

Company Registration No. 08837451  
Charity No. 1156300

The Road Safety Trust  
(Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

for the year ended  
31 March 2017

# The Road Safety Trust (Limited by Guarantee)

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# The Road Safety Trust (Limited by Guarantee)

## LEGAL AND ADMINISTRATIVE INFORMATION

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### **TRUSTEES**

Anthony Bangham, Chairman (appointed 19 April 2017)  
Oliver Carsten  
Jo Clift (appointed 19 January 2017)  
Claire Corbett  
Suzette Davenport, Chairman (resigned 19 April 2017)  
Tony Fuller (appointed 2 February 2017)  
David Jamieson  
Viscount Jan Simon (resigned 5 July 2016)  
Catherine McMahon OBE  
Jessica Matthew (resigned 19 October 2016)  
James Millar (appointed 19 January 2017)  
Gary Walker  
Ashton West OBE  
Philippa Young

### **COMPANY SECRETARY**

Hugh Sutherland

### **CHIEF EXECUTIVE**

Robert Gifford

### **COMPANY NUMBER**

08837451

### **REGISTERED CHARITY NUMBER**

1156300

### **REGISTERED OFFICE**

Beaver House  
c/o Critchleys LLP  
23-38 Hythe Bridge Street  
Oxford  
OX1 2ET

### **WEBSITE**

[www.roadsafetytrust.org.uk](http://www.roadsafetytrust.org.uk)

### **AUDITOR**

RSM UK Audit LLP  
The Pinnacle  
170 Midsummer Boulevard  
Milton Keynes, MK9 1BP

### **BANKERS**

NatWest  
City of London Office  
PO Box 12258  
1 Princes Street  
London, EC2R 8BP

### **LEGAL ADVISERS**

Pannone Corporate LLP  
378-380 Deansgate  
Manchester, M3 4LY

# The Road Safety Trust (Limited by Guarantee)

## TRUSTEES' REPORT

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The Trustees submit their report and the audited financial statements of The Road Safety Trust for the year ended 31 March 2017.

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Companies Act 2006 and the Charities Act 2011.

### REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details of the charity, including details of its Trustees (who are also its Directors) and Advisers, are given on page 1.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### **Governing Document and Constitution**

The Road Safety Trust is a private company limited by guarantee (Company number 08837451) incorporated on 8 January 2014 and is a charity registered in England and Wales on 20 March 2014 (Charity number 1156300).

The Road Safety Trust was established under a Memorandum of Association that established its objects and powers and is governed by its Articles of Association. Its members are the 43 police forces of England, Wales and Northern Ireland. The objects of the Charity are:

- a) To preserve and protect human life and health by the prevention of personal injury to, and the death of, road users in the United Kingdom in particular (but not exclusively) by supporting research into road safety (the useful results of which shall be disseminated) and the development of practical measures, including through education, engineering or enforcement aimed at reducing personal injury and death; and
- b) To advance the education of the public in issues of road safety with the object of reducing personal injury and death among road users in the United Kingdom in particular (but not exclusively) by promoting safe practices in relation to public road use and supporting research into such safe practices (the useful results of which shall be disseminated).

#### **Methods for Recruiting and Appointing New Trustees**

The Trust reviews annually the skills and experience of the Board in order to identify any gaps that may need to be filled. An analysis of this nature was undertaken during the year which led the Board to conclude that it needed to strengthen its capacity in strategic planning, governance and finance. The Board agreed a process for advertising and appointment which was delegated to the Nominations and Governance Sub-committee.

An open process of recruitment and identification of trustees was undertaken through Trustees Unlimited. In December 2016, the Sub-committee interviewed three new trustees who were recommended to the full Board of Trustees for appointment.

The Trust remains committed to open advertising for new trustees and to the establishment of a diverse board of trustees.

# The Road Safety Trust (Limited by Guarantee)

## TRUSTEES' REPORT

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### **Policies for Induction and Training of Trustees**

The Charity recognises the importance of both induction of new Trustees and training for both new and existing Trustees. To assist in this, the Charity has joined both the Association of Charitable Foundations and the NCVO to benefit from training and networking opportunities. Details of events are circulated to Trustees.

New trustees are supported by the Chief Executive and the Chair in their first six months to ensure that they understand fully and can contribute to the working of the Trust.

During the year, the Board has considered the training needs of Trustees and adopted a training policy for the Trust. This covers training for the entire board on specific issues, training for individual trustees on matters relevant to effective trusteeship, and maintaining the knowledge of trustees on policy matters relating to the grant-making aspect of the Trust.

A programme of full Board training is being developed to include financial training and consideration of risk management.

The Articles of the Trust also include a suitable means to cover the retirement and potential re-appointment of existing Trustees. All appointments to the Board of Trustees are subject to confirmation by the Members at the Annual General Meeting.

### **Third Party Indemnity Provision for Trustees**

As the work of the Charity developed during the year, and in line with the review of requirements undertaken by the Trustees, it was agreed to purchase Directors and Officers insurance and third party indemnity insurance for Trustees. The nature and scale of the policy will continue to be kept under review. The cost of the insurance for the year was £4,052 (2016: £nil).

### **Organisation Structure and Administration of the Charity**

The Board of Trustees met five times during the year ended 31 March 2017. Its work was also supported by five sub-committees which met as required during the year. Each of these has identified terms of reference reviewed annually. These sub-committees cover:

- Audit and risk
- Fees and remuneration
- Nominations and governance
- Road safety initiatives
- Complaints and appeals

All Trustees have agreed to be members of at least one sub-committee.

The Trust continues to be supported by three part-time employees: Robert Gifford (Chief Executive), Hugh Sutherland (Head of Finance) and Louise Palomino (Grants Manager). Both Robert Gifford and Hugh Sutherland exercise management responsibilities for the Trust and its trading subsidiary, UKROEd, of which they are both directors. Louise Palomino is employed solely by the Trust in order to oversee the management and direction of the grants programme. The Trustees are grateful to them for the professional support that they have provided during the year.

In addition, administrative support is provided on a consultancy basis. External support has also been retained for both marketing and communications aspects of the Trust's work.

At its establishment in March 2014, the Trust adopted an integrated governance document which sets out the matters delegated to the Chief Executive and management team and those reserved to the Board and its sub-committees. A review of this document is under way in the light of the first year of operation of the trading

# The Road Safety Trust (Limited by Guarantee)

## TRUSTEES' REPORT

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subsidiary.

The Fees and Remuneration sub-committee sets remuneration policy and approves remuneration of new employees to the Trust.

### **Key Management Personnel Remuneration**

The Trustees consider the board of Trustees, the directors of UKROEd Limited and the Chief Executive as comprising the key management personnel of the charitable group in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in notes 6 and 16 to the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises.

The pay of the charity's Chief Executive and Head of Finance are reviewed annually and normally increased in accordance with average earnings. The remuneration is also bench-marked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

### **Relationships with Other Organisations**

The activities of the Trust's trading subsidiary, UKROEd, are governed by a Scheme Administration Agreement between UKROEd and the National Police Chiefs' Council (NPCC). This was signed in January 2016 and sets out the terms upon which UKROEd will administer the National Driver Offenders Retraining Scheme (NDORS) for the police service. On April 1 2016, UKROEd became fully responsible for NDORS, taking over management of the scheme from RSS Ltd.

The transfer took place on the basis of an Asset Transfer and Transition Support Deed which set out the intellectual property assets transferred to UKROEd, the terms of the transitional support services to be provided to UKROEd during the first year of operation, and the commitment of NDORS Ltd to be wound up through a members' voluntary liquidation with any surplus being donated to the Trust. The transitional support services were provided for one year and the final distribution as part of the liquidation was received in March 2017.

The Board of Trustees has been chaired during the year by the National Lead for Roads Policing as identified by the NPCC. Suzette Davenport retired from this role in March 2017 and her successor, Anthony Bangham, Chief Constable of West Mercia, took over as chair in April 2017. The Board also includes a representative of Police and Crime Commissioners in England and Wales, David Jamieson, nominated through their association.

## OBJECTIVES AND ACTIVITIES

### **Objectives for the year to 31 March 2017**

The Trust identified three key objectives for the year ending 31 March 2017. These were:

- To put in place an active grant-making programme
- To strengthen the board of trustees through the recruitment of new trustees and
- To ensure the smooth transition of NDORS to the trust's trading subsidiary, UKROEd.

All three objectives were achieved during the year.

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## TRUSTEES' REPORT

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### STRATEGIC REPORT

#### ACHIEVEMENTS AND PERFORMANCE

##### Grant-making during the year

The Trust has undertaken two phases of grant-making during the year. The first round was confirmed at the Board meeting held in April 2016. The second round opened in August 2016, was assessed by the Road Safety Initiatives Sub-committee in November and confirmed by the Board at its meeting in January 2017. Twenty one applications were received for the second round, of which the Trust agreed to fund eight.

The Trustees believe that a key contribution that the Trust can make to road safety is the provision of independent funding for research or the development of innovative practical solutions to reduce death and injury. In assessing all applications for funding, the Trustees have been mindful of the need to support new ways of working or new partnership approaches to tackling issues.

Full details of the Trust's grants policy and timetable for applications are available on the website: [www.roadstafetytrust.org.uk](http://www.roadstafetytrust.org.uk). The trustees reviewed the grants policy in the light of the first round of applications and agreed that more detailed guidance for applicants should be made available. This was also added to the website during the year. In addition, the trustees agreed to invest in an on-line application software package (GIFTSONline). This was put into operation for the second round of grants applications commencing in August 2016.

Reflecting on experience of the first two rounds of grants, the Trust also agreed to move to a programme of awarding grants every nine months. Details of the timetable for applications and awards were added to the website to ensure maximum transparency of the grant-making programme. Details of successful applications are also listed on the website.

The five projects funded in April 2016 are listed below:

- PACTS for a series of policy papers taking forward the Government's Road Safety Statement published in December 2015 (£19,000);
- Warwickshire and West Mercia Road Safety Partnership for an app aimed at young drivers (£35,000);
- TRL for a project to reduce tailgating among those driving for work (£98,215);
- TRL for a project to develop testing protocols for a safety rating scheme for cycle helmets (£99,520); and
- Addenbrooke's Charitable Trust and Cambridgeshire and Peterborough Road Safety Partnership for a project to look in detail at crashes that cause severe injury and death, looking in particular at the drivers involved in these crashes (£100,000).

In February 2017, the research teams involved in all the projects were brought together to give progress reports to the Road Safety Initiatives Sub-committee. This provided an important opportunity to consider the impact of these projects – a topic to which the Trust intends to give some thought during the coming year.

It is anticipated that the first four of these projects will be completed by the end of the summer 2017. Opportunities for wider dissemination of the findings of the projects will be considered during the coming months.

The second round of projects amounted to a further £730,000. Final details of the conditions for the projects are being completed. The projects supported are:

- University of the West of England for a project aimed at young drivers in deprived areas (£194,000);
- University College London for a project identifying successful road safety education programmes aimed at parents of children under 11 (£105,592);

# The Road Safety Trust (Limited by Guarantee)

## TRUSTEES' REPORT

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- Nottingham Trent University for a project aimed at developing positive interventions for driver training (£98,604);
- TRL for the development of a community-led intervention to improve residential road safety (£97,500);
- Nottingham Trent University for a project to assess mobility scooter use behaviour and hazard perception (£88,976);
- University of South Wales to develop a road crossing educational computer game for primary school pupils (£67,468);
- Designability for support in a project to enable the use of connected autonomous vehicles by older people with a disability (£62,908); and
- PACTS for a review assessing the baseline statistical information regarding suicides on UK roads (£15,500).

Some of these projects will last for periods longer than the coming year.

In discussions about the award of grants, the Road Safety Initiatives sub-committee has also begun to give thought to how best to measure the impact of its grant programme. As highlighted earlier, the Trust offers new and independent funding for research and projects. Any outputs of the grants awarded will be disseminated widely and will be publicly available. The Trust is committed to encouraging learning and development both within and beyond the road safety community. It is also keen to ensure that the results of grants can be of national application and relevance where possible. The task of definition and assessment of impact will form a key task during the coming year.

### **Recruitment of New Trustees**

At its meeting in July, the Board agreed a process for the recruitment of additional trustees to fill identified gaps in terms of strategic management, public policy and financial management. The Board agreed to advertise openly for new trustees in order to extend involvement in the Trust's work. Trustees Unlimited were engaged to assist with the recruitment process.

In December, the Nominations and Governance Sub-committee of the Board interviewed potential trustees and recommended the appointment of all three. This was agreed at the Board meeting held in January 2017.

### **Transition of NDORS to UKROEd**

UKROEd, the wholly owned trading subsidiary of the Trust, is responsible for the scheme known as NDORS. NDORS is the suite of educational courses offered to drivers, under specific circumstances, as a disposal in place of prosecution or the issue of a fixed penalty notice. UKROEd has a signed Scheme Administration Agreement with the NPCC, setting out the responsibilities of the company with regard to the scheme. In summary, UKROEd's two main responsibilities are the maintenance and development of the database of those offered courses and the quality assurance of the courses themselves.

In April 2016, the responsibility for NDORS was transferred from a third party. While not directly responsible for NDORS, the Trust has received regular reports of the work of UKROEd to remain updated of development. Minutes of UKROEd Board meetings are submitted to the Trust. In addition, the Trust has nominated Suzette Davenport as a director to the board of UKROEd. An additional trustee, Ashton West, has attended UKROEd board meetings as an observer to ensure adequate oversight of the running of the subsidiary. At its meeting in April, the Board formalised this by appointing him as a non-executive director of UKROEd Ltd.

The Trust is pleased to report that the first year of operation of UKROEd has been completed without difficulty and that a seamless transition to the new administration has been completed.



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## TRUSTEES' REPORT

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### Public Benefit

The Trustees confirm that, in exercising their powers and in fulfilling their responsibilities in the areas described above, they have paid due regard to the guidance on public benefit published by the Charity Commission and available at <http://www.gov.uk/public-benefit-rules-for-charities>.

### FINANCIAL REVIEW

The principal funding source for the year 2016/17 has been the surplus generated by UKROEd from its trading activity. During the year the charity received a gift aid distribution from UKROEd of £3,089,440 (2016: £nil).

The charity's main activity during the year was the payment of grants to UK based organisations, registered charities and university departments in furtherance of its charitable objectives. During the year the charity made grant payments amounting to £984,783 (2016: £nil).

During the year there was income of £54,586,038 (2016: £602,117) and expenditure of £52,368,780 (2016: £387,068) resulting in net income of £2,217,258 (2016: £215,049). The surplus has increased unrestricted funds to £3,905,301 (2016: £1,688,043).

This level of income and expenditure is largely due to the trading subsidiary of the charity, UKROEd, which acts as the entity responsible for the administration of the National Driver Offender Retraining Scheme (NDORS). Under the Scheme Administration Agreement signed with the NPCC, UKROEd collects the 'Scheme Participation Charge' for the management and operation of the Scheme. At present the level of this charge is set by Road Safety Trust. An element of this income is then paid to the relevant police forces in the form of the 'Force Enforcement Cost Recovery Charge'. These amounts are therefore shown separately as income and expenditure within the consolidated accounts of the charity.

### Investment Policy

The Trust plans to establish minimum reserves of £3m, mostly to ensure that the organisation can meet the funding needs of the National Driver Offender Retraining Scheme. Additional funds may be held to match grant funding commitments made by the Trust.

The funds will be held mostly in bank current and deposit accounts or suitable government or institutional bonds.

Investment decisions are to be made by the Audit and Risk sub-committee and ratified by the full board of Trustees.

The investment objective is to maintain the certainty of value of the cash deposits and subject to that constraint to mitigate the effects of inflation on the purchasing power of cash held.

The Trust will not seek the advice of professional investment managers.

### Reserves Policy

The Trust has adopted a reserves policy in accordance with the guidance provided by the Charity Commission. The policy has regard to the following factors:

- Maintenance of essential services to beneficiaries
- Risks and costs of unplanned closure
- The levels of restricted and unrestricted funds available
- The levels of funds tied up in fixed assets, investments and designated funds
- Future funding needs
- The activities of trading subsidiaries

# The Road Safety Trust (Limited by Guarantee)

## TRUSTEES' REPORT

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- The risks identified as part of their risk management activities
- The planned distribution of funds in furthering its objects

The board has determined that, in line with relevant public sector benchmarks, a minimum reserve of £3 million is needed. The reserve requirement mainly reflects the potential needs associated with the risks identified by its trading subsidiary, UKROEd, which has undertaken the primary purpose activity of running NDORS.

The Trust has retained a reserve of £3.9 million by the end of the first year of operating the Scheme, these reserves are all unrestricted funds and all are available for the general purposes of the Trust. The Trust anticipates extending the remit of its grant-making to include additional support for funded projects to extend the impact of their work. This is likely to result in reserves falling nearer to the planned figure. As can be seen in note 4 to the financial statements £97,500 (2016: £nil) has been committed to future grant payments at the year end.

### **Risk Management**

During the year, the Trustees have considered the risks to which the Trust might be exposed over time and the appropriate mitigation measures for such exposure. These include the loss of key staff, information security breaches, failure to exercise appropriate governance of UKROEd and the impact of grant funded projects on the reputation of the Trust.

The Audit and Risk sub-committee has continued to develop an appropriate risk register and dashboard for the Trust which is included within the papers for each Board meeting. It will also be reviewed during the coming year.

The Trust has identified the key risks facing the charity and its trading subsidiary. These are a potential reduction in its membership, cyber security, appropriate governance of the trading subsidiary, reliance on a key supplier, and the potential for external misunderstanding of the finances of the scheme. The trustees have therefore taken great care to keep the members informed of developments within the Trust, have reviewed the need to enhance cyber security, ensured the appointment of a trustee to the board of the trading subsidiary, maintained a focus on value for money from all contracts and developed a media policy with appropriate levels of professional support.

### **Plans for the Future**

As two rounds of grants have now been awarded, a key priority for the Trust will be to ensure that the projects come to successful fruition and that the results are disseminated as widely as possible by both the Trust and the grant recipients. The Trust will also give thought to how best to support projects post-completion through some form of exploitation fund.

The Trust will undertake a third round of grant applications during the year with the overall intention that grant-making will be undertaken on a nine-monthly cycle.

The Trust will also begin a more detailed study of how best to develop an understanding of the impact of grant-making, working with, among other organisations, the Association for Charitable Foundations, of which it is a member. This work will be led initially by members of the Road Safety Initiatives sub-committee, allowing them to reflect on and learn from the initial rounds of grant-making. The focus is likely to be on the impact of grants on learning and knowledge about road safety, on supporting the development of evidence-based approaches to casualty reduction, and on improving practice.

### **AUDITORS**

A resolution to reappoint RSM UK Audit LLP will be put to the members at the forthcoming Annual General Meeting.

# The Road Safety Trust (Limited by Guarantee)

## TRUSTEES' REPORT

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### STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report, and the incorporated Strategic Report, were approved by the Trustees on 12 July 2017 and are signed on their behalf by:



**Anthony Bangham**  
Chairman

# The Road Safety Trust (Limited by Guarantee)

## TRUSTEES' RESPONSIBILITIES IN THE PREPARATION OF THE FINANCIAL STATEMENTS

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The Trustees (which comprises the directors for the purpose of company law) are responsible for preparing the Trustees' Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company and charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group.

In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP).
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Road Safety Trust website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# The Road Safety Trust (Limited by Guarantee)

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROAD SAFETY TRUST

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### **Opinion on financial statements**

We have audited the financial statements of The Road Safety Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2017, which comprise the consolidated and charity Statements of Financial Activities, the consolidated and charity Balance Sheets, the consolidated and charity Statements of Cashflows and notes to the financial statements including a summary of significant accounting policies. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2017 and of the group's and parent charitable company's incoming resources and application of resources, including its 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 requirements of the Companies Act 2006.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements and, based on the work undertaken in the course of our audit, the Trustees' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' Report and the incorporated Strategic Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and 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.

### **Respective responsibilities of trustees and auditor**

As more fully explained in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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.

# The Road Safety Trust (Limited by Guarantee)

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ROAD SAFETY TRUST

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This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

SARAH MASON FCA (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP Statutory Auditor  
Chartered Accountants  
The Pinnacle  
170 Midsummer Boulevard  
Milton Keynes  
MK9 1BP

1 September 2017

**The Road Safety Trust (Limited by Guarantee)**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING**  
**INCOME AND EXPENDITURE ACCOUNT)**  
**for the year ended 31 March 2017**

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	<i>Notes</i>	Total Unrestricted Funds 2017 £	Total Unrestricted Funds 2016 £
<b>Income from:</b>			
Donations and legacies		251,475	600,000
Other trading activities:			
Commercial trading operations	9	54,333,116	-
Investments - other	2	1,447	2,117
Total income		54,586,038	602,117
<b>Expenditure on:</b>			
Raising funds:			
Commercial trading operations	9	(51,210,223)	(34,353)
Charitable activities	3	(1,158,557)	(352,715)
Total expenditure		(52,368,780)	(387,068)
<b>Net income</b>	5	2,217,258	215,049
<b>Reconciliation of funds:</b>			
Total funds brought forward	13	1,688,043	1,472,994
Total funds carried forward	13	3,905,301	1,688,043

The Road Safety Trust (Limited by Guarantee)  
 CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME  
 AND EXPENDITURE ACCOUNT)  
 for the year ended 31 March 2017

	<i>Notes</i>	Total Unrestricted Funds 2017 £	Total Unrestricted Funds 2016 £
<b>Income from:</b>			
Donations and legacies		251,475	600,000
Investments – distribution from subsidiary undertaking		3,089,440	-
Investments - other	2	1,447	2,117
Total income		<u>3,342,362</u>	<u>602,117</u>
<b>Expenditure on:</b>			
Charitable activities	3	(1,159,457)	(352,715)
Total expenditure		<u>(1,159,457)</u>	<u>(352,715)</u>
<b>Net income</b>	5	<u>2,182,905</u>	<u>249,402</u>
<b>Reconciliation of funds:</b>			
Total funds brought forward	13	1,722,396	1,472,994
Total funds carried forward	13	<u>3,905,301</u>	<u>1,722,396</u>



# The Road Safety Trust (Limited by Guarantee)

## CONSOLIDATED AND CHARITY BALANCE SHEETS

At 31 March 2017

Company Registration No. 08837451

	Notes	Group		Charity	
		2017 £	2016 £	2017 £	2016 £
<b>CURRENT ASSETS</b>					
Debtors	10	6,676,852	400	3,020,974	500,000
Cash at bank and in hand		7,426,421	1,777,003	1,736,209	1,284,536
		<u>14,103,273</u>	<u>1,777,403</u>	<u>4,757,183</u>	<u>1,784,536</u>
<b>CREDITORS: Amounts falling due within one year</b>					
	11	(9,723,538)	(89,360)	(377,448)	(62,140)
<b>NET CURRENT ASSETS</b>		<u>4,379,735</u>	<u>1,688,043</u>	<u>4,379,735</u>	<u>1,722,396</u>
<b>CREDITORS: Amounts falling due after one year</b>					
	12	(474,434)	-	(474,434)	-
<b>NET ASSETS</b>		<u>3,905,301</u>	<u>1,688,043</u>	<u>3,905,301</u>	<u>1,722,396</u>
<b>FUNDS OF THE CHARITY</b>					
Unrestricted funds	13	3,905,301	1,688,043	3,905,301	1,722,396
<b>TOTAL FUNDS</b>		<u>3,905,301</u>	<u>1,688,043</u>	<u>3,905,301</u>	<u>1,722,396</u>

The financial statements on pages 13 to 25 were approved by the Trustees and authorised for issue on 12 July 2017 and are signed on its behalf by:



Anthony Bangham  
Chairman

The Road Safety Trust (Limited by Guarantee)  
CONSOLIDATED AND CHARITY STATEMENTS OF CASH FLOWS  
for the year ended 31 March 2017

	Notes	Group 2017 £	2016 £	Charity 2017 £	2016 £
NET CASH GENERATED FROM/ (USED IN) OPERATING ACTIVITIES	14	5,647,971	274,892	(49,774)	282,425
INVESTING ACTIVITIES					
Interest received		1,447	2,117	1,447	2,117
Loan granted to subsidiary undertaking		-	-	-	(500,000)
Repayment of loan granted to subsidiary undertaking		-	-	500,000	-
CASH GENERATED FROM INVESTING ACTIVITIES		1,447	2,117	501,447	(498,553)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS IN THE YEAR		5,649,418	277,009	451,673	(215,458)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,777,003	1,499,994	1,284,536	1,499,994
CASH AND CASH EQUIVALENTS AT END OF YEAR		7,426,421	1,777,003	1,736,209	1,284,536

# The Road Safety Trust (Limited by Guarantee)

## ACCOUNTING POLICIES

for the year ended 31 March 2017

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The Road Safety Trust is a private limited company limited by guarantee, and is registered, domiciled and incorporated in England. The registered address of the charitable company is detailed on page 1. The charitable company does not have a principle place of business as all employees work from home.

### BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Companies Act 2006 and the Charities Act 2011.

The charitable company constitutes a public benefit entity as defined by FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

### GOING CONCERN

The Trustees believe it is appropriate to prepare the accounts on a going concern basis, as there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the charity and group to continue as a going concern.

### BASIS OF CONSOLIDATION

The financial statements consolidate the results of the charitable company and its wholly controlled subsidiary, UKROEd Limited, on a line-by-line basis. The Road Safety Trust is the sole member of UKROEd Limited and by virtue of this wholly controls UKROEd Limited.

### INCOME

Donations are included in full in the Statement of Financial Activities when the group has entitlement to the funds, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income from commercial trading activities consists of the income generated by the trading subsidiary UKROEd Limited. The income received for the management and operation of the National Driver Offender Retraining Scheme (NDORS) is recognised when the course occurs.

Income from investments consists of interest earned on bank deposits and current accounts and distributions made by the subsidiary undertaking under gift aid.

### EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. The Trustees have carefully considered how expenditure is classified. Items are allocated according to the facts relating to the expenditure.

Costs of charitable activities include grants made, governance costs and support costs as shown in note 3.

Costs of the commercial trading activities include the costs of the subsidiary's operations and are shown in note 9.

Expenditure on items of office equipment and computers whose cost is less than the threshold amount of £2,000 is charged as an expense. Items costing more than the threshold amount are capitalised as tangible fixed assets.

# The Road Safety Trust (Limited by Guarantee)

## ACCOUNTING POLICIES

for the year ended 31 March 2017

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### GRANTS

Grants payable are payments made to UK based organisations, registered charities and university departments in the furtherance of the charitable objectives of the charitable company. Grant commitments are recognised once an application for a grant has been approved, the recipient notified of the grant and a legal or constructive obligation thereby created. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the charitable company.

### ALLOCATION OF SUPPORT AND GOVERNANCE COSTS

Support costs are those functions that assist the work of the charitable company but do not directly undertake charitable activities. Support costs are outlined in note 3.

Governance costs are costs associated with the governance arrangements of the charitable company. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

### FUNDS

Unrestricted funds are donations and other income receivable or generated for the objects of the charitable company without further specified purpose.

### FINANCIAL INSTRUMENTS

The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost, being transaction price less amounts settled.

### CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### EMPLOYEE BENEFITS

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### RETIREMENT BENEFITS

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

# The Road Safety Trust (Limited by Guarantee)

## ACCOUNTING POLICIES

for the year ended 31 March 2017

### 1 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the application of the charitable group's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

In determining whether the subsidiary undertaking is acting as agent or principal with regard to an element of the 'Scheme Participation Charge' income, the Trustees have assessed whether it is the subsidiary undertaking or the relevant police force that has exposure to the significant risks and rewards associated with the provision of the NDORS scheme. The Trustees have determined that the subsidiary undertaking is acting as principal based on this assessment.

2	OTHER INVESTMENT INCOME – Group and charity	2017 £	2016 £
	Bank interest	1,447	2,117

### 3 EXPENDITURE ON CHARITABLE ACTIVITIES

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
Grants (see note 4)	984,783	-	984,783	-
Direct costs	73,332	7,276	73,332	7,276
Support costs	100,442	345,439	101,342	345,439
	<u>1,158,557</u>	<u>352,715</u>	<u>1,159,457</u>	<u>352,715</u>

Support costs include the following:

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
Staff costs	-	72,436	-	72,436
Office costs	4,834	8,753	4,834	8,753
Other costs	48,104	30,790	49,004	30,790
Governance costs, including legal and professional fees	47,504	233,460	47,504	233,460
	<u>100,442</u>	<u>345,439</u>	<u>101,342</u>	<u>345,439</u>

Support costs and governance costs have been allocated against the charitable activity.

# The Road Safety Trust (Limited by Guarantee)

## ACCOUNTING POLICIES

for the year ended 31 March 2017

### 4 GRANTS – Group and charity

Grants were awarded by the charity to the following institutions during the year:

	Grants awarded 2017 £	No. of grants 2017	Grants awarded 2016 £	No. of grants 2016
Transport Research Laboratory (TRL)	197,735	2	-	-
Warwickshire and West Mercia Road Safety Partnership	35,000	1	-	-
Addenbrookes' Charitable Trust and Cambridgeshire and Peterborough Road Safety Partnership	100,000	1	-	-
Parliamentary Advisory Council for Transport Safety (PACTS)	34,500	2	-	-
University of the West of England-Bristol	194,000	1	-	-
Nottingham Trent University	187,580	2	-	-
University of South Wales	67,468	1	-	-
University College London	105,592	1	-	-
Designability	62,908	1	-	-
Grants awarded recognised as expenditure	984,783	12	-	-
Grants paid during the year	(146,071)	-	-	-
Grants payable at the year end	838,712	-	-	-
Grants awarded but not recognised as expenditure due to grant conditions				
Transport Research Laboratory (TRL)	97,500	1	-	-
	97,500	1	-	-

Information about the nature of the projects being supported can be found on pages 5 to 6 of the Trustees' Report.

# The Road Safety Trust (Limited by Guarantee)

## ACCOUNTING POLICIES

for the year ended 31 March 2017

5	NET INCOME	2017	2016
		£	£
	Net income is stated after charging:		
	Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
	Audit services – statutory audit of parent and consolidated accounts	14,200	6,800
	Other services:		
	Audit services – statutory audit of associates of the charity	12,750	5,200
	Taxation compliance services	3,000	3,000
	Other non-audit services	11,002	14,060
		40,952	29,060
		40,952	29,060

## 6 STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

	2017	2016
	£	£
Salaries and wages	509,262	71,849
Social security costs	59,364	7,863
Pension costs	23,448	-
Total	592,074	79,712
	592,074	79,712

The average number of employees during the year was 11 (2016: 1).

All of the employees are employed by the subsidiary and a recharge is made to the charity for work that has been undertaken on its behalf, see note 16 for further details.

The charity Trustees were not paid by the charitable company or its subsidiary in the year (2016: £nil). Six Trustees were reimbursed expenses during the year of £1,975 (2016: £nil) relating to travel and other out of pocket expenses.

The key management personnel of the group comprise the Trustees of the charity, the directors of UKROEd Limited and the Chief Executive Officer. The total employment benefits of the key management personnel of the group were £195,955 (2016: £63,099).

The total employment benefits of the key management personnel of the charity were £50,091 (2016: £63,099).

Two employees received employee benefits between £70,001 and £80,000 (2016: none).

## 7 RETIREMENT BENEFIT SCHEMES

The group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

The employer's pension costs charged to the Statement of Financial Activities during the year amounted to £23,448 (2016: £nil).

# The Road Safety Trust (Limited by Guarantee)

## ACCOUNTING POLICIES

for the year ended 31 March 2017

### 8 TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 9 SUBSIDIARY UNDERTAKINGS - Group

The charity controls and is a sole member of UKROEd Limited, a company limited by guarantee, incorporated in the United Kingdom (company number 08773977). A summary of the trading results are shown below.

	31 March 2017 £	31 March 2016 £
Aggregate assets	12,367,064	492,867
Aggregate liabilities	(12,367,064)	(526,320)
Net Assets	<u>-</u>	<u>(33,453)</u>
Income	54,333,116	-
Cost of sales	(47,477,030)	-
Administrative expenses	(3,733,193)	(33,453)
Surplus for the year	<u>3,122,893</u>	<u>(33,453)</u>

Of the above surplus for the year £3,089,440 (2015: £nil) was distributed under gift aid to the parent charitable company.

### 10 DEBTORS

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
Trade debtors	2,032,362	-	-	-
Amounts owed by group undertakings	-	-	3,020,974	500,000
Other debtors	-	400	-	-
Prepayments and accrued income	4,644,490	-	-	-
	<u>6,676,852</u>	<u>400</u>	<u>3,020,974</u>	<u>500,000</u>

### 11 CREDITORS: Amounts falling due within one year

	Group		Charity	
	2017 £	2016 £	2017 £	2016 £
Grants payable	364,278	-	364,278	-
Trade creditors	4,747,840	60,128	150	44,758
Taxation and social security	280,427	4,932	-	4,932
Other creditors and accruals	4,330,993	24,300	13,020	12,450
	<u>9,723,538</u>	<u>89,360</u>	<u>377,448</u>	<u>62,140</u>



The Road Safety Trust (Limited by Guarantee)  
ACCOUNTING POLICIES  
for the year ended 31 March 2017

12	CREDITORS: Amounts falling due after one year	Group		Charity	
		2017 £	2016 £	2017 £	2016 £
	Grants payable	474,434	-	474,434	-
13	ANALYSIS OF CHARITABLE FUNDS	Balance 1 April 2016 £	Income £	Expenditure £	Balance 31 March 2017 £
	Group				
	Unrestricted funds (general fund)	1,688,043	54,586,038	(52,368,780)	3,905,301
	Charity				
	Unrestricted funds (general fund)	1,722,396	3,342,362	(1,159,457)	3,905,301
14	RECONCILIATION OF NET INCOME TO NET CASH GENERATED FROM/(USED IN) OPERATIONS	Group		Charity	
		2017 £	2016 £	2017 £	2016 £
	Net income	2,217,258	215,049	2,182,905	249,402
	Adjustments for:				
	Interest receivable	(1,447)	(2,117)	(1,447)	(2,117)
	Distribution from subsidiary undertaking	-	-	(3,089,440)	-
	Operating cash flows before movements in working capital	2,215,811	212,932	(907,982)	247,285
	Increase in debtors	(6,676,452)	(400)	-	-
	Increase in creditors	10,108,612	62,360	858,208	35,140
	Cash generated from/(used in) operations	5,647,971	274,892	(49,774)	282,425

15 LIMITED LIABILITY

The company is limited by guarantee and does not have share capital. Each member gives a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up. At 31 March 2017 there were 43 members (2016: 43).

# The Road Safety Trust (Limited by Guarantee)

## ACCOUNTING POLICIES

for the year ended 31 March 2017

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### 16 RELATED PARTY TRANSACTIONS

During the year £3,089,440 was distributed under gift aid from UKROEd Limited, a wholly owned subsidiary (2016: £nil) and £nil (2016: £500,000) was advanced to UKROEd Limited to fund working capital.

During the year UKROEd Limited recharged £73,332 of staff costs to the charity (2016: £nil). The amount due from UKROEd Limited at 31 March 2017 was £3,020,974 (2016: £500,000). No interest was charged on this amount.

Although not related parties as defined by FRS 102, in the interest of transparency the Trustees have the following other relationships;

- according to the Trust's Articles of Association, the Police Force Trustee is the Chief Officer who is the national lead for roads policing in England, Wales and Northern Ireland. The force which he/she leads will therefore be a recipient of income reflecting cost recovery arising from the NDORS Scheme payable by UKROEd Limited.
- the police force overseen by the Police and Crime Commissioner appointed to the Board of Trustees by the Association of Police and Crime Commissioners will also be a recipient of income reflecting cost recovery arising from the NDORS Scheme payable by UKROEd Limited.

### 17 CONTROL

At 31 March 2017 there was no one ultimate controlling party.

### 18 FINANCIAL INSTRUMENTS

The carrying amount of the group's financial instruments at 31 March was:

	2017	2016
	£	£
Financial assets:		
Debt instruments measured at amortised cost:		
Trade debtors	2,032,362	-
Accrued income	4,644,490	-
Other debtors	-	400
Total	<u>6,676,852</u>	<u>400</u>
Financial liabilities:		
Measured at amortised cost:		
Trade creditors	4,747,840	60,128
Other creditors	9,310	-
Accruals	4,321,683	24,300
Total	<u>9,078,833</u>	<u>84,428</u>

# The Road Safety Trust (Limited by Guarantee)

## ACCOUNTING POLICIES

for the year ended 31 March 2017

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### 18 FINANCIAL INSTRUMENTS (continued)

The carrying amount of the charity's financial instruments at 31 March was:

	2017 £	2016 £
Financial assets:		
Debt instruments measured at amortised cost:		
Amounts owed by group undertakings	3,020,974	500,000
Total	<u>3,020,974</u>	<u>500,000</u>
Financial liabilities:		
Measured at amortised cost:		
Trade creditors	150	44,758
Accruals	13,020	12,450
Total	<u>13,170</u>	<u>57,208</u>

