

Company Number: 4787626
Registered Charity Number: 1108037

THE CYCLISTS' DEFENCE FUND

REPORT AND FINANCIAL STATEMENTS

30th SEPTEMBER 2007

THE CYCLISTS' DEFENCE FUND

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

Trustees

C Langdon (Chair)
G G Selway
R N Geffen
S Shivapadasundaram

Company Secretary

K E Mayne

Registered Office and Operational Address

Parklands, Railton Road, Guildford, GU2 9JX

Auditor

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, INCORPORATING THE DIRECTORS' REPORT

The Trustees, who are directors of the company, submit their report and the accounts for the year ended 30 September 2007.

Structure, Governance and Management

The Cyclists' Defence Fund is a company limited by guarantee, incorporated in England and Wales. 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. The company registration number is 4787626.

The company 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 company in 2003. Trustees are appointed for a period of three years after which Trustees are eligible for reappointment.

Risk Review

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

Objectives and Activities

The Fund 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.

Achievement and Performance

In 2005-6, the Fund had supported a cyclist whose controversial prosecution and subsequent conviction for 'inconsiderate cycling' had attracted a good deal of media attention. His appeal this year, also supported by the Fund, was successful. The Fund's other major activity for the year was to support the preparation of a Judicial Review claim of the Government's decision to lay a revision of the Highway Code before Parliament, even though it had failed adequately to resolve the objections of large numbers of cyclists. The Government backed down and agreed to make further revisions to the Code before it was eventually adopted.

Work is underway on commissioning a series of articles on aspects of the law relating to cycling, to be published as a book that will be sold in aid of the Cyclists' Defence Fund. When completed, it is intended to publish the book with a dedication to the memory of Gordon Selway, formerly a Trustee of the Fund who died suddenly in November 2007. Gordon was involved in the Fund since its inception and his extraordinary legal and administrative expertise will be sorely missed. The Fund is recruiting new Trustees to fill the gap he has left.

The Fund is grateful to the Warrington Cycling Campaign for its decision to donate 5% of the proceeds of its recently published book 'Crap Cycle Lanes' to the Fund.

The Fund employed an administrator on a temporary contract during the year. Sound administrative procedures are now in place for handling donations and Gift Aid declarations made via the Fund's website.

Financial Review

The Fund continues to receive a good flow of donations to support its work, but the trustees remain of 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, and have strategies in place to achieve this.

Reserves Policy

At this stage of the Fund'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 Fund's objectives.

Investment Policy

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

Future Strategy

From the start of the 2007-8 financial year, the Fund is employing a co-ordinator, working one day a week. Initial tasks will be: to formally establish a panel of reference to assess requests for support brought to the Fund; to liaise with the trustees and reference panel, supporting them in their roles of assessing cases for potential CDF support; to investigate funding opportunities to commission research on cycling and the law, particularly in relation to cyclists' safety and road traffic law; and ensure continued progress on the 'Cyclists and the Law' book.

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, www.cyclistsdefencefund.org.uk.

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 company 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 company 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 company's website is the responsibility of the Trustees. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation 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
12 March 2008

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 2007 which comprise the statement of financial activities, the balance sheet 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 opinion 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 company's affairs as at 30 September 2007 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- 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
12 March 2008

THE CYCLISTS' DEFENCE FUND

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2007

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds £	Prior Year Total Funds £
INCOMING RESOURCES					
Donations, legacies and other voluntary income	2	29,033	2,350	31,383	31,095
Investment income and interest		2,612	-	2,612	1,156
TOTAL INCOMING RESOURCES		31,645	2,350	33,995	32,251
RESOURCES EXPENDED					
Charitable activities		9,396	-	9,396	-
Governance costs	3	477	2,350	2,827	6,213
TOTAL RESOURCES EXPENDED		9,873	2,350	12,223	6,213
NET INCOMING RESOURCES		21,772	0	21,772	26,038
RECONCILIATION OF FUNDS					
Total funds brought forward	4	80,207	0	80,207	54,169
TOTAL FUNDS CARRIED FORWARD		101,979	0	101,979	80,207

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 2007

	2007		2006	
	£	£	£	£
CURRENT ASSETS				
Prepayments	5,152		11,958	
Amount owed by Group Company	1,981			
Cash at bank and in hand	<u>98,054</u>		<u>70,610</u>	
		105,187		82,568
CREDITORS , amounts falling due within one year:				
Sundry creditors		3,208		2,361
NET CURRENT ASSETS		<u>101,979</u>		<u>80,207</u>
Unrestricted funds		101,979		80,207
Restricted funds		0		0
TOTAL FUNDS		<u>101,979</u>		<u>80,207</u>

In the preparation of these financial statements, advantage has been taken of special exemptions applicable to small companies on the grounds that the company is small 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 authorised for issue on 12 March 2008 and signed on their behalf by:

R N Geffen

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th SEPTEMBER 2007

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention in accordance with 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 company 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

	2007		2006	
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
General donations received	26,955	2,350	29,305	26,095
Legacies	2,078	-	2,078	5,000
Total	29,033	2,350	31,383	31,095

3. Governance costs

	2007		2006	
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
Trustees expenses	230	-	230	113
Audit fees	-	2,350	2,350	5,561
Professional fees	-	-	-	388
Bank fees	142	-	142	123
Corporation tax	105	-	105	28
Total	477	2,350	2,827	6,213

4. Movements in funds

	At 1 October 2006	Incoming Resources	Outgoing Resources	At 30 September 2007
	£	£	£	£
Unrestricted Funds	80,207	31,645	(9,873)	101,979
Restricted Funds	-	2,350	(2,350)	-
Total Funds	80,207	33,995	(12,223)	101,979

5. Analysis of assets in the funds

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Cash at bank and in hand	98,054	-	98,054
Other net current assets	3,925	-	3,925
Total	101,979	-	101,979

6. Staff costs

No staff are employed by the company.

7. Taxation

The company is exempt from corporation tax on its activities.

8. Members of the company

Cyclists' Touring Club is the sole member of the company and has guaranteed to contribute £1 or any smaller amount required in the event of the company winding up.