

CYCLE NEWS

CTC'S ROUND UP OF CYCLING NEWS, VIEWS AND EVENTS

FROM THE CHAIR OF CTC COUNCIL DAVID ROBINSON



As Chair of Council I have to ensure that there is proper debate and scrutiny within the Club and that Council listens and responds to members' views.

That includes the proposals at this AGM for the Cyclists' Touring Club to become a charity and absorb our Trust to form a single membership charity.

It is a great time for cycling and CTC. Local and national governments see us as part of a solution to issues of health, transport and climate change. We have record levels of membership and our charity delivers a huge range of local programmes to bring new people to cycling. This externally funded work means that we are reaching an even wider audience without asking you to pay for it, and as a membership charity we can use Gift Aid to do even more.

Set against this, there were allegations last issue of 'financial problems' and 'threats to member benefits' from CTC becoming a membership charity. It's important that minority voices are heard; debate and democracy are key to CTC, making us the robust organisation we are. But, just like our campaigning, our internal discussions have to be conducted professionally and with authority, basing our case on solid evidence.

Council has been preparing these charity proposals for five years. They and our finances have been scrutinised by independent auditors as well as legal, financial, taxation and charity advisors to ensure the best possible outcome for members. The small minority expressing concerns are well intentioned, but not a single one of the experts we engaged agrees with them. Council itself overwhelmingly supported the charity proposals: only one member of 24 voted against.

I am totally satisfied that all matters affecting the change have been scrutinised and that you can vote with confidence. And Council will remain accountable for your club and your money. We will use any extra funding to support the members, groups and volunteers who are the backbone of CTC while reinforcing our campaigning.

We must always seek new opportunities to go forward while retaining the things that make us special. It's a challenge I relish.

Voting on CTC's future



The big issue on the agenda of the 2010 AGM is the proposal for CTC to become a unified membership charity.



With members poised to vote on the CTC's conversion to a membership charity at the AGM in Loughborough on 15th May, CTC Council has answered questions raised during the debate and urged members to support its proposals.

Barry Flood, Chair of Council's Management Committee, said: 'Speaking as an ex-Inland Revenue Investigations Director, I and CTC's financial advisor Simon Connell, ACMA have examined the financial statements and records of CTC. We found no material omissions or misstatements in the records after a thorough audit. Frankly we are at a loss to understand the allegations made in the last edition of Cycle.'

'Unification will also simplify the structure of CTC, saving us the time and money spent on keeping the organisation separated.'

Why convert to a charity

CTC Council set out its position for Cycle...

Members join CTC for four main reasons:

- to get membership benefits;
- to cycle with CTC and its groups;
- to support our campaigning; and

- to support the promotion of cycling.

All these activities now qualify as charitable. With these benefits protected by the Council it must be in the interest of members to also grasp the benefits of Gift Aid on subscriptions. We can boost the income of the CTC by up to £100,000 a year – funding that can be used to support more cycling, more local groups and more campaigning.

If we vote 'no' we are also turning away from public recognition. Society supports charitable organisations like ours financially because we can prove we make the world a better place – through charitable services to members and through our campaigning and promotion.

Charity proposal: the facts

The Club is *not* being taken over by the Trust.

Council has ensured that the new unified CTC will preserve the Club as the controlling body, retaining member ownership and benefits.

Member benefits will *not* be threatened by charitable status.

There is neither change to member benefits nor change to member groups contained

SUBSCRIBE TO NEWSNET CTC'S WEEKLY EMAIL NEWSLETTER – Send your CTC membership number to membership@ctc.org.uk



Far left: photo by Chris Jorden

in these proposals. Charity Commission guidelines clearly show that we can continue without threat to these benefits.

The accounts are complex, not 'a mess'. CTC's financial statements are complex. Our work is divided between nine companies and two charities, each of which has been set up for a specific legal or financial purpose. There is considerable inter-company movement of funds, much of which will be simplified by unification. Ironically, a 'no' vote would prolong this accounting complexity.

CTC's finances are regularly scrutinised by independent auditors, CTC Council and expert advisers. These regular in-depth inspections all confirm that our accounting systems are robust; that CTC Council has full control of the finances; and that the financial relationships between Cyclists' Touring Club and CTC Charitable Trust are exactly as we describe.

Charitable work and third party contracts are not a drain on members' money. Perhaps because of the complexity of our accounts there has been a misunderstanding of this topic. Membership fees categorically do not support third party projects. In fact, the exact opposite is the case.

Last year CTC spent around £2.2million on its own activities, commissioned on behalf of members by CTC Council. Of this, about

Cyclists join CTC for a wide variety of reasons. Is it time to get Gift Aid on all those membership subscriptions? The AGM will decide

£1million was spent by our Trust – for example our campaigning, volunteer campaigner support, Filthathole, member group support, touring and technical officers, routes, the website, Newsnet, Parliamentary lobbying, public transport advice, supporting mountain biking and the running of our national office.

But as the accounts show, we only actually had to pay £0.6million from the Club to the Trust last year to do all this. We earned the remaining £0.4million from the charges and surpluses we make on outside contracts – a saving of around £6.50 for every member of CTC. This is really good value for members.

The Club has loaned the Trust £388,000. This is true, but there is no risk in a routine piece of financial planning between companies within a group controlled by CTC Council, who can move the funds at any time. The Club moved all of its then charitable work into the Trust in 2006, a change that has saved members over £200,000 in stamp duty and rates. The loan supported some of the infrastructure and cash flows needed for the change. The merger of Club and Trust will remove the loan but it is administratively easier to leave the loan where it is at present.

CTC's campaigning work will not have its scope and intentions limited by charity law. CTC campaigning has been carried out by the Trust since 2005. In that period we have not experienced any restrictions on campaigning because of the Trust's charitable status, nor do we anticipate any restriction in the future.

Also we know that many of our campaigning partners are charities and they have not faced any constraints on their activities either.

Members with questions are urged to email members.matter@ctc.org.uk or to visit the website www.ctc.org.uk/charity

Proxy voting

If you can't attend the AGM, please send in a proxy vote, a copy of which is included in the AGM pack enclosed with this issue of your magazine. If you need more copies, for example for family and household members, then you can either photocopy the form or download further copies from the CTC website.

To ensure that your vote is valid, please include your membership number on the form and follow the instructions carefully. Family members must quote their individual membership number, not that of the main member. Family members unsure of their personal membership number can telephone the Membership Department on 0844 736 8451 or email membership@ctc.org.uk to check. If you have any questions about proxy voting, you can telephone Peter Jackson at National Office on 0844 736 8450 or 01483 238 337

As we expect a large number of members will want to send in a proxy vote, CTC Council has decided to use the Electoral Reform Services to count the proxy votes received. Please note that your proxy voting paper must on this occasion be sent directly to ERS, as shown on the form, and not to CTC National Office, as in the past.

NEWS IN BRIEF

CTC SPRING DRAW

CTC Spring Draw tickets are included with this issue of Cycle and there are £4,000 worth of prizes to be won. Tickets are just £1 each and raise valuable funds for CTC Charitable Trust, so please don't bin them. If you are unable to sell them please pass them on to someone willing to do so. To receive additional books of tickets please call CTC on 0844 736 8450 or email cycling@ctc.org.uk. CTC regrets that due to the bulk mailing of the magazine it is disproportionately expensive to prevent tickets being mailed to members who have requested not to receive them.

GO ONLINE TO WIN WIGGLE VOUCHERS

If we don't have your current email address on our system, you are missing out on CTC's weekly e-newsletter 'Newsnet' and other important online communications and offers. As an added incentive to update your details, members entering the site www.ctc.org.uk/myctc and checking or entering their email address will go into a draw to win one of three Wiggle vouchers worth £50, £75 or £100 which can be spent at the CTC Shop. The competition closes on 16th April 2010 so get clicking at www.ctc.org.uk/myctc.

STOP SMIDSY

We hope that you never experience bad driving when you're out cycling, but if you do, remember to report it to us via our website www.stop-smidsy.org.uk. What you tell us will help us develop our campaigns to tackle the problem.