

# ANNUAL REPORT

YEAR ENDING 30 SEPTEMBER 2011



# CYCLISTS' TOURING CLUB REPORT AND FINANCIAL STATEMENTS 30 SEPTEMBER 2011

## ● REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

### TRUSTEES

<b>R Bates</b>	
<b>P Brake</b>	
<b>J Brown</b>	
<b>C Brown</b>	<i>Appointed 1st January 2012</i>
<b>J Catt</b>	
<b>M Cockersole</b>	
<b>S Coe</b>	<i>Appointed 1st January 2011</i>
<b>D Cox Chairman</b>	
<b>R Crosskey</b>	<i>Appointed 1st January 2012</i>
<b>F Flood</b>	
<b>P Hayman</b>	
<b>N Hayes</b>	<i>Resigned 5th January 2011</i>
<b>D Howard</b>	<i>1st January 2012</i>
<b>T Jackson</b>	
<b>J James</b>	
<b>P Mathison</b>	<i>Resigned 31st December 2011</i>
<b>J Meudell</b>	<i>Resigned 17th May 2011</i>
<b>G Price</b>	<i>Resigned 21st January 2011</i>
<b>J Radford</b>	<i>Appointed 1st January 2012</i>
<b>D Robinson</b>	
<b>K Shuttleworth</b>	<i>Resigned 31st December 2011</i>
<b>G Smith</b>	
<b>A Spurr</b>	
<b>H Vecht</b>	<i>Resigned 31st December 2011</i>

### CHIEF EXECUTIVE AND COMPANY SECRETARY

K E Mayne

### REGISTERED OFFICE AND OPERATIONAL ADDRESS

Parklands, Railton Road, Guildford, Surrey, 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

## ● REPORT OF THE TRUSTEES

The Trustees, who are the directors of Cyclists' Touring Club (CTC) for the purposes of company law, submit their report and the accounts for the year to 30 September 2011.

### STRUCTURE GOVERNANCE AND MANAGEMENT

The Cyclists' Touring Club is a company limited by guarantee, incorporated in England and Wales on 19 October 1887. CTC was established under a Memorandum of Association which established the objects and powers of the Club and is governed by its Articles of

Association. The company registration number is 00025185.

At its 2010 AGM CTC members agreed that Cyclists' Touring Club should be registered as a charity and merge with CTC Charitable Trust to form a single, unified membership organisation with charitable status.

The AGM authorised the Board of Trustees to take the steps necessary to register CTC as a charity with the Charity Commission for England and Wales, the Office of the Scottish Charity Regulator, and the Charity Commission for Northern Ireland.

As such the Club was registered as a charity, number SC042541, by the Office of the Scottish Charity Regulator on 29 August 2011. Registration with the Charity Commission for England and Wales is in progress.

### THE COMPANY STRUCTURE OF CTC DURING THE YEAR UNDER REVIEW

This section of the report summarises the structure of CTC and its subsidiary companies and the related charities prior to the changes described above.

### COMPANIES

'CTC' and 'the UK's national cyclists' organisation' are the trading brand and identity used by Cyclists' Touring Club, the UK's oldest and largest national cycling membership organisation. Cyclists' Touring Club members are CTC individual members.

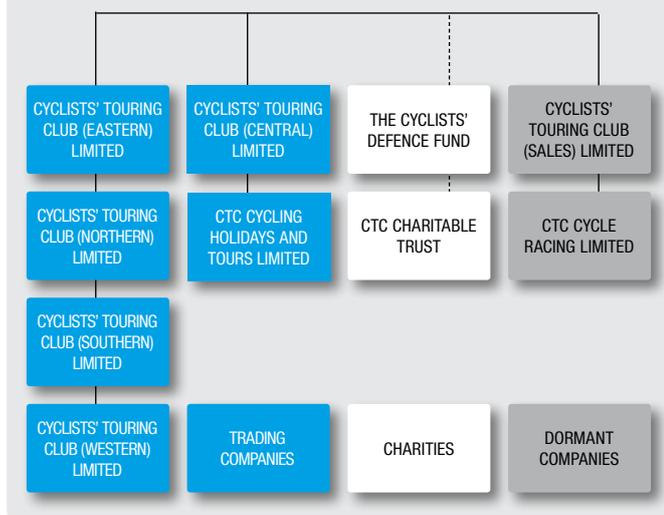
CTC has also set up a number of subsidiaries. The two main subsidiaries are Cyclists' Touring Club (Central) Limited, which runs CTC's events such as the Challenge Rides, and CTC Cycling Holidays and Tours Limited, set up to run CTC Tours as a bonded tour operator. There are two further subsidiary companies, Cyclists' Touring Club (Sales) Limited and CTC Cycle Racing Limited, neither of which traded in the year under review. All of these companies are limited liability companies with the whole share capital owned by CTC.

There are four further subsidiary companies, again limited liability companies with the whole share capital owned by CTC. These four companies are holding companies for the CTC Member Groups and Regions. Because the Member Groups operate very differently from the other companies in the CTC group, the accounts of the Member Group companies are not consolidated in the group accounts. Consolidated assets and liabilities and revenue account for the Member Group companies are disclosed on page 12 of these financial statements.

### CHARITIES

Under company law, the fact that CTC is the sole member of the two charities that it founded implies 'control' in that CTC could appoint different trustees, although once appointed charity trustees are obliged to act only in the best interests of the charity itself. This 'control' requires the accounts of the two charities to be consolidated into the accounts of CTC along with its other subsidiaries. However, both charities have their own boards of trustees and prepare separate accounts that meet the requirement of the Charities Commission and any direct funders of their activities. CTC and CTC Charitable Trust now have a parent charity and subsidiary relationship. Once CTC is registered with the Charity Commission for England and Wales, the trustees intend to merge CTC and CTC Charitable Trust into a single charitable company, while the Cyclists' Defence Fund will remain a separate structure.

**The overall structure of the CTC Group is shown below**



**RELATIONSHIPS WITH OTHER CHARITIES AND ORGANISATIONS**

Within the structure outlined above, CTC Charitable Trust is contracted by Cyclists' Touring Club to provide our national office and services. Cyclists' Touring Club is contracted to provide business services such as the Chief Executive, financial and operating services to the Trust. These are all charged between the two entities. CTC also makes an annual payment to the Trust to carry out activities that have not attracted other funding. This arrangement is planned to end when registration of CTC as a charity is complete and the two charities merge.

CTC supports the Cyclists' Defence Fund (CDF) by the supply of administration services at cost, which enables the CDF to operate on a low cost basis. CTC also supports the CDF with staff time and publicity because the CDF is an effective way of achieving some of our goals for the protection of cyclist's rights.

The CTC group received grant funding via the CTC Charitable Trust.

**The major funders include:**

- **BIG Lottery**
- **Department for Transport**
- **ASDA Foundation**
- **Forestry Commission**
- **Welsh Assembly Government**
- **European Union**

To deliver Bike Club, our young people's programme, CTC Charitable Trust works in partnership with two leading youth work charities, ContinYou and UK Youth, and with their Wales and Scotland partners.

Many of our community programmes are supported by a development officer based locally. These officers are hosted by local partners, which include local authorities, commercial organisations, charities and development trusts.

**RECRUITING AND APPOINTING TRUSTEES**

The Board comprises up to 20 elected trustees, as well as four co-opted trustees who may not vote at meetings. For the purposes of continuity and cohesion with our governing documents, for the remainder of the narrative in the Trustee's Report our trustees will be referred to as Councillors and the Board will be referred to as Council. For the avoidance of doubt, in all sections with statutory provided wording they will remain referred to as Trustees.

Elected councillors are appointed for a three-year period and are elected on a regional basis. The number of seats per region is determined by the proportion of CTC members resident in the region at the start of the year of election, maximum three, minimum one.

Co-opted councillors are selected by the Awards and Recruitment Committee and appointed by a vote of the full Council. The vacancies are advertised and the Committee makes recommendations based on identified gaps in skills or demographic mix amongst the other councillors.

**OPERATIONAL STRUCTURE AND DECISION MAKING**

The full Council meets at least quarterly

The Council has a number of committees, sub-groups and task groups, which enable councillors to have more detailed engagement and oversight of the principle activities of the organisation. Each of these is chaired by a Council Member but may involve a mix of staff, volunteers or advisors.

The Management Committee has oversight of accounting and finance practices, compliance and investment policy, and the Way Forward Committee has oversight of strategy and externally focussed policies.

Other groups that have been involved this year include Investment Sub-Committee, Magazine Editorial Committee, Agenda Committee, Awards and Recruitment Committee, Right to Ride Steering Group, Member Groups Task Group and National Events Steering Committee. The Council would like to thank our volunteers who have input so much expertise and time into this invaluable work.

The senior management team is headed by the Chief Executive, who also acts as Company Secretary to all CTC companies. The staff team is broadly split into departments covering Operations, Campaigns and Policy, Cycling Development and Membership.

The Committees of CTC Scotland and CTC Cymru work with staff, volunteers and member groups to steer national activity at these levels and to promote additional activities such as cycling festivals at a country level.

As part of its continued process of improvement, the Council has set itself a set of governance objectives which aim to ensure an effective council and fit-for-purpose charity. It measures its progress against objectives drawn from good governance practice, including understanding its role, ensuring delivery of organisational purpose, working effectively as a team, exercising effective control, behaving with integrity and being open and accountable.

**STATEMENT REGARDING RISK MANAGEMENT**

Councillors acknowledge their responsibility to assess and manage the risks that the organisation faces and to review them regularly.

CTC operates a comprehensive annual planning and budgeting process, which is approved by the Council. There is a system of financial reporting to the Council that compares actual results against budget to enable corrective action to be taken as and when appropriate. The organisation has also developed non-financial key performance indicators to provide a more extensive assessment of its effectiveness in meeting its aims.

As a result of these processes, the Council is able to focus specific attention on identified risks at appropriate times. For example, the Council has invested funds in the last three years to ensure the resilience of its information technology systems.

In the last year the Council spent time working with the Trustees of CTC Charitable Trust to assess the overall impact of the economic situation on CTC as a group of companies, in particular the ending of a number of large funding streams that have been delivered by the Trust. An action plan for responding to the changes was agreed to ensure that the risks were mitigated. It will be delivered in the financial year commencing October 2011.

## ● OBJECTIVES AND ACTIVITIES

### SUMMARY OF OBJECTS

The objects for which CTC is established are:

To promote cycling, cycle touring, and fellowship between cyclists for the public benefit as a means of furthering the following charitable purposes:

- **The promotion of cycling, including cycle touring, as an amateur sport**
- **The promotion of the conservation and protection of the environment**
- **The preservation and protection of the health and safety of the public**
- **The promotion of community participation in healthy recreation in the interests of social welfare**
- **The advancement of amateur sports**
- **The advancement of education**

### EXPLANATION OF THE CHARITY'S AIMS

The Council has adopted a Strategic Vision for the period 2007-2012 which guides achievement of these objects.

It says:

#### OUR VISION

A future in which CTC is an innovative, thriving organisation of cyclists and supporters working to promote cycling for all people; cycling that is accessible and safe; cycling that is enjoyable and functional; cycling that enriches lives and communities.

CTC improves lives by promoting cycling for fair, inclusive and sustainable access to health, mobility, transport and leisure.

#### OUR VALUES

We conduct ourselves ethically and with integrity; our relationships and activities are based on trust and respect, cooperation and companionship. We work together in a way that is supportive, constructive, participative and democratic. We strive for continuing growth, learning and development of individuals, groups and communities.

### SIGNIFICANT ACTIVITIES

In its 2007 strategic plan, the Council identified six areas of activity that would form the basis of its work. These continue as the main areas in which we operate.

- 1 Working with groups and communities who would benefit from low-cost transport, better health, exercise, and social interaction through increased levels of cycling.**
- 2 CTC training and education, a nationally recognised authority on training and education in the cycling sector.**
- 3 CTC campaigning will improve access to cycling for all and raise public and political awareness of the needs of current and future cyclists.**
- 4 CTC will supply services to public, private and voluntary/community sector organisations.**
- 5 Working for and supporting all individual cyclists' interests through membership and other means.**
- 6 Cyclists' Touring Club supporting the benefits of touring, travelling, holiday and leisure cycling.**

### STRATEGIES

The Council uses a wide range of strategies to deliver its objectives.

Members and supporters are our most important resource, ensuring

that CTC has a presence in every corner of the country, and providing a substantial part of our income. The activities of our volunteers within member groups, development projects and our campaigns are valued not only by fellow cyclists but by the communities within which they work.

CTC encourages and supports individuals to take up cycling and do more cycling by providing training, information, clubs and groups, community development programmes and events led by volunteers and staff.

CTC supports cyclists who experience difficulties such as incidents, injury, road defects, theft and access problems through our campaigns department, our special tools such as Fill That Hole, and by engaging specialist providers such as our legal advisors and insurers.

Grant and contract funding to further these aims has to date been applied for by CTC Charitable Trust and the work is carried out within the Trust.

The Trust seeks support for our development and promotional activities from a range of grant providers and also supplies services on a contractual basis that will encourage cycling, for example training cycle leaders and instructors.

### PUBLIC BENEFIT

The Council continuously reviews the activities of CTC against its charitable objectives and its Strategic Vision. The Council is satisfied that all activities are related to these objectives. No specific issues to the detriment of these objectives have been identified.

The councillors have referred to the guidance provided by the Office of the Scottish Charity Regulator on meeting the Charity Test. This guidance explains how a charity should demonstrate a link between its charitable aims and the benefits it provides to the public. The councillors have given consideration to this guidance in preparing the review of activities and future plans. As CTC is seeking registration with the Charity Commission for England and Wales, the councillors have also considered the general guidance on public benefit published by the Charity Commission when setting the charity's aims and objectives and planning its activities.

The Council can demonstrate that promoting cycling for individuals, groups and communities contributes to: the conservation and protection of the environment; the health and safety of the public; community participation in healthy recreation and amateur sports; and social welfare. It provides a programme of education to support all of these activities.

There are no barriers to the public benefitting from the work of CTC, as most cyclists in the UK are not CTC members but benefit from the improvements in road safety and other benefits arising from CTC's promotional, campaigning and advocacy work for the public.

Membership of CTC is open to everyone who supports our aims and we have a substantial range of discounted membership offers to allow those of limited means to join. We have achieved the Preliminary Standard for Equality in Sport for our work to open up cycling to those who would not normally be able to access it. Delivery of most services is free at the point of delivery to the public. We run an extensive programme of activities aimed at the public, including the largest outdoor cycling gathering of its kind in York each summer. Membership subscriptions are an effective form of fund-raising, providing resources for the delivery of these public benefits.

We can demonstrate that membership is an effective means of achieving our charitable objects. Our group membership activities and events are particularly valuable in overcoming many potential cyclists' barriers to healthy, low-cost recreation or transport. Members provide the majority of our voluntary resource, one of the largest groups of people supporting cycling for the public in the UK. Collectively they provide an extensive programme of cycle rides; they provide the information that we disseminate through our helplines; they deliver our

local advocacy; and they provide the weight of numbers that enables us to promote cycling to parliamentarians and other public bodies.

Our research shows that members' reasons for supporting CTC's work reflect the public benefit in our objects. Recent research has confirmed that they support CTC because we: protect cyclists through campaigning and by supporting cyclists who may have been involved in incidents on the road; inspire and support them and other cyclists to do more cycling; promote cycling to the public, public bodies, the media and other bodies that need to be encouraged to promote cycling and the benefits of cycling.

The Council has reviewed its activities following feedback from the Charity Commission for England and Wales and has taken steps to ensure that any activities that may not be charitable in nature are transferred to trading subsidiaries.

### INVESTMENT POLICY

The Investment Policy sets specific objectives for holdings in cash, bonds and equities. CTC applies an ethical policy to its investments. Specifically, CTC's investment policy will include companies which demonstrate a positive commitment to indicators identified by the committee and excludes companies in some sectors. CTC investments are to be made within a Medium Risk Profile and with the aim of generating capital growth and income for charitable activities.

## ● ACHIEVEMENT AND PERFORMANCE

The Council set a range of aims for the year.

### GROWING THE REACH OF CTC THROUGH MEMBERSHIP, BENEFICIARIES, CUSTOMERS AND SUPPORTERS

CTC reaches people through development projects, extending the public benefit of cycling widely. CTC provided the volunteers, knowledge and services that enabled CTC Charitable Trust to reach over 100,000 additional people in the year. This is our biggest ever programme. These included:

- 12 Workplace Challenges engaged over 900 organisations and over 21,000 participants.
- 279 Bike Clubs have started and are projected to engage 26,200 young people in the first year of their activities.
- Our Cycle Champions Community Development programme reached the milestone of 50,000 direct and 100,000 indirect beneficiaries at the end of the year, including 11,000 direct participants this year.
- Nearly 2,000 people came to our Cycle Xtra forest cycling activities and a further 2,000 took out special MTB membership at our forest-based clubs.
- 9,000 people took part in our national events.

We had 5,000 training participants and we trained 1,000 new instructors, leaders, mechanics and trail builders, who will go out to benefit thousands more people through their work.

Despite the challenging economic circumstances, the number of people supporting CTC through membership continues to grow.

	End Sept 2011	End Sept 2010	Change
<b>Total, Individual Memberships</b>	67,736	66,068	1,668
<b>Total, Affiliations</b>	613	443	170
<b>Total membership</b>	<b>68,349</b>	<b>66,511</b>	<b>1,838</b>

In addition to our membership, we cannot yet quantify how many

people will benefit from our expertise in mountain biking infrastructure, where we have supported:

- 1SW development of mountain bike trail hubs and interactive mapping of trails in the South West.
- Development of Tourism Wales' mountain bike product.
- Development of 'Developing Mountain Biking in Scotland'.
- Surrey Hill Mountain Bike Steering Group.
- Avon Tyrrell Mountain Bike Trail.
- Olympic Legacy Trails for the Olympic Velo Park.

### DEVELOPMENT AND SUPPORT FOR OUR VOLUNTEERS AND SUPPORTERS

CTC is the cycling organisation that focuses on the human capital that makes cycling possible. To this end the Council set a number of targets for the year.

#### ● To progress our equalities plan

We have been particularly encouraged that we are reaching a much more diverse group of cyclists every year, reflected both in our development projects and our membership. This year's winners of CTC's Voluntary Achievement Awards were good examples.

#### ● Kevin Hickman – CTC Volunteer of the Year

Kevin Hickman took on the leadership of CTC's group for cyclists with disabilities, CTC Inclusive Cycling Forum, in 2009, when it was a simple email group. After its first meetings in 2010, the committee and open meetings have moved round the country, and there has also been a full social programme of weekend rides, from Lee Valley to Ellesmere in Cheshire.

Kevin established the Forum website <http://inclusivecyclingforum.org.uk> which is a mixture of news, blog, information resource and discussion. In June 2010, Kevin was nominated as Cycling England's Personality of the Month, and the Forum was asked to help with staffing at a Disability Cycling stand at the Earls Court Cycle Show in October.

Kevin leads the Forum at a time when there is growing recognition of the value of cycling for people with disabilities, and increasing willingness to support it. His energy and focus have proved invaluable in holding it together.

#### ● Kamila Szewczyk – Winner of the Young Volunteer of the Year

At just 12 years old, Kamila is already a great cycling ambassador. A Polish girl, she uses her own experiences in volunteering on the women's rides to encourage teenage girls to get into cycling. Kamila helps PE teachers with cycle rides in lunchtime sessions and the school's after school bike club. She recruits pupils into cycling when they start in Year 7, attends assemblies in school and talks about the cycle club. She also goes to parents' evenings and helps to maintain the school's 15 bikes, which they have on site.

Kamila gives up her lunchtimes and evenings every week to encourage the girls into cycling not only in school but at the weekends as well. A year ago Kamila was a shy 11 year old who hadn't done much cycling, but she decided to get involved with the after school club, and then decided that she also wanted to cycle at the weekend so joined the women's cycle rides every other Saturday. She soon got to realise the ladies didn't go very fast, so she was given the task of leading the rides to gain more experience. She soon got the hang of it.

#### ● Stowheath Cycle Group

Stowheath Cycle Group is made up of adults with learning disabilities at Stow Heath Day Centre in Wolverhampton. The group has around 10 members and is supported by two champions, who are staff at the day centre.

The group was initially set up to teach the members cycle repair >

skills, but has grown to be a self-sufficient local re-cycle bike scheme.

The local community has donated bikes and they also seek advice and repairs from the club for their bike problems. The club also rides trikes, a hand-cycle and the fixed re-cycled bikes around the grounds of the centre.

The club has also encouraged other day centre users to take advantage of the bikes and get outdoors. Members range in age from people in their 30s to 60s and they are from a variety of backgrounds. Their biggest achievement of 2010 was the support given to one member to enter a 13-mile cycle marathon in the city. It gave him the opportunity to ride in a mainstream event, plus an enormous sense of achievement.

**TO IMPROVE SUPPORT AND SERVICES AVAILABLE TO OUR VOLUNTEERS AND OTHER NETWORKS**

There have been encouraging steps forward in our volunteer support initiatives. We consulted extensively during the year on measures to make it easier and more accommodating to provide cycling through CTC's Member Groups. The recommendations were overwhelmingly supported during consultation, and the thanks of the Council go to the volunteers who gave up valuable cycling time to work on the task group that produced the proposals. The Council is significantly increasing the funding it gives to groups to help them reach out to a wider public.

Work has been going on to provide a better platform for local campaigning representatives, who are often the only voice speaking for the benefits of cycling in their community. Implementation has been hampered by delays in new online tools but at the end of the year regional roadshows started to highlight ways of working better with local authorities. Campaigner briefings are providing invaluable resources and a new concordat has been signed with Cyclenation, the national federation of local campaigning groups, to better share resources.

**TO USE EDUCATION TO SUPPORT INDIVIDUALS IN THEIR VOLUNTARY OR PROFESSIONAL ROLES WHERE THEY DELIVER PUBLIC BENEFIT THROUGH CYCLING**

Our education teams have rolled out and scaled up delivery of new products, including the continued development of CTC's Mountain Bike Skills Instructor Programme, which enables the development of a network of CTC Mountain Bike Skills Instructors across the UK.

CTC are also taking the lead and developing a course aimed at volunteer mountain bike trail maintenance. This will train volunteers to look after their own trails, along with developing and sharing best practice in the sector. After two very successful pilots we look forward to launching the course in 2012. Utilising CTC's partnership with the Forestry Commission and working with a range of private landowners, this course meets both a need in the sector and enables volunteers to look after their own trails. This is 'big society' in action, led by CTC's training and education department.

Our education teams have rolled out and scaled up delivery of new products including:

- [CTC Trainer Award to start to enable widespread partnership delivery of maintenance, young leader and ride supporter courses.](#)
- [New mechanisms for delivering the Introduction to Supporting Rides and Ride Manager courses.](#)
- [New Skill Instructor Urban course, which meets urban bike park / BMX track needs.](#)
- [First Aid courses for a range of customers is now integrated and delivered in house.](#)

**MAINTAIN THE QUALITY OF OUR CAMPAIGNING AND POLICY ADVOCACY**

Cyclists tell us that CTC is the organisation they trust to speak for all cyclists on public policy. CTC provides funds to CTC Charitable Trust to deliver these campaigning activities on behalf of all current and potential cyclists.

There was limited opportunity in the year to make a positive contribution to the promotion of cycling, as much of our campaigning this year was defensive in nature, protecting the benefits that cycling brings. However, some long term campaigns have made progress.

In Northern Ireland, a back-bench Assembly Member proposed a compulsory helmet law for cyclists. Fortunately, the major parties were swayed not just by our counter-arguments about the threat to cycling's health and other benefits, but also the potential impact on Northern Ireland's cycle tourism and retail sectors. We'd like to offer big 'thank-you' to our volunteers and partners, whose efforts helped secure this important win.

At Westminster, Andrea Leadsom MP hit the headlines with a call for increased sentences for cyclists who kill. Whilst CTC is happy to support sensible proposals, her proposed legislative change might have affected one cyclist in a decade. Given that pedestrian and cyclist fatalities lead to injustices several times a week, CTC argued that there were far more serious failings of traffic law and enforcement.

CTC strongly criticised Government plans to permit longer lorries onto UK roads, ostensibly for a 'trial'. Our members, writing to their MPs in support of CTC's 'No longer lorries' campaign, clearly made their mark – the Government has decided to scale back the trial.

Further defensive work for mountain bikers and leisure riders related to the Government's threat to sell off England's forest estate. After the Government's hasty U-turn, CTC's off-road advisor Colin Palmer joined a number of access groups to influence the workings of the Government-appointed Forest Advisory Panel.

Probably the worst development in cycling policy was the abolition of Cycling England (CE) in the Government's 'bonfire of the quangos'. CTC supported CE's work because it operated incredibly efficiently, with minimal running costs, and its programmes overall were having a demonstrable impact on boosting cycle use, reducing car use and improving public health.

We lobbied hard for the protection of some of CE's work. CTC made sure our guide 'Cycling: a local transport solution' was widely disseminated to make the case for good cycle-friendly spending programmes. We are also pleased that efforts to protect the national cycle training scheme, Bikeability, were rewarded when the funding was ring-fenced for four years.

Funding for cycling was also the focus of a CTC campaign prior to the Scottish Parliament elections in May 2011. We sought to offset a marked decline in funding for cycling, despite significantly increased spending on road building.

There were some positive steps forward, which reflect CTC's long-term campaigning priorities.

The Department for Transport issued a road safety strategy in May. The good news is that the strategy now recognises that the benefits of more and safer cycling can and should go hand in hand, with cycling getting safer the more cyclists there are. This is reflected by the inclusion of 'rate-based' indicators to measure improvements in cycle safety, i.e. the risk of a cycle casualty per billion kilometres travelled. This was a key demand of CTC's 2010 'Safety in Numbers' campaign, as the aim of a blanket reduction in cyclist casualty numbers was creating a perverse incentive to discourage cycling.

Soon afterwards, the Government announced plans to make it easier for councils to introduce 20mph schemes, and changes to various traffic signing regulations, including permission to use the previously outlawed 'no entry – except cycling' sign. These are all things that CTC has long campaigned for.

There was also good news for CTC's 'Fill That Hole' awards, presented in conjunction with Aggregate Industries. The aim was to encourage local authorities to respond proactively to cyclists' reports of potholes via CTC's fillthathole.org.uk website. Congratulations to the overall winner – Cheshire West & Chester – and to the several other authorities who demonstrated a real commitment to maintaining good road surfaces in financially difficult times.

Meanwhile in Wales, local CTC campaigner Roy Spilsbury continued his multi-year battle to secure cycle access to the wide promenade in Llandudno. At last the local council has announced that it will no longer seek to enforce its archaic bylaw. With the Welsh Government committed to a continuous coastal walking and cycling route, we really hope Conwy will accept either that its ambiguously worded bylaw should be lifted, or that cycling was never banned in the first place.

### MAINTAIN THE UK-WIDE REACH OF CTC

To ensure that the objectives of CTC and the benefits of its work are widely available, the Council has had a long-term commitment to having both staff and volunteers across the UK. Having regional staff in development roles means that we can enable groups to introduce the benefits of cycling to their communities.

This was highly successful this year because the CTC Charitable Trust had its first full year delivering Bike Club activities for young people in every part of the UK, generously supported by the ASDA Foundation in Scotland, Wales and Northern Ireland.

CTC also supports the work of CTC members in the devolved countries and regions. This is done through a combination of national office staff and grants to enable national committees to support their networks and lobby on behalf of cycling at the country level.

CTC Scotland has been particularly busy, managing to ensure that the cyclists' voice is represented on most transport, tourism and cycling forums.

### MAINTAIN THE QUALITY OF OUR WORK

The Council seeks to maintain compliance with agreed standards and expectations of stakeholders, regulators and supporters.

The long term downward trend in complaints of all kinds is particularly rewarding, reflecting the work the Council, staff and providers have done in this area.

The Council is pleased to report that it sees no current issues meeting the standards expected by any regulators, funders or members in the work of CTC. A substantial change in accounting practices and tools has been commissioned to coincide with the whole of CTC becoming a charity, and the implementation is underway.

Excellent feedback on the performance of the development projects of the CTC Charitable Trust was provided by the independent monitoring reports commissioned as part of these projects.

### TO COMPLETE STRATEGIC TASKS TO ENABLE THE FUTURE PROGRESS OF THE ORGANISATION

#### • Review the Strategic plan

The Council decided to make a limited modification to its strategic plan for the period 2007-12 because of the considerable uncertainty in the wider environment in early 2011, in particular the unknown statutory funding situation. A full review is planned for 2012 but some preparatory actions were commissioned, such as new market research about the perceptions of CTC amongst cyclists, including members and non-members.

#### • Completing the changes to governance that the Board has been working on since 2009

Complete the conversion of CTC to a charity proposed to the 2010 CTC AGM. The 2011 AGM was presented with a revised Memorandum and Articles of Association for CTC, which were passed with 88% in

favour. The implementation of the proposals is now underway. Charity registration was achieved in Scotland during the year but not yet in England and Wales.

Other changes include further work on the roles and responsibilities of councillors, schemes of delegation, and the work of Council's Committees.

#### • Replace the CTC website

This has been the most disappointing of our tasks for the year. Ongoing problems with our supplier saw considerable delays in the project and we ended our relationship with them in November 2011. CTC is now completing the work using other contractors and expects to have a new site available in 2012.

## • FINANCIAL REVIEW

### COMMENT ON RESULTS FOR YEAR

The opening budget for the year was a combined deficit for Club and Trust of £90,132.

This included a number of one-off items, which were to be funded from reserves. The objective for the day-to-day trading of the Club and Trust was to break even. A £50,000 contingency was included in the budget according to normal CTC practice.

At the mid-year review, a significant tax rebate allowed the reforecast to come to break even overall. At the trading level, staff reported at the mid-year point that adverse variances would require the contingency to be used but that the overall target to break even would be achieved. We are pleased to report that the position projected at the mid-year point is largely reflected in the overall year-end result.

However, there were significant increases in the exceptional items in the accounts, which affect the net results – in particular, the one-off activities associated with charitable conversion. The Council has set a tighter budget for one-off items for next year; this may be quite challenging.

There are within the year-end position continuing concerns about the cost position of the Club. Once again, member services such as the magazine have been more expensive than planned, although action is being taken.

Again, it has been the project-based activity that has produced substantial positive variances, even against high expectations. These have offset the additional costs incurred by the Club.

We are reporting that at the year end we have made an overall net incoming resources of £64,000, which we regard as a successful performance in a challenging year. However, it should be noted that £44,000 of this is included within restricted funds.

### RESERVES POLICY, INVESTMENT POLICY AND FINANCIAL RISK REVIEW

Financial and Investment Policies for CTC are agreed by the Council. Responsibility for reviewing and managing the policies is devolved to the Investment Committee. The Investment Committee reviews all aspects of the policies twice a year as part of CTC's overall budget setting process. The policies set are determined by and applied to the CTC group of companies as a whole.

CTC requires 'free reserves' (i.e. those assets within the general fund excluding tangible fixed assets) to:

- Ensure cash reserves are available to provide working capital, estimated at around £250,000
- Cover short term fluctuations in income (such as when grant income is payable in arrears)
- Provide continuity of income, for example, to cover the effect of the

loss of grant income

- Cover capital expenditure; and provide funds available to develop the Strategic Plan.

It is estimated that reserves of the order of £500,000 are needed to cover the above.

At the year end the 'free reserves' showed a deficit of £129,311, in part due to the fact that the building equates to a large proportion of the unrestricted reserves total. The life membership fund, along with the legal advice fund, also need to be removed from the calculation of 'free reserves' due to their designated status.

**PRINCIPAL FUNDING SOURCES INCLUDING ANY BORROWINGS**

The principle funding sources of CTC are as follows:

- Individual cyclists support CTC through their membership, donations, and legacies, and by using services recommended by CTC that pay CTC a commission.
- Grant funders are approached by CTC Charitable Trust where their funding can enhance our mission, in particular where the funders have a shared interest in reaching out through cycling to communities that are at risk of ill health or lack of access to services which can be improved by cycling.
- We also supply charitable services to some public sector bodies, who contract us to deliver activities which enable them to reach more cyclists. These are mainly training and education related.

**● FUTURE STRATEGY, FUTURE PLANS AND OBJECTIVES**

In 2012 CTC will review its Strategic Plan for the period to 2020 which will complement and extend the current plan. This will reinforce the public benefit delivered by CTC, setting out the direction of the organisation and the values that underpin it.

This process will coincide with the appointment of a new Chief Executive because Kevin Mayne, who has held the post for 14 years, is moving in to a new position with our European umbrella federation.

Council wishes to express its appreciation to Kevin Mayne, who has led the CTC through an amazing 14 years of expansion and development. Kevin's remarkable vision, energy and commitment has transformed the organisation and ensured its relevance to the changing needs of cyclists and cycling in the UK. CTC has record membership, many active volunteers, owns its modern national office building, is financially stable, and has a talented staff team in Guildford and across the regions and devolved countries.

Kevin has helped CTC to become inclusive of all cyclists while bringing new people into cycling through our development work. Our campaigners are active and respected at national, regional and local level, and we are by far the most active champions of cyclists' interests with politicians and policy makers. As numbers of cyclists have grown in the UK, Kevin has enabled CTC to become a major participant in the previous Cycling England projects and the contemporary Local Sustainable Transport Funded programmes.

Kevin's new post with the ECF will use his achievements with CTC to assist in the development of similar cycling organisations across Europe.

The new Chief Executive will ensure that the plans are complemented by three-year rolling business plans, project plans, and the detailed year-on-year objectives set for the Council and staff.

In the immediate year in front of us the Council has agreed a number of strategic work areas that will take priority.

**CONTINUING TO GROW THE REACH OF CTC THROUGH MEMBERSHIP, BENEFICIARIES AND SUPPORTERS**

Measures of success will be continued membership growth and continued progress with new initiatives that widen the range of beneficiaries reached by the charity.

**MAINTAINING THE UK-WIDE REACH OF CTC**

This will be a particularly challenging year if CTC is to maintain its objective of having a mix of staff, volunteers and supporters throughout the UK. Declining public sector funding will be difficult to reach, especially where we are reaching out to those communities that are hardest to reach through cycling.

Measures of success will be: maintaining a CTC field staff presence as widely as possible; improving the local, regional and devolved country support available to CTC's volunteers and supporters; and where funding streams end, a sustainable exit strategy for each programme that keeps the projects, programmes and newly created cyclists active in their communities.

**MAINTAINING THE CTC PRESENCE AS THE VOICE CYCLISTS TRUST TO SUPPORT THEM IN CAMPAIGNING AND PROMOTION OF CYCLING TO POLICY MAKERS**

Measures of success will be our ability to demonstrate that our campaigning creates better places to cycle by positively influencing public bodies to make good decisions about cycling.

Where public bodies are responsible for conditions that are not encouraging for cyclists, such as roads with potholes or poorly designed facilities, we will continue to support local cyclists in their work to support their communities.

**DEVELOPMENT AND SUPPORT OF THE PEOPLE WHO DELIVER OUR PUBLIC BENEFIT GOALS**

During this year we expect to reduce staff numbers as funding streams end. Stability during this change will be our first priority.

This is always a challenging time for the organisation and the individuals involved. CTC is confident that our managers and our employee representatives will handle this in as professional and constructive a manner as possible, given the circumstances. Minimising the impact on our members and beneficiaries during this challenging time will be just as important.

We will continue to develop the support for our volunteers and other networks such as cycling instructors, mountain bike leaders and workplace cycle champions.

**TO MAINTAIN AND IMPROVE THE QUALITY OF OUR WORK**

This has three main aspects:

- Ensuring a fit-for-purpose Council.
- Maintaining the consistent progress we have shown in customer satisfaction and continuing to challenge ourselves in the light of feedback such as complaints and surveys.
- Ensuring that we comply with all external regulatory standards or the outcomes expected by our funders when we take on external contracts.

Measures of success will be:

- Completing a number of improvements in the way the Council operates.
- Transforming all our reporting to meet the requirements of being a charity.
- Maintaining excellent progress with driving down complaints.

**ACHIEVE OUR PLANNED FINANCIAL OUTCOMES**

Measures of success will be:

- Achieving our budgets and forecasts in a time of diminishing

incomes.

- Showing tight control over cash flow as the contractual basis of our funding changes.
- Ensuring that we balance funding across our work areas so that we maintain the public benefit expected by our supporters.

## ● STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the 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 Charity and of the incoming resources and application of resources, including the income and expenditure of the Charity 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 Charity 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 Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the Charity's constitution. They are also responsible for safeguarding the assets of the Charity 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 charity's auditors are 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 charity's auditors are 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 the corporate and financial information included on the charity'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

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

Approved by the Council and signed on their behalf by  
Chairman  
21 January 2012

## ● INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF CYCLISTS' TOURING CLUB

We have audited the financial statements of Cyclists' Touring Club for the year ended 30 September 2011, which comprise the consolidated statement of financial activities, the consolidated summary income and expenditure account, the consolidated and parent charity balance sheets, 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 and to the charity's trustees as a body, in accordance with Section 43 of the Charities Act 1993, Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 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, the charity's members as a body and the charity's trustees 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.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and under Section 43 of the Charities Act 1993 and report in accordance with regulations made under those Acts.

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 group's and the parent 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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 September 2011 and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent

- 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 Companies Act 2006, the Charities Act 1993 and the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

**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, the Charities Act 1993 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

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

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 200

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2011**

	Note	2011 Unrestricted funds £	2011 Restricted funds £	Total funds £	2011 Total funds £ (Restated)
<b>INCOMING RESOURCES</b>					
<b>INCOMING RESOURCES FROM GENERATED FUNDS</b>					
Grants		-	93,352	93,352	2,170,079
Donations, legacies and other voluntary income	2	68,058	2,000	70,058	151,772
Investment income and interest		35,916	-	35,916	35,754
<b>TOTAL</b>		<b>103,974</b>	<b>95,352</b>	<b>199,326</b>	<b>2,357,605</b>
<b>INCOMING RESOURCES FROM CHARITABLE ACTIVITIES</b>					
Membership		1,764,935	-	1,764,935	1,631,643
Grants		-	3,588,302	3,588,302	740,767
Sales and services provided		860,250	74,848	935,098	883,311
Services provided to group companies		-	-	-	-
Cycling holidays administered		1,059,011	-	1,059,011	1,033,944
Other incoming resources		154,653	-	154,653	66,413
<b>TOTAL</b>		<b>3,838,849</b>	<b>3,663,150</b>	<b>7,501,999</b>	<b>4,356,078</b>
<b>TOTAL INCOMING RESOURCES</b>		<b>3,942,823</b>	<b>3,758,502</b>	<b>7,701,325</b>	<b>6,713,683</b>
<b>RESOURCES EXPENDED</b>					
costs of generating donations		49,186	-	49,186	50,778
<b>CHARITABLE ACTIVITIES</b>					
Membership services	4	1,158,340	-	1,158,340	1,037,696
Health and wellbeing projects		97,711	1,665,367	1,763,078	1,544,510
Youth projects		68,274	1,597,948	1,666,222	1,458,614
Education & services for organisations		110,403	369,652	480,055	419,645
Cycle training		380,414	79,536	459,950	375,592
Campaigning		281,678	-	281,678	241,529
Cycling development		571,430	-	571,430	501,872
Cycling holidays		992,042	-	992,042	1,002,998
<b>TOTAL, CHARITABLE ACTIVITIES</b>		<b>3,660,292</b>	<b>3,712,503</b>	<b>7,372,795</b>	<b>6,582,456</b>
<b>GOVERNANCE COSTS</b>		<b>186,257</b>	<b>2,000</b>	<b>188,257</b>	<b>147,296</b>
<b>TOTAL RESOURCES EXPENDED</b>		<b>3,895,735</b>	<b>3,714,503</b>	<b>7,610,238</b>	<b>6,780,530</b>
Unrealised (loss) / gain on investments		(27,275)	-	(27,275)	33,350
		<b>(27,275)</b>	<b>-</b>	<b>(27,275)</b>	<b>33,350</b>
<b>NET INCOMING / (OUTGOING) RESOURCES, being net income / (expenditure) for the year</b>		<b>19,813</b>	<b>43,999</b>	<b>63,812</b>	<b>(33,497)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward	12	2,315,358	75,950	2,391,308	2,424,805
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>2,335,171</b>	<b>119,949</b>	<b>2,455,120</b>	<b>2,391,308</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 12 to 16 form part of these financial statements.



Photo: Chris Juden



Photo: Chris Juden

## ● CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2011

	Note	2011 £	2010 £	£	£
<b>FIXED ASSETS</b>					
Fixed assets	7	1,516,279	1,605,449		
Investments	8	510,845	543,635		
			2,027,124		2,149,084
<b>CURRENT ASSETS</b>					
Stocks - Goods for resale		12,416	13,658		
Debtors	9	885,243	834,739		
Cash at bank and in hand		1,250,295	1,081,731		
			2,147,954		1,930,128
<b>CREDITORS: Amounts falling due within one year</b>	10	1,495,864	1,504,073		
<b>NET CURRENT ASSETS</b>			652,090		426,055
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			2,679,214		2,575,139
<b>CREDITORS: Amounts falling due after more than one year</b>	11	224,094	183,831		
<b>NET ASSETS</b>			<b>2,455,120</b>		<b>2,391,308</b>
<b>FUNDS:</b>					
<b>Unrestricted Funds</b>					
<b>Designated Funds</b>					
Premises sinking fund		9,547	14,442		
Life membership fund		155,758	141,956		
Legal advice scheme		273,052	186,205		
			438,357		342,603
<b>General Funds</b>			1,896,814		1,972,755
<b>Restricted Funds</b>			119,949		75,950
<b>TOTAL FUNDS</b>	12		<b>2,455,120</b>		<b>2,391,308</b>

In the preparation of these financial statements, advantage has been taken of special exemptions applicable to small companies on the grounds that the Charity is a small company as defined in the Companies Act 2006.

Approved by the Councillors and authorised for issue on 21 January 2012 and signed on their behalf by:

Chairman

The notes on pages 12 to 16 form part of these financial statements.

## ● STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2011

	Note	2011 Unrestricted funds £	2010 Restricted funds £	Total funds £	2010 Total funds £
<b>INCOMING RESOURCES</b>					(Restated)
<b>INCOMING RESOURCES FROM GENERATED FUNDS</b>					
Donations, legacies and other voluntary income	2	35,599	-	35,599	113,863
Trading Income		322,862	-	322,862	291,295
Investment income and interest		32,277	-	32,277	32,199
<b>TOTAL</b>		<b>390,738</b>		<b>390,738</b>	<b>437,357</b>
<b>INCOMING RESOURCES FROM CHARITABLE ACTIVITIES</b>					
Membership		1,764,935	-	1,764,935	1,631,643
Other incoming resources		152,792	-	152,792	-
<b>TOTAL</b>		<b>1,917,727</b>		<b>1,917,727</b>	<b>1,631,643</b>
<b>TOTAL INCOMING RESOURCES</b>		<b>2,308,465</b>		<b>2,308,465</b>	<b>2,069,000</b>
<b>RESOURCES EXPENDED</b>					
costs of generating funds		18,368	-	18,368	34,495
<b>CHARITABLE ACTIVITIES</b>					
Membership services	4	1,569,110	-	1,569,110	1,301,255
<b>TOTAL, CHARITABLE ACTIVITIES</b>		<b>1,569,110</b>		<b>1,569,110</b>	<b>1,301,255</b>
<b>GOVERNANCE COSTS</b>		<b>176,925</b>		<b>176,925</b>	<b>136,681</b>
<b>TOTAL RESOURCES EXPENDED</b>		<b>1,764,403</b>		<b>1,764,403</b>	<b>1,472,431</b>
Dividend from subsidiary company		-	-	-	1,500
Unrealised gain on investments		(27,275)	-	(27,275)	33,350
Donations to group charities		(390,000)	-	(390,000)	(667,143)
		<b>(417,275)</b>		<b>(417,275)</b>	<b>(632,293)</b>
<b>NET INCOMING / (OUTGOING) RESOURCES, being net income / (expenditure) for the year</b>		<b>126,787</b>		<b>126,787</b>	<b>(35,724)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward	12	665,192	-	665,192	700,916
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>791,979</b>		<b>791,979</b>	<b>665,192</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 12 to 16 form part of these financial statements.

## ● BALANCE SHEET AS AT 30 SEPTEMBER 2011

	Note	2011		2010	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	7	10,070		23,765	
Investments	8	545,854		578,644	
			555,924		602,409
<b>CURRENT ASSETS</b>					
Stocks - Goods for resale		7,431		12,989	
Debtors	9	931,329		887,186	
Cash at bank and in hand		573,440		375,322	
			1,512,200		1,275,497
<b>CREDITORS: Amounts falling due within one year</b>	10		1,052,051		1,028,883
<b>NET CURRENT ASSETS</b>			460,149		246,614
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,016,073		849,023
<b>CREDITORS: Amounts falling due after more than one year</b>	11		224,094		183,831
<b>NET ASSETS</b>			791,979		665,192
<b>FUNDS:</b>					
<b>Unrestricted Funds</b>					
<b>Designated Funds</b>					
Premises sinking fund		-		-	
Life membership fund		155,758		141,956	
Legal advice scheme		273,052		186,205	
			428,810		328,161
<b>General Funds</b>			363,169		337,031
<b>Restricted Funds</b>					
<b>TOTAL FUNDS</b>	12		791,979		665,192

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 Councillors and authorised for issue on 21 January 2012 and signed on their behalf by:

Chairman

The notes on pages 12 to 16 form part of these financial statements

## ● CONSOLIDATED REVENUE ACCOUNT OF MEMBER GROUPS FOR THE YEAR ENDED 30 SEPTEMBER 2011

	2011	2010
	£	£
<b>NET (DEFICIT) / SURPLUS ON MEMBER GROUP ACTIVITIES</b>	17,140	(8,216)
Less Additions to furniture, equipment, etc. written off	(1,685)	(2,054)
	15,455	(10,270)
Interest and Dividends, gross	331	420
Less tax deducted at source	(5)	(24)
	326	396
<b>(DEFICIT) / SURPLUS FOR THE YEAR</b>	15,781	(9,874)
<b>BALANCE BROUGHT FORWARD</b>	256,167	266,041
<b>BALANCE CARRIED FORWARD</b>	271,948	256,167

**Please note:** The figures shown on this page are for reference only and are not included within the consolidated figures for the group.

## ● STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES OF MEMBER GROUPS AS AT 30 SEPTEMBER 2011

	2011		2010	
	£	£	£	£
<b>FIXED ASSETS</b>				
Tangible Assets at valuation in 1972				
Club Huts	3,275		3,275	
Furniture, Equipment, Trophies, etc	400		400	
	3,675		3,675	
Investments at cost	70		70	
Market value £172 (2009 £172)		3,745		3,745
<b>CURRENT ASSETS</b>				
Stocks	9,660		8,959	
Loans to the Cyclists' Touring Club	6,831		10,020	
Debtors	2,197		2,433	
Cash, Bank and Building Society balances	261,074		241,562	
Other Assets	438		1,905	
	280,200		264,879	
<b>CREDITORS: amounts falling due within one year</b>				
Amounts due to Parent Company	7,197		7,197	
Corporation Tax	62		63	
Other Creditors	4,726		5,185	
	11,985		12,445	
<b>NET CURRENT ASSETS</b>		268,215		252,434
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		271,960		256,179
<b>CALLED UP SHARE CAPITAL</b>				
Authorised				
100 Shares of £1 each	400		400	
Allotted and fully paid				
3 shares of £1 each		12		12
Accumulated funds of the Member Groups		271,948		256,167
		271,960		256,179

**Please note:** The figures shown on this page are for reference only and are not included within the consolidated figures for the group.

## ● NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

### 1 Accounting policies

#### A Accounting convention

The financial statements have been prepared under the historical cost convention in accordance with the Companies Act 2006 and the Statement of Recommended Practice 2005 issued by the Charity Commission in March 2005 and revised in July 2008.

#### B Basis of consolidation

Council considers that activities controlled centrally and those run locally require separate presentation in order for the accounts to give a true and fair view. The group accounts therefore comprise a consolidation of the accounts of Cyclists' Touring Club ('the Club'), Cyclists' Touring Club (Sales) Limited, Cyclists' Touring Club (Central) Limited, CTC Cycling Holidays and Tours Limited, CTC (Cycle Racing) Limited, the Cyclists' Defence Fund and CTC Charitable Trust together with a separate consolidation of the accounts of the four other subsidiaries (listed in note 3) which control the activities of the member groups. No separate income and expenditure account of the Club is presented as allowed by the Companies Act 2006.

## C Income and expenditure

Subscriptions received for periods of membership after 30 September 2011 are carried forward and will be credited to income in future periods up to 2016.

Legacies are recognised when the Club is advised by the personal representatives of an estate that payment will be made or property transferred and the amount involved can be quantified.

All incoming resources are recognised in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Where income from grants is related to performance and specific deliverables, this is accounted for as the charity earns the right to consideration by its performance.

Where grant funding is received in advance, the amount is deferred and released to the statement of financial activities monthly, based on the advance claim made and any required adjustment is then made once the next claim is submitted. Donations and gifts are recognised when received, unless the donor has specified that the donation or gift is to be used in a future accounting period.

Legacies are recognised when the charity is advised by the personal representatives of an estate that payment will be made or property transferred and the amount involved can be quantified.

All other income and expenditure is accounted for on an accruals basis. Resources expended are recognised in the period in which they are incurred.

Resources expended include attributable VAT which cannot be recovered.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fund-raising purposes.

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 include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis (see note 6).

## D Charitable funds

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.

Designated funds are unrestricted funds which the Councillors have allocated for a particular purpose.

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.

## E Depreciation

Freehold land is stated at cost.

District association huts, furniture, equipment, trophies etc. are stated at nominal valuations made in 1972. Additions are written off as incurred.

All other fixed assets are stated at cost less depreciation. Depreciation is provided at rates estimated to write off the cost, less any residual value, of each asset over its expected useful life, as follows:

- Buildings - over 25 years
- Intangible assets - over 10 years
- Computer equipment - over 3 years
- Furniture and other items - over 10 years.

Fully depreciated assets are eliminated from the balance sheet.

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in most cases is estimated as 3 years.

Fixed assets purchased under grants are not capitalised by the charity in agreement with our funding arrangements.

## F Investments

Investments held as fixed assets are revalued at the market value at the balance sheet date and the gain or loss is taken to the statement of financial activities.

## G Hire purchase and finance leases

Assets acquired under hire purchase agreements and finance leases are capitalised in the balance sheet and are depreciated in accordance with the Charity's normal policy. The outstanding liabilities under such agreements less interest not yet due are included in creditors. Interest on such agreements is charged to the profit and loss account over the terms of each agreement and represents a constant proportion of the balance of capital repayments outstanding.

## H Stocks

Stocks comprise goods held for resale and are valued at the lower of cost and net realisable value.

## I Corporation tax

Corporation tax is payable only in respect of income arising on investments and short term deposits and capital gains arising on disposals of certain tangible fixed assets and investments.

## J Value Added Tax

Subscriptions are partly exempt and partly zero rated for value added tax purposes. Non-recoverable input tax is included within the relevant expenditure headings.

In the accounts of non VAT registered subsidiary companies, value added tax suffered is included with the relevant expenditure.

## K Pension scheme

The Club operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Club in independently administered funds. The pension costs shown in note 12 represent contributions payable by the Club to the funds, all of which have been paid over.

## L Life membership fund

Composition fees received from life members are credited to the life membership fund. In accordance with Article 42, 4% of the amount received in each year since 30 September 1982 is transferred to the income and expenditure account annually.

## M Legal advice scheme

The Club has entered into a Collective Conditional Fee Agreement with Russell Jones & Walker. Under this scheme, the Club receives a provision in respect of each legal case won. Provisions are held in the fund and used to meet defendant's legal costs or cases lost or costs which cannot be met from defendants.



**N Cash flow statement**

The Club has taken advantage of the exemptions available under FRS1 and has not prepared a cash flow statement.

**O Related party transactions**

The Club has taken advantage of the exemptions in FRS 8 – Related Party Disclosures and has not reported transactions with consolidated group companies. Balances owed to or from member groups are disclosed on page 6 of the accounts. There are no other related party transactions.

**2 Voluntary income**

	Group			2010
	Unrestricted funds	Restricted funds	Total	
	£	£	£	£
Donations (including Gift Aid)	12,850	2,000	14,850	35,693
Legacies	55,206	-	55,206	51,041
Other voluntary income	2	-	2	65,038
	<b>68,058</b>	<b>2,000</b>	<b>70,058</b>	<b>151,772</b>

	Club			2010
	Unrestricted funds	Restricted funds	Total	
	£	£	£	£
Donations (including Gift Aid)	1,773	-	1,773	-
Legacies	33,826	-	33,826	50,159
Other voluntary income	-	-	-	63,704
	<b>35,599</b>	<b>-</b>	<b>35,599</b>	<b>113,863</b>

**3 Net incoming / (outgoing) resources for the year**

	Group		Club	
	2011	2010	2011	2010
	£	£	£	£
Chantry Vellacott 2010 audit fee	11,150	-	10,650	6,800
Buzzacott current year audit fee	20,500	20,188	5,000	-
Buzzacott non-audit services	2,500	-	2,500	-
Bank charges and interest	46,793	51,138	24,881	7,794
Depreciation	104,293	121,712	14,323	16,818

Included within other incoming resources is an amount of £152,792. This was in respect of a VAT rebate that the Club received after an ongoing dialogue with HMRC over several years. This was a one-off receipt and is unlikely to occur again in the future.

**4 Resources expended on charitable activities**

	Group				2010
	Staff costs	Other direct costs	Support costs	Total	
	£	£	£	£	£
Membership Services	-	920,124	238,216	1,158,340	1,037,696
Health & Wellbeing Projects	634,212	1,032,417	96,449	1,763,078	1,544,510
Youth Projects	504,616	1,093,331	68,275	1,666,222	1,458,614
Education & Services to organisations	165,507	307,903	6,645	480,055	419,645
Cycle Training	153,392	285,707	20,851	459,950	375,592
Campaigning	178,285	79,189	24,204	281,678	241,529
Cycling Development	400,516	111,618	59,296	571,430	501,872
Cycling Holidays	-	939,309	52,733	992,042	1,002,998
Total	<b>2,036,528</b>	<b>4,769,598</b>	<b>566,669</b>	<b>7,372,795</b>	<b>6,582,456</b>



Photo: CTC

	Club			2010
	Staff costs	Other direct costs	Support costs	
	£	£	£	£
Membership Services	-	920,124	648,986	1,569,110
Total	<b>-</b>	<b>920,124</b>	<b>648,986</b>	<b>1,301,255</b>

**5 Grants awarded**

The charity makes grants to institutions in accordance with its grant making policy set out in the trustees' report.

The grants payable during the year were for the following purposes:

	Grants awarded to institutions
	£
Youth Projects	381,688
Bike Club	381,688

**6 Support costs**

The allocation of support costs has been based on an estimated proportion of the salary costs of the projects which receive support from central staff. The method of allocation, is consistent with that used in the previous year. The overall allocation is as follows:

	Group		Total
	Fundraising costs	Management and Central Overheads	
	£	£	£
Membership Services	-	238,216	238,216
Health & Wellbeing Projects	11,165	85,284	96,449
Youth Projects	7,904	60,371	68,275
Education & Services to organisations	769	5,876	6,645
Cycle Training	2,414	18,437	20,851
Campaigning	2,802	21,402	24,204
Cycling Development	6,864	52,432	59,296
Cycling Holidays	-	52,733	52,733
	<b>31,918</b>	<b>534,751</b>	<b>566,669</b>

	Club		Total
	Fundraising costs	Management and Central Overheads	
	£	£	£
Membership Services	-	238,216	238,216
	<b>-</b>	<b>238,216</b>	<b>238,216</b>

Staff costs and overhead expenses are allocated to cost centres on the basis of retrospective individual estimations of time spent. The cost centre totals are allocated to the Statement of Financial Activities headings either directly or apportioned on the basis of estimates by management.

Support costs comprise costs incurred directly in support of expenditure on the charitable objects, and include finance and administration costs. These costs have been apportioned to these activities based on the full time equivalent staff time carrying out these activities

## 7 Fixed assets

	Group			Total £
	Freehold land and buildings £	Furniture and equipment £	Intangible assets £	
<b>COST</b>				
1 October 2010	1,564,710	218,259	29,500	1,812,469
Additions during the year	-	15,124	-	15,124
Fully depreciated assets written off	-	-	-	-
30 September 2011	1,564,710	233,383	29,500	1,827,593
<b>DEPRECIATION</b>				
1 October 2010	120,814	80,306	5,900	207,020
Charge for year	26,589	74,754	2,950	104,294
Fully depreciated assets written off	-	-	-	-
30 September 2011	147,403	155,060	8,850	311,314
<b>NET BOOK VALUE</b>				
At 30 September 2011	<b>1,417,306</b>	<b>78,323</b>	<b>20,650</b>	<b>1,516,279</b>
At 30 September 2010	1,443,896	137,953	23,600	1,605,449

Intangible assets arose from the purchase by CTC Charitable Trust of the business of OTC Training Limited as a going concern.

The carrying value of the property is reviewed for impairment on a quarterly basis by the investment committee who note rental value and market value of properties of a similar size and geographic location to determine if an impairment may be required.

	Club	
	Furniture and equipment £	
<b>COST</b>		
1 October 2010	62,994	
Additions during the year	628	
30 September 2011	63,622	
<b>DEPRECIATION</b>		
1 October 2010	39,229	
Charge for year	14,323	
30 September 2011	53,552	
<b>NET BOOK VALUE</b>		
At 30 September 2011	<b>10,070</b>	
At 30 September 2010	23,765	

## 8 Investments

### Listed investments at market value

	Fixed interest stocks £	Equity stocks £	Total £
	1 October 2010	382,241	161,382
Additions	-	47,147	47,147
Disposals	(52,662)	-	(52,662)
Unrealised Gain	41,550	(68,825)	(27,275)
30 September 2011	<b>371,129</b>	<b>139,704</b>	<b>510,833</b>
	2011 £	2010 £	
Listed Investments	510,833	543,623	
Subsidiary companies:			
Shares at cost in companies not consolidated	12	12	
<b>TOTAL INVESTMENTS (group)</b>	<b>510,845</b>	<b>543,635</b>	
Shares at cost in companies consolidated	35,009	35,009	
<b>TOTAL INVESTMENTS (club)</b>	<b>545,854</b>	<b>578,644</b>	

The Club holds the whole of the allotted share capital of each of the following companies, all of which are registered in England:

<b>Cyclists' Touring Club (Sales) Limited</b>	}	<i>Dormant</i>
<b>Cyclists' Touring Club (Central) Limited</b>		<i>National events</i>
<b>Cyclists' Touring Club (Eastern) Limited</b>		<i>Controlling member group activities</i>
<b>Cyclists' Touring Club (Northern) Limited</b>		
<b>Cyclists' Touring Club (Southern) Limited</b>		
<b>Cyclists' Touring Club (Western) Limited</b>	<i>Touring holidays</i>	
<b>CTC Cycling Holidays and Tours Limited</b>		
<b>CTC (Cycle Racing) Limited</b>	<i>Dormant</i>	

The Club is also the sole member of both The Cyclists' Defence Fund and CTC Charitable Trust, registered charities and companies limited by guarantee.

## 9 Debtors

	Group		Club	
	2011 £	2010 £	2011 £	2010 £
Trade debtors	193,236	318,515	29,633	33,839
Amounts due from group companies	6,062	7,203	249,302	275,312
Other debtors	65,822	103,983	(12,575)	5,600
Prepayments	610,123	385,038	266,969	164,435
Loan to CTC Charitable Trust	-	-	388,000	388,000
Other loans	10,000	20,000	10,000	20,000
	<b>885,243</b>	<b>834,739</b>	<b>931,329</b>	<b>887,186</b>

Other loans is a loan made by the Club to the European Cycling Federation, repayable over three years.

## 10 Creditors, amounts falling due within one year

	Group		Club	
	2011 £	2010 £	2011 £	2010 £
		(Restated)		
Trade creditors	277,590	319,927	93,672	41,438
Accruals	79,789	-	2,626	-
Amounts due to group companies	9,534	10,729	47,060	64,256
Taxes and social security	65,424	73,644	(4,300)	6,281
Deferred income	145,680	45,540	-	-
Other creditors	3,664	185,283	(1,190)	47,958
Subscriptions in advance	914,183	868,950	914,183	868,950
	<b>1,495,864</b>	<b>1,504,073</b>	<b>1,052,051</b>	<b>1,028,883</b>

Deferred Income represents grant income for projects received in advance.

## 11 Creditors, amounts falling due after more than one year

Group and Club	2011 £	2010 £
	Commutated subscriptions in advance	224,094
	<b>224,094</b>	<b>183,831</b>

## 12 Movement in Funds

	Group				
	At 30	Incoming	Outgoing	Transfers	At 30
	September		Resources		Investment
	2010	Resources	Losses		2011
	£	£	£	£	£
<b>UNRESTRICTED FUNDS:</b>					
<b>Designated Funds</b>					
Life membership fund	141,956	20,896	(7,094)	-	155,758
Legal advice fund	186,205	100,070	(13,223)	-	273,052
Premises sinking fund	14,442	-	(4,895)	-	9,547
	342,603	120,966	(25,212)	-	438,357
<b>General Funds</b>	1,972,757	3,821,857	(3,897,800)	-	1,896,814
<b>Total, Unrestricted funds</b>	<b>2,315,358</b>	<b>3,942,823</b>	<b>(3,923,010)</b>	-	<b>2,335,171</b>
<b>RESTRICTED FUNDS</b>					
Health and wellbeing projects	52,428	1,686,667	(1,665,367)	-	73,728
Youth projects	8,707	1,583,133	(1,597,948)	-	(6,108)
Education and services for organisations	5,735	407,545	(369,652)	-	43,628
Cycle training	9,080	79,157	(79,536)	-	8,701
Campaigning	-	2,000	(2,000)	-	-
Cycling development	-	-	-	-	-
<b>Total, Restricted funds</b>	<b>75,950</b>	<b>3,758,502</b>	<b>(3,714,503)</b>	-	<b>119,949</b>
<b>TOTAL FUNDS</b>	<b>2,391,308</b>	<b>7,701,325</b>	<b>(7,637,513)</b>	-	<b>2,455,120</b>

	Club				
	At 30	Incoming	Outgoing	Transfers	At 30
	September		Resources		Investment
	2010	Resources	Losses		2011
	£	£	£	£	£
<b>UNRESTRICTED FUNDS:</b>					
<b>Designated Funds</b>					
Life membership fund	141,956	20,896	(7,094)	-	155,758
Legal advice fund	186,205	100,070	(13,223)	-	273,052
	328,161	120,966	(20,317)	-	428,810
<b>General Funds</b>	337,031	2,187,499	(2,161,361)	-	363,169
<b>Total, Unrestricted funds</b>	<b>665,192</b>	<b>2,308,465</b>	<b>(2,181,678)</b>	-	<b>791,979</b>
<b>RESTRICTED FUNDS:</b>					
<b>Total, Restricted funds</b>	-	-	-	-	-
<b>TOTAL FUNDS</b>	<b>665,192</b>	<b>2,308,465</b>	<b>(2,181,678)</b>	-	<b>791,979</b>

### Funds carried forward are made up of the following:

**General funds:** Unrestricted funds that may be used to further the charity's objects.

**Premises sinking fund:** Unrestricted funds which the Councillors have allocated for the repair and maintenance of National Office.

**Legal advice fund:** Unrestricted funds which the councillors have allocated for the provision of legal advice to members involved in cycling related accidents.

**Life membership fund:** Unrestricted funds which the councillors transfer to the SOFA at a rate of 4% per annum in line with Article 42 of the charity's articles of association. These funds are to cover the costs of those members who have taken out a life membership.

### HEALTH AND WELLBEING PROJECTS

**Big Lottery Champions project:** The BIG Lottery project set up by the Active Travel Consortium of which the Charity is a member to bring the benefits of cycling to a wide range of under-represented groups and communities.

**Cycling programmes for health:** A project to build on and increase the variety of physical activity opportunities within the already established physical activity referral schemes in Sheffield.

**Bike and leisure:** A project bringing new people to cycling, motivating people to cycle, and to get people to cycle regularly.

**Health communities and older people partnership:** A programme of low impact physical activity in Swindon for older adults at risk of inactivity and social exclusion.

### YOUTH PROJECTS

**Physical activity coordinator for early years:** A project to promote active lifestyles across the South East for the early years.

**Schools champions and active recreation (Cycling England):** A project to deliver Bike Club in eight places, to integrate cycling beyond simply the journey to school to become a mode of transport to out of school activities.

**Schools champions and active recreation (ASDA):** A project to deliver Bike Club in a further six places, to integrate cycling beyond simply the journey to school to become a mode of transport to out of school activities.

### EDUCATION AND SERVICES FOR ORGANISATIONS

**Workplace Challenge:** A number of projects aimed at encouraging employers to assist their employees to cycle for work and for leisure.

## 13 Analysis of assets in the funds

	Group		
	Unrestricted Funds	Restricted funds	Total funds
	£	£	£
Cash at bank and in hand	1,130,345	119,949	1,252,294
Fixed assets	2,027,125	-	2,027,125
Stocks	12,416	-	12,416
Debtors	885,243	-	885,243
Creditors	(1,719,958)	-	(1,719,958)
<b>TOTAL</b>	<b>2,335,171</b>	<b>119,949</b>	<b>2,455,120</b>

	Club		
	Unrestricted Funds	Restricted funds	Total funds
	£	£	£
Cash at bank and in hand	573,440	-	573,440
Fixed assets	555,924	-	555,924
Stocks	7,431	-	7,431
Debtors	931,329	-	931,329
Creditors	(1,276,145)	-	(1,276,145)
<b>TOTAL</b>	<b>791,979</b>	-	<b>791,979</b>

## 14 Staff costs

	Project staff	Non-Project staff	Total	2010
	£	£	£	£
Salaries and fees payable	1,117,363	1,013,741	2,131,104	1,657,222
Social security costs	110,721	96,652	207,373	160,925
Pension costs	12,778	28,599	41,377	21,923
	<b>1,240,862</b>	<b>1,138,992</b>	<b>2,379,854</b>	<b>1,840,070</b>
Average number of employees	62	19	81	79

During the year the number of employees earning £60,000 or more (including taxable benefits but excluding employer pension contributions) was as follows:

	2011	2010
£60,000 - £69,999	1	-
£70,000 - £79,999	1	1
	<b>2</b>	<b>1</b>

The total of the employer's pension contributions contains an amount of £3,647 (2010: £3,454) which relates to employees earning over £60,000. The contributions are made to a defined contribution scheme of which the company will match employee contributions up to 5% of salary.