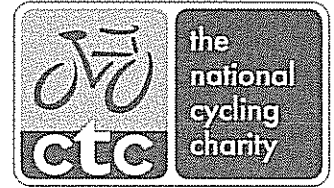


Company Number: 00025185
Registered Charity Number: 1147607, SC042541

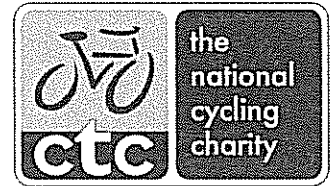


CYCLISTS' TOURING CLUB

REPORT AND FINANCIAL STATEMENTS

30 SEPTEMBER 2012

Company Number: 00025185
Registered Charity Number: 1147607, SC042541



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

Trustees

R	Bates	
P	Benstead	Appointed 1 January 2013
W	Bowden	
P	Brake	
C	Brown	
J	Brown	
J	Catt	Resigned 31 December 2012
M	Cockersole	
S	Coe	
D	Cox	Chair
R	Crosskey	
F	Flood	
J	Gregory	Appointed 1 January 2013
P	Hayman	
D	Howard	
T	Jackson	
J	James	
J	Lowe	Appointed 1 January 2013
P	Mathison	Resigned 31 December 2011
J	Radford	
D	Robinson	Resigned 31 December 2012
K	Shuttleworth	Resigned 31 December 2011
G	Smith	
A	Spurr	
H	Vecht	Resigned 31 December 2011

Chief Executive and Company Secretary

Gordon Seabright

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 2012.

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 the 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 and with the Charity Commission for England and Wales on 7 June 2012 number 1147607.

The company structure of CTC during the year under review

This section of the report summarises the structure of CTC and its subsidiary companies.

Companies

'CTC', 'the UK's national cyclists' organisation' and 'CTC the national cycling charity' 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.

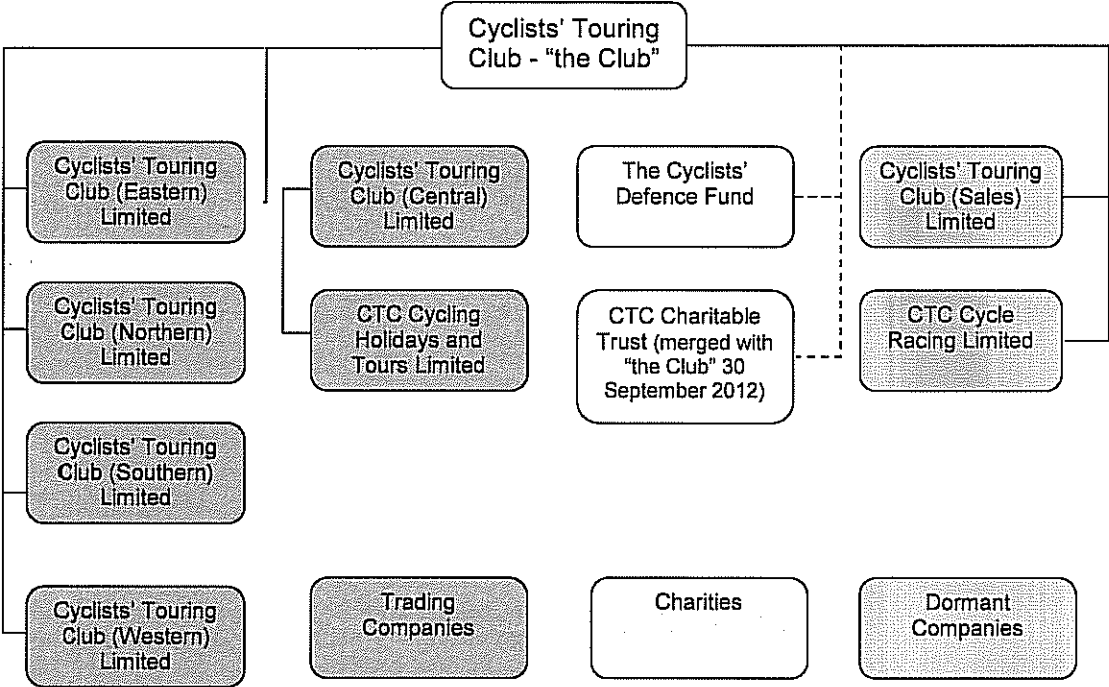
There are four further subsidiary companies, again limited liability companies with the whole share capital owned by CTC. These four companies are holding companies for the CTC Member Groups and Regions.

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. On midnight on 30 September 2012 the CTC Charitable Trust merged with the Cyclists' Touring Club and the new financial year starts with one unified charity.

Cyclists' Touring Club
Company Number: 00025185

The overall structure of the CTC Group, during the year, is shown below.



Relationships with other charities and organisations

Before the merger of the CTC Charitable Trust and the Cyclists' Touring Club, CTC Charitable Trust was contracted by Cyclists' Touring Club to provide our national office. Cyclists' Touring Club was contracted to provide business services such as the Chief Executive, financial and operating services. These were all charged between the two entities. CTC also made an annual payment to the Trust to carry out activities which have not attracted other funding. This arrangement will now end as the two charities have merged.

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
- Welsh Assembly Government
- Pfizer

Cyclists' Touring Club

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To deliver Bike Club, our young peoples programme, CTC Charitable Trust works in partnership with two leading youth work charities ContinYou and UK Youth, together 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 and four co-opted trustees. 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 will make 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 Operations Committee has oversight of accounting and finance practices, compliance and investment policy and the Strategy and Policy Committee has oversight of strategy and externally focussed policies.

Other groups that have been involved this year include Investment Sub-Committee, Magazine Editorial Committee, Executive Committee, Awards and Recruitment Committee, Right to Ride Steering Group, Member Groups Steering 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 on 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.

Cyclists' Touring Club

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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 which have been delivered by the Trust.

Objectives and activities

Summary of objects

The objects for which CTC is established are:

- promote community participation in healthy recreation by promoting the amateur sport of cycling, cycle touring and associated amateur sports;
- preserve and protect the health and safety of the public by encouraging and facilitating cycling and the safety of cyclists;
- advance education by whatever means the trustees think fit, including the provision of cycling, training and educational activities related to cycling;
- promote the conservation and protection of the environment.

Explanation of the Charity's aims

The Council has adopted a Strategic Vision for the period 2007-2012 which guides achievement of these objects. A new strategy for 2013 – 20 will guide the delivery of our aims in the future.

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 strategic plan the Council identified six areas of activity which would form the basis of its work. Going forward these will change to reflect the new strategy.

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.

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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 & 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 the 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 Charity Commission for England and Wales and 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.

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 fundraising providing resources for the delivery of these public benefits.

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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 which 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:

1. Extending the reach of CTC and the quality of our work

CTC continues to reach people through development projects and our staff and volunteers on the ground – extending the public benefit of cycling to beneficiaries throughout the UK.

CTC's aims to promote, inspire, and protect are relevant across the nations of the UK. Our Cycling Champions Programme funding has ended, and the Bike Club support from the Department for Transport and the ASDA Foundation ended in December 2012, however the legacy is evident. And our target of delivering sustainable cycling activity has been achieved.

CTC continues to support the employment of Cycling Development Officers in many towns and cities; eighteen posts have been re-funded to ensure the continuation of our programmes into and beyond 2013.

CTC secured a number of posts through the funding available from the Local Sustainable Transport Fund; we were able to demonstrate our capability to deliver cycling activity from an evidence base of our previous year's delivery.

European funding for a cycle logistics programme and commercial supporters have allowed the establishment of a cycle for health pilot programme to evaluate the effect of cycling in reducing the risk of cardio respiratory disease and Type 2 Diabetes. We are partnering Leeds Metropolitan University to evaluate this with a view to extending this programme in 2013.

Bike Club: With funding from the Department for Transport, the ASDA Foundation and local partners, Bike Club continues to be an inspirational approach to cycling for children, young people, and parents, increasing cycling in youth settings. Bike Club reaches and includes all members of the community, regardless of age, religion, ability or social background. The funding may be concluding, but the lessons learned, the tools for engagement and the experience gained now form a package which may be used elsewhere. The toolkit, advice, support to new groups and the branding add to the armoury which is available to our regional staff. Across the UK, England, Scotland, Wales and Northern Ireland boast 300 new cycling clubs, each inspiring young people to make cycling part of their lives.

Cycle Champions: This project refused to end in 2012; BIG Lottery, impressed by our ability to deliver cycling to those communities which would not normally engage in cycling activity, and our efforts which enabled us to exceed our targets for 2011, allocated a further 6 months funding for 13 projects and a 12 month funding 'pot' for our flagship Sheffield scheme. Our cycling development officers have recruited Champions and volunteers in the community who continue to inspire, delivering high quality, innovative cycling activities. Examples of continuing successes 'beyond the funding' this year include;

- Stroke and Mental Health support cycling groups in East Hants

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- Mental Health sessions at Endcliffe Park Sheffield
- Cycle for Health and disability cycling groups at Hillsborough park, Sheffield
- 'Cycling through the years' at Swindon

Workplace cycling: CTC's commuter focused Workplace Challenge programme with our partner organisation Challenge for Change continues to prove very popular. Commuter cyclists, workplace employees and owners have responded magnificently over the past 12 months to new challenges set in York, Leicestershire, Greater Manchester, Wales, Reading, Kirckaldy and the Isle of Wight. It is not only the investment of time from CTC, but the funding support from local authorities, primary care trusts and environmental team partnerships that continue to make our 'workplace cycle challenges' so successful.

Cycle Logistics: Intelligent Energy Europe supported CTC to introduce 'cycle logistics'. This programme aims to convince organisations that the conveying by cargo bikes of goods in the urban environment is not only economically viable, but a socially responsible and effective means of transportation. We have extended this concept to offer an incentive led scheme, 'shop by bike' to encourage people to move from the car to the bike when considering their weekly shopping needs. Vouchers, advice and a post pilot evaluation study form part of this behavioural change initiative. Assessment of impact will be made toward the end of 2013.

Off-Road Cycling Development: Training and education, community engagement, campaigning and information provision for the ever increasing popularity of off-road cycling has increased demand for CTC's expertise. Embracing the challenge, new products, courses and contracts have been developed and secured. Skills courses, trail build, maintenance, led rides, technical leading, inclusive riding, trail maintenance and first aid in the outdoors are included.

The launch in 2012 of our off-road 'centre of excellence' in North Yorkshire allows us to look to the future with confidence. Dalby Forest is the location of the Dalby Bike Barn. Established as a partnership enterprise between CTC, PACE Cycles and the Forestry Commission, the 'DBB' offers everything for off-roaders of all abilities. Offering beginners to elite world-cup competitive off-road riders an all-inclusive service; from bike hire to education, bike sales to social support, and top quality food to an opportunity to ride some of the greatest trails in the world, CTC can be rightly proud of its satellite headquarters for off-road riding.

2. Growing the reach of CTC through membership, customers and supporters

Membership numbers rose to a high of 69,200 (May – June) and the number of affiliated clubs is also on the up with 379 affiliated cycling clubs. CTC Family Membership has continued to grow and now Family Membership accounts for one quarter of total memberships. Membership categories are in the process of being rationalised and CTC currently offers 20 types of membership (down from 65 types), which will make it easier to market and recruit new members.

Improvements were made to the insurance cover offered to members, and CTC's legal service confirmed its value by winning three large cases and securing compensation on behalf of members. CTC also operated a record prize draw earning the charity a record £37,000 in sales due to more and higher value prizes. CTC members' magazine, Cycle, changed its advertising sales agency in January 2012, which resulted in a 35% rise in advertising revenue without cutting editorial content. CTC offered events in four UK regions, and was represented for the first time at Bike Blenheim and at the Scottish Bike Show.

CTC Cycling Holidays and Tours: the on-going recession has adversely affected many industries including the travel market. Many UK holiday makers have this year been forced to reconsider their travel plans as a direct consequence of the financial downturn. The world's oldest travel company, Thomas Cook, saw a 10% drop in bookings and The Association of British Travel Agents (ABTA) said that this was an industry-wide trend (Guardian 28 March 2012). However, many niche travel sectors including dedicated cycling holidays continue to grow despite the general downturn. CTC Cycling Holidays & Tours has been able to retain its market share with almost all tours operating at full capacity. This great result has been achieved by tight budget control and great personal service from dedicated volunteers without whom the company could not operate.

The next year is likely to see even more change with stricter regularity requirements for tour operators, which translates into more paperwork behind the scenes. As a result more time (a cost) will need to be spent to meet these tighter regulations.

Next year is also likely to be characterised by more competition within the activity holiday market (especially within Europe), with more big tour operators making a push into this market, which is expected to result in more small holiday companies being squeezed.

The 2012 birthday rides based at Ellesmere, Shropshire were a great success with over 500 members attending – the event also attracted riders from abroad. Plans for the 2013 event are well advanced and the ride is to be based at Yarmdiels in Staffordshire next August.

3 To progress our Equalities Plan

CTC's Equalities Plan along with its Equal Opportunities monitoring form have both been updated, and CTC Council, has an equal opportunities champion. CTC continues to work in partnership with Wheels for All to run All-Ability sessions across the UK, providing local communities with the chance to try inclusive cycling for themselves.

A resolution was approved at this year's AGM in May to offer a concessionary rate of membership to individuals with a limiting disability or long-term illness taking effect from 1st October 2012. The individual can then nominate a companion for either a joint membership or a carer's concession rate, which would provide third party insurance when the two ride together. This membership package would be ideal for those who need a companion rider on a tandem cycle.

CTC is also producing an 'Inclusive Cycling Directory' scheduled to be officially launched in the spring. The directory is a nation-wide resource of opportunities for people with a disability or who have special need to engage in cycle activities. They might be hire centres, charity projects or Local Authority initiatives.

CTC has in the past year done a lot of preliminary work in order to launch an updated version of the National Standards Instructor course, where a 5th day is added to include a 'disability teaching module' that gives advice on training disabled cyclists and will make NSI trainers familiar with adapted cycles.

4 To improve support and services available to our volunteers and other networks

CTC is the cycling organisation that focuses on the human capital that makes cycling possible and the charity highly values the incredible work and commitment of its Member Groups, volunteers and local campaigners. This year CTC has started the task of creating a dedicated volunteer support team to give more and better support to CTC's volunteers. The team is evaluating support and training needs for volunteers: membership will be consulted and asked for input at next year's AGM.

CTC's Member Groups Steering Group has met regularly throughout the year. The simplified funding model for individual Member Groups has been rolled out. The 'Events Handbook' has been completed along with the 'Policy Handbook for Organising Committees for Member Groups' – both are available online.

CTC has continued to support its network of local campaigning representatives. The Cyclenation Conference gave local campaigners the opportunity to discuss and explore campaigning issues and approaches. CTC's Campaigns & Volunteer Support team was on hand at the conference and campaigning delegates were met and addressed by the Chief Executive.

Cyclescape, a new online campaigning tool will be launched shortly and was introduced to the campaigning network at the conference. CTC's new website also has enhanced features for local campaigners and for members looking to contact their local campaigning representative. The Digest has continued to prove an invaluable resource and plans have been drawn up to make it more accessible by making it an online publication.

5 To use education to support individuals in their voluntary or professional roles where they deliver public benefit through cycling

CTC's status as an Instructor Training Organisation (ITO), our reputation with the Department for Transport, and our capacity to deliver through our network of accredited instructors saw the award of a major financial contribution to deliver additional Bikeability courses to young people beyond curriculum hours. Training to the branded National Standard cycle training criteria, CTC was able to deliver and commit to training 3,000 new young cyclists.

CTC's Education and Development Team has enhanced the delivery and increased the portfolio of all things 'training'. A suite of training programmes and opportunities for bespoke training courses are now on offer; from beginner level to instructing the professional instructor.

Emphasis on quality and professionalism remains the ethos; equally important, access and availability for all. The continuing challenge for training and development will be to ensure that 'cycling for all', through disability instructor courses is met. So far;

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

- CTC Trainer Award developed and piloted, 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 (meeting urban bike park / bmx track needs) developed, piloted and rolled out.
- First Aid courses for a range of customers integrated and delivered in house.
- Women specific led rides.
- All inclusive cycling sessions.

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6 Maintain the quality of our campaigning and policy advocacy

The year began with a bleak outlook for cycling: Cycling England had been axed, as had its budgets. The newspapers were reporting the deaths of cyclists at Kings Cross and the Bow Roundabout, the latter on one of Boris Johnson's recent "Cycling Superhighways". The then Road Safety Minister, Mike Penning, was taking no notice of CTC's "No longer lorries" campaign, instead giving the hauliers the "trial" they wanted, and telling Parliament incorrectly that he had "carefully" assessed the safety impacts on cyclists and that there wasn't a problem. Repeated requests for evidence of this assessment yielded nothing.

Then in February, the Times got in touch. One of their journalists, Mary Bowers, was still unconscious several months after a serious lorry collision just near their office. The paper was planning a campaign on cycle safety, and they were after CTC's advice and support. The subsequent launch of their "Cities fit for cycling" campaign has transformed the dynamics of cycle campaigning in the UK.

The All Party Parliamentary Cycling Group (APPCG, which CTC supports along with British Cycling, Sustrans and other key cycle advocacy groups) leapt at the opportunity, arranging a three-hour back-benchers' debate in Parliament. Normally these "Westminster Hall" debates are attended by a mere handful of MPs, but this debate turned out to be an exception. CTC and campaigning allies worked hard and under considerable time pressure to ensure that Parliamentarians were well-briefed beforehand. While the main Commons chamber was almost empty, 73 MPs crowded into Westminster Hall, including several Ministers, in a truly extraordinary display of cross-party support for more and safer cycling.

This gave new impetus to the Cycling Stakeholders' Forum, which Local Transport Minister Norman Baker had set up six months previously. CTC worked successfully to shape the agenda of the Forum and its newly established safety sub-group, ensuring that the Forum's core proposition to Ministers was a pitch for the high-level leadership, and cabinet-level co-ordination, of a cross-departmental action plan for more and safer cycling.

Both CTC President and Vice-President, Jon Snow and Josie Dew, added to the calls for cabinet-level leadership, when giving evidence to a Commons Transport Select Committee inquiry on road safety, alongside the Times editor James Harding. The Government's response proved disappointing, but Minister Norman Baker was persuaded to find funding from underspent budgets: £30m for junction improvements (£15m for London, £15m for the rest of England), £8million for Sustrans to develop new cycle links, and £7m for cycle-rail projects. The Association of Train Operating Companies (ATOC) produced some guidance on cycle-rail integration. Local authorities were weaving cycling into their Local Sustainable Transport Fund bids. CTC has been successfully contributing to all these positive developments.

CTC was also shaping the debate in the devolved areas. Tom McClelland – CTC's lead volunteer campaigner in Northern Ireland – was joined by a cycling expert from Denmark along with CTC's campaigns director, Roger Geffen, for a round of meetings with Ministers, Assembly Members and Government officials and cycling advocates in Belfast. In Wales, we were adding our support to Sustrans' campaign for an Active Travel (Wales) Bill. CTC Scotland's new Chair Chris Oliver has been setting up meetings with Ministers and with Scotland's Chief Medical Officer. We were there supporting Scotland's Pedal on Parliament – demanding a commitment to cycling from election candidates – as well as the London Cycling Campaign's "Big Ride", supporting their "Love London Go Dutch" campaign to influence the London Mayoral election.

The Olympics brought out the best in British cycling – but not without some negative impacts on cycling. Rail operators threatened blanket bans on cycle carriage. Bradley Wiggins's ill-judged and misunderstood comments about helmets following the death of a cyclist near the Olympic park sparked some unwanted media controversy – the deceased cyclist had in fact been wearing a helmet at the time. CTC was represented and quoted in the media during both episodes, limited negative damage and shaped the debate.

CTC's fantastic network of local volunteers continued to successfully raise their voice for improvements in their areas. In Brighton we supported an innovative kerb-segregated cycle lane along the Old Shoreham Road. Whilst in North Wales, CTC's committed volunteer, Roy Spilsbury, finally won his nine year battle for a permanent right to cycle on a wide seafront at Llandudno. CTC's campaigns team has continued to produce informative and effective policy briefings, including an important one on cycle-friendly planning and design.

CTC also launched "Cycletopia", a comic-style vision of what this might look like, but pointedly showing that it consists of good practice examples of what is already happening in the UK – making the point that good practice just needs political commitment to make them the norm across the UK.

In the autumn, the Times revived its campaign, announcing that it would support the APPCG's plan for a parliamentary inquiry on cycling. CTC and other cycling groups have been helping to shape the inquiry agenda, and have liaised with the APPCG to get a parliamentary Early Day Motion tabled, adding to the chorus of calls for ministerial leadership. With a Government transport

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strategy due, we are urging them to set out an ambition for a massive step-change in cycle use and cyclists' safety, as Britain's true Olympic legacy.

The year ends on a note of optimism that some degree of high-level commitment to cycling may soon be forthcoming. The next battle will be to secure serious funding for cycling from the Government's Comprehensive Spending Review, expected autumn 2013. CTC's members' support will be as vital as ever, if Cycletopia is to become reality.

7 Review of the strategic plan and completing the changes to governance set by the Board in 2009

2012 was the year that CTC made the transition to become a UK registered charity with the hard work of a committed Council and Chairman, David Cox. With the new Chief Executive, Gordon Seabright, in post the organisation has adopted a new strategic plan.

Financial Review

1. Comment on results for the year

During the year we received a single legacy of £150,000 which helped increase the amount received in voluntary income. We are producing a new fund raising strategy which will be reviewing our legacy policy with a view to increasing revenue in this area.

This year sees a significant fall in grants of £1,688,928 mainly due to the completion of the Champions Project and a number of other smaller project income streams. This was anticipated and action is being taken to actively source other community work. As part of the exit strategy a restructuring process was carried out over the financial year. This resulted in a number of redundancies, however, this was less than expected due to successfully securing other funding.

One-off expenditure in the financial year included legal and financial advice regarding the change to charitable status and the merger between the CTC Charitable Trust and Cyclists' Touring Club.

The new CTC website was successfully launched in May 2012. Continual investment in the website will be required to maintain it in line with the new technologies as they emerge.

Membership numbers are in line with last year but costs increased mainly in the areas of distribution and printing.

At the year end the total funds show an increase of £547,200 compared to 2011. The four subsidiary companies (CTC (Eastern), CTC (Northern), CTC (Southern) and CTC (Western)) were consolidated into the accounts which has contributed £69,395 to this increase in funds (see note 17).

As with all charities we are now working in a challenging environment. The organisational strategy outlines a new focus and direction for the organisation which will provide opportunities for new income streams.

2. 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' (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 year end the 'free reserves' stood at £467,540. The building equates to a large proportion of the unrestricted reserves total.

3. Principal funding sources including any borrowings

The principle funding sources of CTC are as follows:

- Individual cyclists support CTC through their membership, donations, legacies and by using services recommended by CTC that pay CTC a commission.

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- Grant funders are approached 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 that contract us to deliver activities which enable them to reach more cyclists. These are mainly training and education related.

4. Future strategy, future plans and objectives

In February 2012 CTC appointed Gordon Seabright as its new Chief Executive. Work immediately started on a new strategic plan for the organisation – reshaping its direction, key values and public benefit in consultation with staff and Council.

In October 2012 Council adopted this new strategic plan, covering the period to 2020 with targets for the period to 2016 and detailed objectives for year 2013.

CTC has served cyclists and cycling for 134 years. Our heritage is unrivalled, giving us authority and influence. Through the new strategy we will build on this inheritance, clearly establishing ourselves as the national cycling charity, preparing us for many more years serving cyclists and cycling.

The strategy plans for growth; more members, more influence, more impact. It sets out how CTC can better serve members and make the most effective contribution to delivering more and safer cycling throughout the nations of the United Kingdom. By working through the strategy the charity will become a genuinely nationwide organisation; financially sustainable and relevant to the needs of all cyclists.

The strategy will unify CTC by focusing all our efforts on four themes:

- We protect cyclists
- We inspire people to cycle
- We promote cycling
- We operate a highly effective organisation

For each of the four themes we have set targets for what we'll achieve over the next three years:

1 *We protect cyclists*

Throughout its history, CTC has supported cyclists facing difficulties. We will maintain and build on this heritage by acting to protect the interests of cyclists (and potential cyclists) individually and collectively. As the national cycling charity CTC will be the most effective champion for the UK's cyclists.

2 *We inspire people to cycle*

We have a proud tradition of community engagement and a network of cycling companionship throughout the UK. We will encourage more people to participate in cycling and remove the barriers they may face, and we will raise our own profile as their source of inspiration.

3 *We promote cycling*

We are passionate about the positive difference cycling makes to individuals, communities, our nations and the environment. We will promote a compelling vision of cycling for the future and we will grow as cycling grows.

4 *We will operate a highly effective organisation*

As the national cycling charity we will become a genuinely nationwide organisation, operating across the four nations of the UK with a culture of excellence and a track record of delivery. We will increase our resources in order to reach more people.

Each of these four themes extends across CTC, so that teams will need to work across departmental lines and all staff and volunteers will have a role to play in each area of the strategy.

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5. Development and support of the people who deliver our public benefit goals

During this year we have completed the restructure of the organisation which, was in the main, a result of two large funding sources coming to an end. We are pleased to be able to report that despite this challenging time we have continued to deliver our project targets.

We now have a small volunteer support team to continue to develop the support for our volunteers. We are developing an organisation wide volunteering strategy and at the forthcoming AGM will be providing some training and support for our volunteers in the form of round table discussions.

6. To maintain and improve the quality of our work

To continue to ensure that CTC is run by a fit for purpose Council we have implemented a number of improvements in the way Council operates. This includes Council members completing evaluation forms at the end of each Council meeting. These forms record and measure the content and conduct of the meeting.

In June of this year CTC was successfully registered as a Charity, with the Charity Commission for England and Wales. We have transformed all our reporting to meet the requirements of being a charity. We are reviewing and updating all of our internal policies and procedures to reflect this change.

We have continued to focus on improving our customer service with the aim of driving down complaints.

7. Achieve our planned financial outcomes

This year, as predicted, has been particularly demanding in all areas of finance. The main challenge facing the organisation has been the ending of two large project income streams. The result of tighter budgets and the Localism Agenda within Local Authorities has had a significant impact on our success in gaining Local Authority funding and where we have been successful, the delivery budgets are reduced. This will mean the need for tighter and more efficient project management and budgetary controls moving forwards.

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


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- 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.

Approved by the Council and signed on their behalf by



David Cox

Chair

7 March 2013

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 2012, 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 144 of the Charities Act 2011, 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 144 of the Charities Act 2011 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 2012 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 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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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 2011 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

25/3/13

Buzzacott LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING
INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30
SEPTEMBER 2012**

	Note	Unrestricted Funds £	2012 Restricted Funds £	Total Funds £	2011 Total Funds Restated £
INCOMING RESOURCES					
Incoming resources from generated funds					
Grants		-	66,915	66,915	93,352
Donations, legacies and other voluntary income	2	284,943	8,000	292,943	89,516
Investment income and interest		30,457	-	30,457	35,916
Total		315,400	74,915	390,315	218,784
Incoming resources from charitable activities					
Membership		1,966,820	-	1,966,820	1,764,935
Grants		-	1,899,374	1,899,374	3,588,302
Sales and services provided		1,053,940	-	1,053,940	935,098
Cycling Holidays Administered		1,147,453	-	1,147,453	1,059,011
Other incoming resources		33,439	-	33,439	154,653
Total		4,201,652	1,899,374	6,101,026	7,501,999
TOTAL INCOMING RESOURCES		4,517,052	1,974,289	6,491,341	7,720,783
RESOURCES EXPENDED					
Costs of generating donations					
		93,321	-	93,321	63,192
Charitable activities					
	4				
Membership Services		1,441,396	-	1,441,396	1,126,184
Health and wellbeing projects		-	830,944	830,944	1,763,078
Youth projects		88,744	628,930	717,674	1,666,222
Education and services for organisations		481,404	290,994	772,398	480,055
Cycle training		279,416	55,825	335,241	459,950
Campaigning		232,433	-	232,433	281,678
Cycling development		257,549	-	257,549	571,430
Cycling Holidays		1,083,130	-	1,083,130	992,042
Total, charitable activities		3,864,072	1,806,693	5,670,765	7,340,639
Governance costs		226,370	-	226,370	206,407
TOTAL RESOURCES EXPENDED		4,183,763	1,806,693	5,990,456	7,610,238
Unrealised gain / (loss) on investments		46,315	-	46,315	(27,275)
		46,315	-	46,315	(27,275)
NET INCOMING RESOURCES, being net income for the year		379,604	167,596	547,200	83,270
RECONCILIATION OF FUNDS					
Total funds brought forward as previously stated		2,599,706	119,948	2,719,654	2,391,308
Introduction of member group companies	17	-	-	-	245,076
As restated	13	2,599,706	119,948	2,719,654	2,636,384
TOTAL FUNDS CARRIED FORWARD		2,979,310	287,544	3,266,854	2,719,654

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 24 to 39 form part of these financial statements.

Cyclists' Touring Club
Company Number: 00025185

CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2012

	Note	2012 £	£	2011 Restated £	£
FIXED ASSETS					
Fixed assets	7	1,555,713		1,495,629	
Intangible Fixed Assets	8	17,700		20,650	
Investments	9	<u>543,536</u>		<u>510,833</u>	
			<u>2,116,949</u>		<u>2,027,112</u>
CURRENT ASSETS					
Stocks - Goods for resale		10,247		12,416	
Debtors	10	851,350		879,181	
Cash at bank and in hand		<u>1,951,606</u>		<u>1,511,369</u>	
			2,813,203		2,402,966
CREDITORS: Amounts falling due within one year	11		<u>(1,407,305)</u>		<u>(1,486,330)</u>
NET CURRENT ASSETS			<u>1,405,898</u>		<u>916,636</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,522,847</u>		<u>2,943,748</u>
CREDITORS: Amounts falling due after more than one year	12		(255,993)		(224,094)
NET ASSETS			<u><u>3,266,854</u></u>		<u><u>2,719,654</u></u>
FUNDS:					
Unrestricted Funds					
Designated Funds					
Premises sinking fund		9,547		9,547	
Life membership fund		155,758		155,758	
Legal advice scheme fund		<u>273,052</u>		<u>273,052</u>	
			438,357		438,357
General Funds			2,540,953		2,161,349
Restricted Funds			287,544		119,948
TOTAL FUNDS	13		<u><u>3,266,854</u></u>		<u><u>2,719,654</u></u>

Approved by the Council and authorised for issue on 7 March 2013 and signed on their behalf by:



David Cox

Chair

The notes on pages 24 to 39 form part of these financial statements.

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2012

	Note	Unrestricted Funds £	2012 Restricted Funds £	Total Funds £	2011 Total Funds Restated £
INCOMING RESOURCES					
Incoming resources from generated funds					
Donations, legacies and other voluntary income	2	181,653	-	181,653	35,599
Transferred from CTC Charitable Trust	18	570,539	279,544	850,083	-
Trading Income		321,117	-	321,117	322,862
Investment income and interest		30,164	-	30,164	32,277
Total		1,103,473	279,544	1,383,017	390,738
Incoming resources from charitable activities					
Membership		2,310,084	-	2,310,084	2,175,716
Other incoming resources		31,988	-	31,988	152,792
Total		2,342,072	-	2,342,072	2,328,508
TOTAL INCOMING RESOURCES		3,445,545	279,544	3,725,089	2,719,246
RESOURCES EXPENDED					
Costs of generating funds					
		59,993	-	59,993	32,374
Charitable activities					
Membership Services	4	1,869,541	-	1,869,541	1,947,735
Total, charitable activities		1,869,541	-	1,869,541	1,947,735
Governance costs		207,044	-	207,044	195,075
TOTAL RESOURCES EXPENDED		2,136,578	-	2,136,578	2,175,184
Unrealised gain on investments		46,315	-	46,315	(27,275)
Donations to group charities		-	-	-	(390,000)
		46,315	-	46,315	(417,275)
NET INCOMING RESOURCES, being net income for the year		1,355,282	279,544	1,634,826	126,787
RECONCILIATION OF FUNDS					
Total funds brought forward	13	791,979	-	791,979	665,192
TOTAL FUNDS CARRIED FORWARD		2,147,261	279,544	2,426,805	791,979

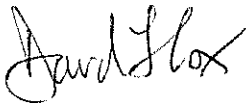
All recognised gains and losses are shown above and therefore a separate Statement of Total Recognised Gains and Losses has not been presented. All amounts relate to continuing activities. The activities and assets of CTC Charitable Trust were donated to the Club with effect from midnight on 30 September 2012. The notes on pages 27 to 42 form part of these financial statements.

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BALANCE SHEET AS AT 30 SEPTEMBER 2012

		2012		2011	
	Note	£	£	Restated	£
FIXED ASSETS					
Tangible fixed assets	7	1,555,713		10,070	
Intangible fixed assets	8	17,700		-	
Investments	9	<u>578,557</u>		<u>545,854</u>	
			2,151,970		555,924
CURRENT ASSETS					
Stocks - Goods for resale		5,433		7,431	
Debtors	10	764,066		931,329	
Cash at bank and in hand		<u>986,299</u>		<u>573,440</u>	
			1,755,798		1,512,200
CREDITORS: Amounts falling due within one year	11		<u>(1,224,970)</u>		<u>(1,052,051)</u>
NET CURRENT ASSETS			530,828		460,149
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,682,798</u>		<u>1,016,073</u>
CREDITORS: Amounts falling due after more than one year	12		(255,993)		(224,094)
NET ASSETS			<u>2,426,805</u>		<u>791,979</u>
FUNDS:					
Unrestricted Funds					
Designated Funds					
Premises Sinking Fund		9,547		-	
Life membership fund		155,758		155,758	
Legal advice scheme		<u>273,052</u>		<u>273,052</u>	
			438,357		428,810
General Funds			1,708,904		363,169
Restricted Funds			279,544		-
TOTAL FUNDS	13		<u>2,426,805</u>		<u>791,979</u>

Approved by the Council and authorised for issue on 7 March 2013 and signed on their behalf by:



David Cox, Chair

The notes on pages 24 to 39 part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2012

	Note	2012 £	2011 £
Net cash outflow from operating activities	A	547,602	161,768
Returns on investment & servicing of finance	B	30,457	35,916
Capital expenditure & financial investment	C	(137,822)	(9,609)
Increase in cash		<u>440,237</u>	<u>188,075</u>

A Adjustment of net incoming (outgoing) resources before transfers to net cash inflow (outflow) from operating activities

		2012 £	2011 £
Net incoming (outgoing) resources before transfers		547,200	83,270
Investment (gains)/losses		(46,315)	27,275
Depreciation charge		94,300	104,293
Interest and investment income receivable		(30,457)	(35,916)
Decrease (increase) in stocks		2,169	1,242
Decrease (increase) in debtors		27,831	(51,645)
(Decrease) increase in creditors		(47,126)	33,249
Net cash inflow (outflow) from operating activities		<u>547,602</u>	<u>161,768</u>

B Gross cash flows

		2012 £	2011 £
Returns on investments and servicing of finance			
Interest and investment income received		<u>30,457</u>	<u>35,916</u>
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(151,434)	(15,124)
Payments to acquire investments		-	(47,147)
Receipts from disposals of investments		13,612	52,662
		<u>(137,822)</u>	<u>(9,609)</u>

C Analysis of changes in net debt

	At 1 October 2011	Cash flows	At 31 September 2012
	£		£
Cash at bank and in hand	<u>1,511,369</u>	440,237	<u>1,951,606</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

Note 1 - ACCOUNTING POLICIES

a Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of investments at market value, and in accordance with the requirements of the Companies Act 2006. Applicable United Kingdom Accounting Standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these financial statements.

b Basis of consolidation

The group financial statements consolidate on a line by line basis the financial statements 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 the four other subsidiaries (listed in note 9) 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 Transfer from connected charity

At midnight on the 30 September 2012 the CTC Charitable Trust (Registered Charity Number 05125969) merged with the Club and all assets and liabilities of the Trust were transferred to the Club (see note 18).

d Income and expenditure

Subscriptions received for periods of membership after 30 September 2012 are deferred 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 fundraising purposes.

Cyclists' Touring Club

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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 the strategic management of the charity. The main items of expenditure comprise staff costs, audit fees and trustee costs.

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).

e 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 Trustees 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.

f 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
- Computer equipment - over 3 years
- Furniture and other items - over 10 years.
- Website - over 3 years.

Fully depreciated assets are eliminated from the balance sheet.

The costs of minor additions or those costing below £500 are not capitalised.

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

g Intangible fixed assets

Intangible fixed assets represent the purchase of OTC Training Limited as a going concern. All such assets are being amortised on a straight- line basis over a period to spread the cost over its expected useful life.

OTC - over 10 years

h Investments

Investments are stated in the balance sheet at market value. Realised and unrealised gains are included in the Statement of Financial Activities in the period in which they arise and are calculated by reference to the market value

at the beginning of the year.

i 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.

j Stocks

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

k 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.

l 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.

m 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. Contributions in respect of personal pension schemes and defined contribution schemes are recognised in the Statement of Financial Activities in the year in which they are payable to the relevant scheme.

n 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.

o 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 for cases lost or costs which cannot be met from defendants.

p 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 38 of the accounts. There are no other related party transactions.

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2. Voluntary income

Group

	2012			2011
	Unrestricted Funds	Restricted Funds	Total	Total
	£	£	£	Restated £
Donations (including Gift Aid)	97,774	8,000	105,774	12,850
Legacies	187,169	-	187,169	76,664
Other voluntary income	-	-	-	2
	284,943	8,000	292,943	89,516

Club

	2012			2011
	Unrestricted Funds	Restricted Funds	Total	Total
	£	£	£	£
Donations (including Gift Aid)	6,484	-	6,484	1,773
Legacies	175,169	-	175,169	33,826
	181,653	-	181,653	35,599

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

	Group		Club	
	2012	2011	2012	2011
	£	£	£	£
Buzzacott current year audit fee	25,662	20,500	4,119	5,000
Buzzacott non-audit services	16,506	2,500	15,592	2,500
Buzzacott prior year audit fee	11,230	-	11,230	-
Chantrey Vellacott 2010 audit fee	-	11,150	-	10,650
Bank charges and interest	41,192	46,793	26,779	24,881
Depreciation	94,300	104,293	28,507	14,323

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4. Resources expended on charitable activities

Group

	2012			Total	2011 Total
	Staff costs	Other direct costs	Support costs		
	£	£	£		
Membership Services	143,037	1,128,179	170,181	1,441,396	1,126,184
Health & Wellbeing Projects	508,226	225,744	96,974	830,944	1,763,078
Youth Projects	299,465	360,824	57,385	717,674	1,666,222
Education & Services to organisations	377,266	323,147	71,985	772,398	480,055
Cycle Training	123,002	188,769	23,470	335,241	459,950
Campaigning	143,867	59,646	28,920	232,433	281,678
Cycling Development	127,643	105,551	24,355	257,549	571,430
Cycling Holidays	-	1,038,500	44,630	1,083,130	992,042
Total	1,722,505	3,430,360	517,900	5,670,765	7,340,639

Club

	2012			Total	2011 Total
	Staff costs	Other direct costs	Support costs		
	£	£	£		
Membership Services	143,037	1,142,519	583,985	1,869,541	1,947,735
Total	143,037	1,142,519	583,985	1,869,541	1,947,735

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:

Group and Club

	2012	2011
	£	£
Youth Projects		
Bike Club	114,540	381,688
	114,540	381,688

Small grants were awarded by Bike Club averaging £2,000 to 25 schools, 17 community groups and 15 youth groups during the year.

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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	Premises costs £	General office £	Other staff related costs £	Financial costs £	2012 Total £	2011 Total £
Membership Services	4,076	32,970	29,327	103,808	170,181	238,216
Health & Wellbeing Projects	10,094	41,086	17,936	27,858	96,974	96,449
Youth Projects	5,884	24,286	10,540	16,675	57,385	68,275
Education & Services to organisations	7,385	30,629	13,266	20,705	71,985	6,645
Cycle Training	2,330	10,078	4,291	6,771	23,470	20,851
Campaigning	2,883	11,601	6,558	7,878	28,920	24,204
Cycling Development	2,550	10,298	4,512	6,994	24,355	59,296
Cycling Holidays	-	30,912	-	13,718	44,630	52,733
	35,202	191,860	86,430	204,407	517,900	566,669

Club	Management and Central Overheads £	Other costs £	2012 Total £	2011 Total £
Membership Services	413,804	170,181	583,985	648,997
	413,804	170,181	583,985	648,997

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

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7. Fixed assets

Group	Freehold land and buildings £	Furniture and equipment £	Website £	Total £
Cost				
1 October 2011	1,564,710	233,384	-	1,798,094
Additions during the year	-	14,988	136,446	151,434
30 September 2012	1,564,710	248,372	136,446	1,949,528
Depreciation				
1 October 2011	147,403	155,062	-	302,465
Charge for year	26,587	45,812	18,951	91,350
30 September 2012	173,990	200,874	18,951	393,815
Net Book Value				
At 30 September 2012	1,390,720	47,498	117,495	1,555,713
At 30 September 2011	1,417,307	78,322	-	1,495,629

Club	Freehold land and buildings £	Furniture and equipment £	Website £	Total £
Cost				
1 October 2011	-	63,622	-	63,622
Additions during the year	-	338	136,446	136,784
Transferred from CTC Charitable Trust	1,564,710	184,412	-	1,749,122
30 September 2012	1,564,710	248,372	136,446	1,949,528
Depreciation				
1 October 2011	-	53,552	-	53,552
Charge for year	-	9,556	18,951	28,507
Transferred from CTC Charitable Trust	173,990	137,766	-	311,756
30 September 2012	173,990	200,874	18,951	393,815
Net Book Value				
At 30 September 2012	1,390,720	47,498	117,495	1,555,713
At 30 September 2011	-	10,070	-	10,070

8. Intangible Assets

Group	Goodwill
	£
Cost	
1 October 2011	29,500
Additions during the year	-
30 September 2012	<u>29,500</u>
Depreciation	
1 October 2011	8,850
Charge for year	2,950
30 September 2012	<u>11,800</u>
Net Book Value	
At 30 September 2012	<u>17,700</u>
At 30 September 2011	<u>20,650</u>

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.

The goodwill was transferred to the Club on 30 September 2012.

9. Investments

	2012	2011
	£	Restated £
Group		
Listed investments	543,536	510,833
Total group Investments	543,536	510,833

	2012	2011
	£	£
Club		
Unquoted investments	35,021	35,021
Listed investments	543,536	510,833
Total Investments	578,557	545,854

	2012	2011
	£	£
Listed Investments		
Market value at 1 October 2011	510,833	543,623
Additions at cost	-	47,147
Disposal proceeds	(13,612)	(52,662)
Net investment gains/(losses)	46,315	(27,275)
	543,536	510,833
Market value at 30 September 2012	543,536	510,833

Cost of listed investments at 30 September 2012	509,380	522,578
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Listed investments (all in fixed interest and equities based in the UK) held at 30 September 2012 comprised the following:

	2012	2011
	£	£
UK equities	242,217	226,264
Fixed Interest	301,319	284,569
	543,536	510,833

The following holdings comprised material holdings when compared to the value of the total listed investment portfolio at 30 September 2012 :

	£	%
Co-Operative Bank 5.875% Var sub 02/04/19	102,271	19
Standard Chartered 8.103% Perpetual	64,755	12
HSBC Cap Funding LP 8.208% Perpetual	51,864	10
Next 5.25% Bonds	25,830	5
Pearson ordinary GBP0.25	26,862	5

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Unquoted investments - Club	2012	2011
	£	£
Unquoted investments	35,021	35,021
The investment comprises:	2012	2011
	£	£
Cyclists' Touring Club (Sales) Limited	3	3
Cyclists' Touring Club (Central) Limited	3	3
Cyclists' Touring Club (Eastern) Limited	3	3
Cyclists' Touring Club (Northern) Limited	3	3
Cyclists' Touring Club (Southern) Limited	3	3
Cyclists' Touring Club (Western) Limited	3	3
CTC Cycling Holidays and Tours Limited	35,000	35,000
CTC (Cycle Racing) Limited	3	3
£1 ordinary shares at cost	35,021	35,021

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

Cyclists' Touring Club (Sales) Limited	Dormant company
Cyclists' Touring Club (Central) Limited	Organises and promotes national cycling events
Cyclists' Touring Club (Eastern) Limited	These subsidiaries comprise member groups whose aims are to promote cycling activities to their members in their areas
Cyclists' Touring Club (Northern) Limited	
Cyclists' Touring Club (Southern) Limited	
Cyclists' Touring Club (Western) Limited	
CTC Cycling Holidays and Tours Limited	Organises cycling touring holidays to members
CTC (Cycle Racing) Limited	Dormant company

The Club is also the sole member of a. The Cyclists' Defence Fund, a company registered in England & Wales and limited by guarantee and a registered charity in England & Wales which works to raise awareness of the law relating to cyclists. b. CTC Charitable Trust, a charity registered in England, Wales & Scotland which works to promote cycling by raising public awareness of its health, social and environmental benefits by working with all.

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10. Debtors

	Group		Club	
	2012	2011 Restated	2012	2011
	£	£	£	£
Trade debtors	231,943	193,236	231,943	29,633
Amounts due from group companies	-	-	78,388	249,302
Other debtors	185,794	65,822	117,119	(12,575)
Prepayments & accrued income	433,613	610,123	336,615	266,969
Loan to CTC Charitable Trust	-	-	-	388,000
Other loans	-	10,000	-	10,000
	851,350	879,181	764,066	931,329

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

11. Creditors, amounts falling due within one year

	Group		Club	
	2012	2011 Restated	2012	2011
	£	£	£	£
Trade creditors	179,274	277,590	179,274	93,672
Accruals	45,290	79,789	41,334	2,626
Amounts due to group companies	-	-	31,965	47,060
Taxes and social security	112,964	65,424	82,962	(4,300)
Deferred Income	150,524	145,680	15,000	-
Other creditors	77,545	3,664	32,727	(1,190)
Subscriptions in advance	841,708	914,183	841,708	914,183
	1,407,305	1,486,330	1,224,970	1,052,051

Deferred Income represents grant income for projects received in advance.

12. Creditors, amounts falling due after more than one year

	Group and Club	
	2012	2011
	£	£
Commutated subscriptions in advance	255,993	224,094
	255,993	224,094

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13. Movement in Funds

Group	At 30 September 2011 Restated £	Incoming Resources £	Outgoing Resources £	Unrealised Gains on Investments £	At 30 September 2012 £
Unrestricted Funds:					
Designated Funds					
Life membership fund	155,758	-	-	-	155,758
Legal advice fund	273,052	-	-	-	273,052
Premises sinking fund	9,547	-	-	-	9,547
	<u>438,357</u>	-	-	-	<u>438,357</u>
General Funds	2,161,349	4,517,052	(4,183,763)	46,315	2,540,953
Total, Unrestricted funds	<u>2,599,706</u>	<u>4,517,052</u>	<u>(4,183,763)</u>	<u>46,315</u>	<u>2,979,310</u>
Restricted Funds:					
Health and wellbeing projects	73,728	802,346	(830,944)	-	45,130
Youth projects	(6,108)	800,453	(628,930)	-	165,415
Education and services for organisations	43,628	261,154	(290,994)	-	13,788
Cycle training	8,700	97,152	(55,825)	-	50,027
Campaigning	-	13,184	-	-	13,184
Total, Restricted funds	<u>119,948</u>	<u>1,974,289</u>	<u>(1,806,693)</u>	<u>-</u>	<u>287,544</u>
Total Funds	<u>2,719,654</u>	<u>6,491,341</u>	<u>(5,990,456)</u>	<u>46,315</u>	<u>3,266,854</u>
Club					
	At 30 September 2011 £	Incoming Resources £	Outgoing Resources £	Unrealised Gains on Investments £	At 30 September 2012 £
Unrestricted Funds:					
Designated Funds					
Life membership fund	155,758	-	-	-	155,758
Legal advice fund	273,052	-	-	-	273,052
Premises sinking fund	-	9,547	-	-	9,547
	<u>428,810</u>	<u>9,547</u>	-	-	<u>438,357</u>
General Funds	363,169	3,435,998	(2,136,578)	46,315	1,708,904
Total, Unrestricted funds	<u>791,979</u>	<u>3,445,545</u>	<u>(2,136,578)</u>	<u>46,315</u>	<u>2,147,261</u>
Restricted Funds:					
Health and wellbeing projects	-	45,130	-	-	45,130
Youth projects	-	165,415	-	-	165,415
Education and services for organisations	-	13,788	-	-	13,788
Cycle training	-	50,027	-	-	50,027
Campaigning	-	5,184	-	-	5,184
Total, Restricted funds	<u>-</u>	<u>279,544</u>	<u>-</u>	<u>-</u>	<u>279,544</u>
Total Funds	<u>791,979</u>	<u>3,725,089</u>	<u>(2,136,578)</u>	<u>46,315</u>	<u>2,426,805</u>

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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 Statement of Financial Activities 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.
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Cycle Training

Bikeability	Training qualification delivered to children and adults
National Standards Instructor	Courses to train the trainers
Mountain Bike	Courses designed to train instructors, bespoke groups and individuals.

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14. Analysis of assets in the funds

Group	Unrestricted Funds		2012	2011
	Restricted Funds		Total Funds	Total Funds
	£	£	£	Restated £
Cash at bank and in hand	1,846,786	104,820	1,951,606	1,511,369
Fixed assets	2,116,949	-	2,116,949	2,027,112
Stocks	10,247	-	10,247	12,416
Debtors	668,626	182,724	851,350	879,181
Creditors	(1,663,298)	-	(1,663,298)	(1,710,424)
Total	2,979,310	287,544	3,266,854	2,719,654

Club	Unrestricted Funds		2012	2011
	Restricted Funds		Total Funds	Total Funds
	£	£	£	£
Cash at bank and in hand	889,479	96,820	986,299	573,440
Fixed assets	2,151,970	-	2,151,970	555,924
Stocks	5,433	-	5,433	7,431
Debtors	581,342	182,724	764,066	931,329
Creditors	(1,480,963)	-	(1,480,963)	(1,276,145)
Total	2,147,261	279,544	2,426,805	791,979

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15. Staff costs

	Project staff	Non-Project staff	Total	2011
	£	£	£	£
Salaries and fees payable	1,186,730	506,498	1,693,228	2,131,104
Social security costs	117,709	54,875	172,584	207,373
Pension costs	19,537	9,862	29,399	41,377
	1,323,976	571,235	1,895,211	2,379,854

The average number of employees, analysed by function was:

	Actual numbers		Full time equivalent	
	2012	2011	2012	2011
Health & wellbeing	15	20	14	18
Youth projects	10	16	9	15
Education & services for organisations	7	7	7	7
Cycle training	12	16	5	8
Campaigns	4	6	4	6
Cycling development	4	5	4	5
Support and administration	17	11	14	9
	69	81	57	68

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

	2012	2011
£60,000 - £69,999	1	1
£70,000 - £79,999	1	1
	2	2

16. Trustees remuneration

None of the trustees received any remuneration in respect of their services during the year (2011 - £nil)

During the year out of pocket travelling expenses amounting to £17,823 (2011 - £15,482) were reimbursed to 22 (2011 - 21) trustees.

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17. Summary of subsidiaries accounts

	Company number	Income £	Expenditure £	Surplus/deficit for the year £	Total funds £
CTC Charitable Trust	5125969	3,117,314	4,318,441	(1,201,127)	-
CTC (Central) Limited	1644669	22,343	50,573	(28,230)	(9,701)
CTC Cycling Holidays & Tours Limited	4106179	1,147,453	1,083,130	64,323	450,981
The Cyclists' Defence Fund Ltd	4787626	27,387	18,366	9,021	100,845
CTC (Eastern) Limited	1101956	17,549	16,329	1,220	67,936
CTC (Northern) Limited	1101957	28,087	21,340	6,747	97,708
CTC (Southern) Limited	1101958	17,841	14,146	3,695	79,722
CTC (Western) Limited	1101959	27,706	22,791	4,915	94,676

CTC (Sales) Limited and CTC Cycle Racing Limited are currently non-trading subsidiaries

The Club has a guarantee with the Civil Aviation Authority to meet the liabilities of the subsidiary CTC Holidays & Tours Limited should it be unable to meet them.

A prior period adjustment has been made following a review to bring in the four subsidiaries (CTC (Eastern), CTC (Northern), CTC (Southern) and CTC (Western)) in to the consolidated accounts which introduced funds of £245,076 in total.

CTC (Eastern), CTC (Northern), CTC (Southern) and CTC (Western) are exempt from the requirements of the Companies Act 2006 relating to the audit of the individual accounts by virtue of section 479A.

The assets and net surplus of the four subsidiary companies have been included within the consolidated balance sheet and consolidated statement of financial activities of the whole group in 2012, rather than as a separate consolidated revenue account for the member groups only. Although the member groups operate in a different way to the other subsidiaries, they are wholly owned and controlled by the Club. This change in accounting policy provides a clearer picture of the total position of the group and the incoming resources for the year compared with showing the information separately. Given the way the groups operate the net income on activities is shown within voluntary income, which is £68,395 (2011 - £19,458) and the bank balance is shown on the balance sheet, which is £330,718 (2011 - £261,074). Other movements in total assets totalled £3,472 (2011 - £3,460). The opening consolidated fund balance as at 1 October 2010 has increased by £245,076 as a result of this prior period adjustment and the opening consolidated fund balance as at 1 October 2011 has increased by £264,534.

18. Transfer of assets

With effect from midnight on 30 September 2012 the CTC Charitable Trust merged with the Cyclists' Touring Club and the following assets and liabilities were transferred from the CTC Charitable Trust:

	Unrestricted £	Restricted £	Total £
Tangible Fixed Assets	1,437,366	-	1,437,366
Intangible Assets	17,700	-	17,700
Stocks	171	-	172
Cash at bank and in hand	4,489	96,820	101,309
Debtors	325,371	182,724	508,095
Creditors	(1,214,559)	-	(1,214,559)
	570,538	279,544	850,083

In order to ensure that obligations to donors are met, all funds shown as restricted in the records of CTC Charitable Trust were transferred to the Cyclists' Touring Club with the same restrictions. As the objects of the Club and Trust are the same unrestricted funds of the Trust have also been as unrestricted in the hands of the Club.

