadvertently become non-compliant by not identifying, planning for or accommodating regulatory or legislative requirements, current or future. Much work was done during 2019-20 on ensuring, for example, that we were GDPR-compliant. Mitigating measures include: taking a collective responsibility for keeping abreast of existing and future legislative and future requirements and changes that might affect the Trust; using internal audits to identify gaps and improvement opportunities; maintaining up to date policies and procedures for

staff and Trustees to follow; providing Trustees with oversight on audit and risk matters via the Audit & Risk Committee; managing staff effectively and carrying out staff training (e.g. the CEO is trained as Senior Information Risk Owner [SIRO]).

Purpose and impact

The risk is about projects funded by the Trust not achieving their objectives, or the way in which funds are awarded and managed by the Trust not being done properly. If either of these situations happen then the project objectives and their outcomes risk not being achieved, resulting in the charity not achieving its purpose and not being able to prove impact of its core activity (grant-making). The impact of Covid-19 on grantee organisations and their ability or capacity to operate their projects according to the original timeframe has inevitably resulted in negotiated delays to projects at the start of 2020-21; thus far there have not been any more serious implications than delays but some of the longer term repercussions of this crisis have yet to be played out and at worst grantee organisations may not survive to be able to complete their projects and fulfil their objectives.

Mitigating actions include close liaison through the Covid-19 crisis period with grantees to support and service their queries and concerns around their projects and adjustments that may be necessary so that we can remain informed and report on impact to the Trust. Under normal conditions,

mitigating actions include the online application software which serves to monitor and control ongoing projects, internal audit checks, improved documentation/guidance for applicants and regular staff supervision and training/support.

Reputation

All of the above would have a reputational impact on the Trust, as would any significant events within UKROEd. In the event of a serious incident, the organisation as a whole has taken steps to ensure it is prepared to deal with and manage internal and external communications as a means of not making an already bad situation worse and to minimise the damage to its reputation.

Governance

In addition to governing the charity, Trustees need to have oversight of the charity's trading subsidiary and be assured of its governance and management. Ineffective governance comprises a risk to the group. A clear governance structure, framework and relationship between the two companies and clear delegation of authorities and controls as well as effective performance reporting processes need to be in place to ensure the governance is robust. The Governance Review carried out by BDO LLP towards the end of 2019 served to identify the areas which could be improved upon and the implementation of these actions will continue into 2020-21.



Statement of internal financial control

The Board acknowledges its ultimate responsibility for ensuring that the Road Safety Trust has in place a system of internal financial control that is appropriate to the business environment in which it operates.

Although no system of internal financial control can provide absolute reassurance against material misstatement or loss, the Trust's system is designed to provide the Board with reasonable reassurance that:

- The financial information used within the Road Safety Trust or for publication is reliable
- Proper accounting records are maintained
- Assets are safeguarded against unauthorised use or disposition
- Problems are identified on a timely basis and dealt with appropriately

In addition, the Board is reassured by the following:

- Formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Trust's assets. This includes strict controls for the authorisation of personal expense claims.
- Experienced and suitable staff take responsibility for important business functions.
- Forecasts and budgets are prepared which allow the Board and SMT to monitor key business risks and financial objectives and progress towards financial plans set for the year through preparation of regular management accounts.
- All significant new initiatives and grant awards are subject to formal authorisation procedures, through the Board and its relevant Committees.
- The Audit & Risk Committee reviews reports from management staff, the internal auditors and the external auditors, to provide reasonable assurance that control procedures are in place and are being followed.

- Formal procedures have been established for instituting appropriate action to correct weaknesses from the above reports.

Auditors

A resolution to reappoint RSM UK Audit LLP will be put to the members at the forthcoming Annual General Meeting.

Statement as to disclosure of information to the auditor

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been

communicated to the auditor. The Trustees' Report, which contains the Directors' Report required by company law, and the incorporated Strategic Report, were approved by the Trustees on 14 July 2020 and are signed on their behalf by:



**Ashton West,
Chair**



Trustees' Responsibilities in the Preparation of the Financial Statements

The Trustees (which comprises the directors for the purpose of company law) are responsible for preparing the Trustees' Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom

Accounting Standards and applicable law).

Under company and charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group and the charitable company for that period.

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 Statement of Recommended Practice (SORP);
- make judgements and accounting estimates that are reasonable and prudent;

- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the charitable company and enable them to ensure that the financial statements

comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Road Safety Trust website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Our Vision
(shared with UKROEd):
To have the safest roads in the world with zero road deaths and serious injuries

VIRTUAL ROAD WORLD
The interactive game that helps children learn about road safety

VRW Download it from the App Store today



Independent Auditor's Report

to the members of the Road Safety Trust

Opinion

We have audited the financial statements of The Road Safety Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2020, which comprise the Consolidated and Charity Statements of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated and Charity Statements of Cashflows 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 FRS 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 group's and the parent charitable company's affairs as at 31 March 2020 and of the group's and the parent charitable company's incoming resources and application of resources, including their income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report which includes the Directors' Report and the Strategic Report prepared for the purpose of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 32/33, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. A further description of our responsibilities for the audit of the financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>.

This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

SARAH MASON FCA
(Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP,
Statutory Auditor
Chartered Accountants
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
MK9 1BP

28 August 2020



The Road Safety Trust (Limited by Guarantee)

Consolidated Statement of Financial Activities

(Incorporating Income and Expenditure Account)
for the year ended 31 March 2020

	Notes	Total Unrestricted Funds 2020 £	Total Unrestricted Funds 2019 £
Income from:			
Other trading activities:			
Commercial trading operations	9	71,669,429	68,144,493
Investments - other	2	36,931	19,140
Total income		71,706,360	68,163,633
Expenditure on:			
Raising funds:			
Commercial trading operations	9	(69,925,545)	(68,888,569)
Charitable activities	3	(1,268,573)	(946,439)
Total expenditure		(71,194,118)	(69,835,008)
Net income/(expenditure) before loss on investments	5	512,242	(1,671,375)
Net loss on investments	10	(98,854)	-
Net income/(expenditure)	5	413,388	(1,671,375)
Reconciliation of funds:			
Total funds brought forward	14	2,719,091	4,390,466
Total funds carried forward	14	3,132,479	2,719,091

Charity Statement of Financial Activities

(Incorporating Income And Expenditure Account)
for the year ended 31 March 2020

	Notes	Total Unrestricted Funds 2020 £	Total Unrestricted Funds 2019 £
Income from:			
Investments – distribution from subsidiary undertaking		867,644	-
Investments - other	2	126,931	61,304
Total income		994,575	61,304
Expenditure on:			
Charitable activities	3	(1,268,573)	(946,439)
Total expenditure		(1,268,573)	(946,439)
Net expenditure before loss on investments	5	(273,998)	(885,135)
Net loss on investments	10	(98,854)	-
Net expenditure	5	(372,852)	(885,135)
Reconciliation of funds:			
Total funds brought forward	14	3,505,331	4,390,466
Total funds carried forward	14	3,132,479	3,505,331

Consolidated and Charity Balance Sheets

At 31 March 2020
Company Registration No. 08837451

	Notes	Group 2020 £	2019 £	Charity 2020 £	2019 £
FIXED ASSETS					
Investments	10	901,146	-	901,146	-
		<u>901,146</u>	<u>-</u>	<u>901,146</u>	<u>-</u>
CURRENT ASSETS					
Debtors due within one year	11	9,677,037	11,473,727	874,987	21,025
Debtors due after more than one year	11	-	-	-	1,500,000
Cash at bank and in hand		5,123,971	4,779,952	3,168,564	3,574,960
		<u>14,801,008</u>	<u>16,253,679</u>	<u>4,043,551</u>	<u>5,095,985</u>
CREDITORS: Amounts falling due within one year	12	(11,846,263)	(12,918,518)	(1,088,806)	(974,584)
NET CURRENT ASSETS		2,954,745	3,335,161	2,954,745	4,121,401
TOTAL ASSETS LESS CURRENT LIABILITIES		3,855,891	3,335,161	3,855,891	4,121,401
CREDITORS: Amounts falling due after one year	13	(723,412)	(616,070)	(723,412)	(616,070)
NET ASSETS		3,132,479	2,719,091	3,132,479	3,505,331
FUNDS OF THE CHARITY					
Unrestricted funds	14	3,132,479	2,719,091	3,132,479	3,505,331
TOTAL FUNDS		3,132,479	2,719,091	3,132,479	3,505,331

The financial statements on pages 37 – 55 were approved by the Trustees and authorised for issue on 14 July 2020 and are signed on its behalf by:



Ashton West, Chair



Consolidated and Charity Statements of Cash Flows

for the year ended 31 March 2020

	Notes	Group		Charity	
		2020 £	2019 £	2020 £	2019 £
NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES	15	1,307,088	(2,453,253)	(1,033,327)	748,546
INVESTING ACTIVITIES					
Interest received		36,931	19,140	126,931	61,304
Purchase of investments	10	(1,000,000)	-	(1,000,000)	-
Loan granted to subsidiary undertaking		-	-	-	(1,500,000)
Repayment of loan granted to subsidiary undertaking		-	-	1,500,000	-
CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES		(963,069)	19,140	626,931	(1,438,696)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS IN THE YEAR		344,019	(2,434,113)	(406,396)	(690,150)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		4,779,952	7,214,065	3,574,960	4,265,110
CASH AND CASH EQUIVALENTS AT END OF YEAR		5,123,971	4,779,952	3,168,564	3,574,960

Accounting Policies

for the year ended 31 March 2020

The Road Safety Trust is a private limited company limited by guarantee, and is registered, domiciled and incorporated in England. The registered address is Colwyn Chambers, York Street, Manchester, M2 3BA.

Basis of accounting

The financial statements have been prepared in accordance with the 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 (FRS 102) (second edition - October 2019) (effective 1 January 2019), FRS 102 and the Companies Act 2006.

The charitable company constitutes a public benefit entity as defined by FRS 102.

The accounts are prepared under the historical cost convention, modified to include certain financial instruments at fair value.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

Going concern

At the time of approving the financial statements the Trustees have a

reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future based on forecasts which have been stress tested in relation to the key uncertainties and assumptions. The social and economic disruption caused by the Covid19 pandemic has not altered the fundamental financial model of the Charity nor its trading subsidiary, however the subsidiary company has seen reduced volumes of courses following restrictions on travel, but these have been factored into the above forecasts, previously booked courses are now being successfully delivered online. The Charity and the Group have put in place measures to enable them to respond flexibly to changed circumstances, including revisions to operations and financial arrangements. Recent events have validated the Trustees' policy of holding significant reserves in order to mitigate the risks it has identified. The Trustees therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The financial statements consolidate the results of the charitable company and its wholly controlled subsidiary, UK ROEd Limited, on a line-by-line basis. The Road Safety Trust is the sole member of UK ROEd Limited and by virtue of this wholly controls UK ROEd Limited.



Income

Income from commercial trading activities consists of the income generated by the trading subsidiary UK ROEd Limited. The income received for the management and operation of the National Driver Offender Retraining Scheme (NDORS) is recognised when the course occurs.

Investment income

Income from investments consists of interest earned on bank deposits and current accounts and distributions made by the subsidiary undertaking under gift aid and loans to the subsidiary undertaking. Income from fixed asset investments consists of dividend income. The charity recognises all investment income on an accruals basis.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. The Trustees have carefully considered how expenditure is classified. Items are allocated according to the facts relating to the expenditure.

Costs of charitable activities include grants made, governance costs and support costs as shown in note 3.

Costs of the commercial trading activities include the costs of the subsidiary's operations and are shown in note 9.

Expenditure on items of office equipment and computers whose cost is less than the threshold amount of £2,000 is charged as an expense. Items costing more than the threshold amount are capitalised as tangible fixed assets.

Grants

Grants payable are payments made to UK based organisations, registered charities and university departments in the furtherance of the charitable objectives of the charitable company. Grant commitments are recognised once an application for a grant has been approved, the recipient notified of the grant and a legal or constructive obligation thereby created. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the charitable company.

Allocation of support and governance costs

Support costs are those functions that assist the work of the group but do not directly undertake charitable activities.

Governance costs are costs associated with the governance arrangements of the group. Included within this category are costs associated with the strategic as opposed to day to day management of the group's activities.

Funds

Unrestricted funds are income receivable or generated for the objects of the group without further specified purpose.

Fixed asset investments

Investments are a basic financial instrument and are included in the balance sheet initially at transaction value and subsequently recognised at their fair value at the end of the financial period which is the bid price quoted on a recognised stock exchange. Realised and unrealised gains and losses are credited or debited to the Statement of Financial Activities in the year in which they arise.

Financial instruments

Financial instruments are classified and accounted for according to the substance of the contractual arrangement as financial assets or financial liabilities.

Basic financial assets, which include trade debtors, accrued income and amounts owed by group undertakings, are initially measured at the transaction price and are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Loans to the subsidiary undertaking are initially measured at transaction price and subsequently measured at amortised cost using the effective interest rate.

Basic financial liabilities, which include trade creditors, grants payable, other creditors and accruals, are initially measured at the transaction price and are subsequently measured at amortised cost, being the transaction price less any amounts settled.

Cash at bank and in hand

Cash at bank and cash 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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss are the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.



Notes to the Financial Statements

for the year ended 31 March 2020

1 Critical accounting estimates and areas of judgement

In the application of the charitable group'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.

In determining whether the subsidiary undertaking is acting as agent or principal with regard to an element of the 'Scheme Participation Charge' income, the Trustees have assessed whether it is the subsidiary undertaking or the relevant police force that has exposure to the significant risks and rewards associated with the provision of the NDORS scheme. The Trustees have determined that the subsidiary undertaking is acting as principal based on this assessment.

The element of the 'Scheme Participation Charge' income recovered by the police forces during the year was £65,159,460 (2019: £63,832,905).

2 Investment income - other

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Bank interest	13,797	19,140	13,797	19,140
Interest on loan to group undertaking	-	-	90,000	42,164
Dividends	23,134	-	23,134	-
	<u>36,931</u>	<u>19,140</u>	<u>126,931</u>	<u>61,304</u>

3 Expenditure on charitable activities

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Grants (see note 4)	932,473	621,146	932,473	621,146
Direct costs	160,406	169,706	160,406	169,706
Support costs	175,694	155,587	175,694	155,587
	<u>1,268,573</u>	<u>946,439</u>	<u>1,268,573</u>	<u>946,439</u>

Support costs include the following:

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Office costs	12,079	7,392	12,079	7,392
Other costs	84,971	46,465	84,971	46,465
Governance costs, including legal and professional fees	78,644	101,730	78,644	101,730
	<u>175,694</u>	<u>155,587</u>	<u>175,694</u>	<u>155,587</u>

Support costs and governance costs have been allocated against the charitable activity.



4 GRANTS – Group and Charity

Grants were awarded by the Charity to the following institutions during the year:

	Grants awarded 2020 £	No. of grants 2020	Grants awarded 2019 £	No. of grants 2019
University of Southampton	-	-	111,612	1
University of Westminster	-	-	128,994	1
Parliamentary Advisory Council for Transport Safety (PACTS)	60,000	1	(2,500)	-
University of the West of England -Bristol	26,352	1	35,000	1
Nottingham Trent University	-	-	99,985	1
University College London	-	-	68,398	1
University of Kent	-	-	197,236	1
Urban Vision	(589)	-	-	-
Transport for London (TfL)	-	-	(27,500)	-
Liverpool City Council	196,253	1	-	-
Road Safety Foundation	199,867	1	-	-
Transport Scotland	169,250	1	-	-
Folksam	17,000	1	-	-
Shiny Side Up Partnership	13,000	1	-	-
e-driving Solutions Ltd	9,060	1	-	-
Wilsden Parish Council (WPC)	19,940	1	-	-
The AA Charitable Trust for Road Safety and the Environment	20,000	1	-	-
Kent Fire and Rescue Service (KFRS)	28,000	1	-	-
Balance carried forward	758,133	11	611,225	6

4 GRANTS – Group and Charity (continued)

	Grants awarded 2020 £	No. of grants 2020	Grants awarded 2019 £	No. of grants 2019
Balance brought forward	758,133	11	611,225	6
Derby City Council	30,000	1	-	-
Sustrans	115,732	2	-	-
Grants paid from the Impact Fund	28,608	*	9,921	*
Grants awarded recognised as expenditure	932,473	14*	621,146	6*
Grants payable at 1 April	1,549,116	-	1,544,147	-
Grants paid during the year	(697,373)	-	(616,177)	-
Grants payable at 31 March	1,784,216	-	1,549,116	-

*Grants paid from the Impact Fund represent a small number of additional grants paid for existing recipients to help enhance the impact of their projects.

Grants payable is the amount provided in respect of grants committed to recipients which had not yet been paid by the end of the year. The projects which are funded by the grants made are typically carried out over a period of more than one year and occasionally more than two years, with grant instalments payable in arrears when the projects reach agreed milestones. The amount of grants payable therefore reflects the high level of grants committed in prior years, as well as the somewhat lower level of grants committed in the year.

Information about the nature of the projects being supported can be found on pages 12-14 of the Trustees' Report.



5 Net income/(expenditure)

	Group		Charity	
	2020 £	2019 £	2020 £	2019
Net income/(expenditure) is stated after charging:				
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:				
Audit services – statutory audit of parent and consolidated accounts	11,425	10,675	11,425	10,675
Assurance services - other than statutory audit	3,969	3,156	1,359	3,156
Other services:				
Audit services – statutory audit of associates of the charity	15,500	14,500	-	-
Taxation compliance services	5,350	4,175	-	2,750
Other non-audit services	15,330	10,335	5,985	5,985
	<u>51,574</u>	<u>42,841</u>	<u>18,769</u>	<u>22,566</u>

6 Staff costs and remuneration of key management personnel

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Salaries and wages	955,830	847,590	131,194	-
Social security costs	104,891	97,302	13,450	-
Pension costs	45,086	40,578	6,023	-
Total employee benefits	<u>1,105,807</u>	<u>985,470</u>	<u>150,667</u>	<u>-</u>
Average number of employees	<u>18</u>	<u>17</u>	<u>4</u>	<u>-</u>

In the prior year all employees were employed by the subsidiary and a recharge was made to the Charity for work that has been undertaken by staff employed by the subsidiary on its behalf, see note 18 for further details.

During the year, 8 (2019: 6) Trustees were reimbursed expenses of £2,303 (2019: £2,182). This related to travel and other out of pocket expenses.

6 Staff costs and remuneration of key management personnel (continued)

The key management personnel of the Group comprise the Trustees of the Charity, the directors of UK ROEd Limited and the Chief Executive Officer of the Charity. The total employment benefits of the key management personnel including National Insurance of the Group were £411,772 (2019: £300,049).

The key management personnel of the Charity comprise the Trustees of the Charity, the Chief Executive Officer and the Head of Finance. The total employment benefits of the key management personnel of the Charity including National Insurance were £81,254 (2019: £92,008).

The number of employees whose total employee benefits exceeded £60,000 during the year for the charitable group was:

	2020 Number	2019 Number
£60,001 - £70,000	4	3
£70,001 - £80,000	3	1
£90,001 - £100,000	1	-
£110,001 - £120,000	1	1
Total	<u>9</u>	<u>5</u>

7 Retirement benefit scheme

The Group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

The employer's pension costs charged to the Statement of Financial Activities during the year amounted to £45,086 (2019: £40,578).

8 Taxation

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.



9 Subsidiary undertaking - group

The Charity controls and is the sole member of UK ROEd Limited, a company limited by guarantee, incorporated in the United Kingdom (company number 08773977). Its registered office address is: Colwyn Chambers, York Street, Manchester, M2 3BA. A summary of the trading results are shown below.

	2020	2019
	£	£
Aggregate assets	11,622,813	12,664,264
Aggregate liabilities	(11,622,813)	(13,450,504)
Net liabilities	-	(786,240)
Income	71,669,429	68,144,493
Cost of sales	(65,804,702)	(63,832,905)
Administrative expenses	(4,120,843)	(5,055,664)
Interest payable	(90,000)	(42,164)
Surplus /(Deficit) for the year	1,653,884	(786,240)

The subsidiary made a distribution of £867,644 during the year to the charitable parent under gift aid (2019: £nil).

10 Fixed asset investments

	Group and Charity	
	2020	2019
	£	£
Fair Value		
At 1 st April 2019	-	-
Additions at cost	1,000,000	-
Revaluations	(98,854)	-
At 31 March 2020	901,146	-

All investments relate to units held in COIF (Charities Investment Fund) and are carried at their fair value. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

11 Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	5,766,502	5,710,337	-	-
Amounts owed by group undertakings	-	-	865,356	6,570
Prepayments and accrued income	3,910,535	5,763,390	9,631	14,455
	9,677,037	11,473,727	874,987	21,025
Amounts falling after more than one year:				
Loan to group undertaking	-	-	-	1,500,000
	9,677,037	11,473,727	874,987	1,521,025

12 CREDITORS: Amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Grants payable	1,060,804	933,046	1,060,804	933,046
Trade creditors	6,811,330	6,452,944	260	9,543
Taxation and social security	320,061	95,152	3,355	-
Other creditors and accruals	3,654,068	5,437,376	24,387	31,995
	11,846,263	12,918,518	1,088,806	974,584

13 CREDITORS: Amounts falling due after one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Grants payable	723,412	616,070	723,412	616,070



14 Analysis of charitable funds

Group	Balance 1 April 2019 £	Income £	Expenditure £	Net loss on investments £	Balance 31 March 2020 £
Unrestricted funds (general fund)	2,719,091	71,706,360	(71,194,118)	(98,854)	3,132,479
Charity					
Unrestricted funds (general fund)	3,505,331	994,575	(1,268,573)	(98,854)	3,132,479

14 Analysis of charitable funds - Prior year

Group	Balance 1 April 2018 £	Income £	Expenditure £	Balance 31 March 2019 £
Unrestricted funds (general fund)	4,390,466	68,163,633	(69,835,008)	2,719,091
Charity				
Unrestricted funds (general fund)	4,390,466	61,304	(946,439)	3,505,331

15 Reconciliation of net income/ (expenditure) to net cash generated from / (used in) operations

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Net income/(expenditure)	413,388	(1,671,375)	(372,852)	(885,135)
Adjustments for:				
Revaluation loss on investments	98,854	-	98,854	-
Interest receivable	(36,931)	(19,140)	(126,931)	(61,304)
Distribution from subsidiary undertaking	-	-	(867,644)	-
Operating cash flows before movements in working capital	475,311	(1,690,515)	(1,268,573)	(946,439)
Decrease/(increase) in debtors	1,796,690	(945,046)	13,682	1,678,718
(Decrease)/increase in creditors	(964,913)	182,308	221,564	16,267
Cash generated from/(used in) operations	1,307,088	(2,453,253)	(1,033,327)	748,546

15 Reconciliation of changes in net debt

	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Group			
Cash and cash equivalents:			
Cash	4,779,952	344,019	5,123,971
Total net debt	4,779,952	344,019	5,123,971
Charity			
Cash and cash equivalents:			
Cash	3,574,960	(406,396)	3,168,564
Total net debt	3,574,960	(406,396)	3,168,564



16 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
Group	£	£
Within one year	18,600	-
Between one and five years	48,013	-
	<u>66,613</u>	<u>-</u>

17 Limited liability

The company is limited by guarantee and does not have share capital. Each member gives a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up. At 31 March 2020 there were 43 members (2019: 43).

18 Related party transactions

During the year £867,644 was distributed under gift aid from UK ROEd Limited, the wholly owned subsidiary (2019: £nil).

During the year UK ROEd Limited recharged £9,739 of staff costs to the Charity (2019: £169,706). The Charity recharged £9,290 of bank charges to UK ROEd Limited (2019: £9,500). The unsecured amount due from UK ROEd Limited to The Road Safety Trust at 31 March 2020 was £865,356 (2019: £6,570). No interest was charged on this amount.

During the prior year the Charity advanced a loan of £1,500,000 to UK ROEd Limited. The loan was unsecured and repayable in full at the end of its 2 year term and bore interest annually at a rate of 6%.

18 Related party transactions - continued

UK ROEd Limited repaid this loan in full along with £90,000 of interest on 31 March 2020.

Although not related parties as defined by FRS 102, in the interest of transparency the Trustees have the following other relationships;

- according to the Trust's Articles of Association, the Police Force Trustee is the Chief Officer who is the national lead for roads policing in England, Wales and Northern Ireland. The force which they lead will therefore be a recipient of income reflecting cost recovery arising from the NDORS Scheme payable by UK ROEd Limited.
- the police forces overseen by the Police and Crime Commissioner appointed to the Board of Trustees by the Association of Police and Crime Commissioners will also be a recipient of income reflecting cost recovery arising from the NDORS Scheme payable by UK ROEd Limited.

19 Control

At 31 March 2020 there was no one ultimate controlling party.





Making Roads Safer