

Company Number: 4787626
Registered Charity Number: 1108037

THE CYCLISTS' DEFENCE FUND

REPORT AND FINANCIAL STATEMENTS

30th SEPTEMBER 2006

THE CYCLISTS' DEFENCE FUND

Status

The Cyclists' Defence Fund is a company limited by guarantee, incorporated in England and Wales. The company has been registered as a charity by the Charity Commission.

The company was established under a Memorandum of Association which established the objects and powers of the company and is governed by its Articles of Association.

Trustees

S Bence (to 31 December 2005)
C Langdon
R N Geffen
G G Selway
S Shivapadasundaram

Company Secretary

K E Mayne

Registered Office and Operational Address

Parklands, Railton Road, Guildford, GU2 9JX

Auditors

Chantrey Vellacott DFK LLP, Russell Square House, 10-12 Russell Square, London, WC1B 5LF

Bankers

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

Solicitors

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

REPORT OF THE TRUSTEES

The trustees submit their report and the accounts for the period 1 October 2005 to 30 September 2006.

Activities

The company 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.

Results

The year's activity has been dominated by the Fund's support for a cyclist whose controversial prosecution and subsequent conviction attracted a good deal of media attention. He is to appeal against his conviction, with continuing support for the Fund. Concern from cyclists over his conviction prompted donations to the Fund totaling around £20,000, almost all of which were unrestricted.

The Fund has continued to offer support in other cases by way of commitments against adverse outcomes, but in the event without cost to the Fund.

Future Strategy

As well as its continuing support for the case referred to above, the Fund continues to seek appropriate cases to support, and to make the objects and work of the Fund more widely known amongst organisations which represent cyclists, or work to encourage people to cycle or to cycle more, and among the public at large. More information about our strategy and activities is available on our website, <http://www.cyclistsdefencefund.org.uk>.

The substantial influx of donations has prompted the Fund to start developing more robust administrative processes for handling donations, and maintaining a database of donors (including the Gift Aid status of their donations) so that we can provide information about the Fund's activities to those who wish to receive it in accordance with the Data Protection Act. This has entailed the employment of a temporary member of staff (starting on 1st October 2006, the first day of the new financial year) to set up administrative systems, and a process to recruit a permanent part-time staff member to co-ordinate the Fund's activities more generally.

Reserves Policy

The trustees take the view that the financial resources held by the Fund need to be substantially increased in order to widen the range of work that the Fund is able to perform, given the high costs of litigation (the trustees believe that a fund of at least £100,000 is required before the Fund could become actively involved in a case which is likely to involve litigation including appeals up to the House of Lords). The Fund's policy is therefore to currently undertake only activities which entail only modest financial commitments (and in particular by supporting court cases whose success prospects mean that they have a reasonable chance of incurring no net expenditure) and which have a good chance of generating additional contributions to the Fund from people who support those activities.

Investment Policy

Funds are currently held in interest bearing bank accounts in the Fund's name.

Risk Review

The trustees have considered the risks to which the Fund is exposed, and has identified appropriate steps to mitigate those risks.

Statement of trustee's responsibilities

Company and charity 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 charity as at the end of the financial year, and of the surplus or deficit for that period. In preparing those financial statements, the trustees have:

- selected suitable accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepared the financial statements on a going concern basis.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985 and the Statement of Recommended Practice: Accounting and Reporting by Charities 2005. They are also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each trustee, who was a director of the company at the date that this report was approved, has taken all steps that they ought to have taken as directors in order to:

- make themselves aware of any relevant audit information (as defined by the Companies Act 1985); and
- ensure that the auditor is aware of all relevant audit information (as defined).

As far as each trustee is aware, there is no relevant audit information of which the company's auditor is unaware.

The maintenance and integrity of the charity's website is the responsibility of the trustees. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislations in other jurisdictions

Auditor

Chantrey Vellacott DFK LLP have indicated their willingness to continue as auditor, subject to their reappointment at the next annual general meeting.

Approved by the trustees and signed on their behalf by

R N Geffen
9 February 2007

INDEPENDENT AUDITORS' 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 2006 which comprise the statement of financial activities, the balance sheet, the cash flow statement, and the related notes. These financial statements have been prepared under the accounting policies set out therein

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company'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 (who are also the directors of The Cyclists' Defence Fund for the purposes of company law) responsibilities for preparing the report of the trustees (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the responsibilities of the trustees.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985.

We also report to you whether in our opinion the information given in the Report of the trustees (incorporating the directors' report) is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

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

Basis of audit opinion

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

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

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 30 September 2006 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the trustees (incorporating the Directors' Report) is consistent with the financial statements.

CHANTREY VELLACOTT DFK LLP
Chartered Accountants
Registered Auditor
LONDON
9 February 2007

THE CYCLISTS' DEFENCE FUND

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE PERIOD 1 OCTOBER 2005 TO 30 SEPTEMBER 2006

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £	Prior Year Total Funds £
INCOMING RESOURCES					
Donations, legacies and other voluntary income	2	27,534	3,561	31,095	6,771
Investment income and interest		1,156	-	1,156	1,184
TOTAL INCOMING RESOURCES		28,690	3,561	32,251	7,955
RESOURCES EXPENDED					
Charitable activities		-	-	-	-
Governance costs	3	652	5,561	6,213	3,621
TOTAL RESOURCES EXPENDED		652	5,561	6,213	3,621
NET INCOMING RESOURCES		28,038	(2,000)	26,038	4,334
RECONCILIATION OF FUNDS					
Total funds brought forward	4	52,169	2,000	54,169	49,835
TOTAL FUNDS CARRIED FORWARD		80,207	(0)	80,207	54,169

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 9 and 10 form part of these financial accounts.

THE CYCLISTS' DEFENCE FUND

BALANCE SHEET AS AT 30th SEPTEMBER 2006

	2006		2005
	£	£	£
CURRENT ASSETS			
Prepayments	11,958		4,293
Cash at bank and in hand	<u>70,610</u>		<u>51,876</u>
		82,568	56,169
CREDITORS , amounts falling due within one year:			
Sundry creditors		2,361	2,000
NET CURRENT ASSETS		<u>80,207</u>	<u>54,169</u>
Unrestricted funds		80,207	52,169
Restricted funds		-	2,000
TOTAL FUNDS		<u>80,207</u>	<u>54,169</u>

In the preparation of these financial statements, advantage has been taken of special exemptions applicable to small companies on the grounds that the Fund is a small company as defined in the Companies Act, 1985.

The Notes on pages 9 and 10 form part of these financial accounts.

Approved by the trustees and signed on their behalf by

R N Geffen
9 February 2007

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30th SEPTEMBER 2006

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), the Companies Act 1985 and the Statement of Recommended Practice 2005 issued by the Charity Commission.
- 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) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.
- d) 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.
- e) 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.
- f) The Fund has taken advantage of the exemptions available under FRS1 and has not prepared a cash flow statement.
- g) Advantage has been taken of the exemption under Financial Reporting Standard No. 8 not to disclose transactions with entities within the Cyclists' Touring Club group.

2. Donations

	2006	2006	2005	2005
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
General donations received	22,534	3,561	26,095	6,771
Legacies	5,000	-	5,000	-
Total	27,534	3,561	31,095	6,771

3. Governance costs

	2006	2006	2005	2005
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
Trustees expenses	113	-	113	240
Audit fees	-	5,561	5,561	2,350
Professional fees	388	-	388	921
Bank fees	123	-	123	110
Corporation tax	28	-	28	-
Total	652	5,561	6,213	3,621

4. Movements in funds

	At 1 October 2005	Incoming Resources	Outgoing Resources	Transfers	At 30 September 2006
	£	£	£	£	£
Unrestricted Funds	52,169	28,690	(652)	-	80,207
Restricted Funds	2,000	3,561	(5,561)	-	(0)
Total Funds	54,169	32,251	(6,213)	0	80,207

5. Analysis of assets in the funds

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Cash at Bank and in hand	70,610		70,610
Other net current assets	9,597	(0)	9,597
Total	80,207	(0)	80,207

6. Staff costs

No staff are employed by the Fund.

7. Taxation

The company is exempt from corporation tax on its activities.

8. Members of the company

The Cyclists' Touring Club is the sole member of the company.