

The Cyclists' Defence Fund

Annual Report and Financial Statements

30 September 2013

Company Limited by Guarantee
Registration Number:
04787626 (England and Wales)

Charity Registration Numbers:
1108037 (England and Wales)

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Reference and administrative information

Trustees	S M Bolt C Field R N Geffen N Gough R L Muers S Shivapadasundaram H Vecht
Registered address	Parklands Railton Road Guildford Surrey GU2 9JX
Company Secretary	Gordon Seabright
Company registration number	04787626 (England and Wales)
Charity Registration Numbers	1108037 (England and Wales)
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

Trustees' report Year ended 30 September 2013

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 30 September 2013.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes the directors' report for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on page 11 of the attached financial statements and comply with the memorandum and articles of association, applicable laws and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" ("SORP 2005").

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;

Objectives and Activities (continued)

- ◆ 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.

Achievements and Performance

The Cyclists' Defence Fund has provided financial support, advice or both for several legal challenges in the past year, relating to the Fund's objects. All of these were still on going at the 2012-13 year end.

The Fund is supporting the family of a cyclist killed in Kent in 2012. When a driver phoned 999 to report that they had found a dead cyclist on the road, this was taken at face value. The police were not called to investigate, due to an informal arrangement between the local police and ambulance services for the police not to attend the scene of cyclists' injuries. The coroner strongly criticised this arrangement, which has since been withdrawn. CDF has written to every other police and ambulance service asking for assurance that they do not have similar arrangements, or to withdraw them if they do. Meanwhile CDF continues to support the family in its quest for answers as to what happened and why the police failed to investigate.

The Fund is also supporting a challenge brought by Martin Porter QC (also known as "the Cycling Silk") on behalf of a cyclist who was seriously injured in what appears to have been a hit-and-run collision. The injured cyclist has no recollection the collision, however witnesses saw a driver speeding away immediately afterwards. He has been refused compensation from the Motor Insurance Bureau's "untraced driver" compensation scheme, with the MIB adjudicator speculating about possible scenarios where the cyclist might not have been hit by the untraced driver. Martin Porter is seeking to argue that the MIB adjudicator should have made a finding of fact using the evidence available, as to whether the cyclists' injuries were more likely than not to have been caused by the untraced driver.

This would create a presumption that injured cyclists are entitled to compensation in cases where the evidence suggests a hit-and-run collision.

Achievements and Performance (continued)

A third 'live' case concerns cyclist Alex Paxton, who is challenging a Fixed Penalty Notice (FPN) which he received for alleged red light jumping. Alex had stopped at a red light in front of the Advance Stop Line (ASL, or 'cycle box') which was blocked by a driver (probably illegally) at a junction where he wanted to turn right. Alex will argue that the officer should not have fined him as he had not witnessed the incident, and therefore had no opportunity to consider whether it was in the public interest to fine him, given that he had no safe alternative. An appeal for donations to support Alex's case met its fundraising target of £2000 within 4 days.

The Fund is still involved in a claim begun in 2012 against Edinburgh City Council, over their alleged failure to ensure adequate safety for cyclists in the design of the Edinburgh tram scheme. Thompsons Solicitors are bringing the claim on behalf of over 100 cyclists who have already had falls on the tramlines, before the trams have even begun to run. The scheme raises wider issues about public bodies' liability to consider cyclists' safety in designing all forms of highway infrastructure, not just tram schemes.

The Fund has also provided advice on several other cases during the course of the year, albeit without becoming involved financially. It has also improved various publicity and administrative processes, e.g. setting up a facility for people to donate by text message. The fund has a growing Twitter following and a Facebook page has been created, to be launched shortly. A new CDF business plan is now in preparation.

Financial Review

Throughout this year we have seen a significant increase in donations, mainly due to donating online. We have been able to raise donations for specific campaigns and will aim to increase this next year. As a result the reserves have 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

The Trustees of CTC, the national cycling charity (which initially set up CDF) have agreed that CTC and CDF should be formally 'linked', now that CTC itself has full charitable status. This will simplify the administrative arrangements involved when CDF seeks to support aspects of CTC's work (particularly CTC's 'Road Justice' campaign to improve the way police, prosecutors and the courts respond to bad driving offences involving cyclists), whilst maintaining a distinct focus on cycling and the law.

The Fund has submitted various grant applications for funding, e.g. to continue its support for the 'Road Justice' campaign, and to research the case for introducing continental-style 'presumed liability laws' (whereby drivers would be presumed to be liable for injury damaged suffered by pedestrians or cyclists who they had collided with, unless the injured person was demonstrably at fault). CDF's anticipated role in the 'Road Justice' campaign is to support high-profile legal challenges which highlight the failings of the police, prosecutors or the courts which the campaign seeks to address.

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.

Statement of Trustees' responsibilities (continued)

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:

 17th March 2014

R N Geffen
Trustee

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 2013, which comprise the statement of financial activities, the balance sheet, the principal accounting policies 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 and trustees 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

As explained more fully in the statement of trustees' responsibilities set out in the trustees' report, 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.

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 trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Independent auditor's report 30 September 2013

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 2013 and of its incoming resources and application of resources, including the 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

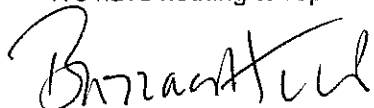
In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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 or returns; or
- ◆ certain disclosures of trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report.

We have nothing to report in respect to these matters.



Edward Finch, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor

130 Wood Street
London
EC2V 6DL

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Statement of financial activities Year ended 30 September 2013
(including income and expenditure account)

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Incoming resources					
Donations, legacies and other voluntary income	1	39,920	10,600	50,520	27,387
Total incoming resources		39,920	10,600	50,520	27,387
Resources expended					
Charitable activities	3	31,635	—	31,635	15,876
Governance costs	2	2,483	—	2,483	2,490
Total resources expended		34,118	—	34,118	18,366
Net incoming resources i.e. net income for the year		5,802	10,600	16,402	9,021
Reconciliation of funds					
Total funds brought forward	4	92,845	8,000	100,845	91,824
Total funds carried forward		98,647	18,600	117,247	100,845

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.

There is no difference between the results shown above and their historical cost equivalent.

The notes on pages 11 to 13 form part of these financial statements.

Balance sheet 30 September 2013

	2013 £	2013 £	2012 £	2012 £
Current assets				
Amounts due from parent company	2,448		4,521	
Amounts due from group companies	253		253	
Cash at bank and in hand	<u>132,023</u>		<u>107,045</u>	
		134,724		111,819
Creditors: amounts falling due within one year:				
Sundry creditors	10,503		4,000	
Amounts due to group companies	<u>6,974</u>		<u>6,974</u>	
		17,477		10,974
Net current assets		<u>117,247</u>		<u>100,845</u>
Represented by:				
Unrestricted funds		98,647		92,845
Restricted funds		18,600		8,000
Total funds		<u>117,247</u>		<u>100,845</u>

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

Approved by the Trustees and authorised for issue on *17th March 2014*
and signed on their behalf by:



R N Geffen

The notes on pages 11 to 13 form part of these financial statements.

Principal accounting policies 30 September 2013

- 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 receivable.
- 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 activities 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.

Staff costs are recharged at cost to CDF from the Cyclists' Touring Club 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.

Notes to the accounts 30 September 2013

1 Voluntary income

	Unrestricted funds £	Restricted funds £	Total funds 2013 £	Total funds 2012 £
General donations received	39,920	600	40,520	19,387
Grants received	—	10,000	10,000	8,000
	<u>39,920</u>	<u>10,600</u>	<u>50,520</u>	<u>27,387</u>

2 Governance costs

	Unrestricted funds £	Restricted funds £	Total funds 2013 £	Total funds 2012 £
Trustees expenses	401	—	401	411
Audit fees	2,000	—	2,000	2,000
Bank fees	82	—	82	79
	<u>2,483</u>	<u>—</u>	<u>2,483</u>	<u>2,490</u>

3 Charitable activities

	Unrestricted funds £	Restricted funds £	2013 £	2012 £
Direct costs				
• Other costs	6,109	—	6,109	427
Support costs				
• Administration	25,526	—	25,526	15,449
	<u>31,635</u>	<u>—</u>	<u>31,635</u>	<u>15,876</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 £11,546
- ◆ Management charges £13,980

4 Movement in funds

	At 1 October 2012 £	Incoming resources £	Outgoing resources £	At 30 September 2013 £
Unrestricted funds	92,845	39,920	(34,118)	98,647
Restricted funds	8,000	10,600	—	18,600
Total funds	<u>100,845</u>	<u>50,520</u>	<u>(34,118)</u>	<u>117,247</u>

Restricted funds consists of income that has been received in regards to the Road Justice project.

Notes to the accounts 30 September 2013

5 Analysis of assets in the funds

	Unrestricted funds £	Restricted funds £	Total funds £
Cash at bank and in hand	113,423	18,600	132,023
Other net current liabilities	(14,776)	—	(14,776)
Total	98,647	18,600	117,247

6 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.

7 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.

