

**Company Number: 4787626**  
**Registered Charity Number: 1108037**

**THE CYCLISTS' DEFENCE FUND**

**REPORT AND FINANCIAL STATEMENTS**

**30 SEPTEMBER 2012**

## **Reference and Administrative Details of the Charity, its Trustees and Advisors**

### **Trustees**

S M Bolt  
C Field  
R N Geffen  
N Gough  
R L Muers  
S Shivapadasundaram  
H Vecht

### **Registered Office and Operational Address**

Parklands, Railton Road, Guildford, GU2 9JX

### **Auditor**

Buzzacott LLP, 130 Wood Street, London, EC2V 6DL

### **Bankers**

Royal Bank of Scotland, 10 North Street, Guildford, Surrey, GU1 4AF

### **Solicitors**

Russell Cooke Solicitors, 2 Putney Hill, Putney, London, SW15 6AB

### **Company Secretary**

Gordon Seabright

## REPORT OF THE TRUSTEES, INCORPORATING THE DIRECTORS' REPORT

The Trustees, who are the directors of The Cyclists' Defence Fund (the "Charity"), submit their report and the accounts for the year ended 30 September 2012.

### Structure, Governance and Management

The Cyclists' Defence Fund is a company limited by guarantee, incorporated in England and Wales. The Charity was established under a Memorandum of Association which established the objects and powers of the Charity and is governed by its Articles of Association. The Charity's company registration number is 4787626.

The Charity has been registered as a charity by the Charity Commission. The charity registration number is 1108037.

Trustees are appointed by the sole member, Cyclists' Touring Club ("CTC"), the national cyclists' organisation, which founded the Charity in 2003 and the Charity is therefore regarded as a subsidiary of CTC. Trustees are appointed for a period of three years after which Trustees are eligible for reappointment.

Potential new trustees are initially sent information about the Charity's work and the role of Trustees. They are also invited to attend one or more Trustees' meetings as observers, so that they can see the Board's work first-hand. They are then asked if they wish to confirm their interest in standing and, if so, the existing Trustees will decide whether to co-opt them. Co-optees are then nominated at the Charity's next AGM, where the members of CTC Council decide whether or not to confirm their appointment.

Decision making is retained within the board of trustees, which meets on average once a quarter. The board has an oversight of the principle activities of the organisation.

### Risk Review

The Trustees have considered the risks to which the Charity is exposed, and have identified appropriate steps to manage those risks.

### Objectives and Activities

The Charity exists to:

- preserve and protect the health and safety of the public by encouraging and facilitating safe cycling;
- advance the education of the public in the relationship between cycling and the law;
- further the sound development, administration and knowledge of the law relating to cycling; and
- promote, assist, undertake and commission research into the law, practice, and administration of justice in connection with cycling and to disseminate the useful results of such research.

The trustees have considered the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

The trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the public benefit in determining the activities undertaken by the charity.

## **Achievement and Performance**

The Fund has had only interim staff support during this year, which has limited its activities. It has nonetheless supported a number of individuals whose issues did not in the end require court action.

One of The Cyclists' Defence Fund's (CDF) own trustees – Martyn Bolt – initiated action against a local authority over the poor state of maintenance of the road across Strines Moor in the Peak District, a popular cycling route which would be used as part of the Tour of Britain bike ride. This had long been neglected despite many efforts to persuade them to fix it. Repairs were soon carried out though once legal action had been threatened.

We also supported a cyclist who had suffered serious permanent injury in collision with a car. We provided the reassurance he needed not to accept a reduced compensation settlement.

Late in the year, the Fund was approached by Thompsons Solicitors in Edinburgh. They had a number of clients or potential clients seeking to claim damages for cyclists with injuries suffered on Edinburgh's newly-installed tram tracks, exactly as Lothian Spokes (the local cycle campaign group) had warned of. CDF covered the costs of an expert witness report, documenting the injuries suffered and the evidence that the scheme designers had been warned of the problems. However the case raises legal issues which relate not just to this or other tram schemes. It concerns the responsibilities of scheme designers to ensure cycle safety in the design of any highway scheme. With questions being asked about legal liabilities relating to cyclist fatalities at Kings Cross and Bow Roundabout, it is clear that the case has much wider implications.

## **Financial Review**

Throughout this year we have seen a slight increase in donations. It is now possible to donate online and we hope that this will increase the donations further. As a result of this and the loss of staff employed, reserves have slightly risen during the year .

The Trustees remain of the view that the financial resources held by the Charity need to be substantially increased in order to widen the range of work that the Charity is able to perform, given the high costs of litigation, and have strategies in place to achieve this.

### **Reserves Policy**

At this stage of the Charity's existence, the reserves policy remains a simple one of building up reserves to the level that the Trustees believe is necessary to be able to properly achieve the Charity's objectives.

### **Investment Policy**

Funds are currently held in interest bearing bank and deposit accounts in the Charity's name.

## **Plans for the Future**

During the year, the Fund successfully applied for funds for a project – to be delivered jointly with CTC (the national cycling charity which originally created the Fund) and RoadPeace (the road crash victims' charity) – to document the often inadequate response of the legal system (police, prosecutors or the courts) to instances of bad driving. This project will not only raise awareness of the issues, among the relevant stakeholder groups (i.e. the relevant professional bodies, the media, decision-makers and cyclists themselves) but will also raise the profile of all three organisations. This in turn should ensure that CDF hears much more often from injured cyclists, or bereaved families, whose cases are at risk of being mishandled, before the problem arises. That in turn will enable CDF either to ensure that justice is done properly or, failing that, to take action to correct the failings of the police, prosecutors or the courts as appropriate. By challenging legally incorrect practices and decisions, CDF's aim is to ensure that correct practice is clearly expressed in guidance to prosecutors and the courts, and is correctly followed. Alternatively, it will generate pressure for amendments to the law itself, if it becomes clear that injustices are occurring because the law itself is out of step with public or professional opinion.

## Statement of Trustees' responsibilities

The trustees (who are also directors of CDF for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. Under company 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

## Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Trustees and signed on their behalf by



R N Geffen  
6 March 2013

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CYCLISTS' DEFENCE FUND**

We have audited the financial statements of The Cyclists' Defence Fund for the year ended 30 September 2012 which comprise the statement of financial activities, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity'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 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 trustees and auditor**

The trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the Statement of Trustees' Responsibilities set out in the Report of the Trustees, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

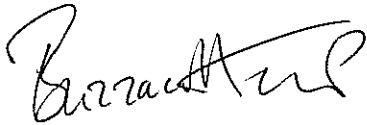
### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

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

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



Edward Finch, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

25/3/13

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2012**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds £	Prior Year Total Funds £
<b>INCOMING RESOURCES</b>					
Donations, legacies and other voluntary income	2	19,387	8,000	27,387	22,661
Investment income and interest					
<b>TOTAL INCOMING RESOURCES</b>		<b>19,387</b>	<b>8,000</b>	<b>27,387</b>	<b>22,661</b>
<b>RESOURCES EXPENDED</b>					
Charitable activities		15,876	-	15,876	25,428
Governance costs	3	2,490	-	2,490	2,563
<b>TOTAL RESOURCES EXPENDED</b>		<b>18,366</b>	<b>-</b>	<b>18,366</b>	<b>27,991</b>
<b>NET INCOMING (OUTGOING) RESOURCES</b> , being net income (expenditure) for the year		<b>1,021</b>	<b>8,000</b>	<b>9,021</b>	<b>(5,330)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward	4	91,824		91,824	97,154
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>92,845</b>	<b>8,000</b>	<b>100,845</b>	<b>91,824</b>

All recognised gains and losses are shown above and therefore a separate Statement of Total Recognised Gains and Losses has not been presented. All amounts relate to continuing activities.

The notes on pages 10 to 12 form part of these financial accounts.




**BALANCE SHEET AS AT 30 SEPTEMBER 2012**

	2012		2011	
	£	£	£	£
<b>CURRENT ASSETS</b>				
Amounts due from parent company	4,521		5,057	
Amounts due from group companies	253		253	
Cash at bank and in hand	<u>107,045</u>		<u>101,382</u>	
		111,819		106,692
<b>CREDITORS</b> , amounts falling due within one year:				
Sundry creditors	4,000		7,849	
Amounts due to group companies	<u>6,974</u>		<u>7,019</u>	
		10,974		14,868
<b>NET CURRENT ASSETS</b>		<u><b>100,845</b></u>		<u><b>91,824</b></u>
Unrestricted funds		92,845		91,824
Restricted funds		8,000		-
<b>TOTAL FUNDS</b>		<u><b>100,845</b></u>		<u><b>91,824</b></u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The notes on pages 10 to 12 form part of these financial accounts.

These financial statements were approved and authorised for issue by the Trustees on 6 March 2013 and signed on their behalf by:



R N Geffen

Company registration number 4787626

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

### 1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006 and the Statement of Recommended Practice issued by the Charity Commission in March 2005 and revised in July 2008.
- b) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when received.
- c) Legacies are recognised when the Charity is advised by the personal representatives of the estate that payment will be made or property transferred and the amount involved can be quantified.
- d) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are those costs which relate to the direct running of the charity and its responsibilities to be compliant with the various legislations applicable to it. Costs such as audit fees and expenses in relation to trustees' meetings are included in this area.

The salary is recharged at cost to CDF from CTC Charitable Trust who maintains the staff member on the payroll. For office accommodation and other management services, an appropriate rate has been calculated based on the office space required and the level of transaction handling required by the finance department.

- e) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity without further specified purpose and are available as general funds.
- f) Restricted funds are to be used for the specific purposes as laid down by the donor. Expenditure which meets those criteria is charged to the fund, together with a fair allocation of management and support costs.
- g) The Charity has taken advantage of the exemptions available under FRS1 and has not prepared a cash flow statement.
- h) The Charity has taken advantage of the exemptions in FRS 8 – Related Party Disclosures and has not reported transactions with other group companies. There are no other related party transactions.

### 2. Voluntary Income

	2012		2011	
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
General donations received	19,387	-	19,387	22,661
Grants received	-	8,000	8,000	-
<b>Total</b>	<b>19,387</b>	<b>8,000</b>	<b>27,387</b>	<b>22,661</b>

### 3. Governance costs

	2012		2011	
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
Trustees' expenses	411	-	411	442
Audit fees	2,000	-	2,000	2,000
Bank fees	79	-	79	121
<b>Total</b>	<b>2,490</b>	<b>-</b>	<b>2,490</b>	<b>2,563</b>

During the year one (2011: one) Trustee incurred expenses in relation to travel of £411 (2011: £442), which were reimbursed or paid on their behalf.

The Trustees did not receive any remuneration during the year (2011: £nil).

### 4. Movements in funds

	At 1 October 2011	Incoming Resources	Outgoing Resources	At 30 September 2012
	£	£	£	£
Unrestricted funds	91,824	19,387	(18,366)	92,845
Restricted funds	-	8,000	-	8,000
<b>Total Funds</b>	<b>91,824</b>	<b>27,387</b>	<b>(18,366)</b>	<b>100,845</b>

Restricted funds consists of income that has been received in regards to the Stop SMIDSY project.

### 5. Analysis of assets in the funds

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Cash at bank and in hand	99,045	8,000	107,045
Other net current liabilities	(6,200)	-	(6,200)
<b>Total</b>	<b>92,845</b>	<b>-</b>	<b>100,845</b>

## 6. Charitable activities

	2012 £	2011 £
Direct costs	427	6,456
Support costs (note 7)	15,449	18,972
	<u>15,876</u>	<u>25,428</u>

## 7. Support costs

The allocation of support costs has been based on an estimated proportion of time costs of the individual member of staff. The method of allocation is consistent with that used in the previous year. The overall allocation is as follows:

	Charitable Activities £	2012 Total £	2011 Total £
Support staff	1,469	1,469	4,992
Administration costs	13,980	13,980	13,980
	<u>15,449</u>	<u>15,449</u>	<u>18,972</u>

A service level agreement is in place with partner organisations to provide a part time staff member along with office accommodation and accountancy provision. The fees payable under these service level agreements are listed below:

- Salary £1,469
- Management charges £13,980

## 8. Taxation

As The Cyclists' Defence Fund is a registered charity, under the Charities Act 2011 it is entitled to the exemptions from tax afforded by CTA 2010 ss 466 – 493 so far as its income and gains are applied for charitable purposes.

## 9. Ultimate parent company

As sole member of the Charity, Cyclists' Touring Club has the right to appoint or remove a majority of the Board of directors and therefore in accordance with Part 38 section 1159 (b) of the Companies Act 2006, the Charity is a subsidiary of Cyclists' Touring Club, a company limited by guarantee, incorporated in England and Wales. In the event of the Charity winding up, Cyclists' Touring Club, as the sole member, has guaranteed to contribute £1 or any smaller amount required.