

**Road Safety Foundation
(Limited by Guarantee)**

Financial Statements

31 December 2008

Charity Number 295573

Road Safety Foundation (Limited by Guarantee)

Financial Statements

Year ended 31 December 2008

Contents	Pages
Members of the board and professional advisers	1
Trustees annual report	2 to 7
Independent auditor's report	8 to 9
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12 to 15
The following pages do not form part of the financial statements	
Detailed statement of financial activities	17

Road Safety Foundation (Limited by Guarantee)

Members of the Board and Professional Advisers

Council of management	Lord Dubs (Chairman) Richard Turner OBE Saul Billingsley Christopher Underwood Dr John Mumford OBE
Company secretary	Brenda King
Executive	John Dawson Dr Joanne Hill Dr Steve Lawson Shona Holroyd
Registered office	60 Trafalgar Square London WC2N 5DS
Principal office	Worting House Worting Basingstoke Hampshire RG23 8PX
Auditor	Haines Watts Chartered Accountants & Registered Auditors Sterling House 177-181 Farnham Road Slough Berks SL1 4XP
Bankers	Barclays Bank plc Basingstoke & Reading Business Centre PO Box 6193 Basingstoke Hampshire RG21 3RX
Solicitors	Farrer & Co 66 Lincolns Inn Fields London WC2A 3LH

Road Safety Foundation (Limited by Guarantee)

Trustees Annual Report

Year ended 31 December 2008

The Council of Management (who are directors of the charity for the purposes of the Companies Act) present their report, together with the audited financial statements of the Foundation for the year ended 31 December 2008.

Governance

The Road Safety Foundation ("The Foundation") was incorporated on 31 October 1986 (as The Automobile Association Foundation for Road Safety Research) as a company limited by guarantee and is a registered charity, governed by its memorandum and articles of association. The charity changed its name to the Road Safety Foundation on 30 January 2007 following an interim name change to the Foundation for Road Safety Research on 8 April 2005. The directors of the charity are its trustees for the purpose of charity law and throughout this report are collectively referred to as the Council of Management.

Objectives and policies

The Foundation was established to promote road safety for the benefit of the public and in particular by:

- (1) the carrying out or procuring (whether by way of financial assistance or otherwise) the carrying out of research into all factors affecting the safe use by all members of the community of public roads and the publication of the useful results of such research;
- (2) the promotion of the circulation throughout the community of advice, information and knowledge regarding the safe use of the public roads by all classes of users thereof;
- (3) to conceive, develop and implement whether alone or jointly with third parties ideas, programmes and course of action whether of an educational or other nature designed to or having as their objective the improvement of any aspect of road safety including (but not by way of limitation of the foregoing) the carrying out of any projects or programmes intended to educate young children or others in the safe use of the public roads.

Structure and Management

Council of Management

For the purposes of company law, the council of management shown on page 1 are the directors of the company. The trustees who served during the year were as follows:

Lord Dubs (Chairman)
Richard Turner
Saul Billingsley
Christopher Underwood
Dr John Mumford

The minimum number of trustees shall be three save for circumstances where a charity (as defined by s96 of the Charities Act 1993) is appointed as a trustee, in which case it may serve as a sole trustee of the Foundation. There shall be no maximum number (unless otherwise determined by Ordinary Resolution).

Organisational Structure

The charity is ultimately governed by the Council of Management who agree and monitor the Forward Plan and approve all of the charity's policies. The day to day running of the charity is delegated to staff under the leadership of the Managing Executive.

Road Safety Foundation (Limited by Guarantee)

Trustees Annual Report

Year ended 31 December 2008

Council meetings are held at least three times a year primarily to review financial reports, discuss issues of strategic direction, and programme priorities.

Trustees are sought for the Council specifically to add value to the charity. This is both in terms of creating a Council that is representative of the community that the charity serves and one that has all of the skills and experience required to properly carry out the work of the charity.

The charity is fortunate that it is able to attract committed individuals with great relevant experience in the field and in public life. When a potential trustee is identified, they are usually invited to attend a Council meeting in the capacity of observer. Once they and the Council of Management have gained a greater understanding of each other they are nominated for election to the position of trustee and elected by unanimous decision.

Trustees' induction and training

Most trustees are already familiar with the practical work of the charity and familiar with the work of charities in general. New trustees are given briefings to provide personally tailored orientation to brief them as appropriate on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performances of the charity. The opportunity of the new Trustee is generally taken to provide Council as a whole with presentations of overall progress with the charity's work. If needed, Trustees would be encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Charity's major risks

The Foundation acknowledges at all times the risks associated with its work as a charitable company. The Council of Management ensures that its objectives, philosophy and strategy encompass the identification and control of risk at all times. It recognises that such risk involves the following:

- volatility in funding and other financial risks
- withdrawal of key partner support
- reputation risk
- poor project delivery
- retention of key staff
- law and regulation compliance risk

To ensure that such risk is identified and appropriate control measures are put in place, the Council of Management has recently reviewed the major risks to which the Foundation are exposed and their potential impact. Actions have been taken or identified to mitigate them, and they will continue to be reviewed periodically.

Activities and review of the year

The year was an important and memorable one. In 2008, the Foundation focused on helping the British government develop an effective practical road safety strategy in the UK over the 10 to 20 years beyond 2010. Financially, the year also saw the Foundation's greatest expenditure in the UK for many years as the Foundation sought with its partners to assemble an unrivalled database of the safety record and features of the British roads where most road deaths are concentrated.

The Foundation has key assets. It is the Active Member and licence holder for the European Road Assessment Programme (EuroRAP) in Britain and Ireland. This provides direct access to the latest research tools in which there has been substantial and continuing investment at both European and global level. Having played a key role in establishing EuroRAP and iRAP, the Foundation has a joint

Road Safety Foundation (Limited by Guarantee)

Trustees Annual Report

Year ended 31 December 2008

employment agreement with both. This permits the Foundation to enjoy a pool of staff with varied and world class experience to work on the Council's programmes. The Foundation's staff work with partners from leading research establishments worldwide. In turn, the Foundation hopes its work in the UK can provide models for the international community of nearly 50 countries with whom it shares its work including supra-national organisations such as the European Commission, United Nations Economic Commission for Europe and the World Bank.

Getting Ahead

The Foundation's highlight in 2008 was the publication of its report *Getting Ahead: Returning Britain to European Leadership Casualty Reduction*. This report was launched at a Parliamentary Event in the House of Lords hosted by the Foundation's chairman, Lord Dubs, in July.

As the government prepared to review its road safety strategy for the decade beyond 2010, the *Getting Ahead* report set out the Foundation's unique and extensive evidence base of the high risk roads on which Britons were dying routinely for want of affordable, high return safety countermeasures.

Getting Ahead explained that the countries which have overtaken Britain to achieve lower death rates are characterised by a clearer philosophy of how a safe road transport system can be achieved ('vision zero'; 'sustainable safety'). *Getting Ahead* explained these philosophies in language more accessible to senior policy makers. Its practical analysis sought to bring alive what the OECD report "Towards Zero: Ambitious Road Safety Targets and the Safe System" meant for British road safety policy.

The analysis carried in *Getting Ahead* showed there was potential to achieve a reduction of 1/3rd in British roads deaths through an affordable programme of infrastructure safety measures. The report argued that the successful programmes of urban safety engineering in the urban cores should be maintained and a major new initiative started on the 'A' roads in rural and peri-urban areas. Many were surprised to learn that the majority of British road deaths would lie on a highly targetable 'A' road network.

Campaign for Safe Road Design

The Foundation's work is built on successful partnerships. In 2008, the Foundation sought support for a campaign from Britain's road users organisations, safety charities and professional highway bodies to create greater awareness of what safe road design could achieve. The Foundation then led the *Campaign for Safe Road Design*.

Partners to the Campaign were the Parliamentary Advisory Committee on Transport Safety, AA, RAC Foundation, IAM Trust, Roadsafe, Freight Transport Association, Road Haulage Association, EuroRAP, the CSS (former County Surveyors Society), the Institution of Highways and Transportation and the Institution of Highway Incorporated Engineers.

The Campaign was launched at the Foundation's July Parliamentary event. The event was attended by a full cross section of those active in road safety. The *Campaign for Safe Road Design* was addressed by Road Safety Minister Jim Fitzpatrick who pledged to work with the campaign and, in particular, to help support financially the Foundation's analysis of 55,000kms of 'A' road network. This work started immediately after the event in order that aggregate analysis could be contained in the government's planned consultation document on road safety strategy in 2009.

Road Safety Foundation (Limited by Guarantee)

Trustees Annual Report

Year ended 31 December 2008

Launch of the 2008 British EuroRAP Results

In the week prior to the launch of the *Getting Ahead* report, the Foundation released to the media its annual British EuroRAP results. The analysis covered an analysis over a full 10-year period. It showed that the safety of British primary roads was improving but still 30% of the network lay outside the safest two bands - and even one quarter of the motorway network did not make the safest safety band.

The launch of these results was again fully covered in national and regional TV, radio, print as well as on-line. In addition, the Foundation worked with ITV's *Police Camera Action* so that a one hour popular prime time programme covering infrastructure safety was broadcast as the results were released. The Foundation also licensed Collin's atlases to carry the risk map in its 2009 editions. Editions of the Collins Atlas became the first to advertise on the front cover that the atlas carried maps of 'high risk' roads. The 2008 EuroRAP results provided the central evidence base in the *Getting Ahead* report published the subsequent week.

European Road Safety Atlas

The work to prepare safety mapping for atlases for both public and professional use is supported by the European Commission. The Foundation is leading the British work as part of 3-year project involving 10 countries led by the European Road Assessment Programme (EuroRAP).

Star Rating the Trunk Road Network

In the first quarter of 2008, further extensive inspections of the English trunk road network took place which enabled completion of the entire English trunk road network. This work was undertaken in partnership with the Highways Agency. By the end of the year the star rating analysis was substantially complete and it is planned to publish results in 2009.

Ireland

In the Republic of Ireland, the Foundation's communication partner is AA Ireland. In May 2008, working with the Irish National Road Administration, the Department for Regional Development in Northern Ireland and AA Ireland, the Foundation helped enable the publication of a major analysis of the safety of Irish roads. The report contained risk mapping and an analysis of 5 years of collision data in the island of Ireland. The report also contains the results of the first EuroRAP star rating assessment of selected roads, north and south.

Financial Review

The success of the programme in 2008 was achieved was matched by a solid financial performance which exceeded Plan expectations. Valued contributions were received from iRAP to support the UK programme and the Rees Jeffreys Road Fund and Department of Transport for the risk map mapping of the non primary "A" road network in England, Scotland and Wales.

During 2008, the Foundation's expenditure was in excess of £270k and the charity ended the year with reserves in excess of £100k. There are increasing expectations of the work that the Foundation can contribute in British road safety and it remains a continuous challenge for Council to secure the modest funding that permits the contribution it continues to make.

Road Safety Foundation (Limited by Guarantee)

Trustees Annual Report

Year ended 31 December 2008

Plans for future periods

With the costs of major data collection largely falling in 2008, the 2009 programme is planned to be financially smaller than 2008. There will however be substantial analysis taking place and detailed work to support the development and delivery of the UK road safety strategy. The year is expected to include:

- publication of aggregate results from analysis of British 'A' road data
- publication of the first risk mapping for the entire 'A' road network
- publication of star rating results for the English trunk road network
- a trial with highway engineers to demonstrate how engineering countermeasures can be developed proactively at high risk sites
- support for the European Road Safety Action Plan and the global campaign for road safety *Make Roads Safe*

Beyond 2009, the Foundation hopes to be able to play a key role in supporting the delivery of the next UK road safety strategy particularly in the field of infrastructure safety.

Reserves policy

The Council of Management have agreed sufficient reserves to be held by the charity at the year end. They have earmarked all unrestricted funds to meet contractual liabilities and to enable future programme development. At the year-end the charity had available reserves of £100,214 held in order to continue to provide services in furtherance of its objects should there be a temporary shortfall in incoming resources.

Investment powers

Under the memorandum and articles of association, the charity has the power to invest in any way the trustees wish.

The Foundation has adopted a low risk approach to investing surplus cash by placing cash on deposit at the bank.

Statement of Council of Management's Responsibilities

The Council of Management (who are also directors of Road Safety Foundation for the purposes of company law) are responsible for preparing the Trustees' Report 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 Foundation and of the incoming resources and application of resources, including income and expenditure, of the Foundation for the year. 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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in operation.

Road Safety Foundation (Limited by Guarantee)

Trustees Annual Report

Year ended 31 December 2008

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Foundation and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the trustees are aware:

- there is no relevant audit information of which the Foundation's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Connected charities

There were no related party transactions during the year.

Auditors

Haines Watts will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

Small company provisions

This report was approved on 30 June 2009 taking advantage of special exemptions available to small companies, conferred by Part VII of the Companies Act 1985.

Signed on behalf of the Council of Management



Lord Dubs
Chairman

Road Safety Foundation (Limited by Guarantee)

Independent Auditor's Report to the Members of Road Safety Foundation

Year ended 31 December 2008

We have audited the financial statements on pages 10 to 15 which have been prepared under the historical cost convention and the accounting policies set out on pages 12 and 13 and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the Foundation's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the council of management and the auditor

The trustees' (who also act as directors for the charitable activities of the company) responsibilities for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom General Accepted Accounting Practice), are set out in the Statement of Council of Management's Responsibilities on page 6.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

Basis of audit opinion

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

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

**Road Safety Foundation
(Limited by Guarantee)**

**Independent Auditor's Report to the Members of
Road Safety Foundation** *(continued)*

Year ended 31 December 2008

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31 December 2008 and of its incoming resources and application of resources, including its income and expenditure in the year then ended, and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

Haines Watts

Sterling House
177-181 Farnham Road
Slough
Berkshire
SL1 4XP

HAINES WATTS
Chartered Accountants
& Registered Auditors

3 July 2009

Road Safety Foundation (Limited by Guarantee)

Statement of Financial Activities

Year ended 31 December 2008

	Note	Total Funds 2008 £	Total Funds 2007 £
Incoming resources			
<i>Incoming resources from generated funds:</i>			
Grants and donations	3	68,177	85,750
<i>Activities for generating funds:</i>			
Investment income	4	1,215	2,432
		<u>69,392</u>	<u>88,182</u>
<i>Incoming resources from charitable activities</i>			
Education, training and research	5	228,709	50,432
Total incoming resources		<u>298,101</u>	<u>138,614</u>
Resources expended:			
<i>Charitable activities</i>			
Costs in furtherance of charitable objects	6	274,720	110,354
<i>Governance costs</i>	7	4,112	4,465
Total resources expended	8	<u>278,832</u>	<u>114,819</u>
Net incoming/(outgoing) resources for the year		19,269	23,795
Total funds brought forward		80,945	57,150
Total funds carried forward	11	<u>100,214</u>	<u>80,945</u>

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

Road Safety Foundation (Limited by Guarantee)

Balance Sheet

31 December 2008

	Note	2008		2007	
		£	£	£	£
Current assets					
Debtors	9	84,420		80,000	
Cash at bank and in hand		79,103		107,038	
		<u>163,523</u>		<u>187,038</u>	
Creditors: Amounts falling due within one year					
	10	<u>(63,309)</u>		<u>(106,093)</u>	
Net current assets			100,214		80,945
Total assets less current liabilities			<u>100,214</u>		<u>80,945</u>
Net assets			<u>100,214</u>		<u>80,945</u>
Reserves					
Unrestricted funds	11		<u>100,214</u>		<u>80,945</u>
			<u>100,214</u>		<u>80,945</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the members of the committee on 30 June 2009 and are signed on their behalf by:



Lord Dubs
Trustee

Road Safety Foundation (Limited by Guarantee)

Notes to the Financial Statements

Year ended 31 December 2008

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Companies Act 1985.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Incoming resources

Voluntary income represents amounts received and recorded at offices and projects during the year. No costs of fundraising have been netted against voluntary income.

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Revenue grants are credited as incoming resources when they are received or receivable if the grant has been applied for, the work to which it relates has been completed and it will be received subsequently, unless they relate to a specified future period, in which case they are deferred.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Certain expenditure is directly attributable to specific activities and has been included in those categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Fund accounting

Restricted funds are to be used for specific purposes laid down by the donor. Expenditure for those purposes is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange differences are dealt with in the statement of financial activities.

Road Safety Foundation (Limited by Guarantee)

Notes to the Financial Statements

Year ended 31 December 2008

1. Accounting policies (continued)

Value added tax

As the majority of the Foundation's activities are classified as exempt or non-business activities for the purposes of value added tax, the Foundation is unable to reclaim all the value added tax which it suffers on its purchases. Expenditure in these financial statements is therefore shown inclusive of value added tax.

2. Taxation

The Foundation is a registered charity and therefore no taxation is expected to be payable on its income, which is applied for charitable purposes only.

3. Grants and donations

	2008	2007
	£	£
IAM Motoring Trust	–	30,000
iRAP Gift Aid	58,600	15,000
EuroRAP	–	32,844
Discount on loan	–	7,901
Other donors	9,577	5
	<u>68,177</u>	<u>85,750</u>

4. Investment income

	2008	2007
	£	£
Bank interest receivable	1,215	2,432

5. Incoming resources from charitable activities

	2008	2007
	£	£
Highways Agency	127,126	50,000
EC Road Safety Atlas project	34,368	–
DfT/Rees Jeffrey's project	47,902	–
Other income	19,313	432
	<u>228,709</u>	<u>50,432</u>

6. Costs in furtherance of charitable objects

	2008	2007
	£	£
Research projects	236,567	67,775
Communication and reports	5,353	3,298
Management and administration	219	78
Other costs	8,643	518
Staff	23,896	24,267
Conference costs	42	14,418
	<u>274,720</u>	<u>110,354</u>

Road Safety Foundation (Limited by Guarantee)

Notes to the Financial Statements

Year ended 31 December 2008

7. Governance

	2008	2007
	£	£
Audit fees	4,112	4,465
	<u>4,112</u>	<u>4,465</u>

8. Total resources expended

	Staff costs	Direct costs	Other costs	Total Funds 2008	Total Funds 2007
		£	£	£	£
Research projects	23,321	204,818	8,428	236,567	86,073
Management and administration	23,896	–	14,257	38,153	24,281
Governance	–	4,112	–	4,112	4,465
	<u>47,217</u>	<u>208,930</u>	<u>22,685</u>	<u>278,832</u>	<u>114,819</u>

The Foundation has a joint employment agreement for sharing staff with International Road Assessment Programme Limited and EuroRAP.

None of the Council of Management members received remuneration during the year, in respect of their services to the Foundation (2007 - £Nil).

Travelling and subsistence expenses amounting to £203 was reimbursed to Council of Management members during the year (2007 - £170).

9. Debtors

	2008	2007
	£	£
Other debtors	84,420	80,000
	<u>84,420</u>	<u>80,000</u>

10. Creditors: Amounts falling due within one year

	2008	2007
	£	£
Trade creditors	9,439	45,958
Accruals & deferred income	26,647	31,383
Other creditors	27,223	28,752
	<u>63,309</u>	<u>106,093</u>

Road Safety Foundation (Limited by Guarantee)

Notes to the Financial Statements

Year ended 31 December 2008

11. Analysis of net assets in funds

	2008	Unrestricted Funds	2007
	£		£
Current assets	163,523		187,038
Current liabilities	(63,309)		(106,093)
	<u>100,214</u>		<u>80,945</u>

12. Related party transactions

John Dawson is also a director of EuroRAP and iRAP. During the year, the Foundation received gift aided donations towards its UK programme from iRAP of £58,500 (2007: £15,000) and from John Dawson £2,400 (2007: £nil). In addition the Foundation shared staffing costs of £23,896 with EuroRAP (2007: £24,267)

13. Company limited by guarantee

The company is limited by guarantee and the liability of each member is one pound sterling.