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CAMPAIGN TO PROTECT RURAL ENGLAND
(Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2018
www.cpre.org.uk

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND

TRUSTEES' REPORT

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TRUSTEES' REPORT

A MESSAGE FROM OUR CHAIR

2018 has been a year of remarkable achievement in our campaigning and a time to review how we communicate and our strategic direction, the latter has involved a cross-organisational project to clarify and reaffirm our purpose, in order to broaden CPRE's appeal and attract a wider range of members, donors and volunteers.

Overseen by our Chief Executive Crispin Truman, and Director of Marketing and Development Elvira Meucci-Lyons, the 'Purpose Project' has involved extensive consultation with volunteers, members and staff across CPRE. We also gained a comprehensive understanding of public opinion through thorough market research, enabling us to redefine our purpose in a way that inspires prospective supporters while remaining true to CPRE's aims.

A new internal 'manifesto' has encouraged us to think about the organisation as optimistic, collaborative and confident in our ability to create a better countryside. The manifesto could be distilled as 'Positive progress for the countryside' and is supported by a new articulation of our Vision statement - *A beautiful and thriving countryside that enriches all our lives* – which, in turn, will be achieved by our Mission: *'To promote, enhance and protect a thriving countryside'*. In support of this, we have also adopted new organisation-wide values: to be Open, Connected, Trusted and Inspirational.

Our research found that potential supporters want to learn more about the positive benefits of the countryside, and our ideas to enhance it. We have reassessed how the three elements of our Mission can reaffirm CPRE's historic role as a solutions-oriented organisation that helps people shape their countryside. We will restore the balance that allowed CPRE to become so influential in our early years by giving our efforts to Promote and Enhance the countryside the same emphasis as our work to Protect it.

As we move towards our centenary in 2026 we will build public and political support for our campaigns, helping people understand the importance of the countryside. That is why we are redoubling our efforts on issues that will have the greatest possible benefit for the whole of society: from Green Belts offering health and recreation to millions, to National Parks making inspirational beauty available to all.

CPRE exists to improve the lives of everyone, everywhere. In protecting the countryside, we are fighting *for* the beautiful green spaces that improve our physical and mental health; *for* farming that supports living landscapes and vibrant communities; and *for* the good development that can provide the affordable homes and sustainable infrastructure we need. I'm proud that this Report contains many examples of such activities, which are already capitalising on our renewed sense of purpose, and making CPRE relevant to even more people.

I and my fellow Trustees have thoroughly enjoyed being part of CPRE in this invigorating year. We are working closely with the staff and volunteers as we equip the charity for the future. 2019 will bring an engaging new brand identity, together with an ambitious new Strategic Plan to guide our work from 2020 to 2026. I hope that both will provide greater opportunities for new and existing supporters to be even more connected with the countryside, and to become more involved with CPRE.

I thank all the volunteers and staff who are putting our arguments across with such passion and dedication. I would urge anyone who loves their countryside to find out more about the great work we do at www.cpre.org.uk

Please join our campaign today and help ensure that a thriving rural England can inspire and enchant for generations to come.

Su Sayer CBE

Chair, Campaign to Protect Rural England

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The continued existence and quality of so much of the English countryside is a testament to over 90 years of successful campaigning by CPRE, and a tribute to our countrywide network.

The Trustees of the Campaign to Protect Rural England present their annual report for the year ended 31 December 2018, together with the audited financial statements for that year. The financial statements comply with the Companies Act 2006, Financial Reporting Standard 102 (FRS102) and the Statement of Recommended Practice (SORP2015).

a) Objectives and activities

Our charitable objects are 'to promote and encourage for the benefit of the nation the improvement and protection of the English countryside and its towns and villages and the better development of the rural environment'.

The Trustees have referred to the guidance from the Charity Commission on public benefit in producing this report, and when reviewing our aims and objectives and planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Our aim is to influence policy and decisions that have an impact on the English countryside, particularly its landscapes, and we do this through a combination of campaigning and intelligent, evidence-based advocacy.

We are a campaigning charity, but our impact depends on our knowledge and the power of our thinking, as much as our ability to mobilise the public. Our campaigns are backed by evidence and research and aim to improve and protect the countryside by influencing decisions on land use.

b) Our vision and mission

During the year we reviewed CPRE's 'Vision' and our 'Mission' as a part of the wider 'Purpose Project' described below. Trustees, staff and members of the network and professional steering groups all agreed that both remained essentially fit for purpose. Some minor changes were made to the wording in order to ensure that it aligned with the newly agreed 'purpose'.

Our vision is for:

A beautiful and thriving countryside that enriches all our lives

In order to get there, our mission is:

To promote, enhance and protect a thriving countryside

We want to see England's beautiful countryside enhanced and protected, alongside a healthy economy and strong communities. These aims can be complementary. CPRE believes that people have the right to enjoy a beautiful countryside, and we have the ambition and sense of purpose to ensure that the English countryside remains beautiful.

Achievements like Town and country planning, National Parks and Green Belts did not happen overnight; they took decades of campaigning, careful organisation and reasoned argument. At many stages they seemed impossible dreams, but now it is hard to imagine an England without them.

c) Achieving our vision

Our campaigning is evidence-based and reasoned, as well as passionate. We are experts in the planning system and landscape character, locally and nationally. We have a long track record of achievement, dating back over 90 years. We are independent of any interest group and defend the countryside in the public interest.

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The three principal ways in which we achieve our objectives are:

- 1) Initiating and supporting activities that directly improve the countryside and rural communities.
- 2) Influencing national policies to maximise the benefit and minimise the damage to the countryside.
- 3) Influencing local plans, supporting appropriate developments and preventing developments that would unnecessarily damage the countryside.

d) Activities and services provided

CPRE's Annual Review and this Annual Report, together with Countryside Voice, our magazine for members, provide an overview of our activities. Our website www.cpre.org.uk provides advice and access to comprehensive information on our aims, activities and services. Our planning help website www.planninghelp.cpre.org.uk provides help to local communities wishing to support or challenge a local planning application.

Our 43 County groups run campaigns and provide local information via their websites, publications and events. They rely on volunteers to do much of their work and are in need of many more to help them improve and protect their local countryside.

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OUR ACHIEVEMENTS AND PERFORMANCE IN 2018

2018 has been a year in which we have combined a high level of review and consultation with continued delivery of powerful campaign, policy and media work and the beginnings of investment in our national voluntary network. It's a year in which we continued to deliver on the aims in our 2017-19 plan, in particular strong, integrated campaigns on key current policy areas such as:

- The National Planning Policy Framework (NPPF) review, in which we compiled a thorough and expert response from our whole organisation and which delivered some tactical successes in a long-term drive to turn the tide of thinking on the planning system.
- Our campaign for rural affordable housing, in close partnership with Shelter and others in the rural housing sector.
- A popular campaign in response to the Government's attempt to short-cut the planning system and force through decisions on 'fracking' against the views of local communities and planners.
- 'Green Clean', the latest stage of our plastics campaign and our work to bring in the best possible 'Deposit Return Scheme', saw communities across the country joining in our clean-up and making use of our mobile reverse-vending machine.

It is also a year in which we have continued the steady refocusing of the charity to be more locally-led, partnership-based and holistic in our thinking, as defined in the 'Shaping the Future' report adopted by the Board in December 2017. A key plank of that report was to increase the national charity's investment in our local network of County CPREs and volunteers. The first steps in that programme were taken with the launch of a new £250,000 'Strategic Collaboration Fund' and the appointment of our first Director of Volunteering and Partnerships.

Our aim to 'Broaden our Appeal' has been the driving force behind the Purpose Project, which has engaged a large number of both staff and volunteers across our network in thinking about and fundamentally reviewing what we think CPRE is about and why, and in how we communicate our message. This major review exercise passed several very important milestones during the year, including the agreement of a new, internal 'Purpose' statement and an updating of our vision and mission in preparation for the strategic review. That latter review was itself launched at the national conference for all our activists in the autumn.

Meanwhile the arrival of a new Director of Finance & Corporate Services early in the year is beginning to result in improvements to and modernisation of our internal systems, in particular IT and budgetary management, in order to improve efficiency and cost management and facilitate more flexible and remote working.

2018 has overall seen substantial progress across a number of fronts and a key year in preparing CPRE for a new more positive, people-focussed and holistic future. Here we report on the highlights according to the goals we set ourselves in the final year of our 2017-19 strategic plan. They are organised according to the four main departments in national CPRE: Campaigns & Policy; Development & Marketing; Communications & Digital and Finance & Corporate Services.

TRUSTEES' REPORT

a) Campaigns & Policy

Enhancing our environment

25-Year Environment Plan

At the start of the year we welcomed the release of the government's long-awaited 25 Year Environment Plan. We recognised the scale of ambition and were pleased to see a number of proposals on dealing with plastic waste. The Plan also recognised the importance of better land-use and contained a number of planning-related commitments, including the need for an 'environmental net gain' from development and a commitment to enhance the Green Belt. It had a strong emphasis on landscape and announced a review of National Parks and AONBs as well as a proposal to enhance all National Character Areas across England.

However, it contained very little detail on how these commitments would be delivered or other Government departments engaged, so we worked to put pressure on Defra and Natural England to follow-up the Plan with concrete proposals and metrics.

Protected Landscapes

We held an expert policy seminar on our report '*Beauty Betrayed*', which analysed the alarming increase in major housing development in AONBs. This brought together a range of stakeholders including CPRE branches, AONB's, Defra and Natural England to discuss the research and recommendations. Our subsequent lobbying called for AONBs to be given stronger protection from housing developments of more than ten units and resulted in proposals to strengthen protection in the new NPPF to define such schemes as 'major development' that will require 'exceptional circumstances' to secure planning permission.

We engaged with Michael Gove's new Review of Designated Landscapes, led by Julian Glover, participating in various consultation roundtables. The Review represents a huge opportunity to make an already successful system of designation work even better for the benefit of the whole nation.

Litter

After 10 years of determined CPRE campaigning, we congratulated the Government on its decision to introduce a nationwide deposit return system for plastic and glass bottles, as well as aluminium cans. Our lobbying efforts had focused on Defra's call for evidence, working behind the scenes to influence the Voluntary Economic Incentives Working Group final report. We also applied pressure through the media, placing stories and briefing key journalists. CPRE's President Emma Bridgewater wrote a passionate ultimatum to The Times, signed by her predecessors David Puttnam, Jonathan Dimbleby, Max Hastings and Andrew Motion. The next day, Environment Secretary Michael Gove MP announced that a deposit return system was coming, in what Bill Bryson – who started this CPRE campaign back in 2008 – called 'a supremely enlightened piece of policymaking' on the front pages of the national papers.

With the final plan still subject to consultation, we kept up the pressure on litter and plastic waste throughout 2018. We therefore welcomed the launch of the government's Resources and Waste strategy in December, which reiterated their commitment to a deposit return system, and proposed the introduction of measures to make packaging producers pay the full cost of waste recovery and disposal. We also submitted a joint response to the Government's call for evidence on using the tax system or charges to address single-use plastic waste, with Greenpeace, Marine Conservation Society, Environmental Investigations Agency and Surfers Against Sewage.

CPRE Former President, Bill Bryson thanked CPRE's volunteers for keeping 'the issue [of drinks containers] alive in the minds of our politicians, press and public.

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Following on from our previous successful campaign to introduce a 5p charge for carrier bags, the government announced in December that it will extend the scheme to all retailers, something we had been calling for as previously, smaller retail businesses had been exempt.

Empowering communities

2018 saw us stand up for local democracy in a major new campaign which gained over 200,000 signatures for a petition urging the Government not to fast-track fracking. In May the CPRE network significantly up scaled its campaigning on fracking in response to a Written Ministerial Statement outlining new proposals on whether to speed up the application process for fracking and allow applications for exploratory drilling to skip through the normal stages of the planning system. Our campaign was driven by CPRE's position that there should be a moratorium on fracking unless the significant risks to the countryside can be mitigated, and that while these risks prevail fracking should face more, not less scrutiny. The proposals also undermined local democratic principles that underpin the planning system.

A poll of 500 Conservative councillors in areas with fracking licences showed 65 per cent believed that fracking decisions should be made locally

Our campaign saw us lead an effective coalition of NGOs; deliver a petition with 38 Degrees signed by over 180,000 people and 25,000 new sign-ups to CPRE's own mailing list. 11,000 Council Leaders were contacted by CPRE supporters and asked to raise the issue with their MPs. The campaign also included a Westminster Hall Debate led by Lee Rowley MP; a single, comprehensive CPRE submission to the consultation; a number of key political meetings and a successful fundraising appeal.

National planning policy framework (NPPF)

Our lobbying on the NPPF began with a parliamentary reception on the Terrace Pavilion of the House of Commons. 23 influential MPs and Peers from across the political spectrum attended, alongside representatives from 10 Downing Street, MHCLG, and DEFRA. Every English MP received a copy of our Parliamentary Newsletter, which focused on the NPPF. It included a tailored letter calling on the MP to raise CPRE's concerns with MHCLG, which generated 11 face-to-face MP meetings and email exchanges with Parliamentarians. 17 County CPREs wrote to their MPs.

Our response to the publication of the revised NPPF was balanced, but overall gave the verdict of it being a 'charter for speculative developers'. Despite a promise to 'build attractive and better-designed homes in areas where they are needed', we pointed out that far from fulfilling this promise, the NPPF will continue to favour the delivery of any development, rather than development that meets communities' needs and respects the environment.

However, we achieved the key concession that overpaying for land should never be a justification for reducing affordable housing quotas. This major win is largely thanks to CPRE's high profile 'Viable Villages' report produced in partnership with Shelter in March. Within days of its publication the Prime Minister committed, in her words, 'to make it much harder for unscrupulous developers to dodge their obligation to build homes local people can afford.' Our joint research had found that in eight rural local authorities, 'viability assessments' had led to an average 48% reduction in the amount of affordable housing delivered.

Other concessions included: ensuring that houses built on 'rural exception sites' are affordable and respond to local need; providing some constraints on the size of such developments, and excluding National Parks, AONBs and Green Belts from the policy. Regarding making effective use of land, the new section proposed in the draft NPPF was retained in the final version. We see this as a reflection of sustained CPRE campaigning since 2012. While we have strongly welcomed the improved clarity and focus in principle, it is still disappointing that this aspect of policy only encourages good practice, rather than requiring it.

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Despite sustained pressure from developer-funded think-tanks, the NPPF retained Green Belt policy largely unchanged in principle, but with the improvement of the 'exceptional circumstances' definition that CPRE had called for. Finally, on National Parks and AONBs, the reference to these areas (and the Broads) benefitting from the 'highest status of protection' was reinstated, having been omitted from the draft, as a direct result of our lobbying.

Our analysis confirmed that more than one million homes could be built on existing brownfield sites in areas of high housing need

In February we published our *2018 State of Brownfield* report, which analysed recently published local authority brownfield registers. The analysis confirms our previous estimates that more than one million homes could be built on suitable brownfield land, and also confirms that this brownfield capacity exists in places of high housing need. To help neighbourhoods across England register every potential site, CPRE Lancashire created a Brownfield Toolkit developed with community groups and local planning officers.

Buoyed by increased engagement with the registers, official statistics released in May showed that the proportion of land developed for housing that was brownfield had increased to 44%, from just 28% in 2016. We called for the reintroduction of a clear 'brownfield first' policy in the revised NPPF, so we were pleased that the new framework gave substantial weight to the value of reusing brownfield land. While we'll continue to campaign for even stronger guidance, it is a sign of progress that local authorities are now required to set out

how they plan to regenerate derelict land and developers are obliged to consider brownfield options before targeting Green Belt sites.

Sustaining rural life

With over 173,000 people on rural council waiting lists, we stepped up our campaigning for social housing in 2018. CPRE has always consider the social diversity of our rural communities to be the foundation of a thriving countryside, because a mix of ages and incomes can help keep villages alive. Our former chief executive Shaun Spiers kicked off the campaign in March with a book commissioned by CPRE - 'How to build houses and save the countryside'. April saw CPRE call for serious investment in social housing, and for rural councils to be allowed to borrow to build it. By May, the housing minister James Brokenshire had announced a £1 billion fund for a new generation of council housing; then, in her October conference speech, Theresa May announced an end to the borrowing cap on council housing. Both measures are a welcome start, but early in 2019, CPRE research showed that at building current rates, it would take 130 years to meet the rural social housing backlog.

In late June, we welcomed the draft analysis of Sir Oliver Letwin's review of build-out rates, which looks to identify reasons for the increasing gap between housing completions and the amount of land allocated to house builders. It shows that developers are slowing the system down, limiting the number of homes that are released for sale. We had identified this issue in our submission to the consultation and look forward to continuing to push for stronger 'use it or lose it' provisions as a member of the stakeholder review panel.

In addition, because rural families need jobs, CPRE joined an alliance calling for smaller producers to be given a fairer share of future subsidies and easier access to loans and advice. We met with farming Minister George Eustice to discuss the findings of CPRE's recent *Uncertain Harvest* report on the loss of small farms and discussed measures to support new and existing farmers.

CPRE also believes that greener farming is the greatest single factor influencing the health of rural England. After the EU referendum, we were the first organisation to articulate a positive future vision for farming and many of our 'New Model Farming' recommendations on landscape, soils and subsidies made their way into

Former National Trust chair **Simon Jenkins** said: '*How to reinvigorate the rural economy and chart who will live in it and how, is... the biggest challenge to domestic politics... . Thank God for CPRE and its clear thinking on the subject.*'

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September's Agriculture Bill. From 2021, farm support payments will focus on rewarding environmental stewardship rather than the amount of land owned.

Defra's Single Departmental Plan published in June mentions 'landscape' as one of only 2 environmental public goods, and we have been invited by Defra to help inform the development of the new Environmental Land Management scheme. We continue to press for sufficient money to support smaller farms, which are vital to rural economies and the character of England's countryside.

Connecting people and countryside

CPRE's annual 'State of the Green Belt' report for 2018 received extensive coverage in national, regional and local press, as well as being picked up by environmental and planning trade outlets. It revealed plans to build 460,000 homes on the Green Belt land that connects 30 million city-dwellers with their nearest countryside. We've long promoted the wider benefits of the Green Belt for health, enjoyment and mental wellbeing, and used the new evidence to call for increased protection for this vital resource. We therefore welcomed changes to the NPPF that require councils to demonstrate that they have explored all other alternatives before considering the Green Belt, together with a stronger definition of the 'exceptional circumstances' test.

'State of the Green Belt' revealed plans to build 460,000 homes on supposedly protected countryside, the green lung for 30 million city-dwellers

Alongside the creation of Green Belts, a network of accessible National Parks was one of CPRE's founding goals. We welcomed the Government's announcement of an independent review to look at how our finest landscapes can be 'conserved and enhanced for the next generation'. Our submission emphasised the need for National Parks to play a greater role in connecting young people with the countryside. With 12% of children having no engagement with the natural world at all, we called for all pupils to be given the opportunity to visit National Parks as part of the national curriculum, arguing that access to natural beauty can have a profoundly positive effect on our mental wellbeing.

To give people opportunities for meaningful interaction with the countryside in their area, we organised three well-received public engagement campaigns during the year. In June and July, CPRE supported the **Bryson Line** charity walk, inspired by our former President Bill Bryson, which saw hundreds of people join fundraisers and CPRE volunteers to walk from Hadrian's Wall to Bognor Regis, highlighting the beauty of the English Countryside along the way. The walk raised over £100,000 for four health charities and CPRE, which Bill described as 'an organisation that has worked tirelessly to protect the landscapes along the route for the enjoyment of all.'

Then, throughout September, volunteers from all over the country helped us tackle littered countryside with CPRE's **Green Clean** visiting 35 communities to collect and count over 11,000 discarded bottles and cans. As well as being great for community pride, the Green Clean helped us understand the scale of the problem that will be addressed by England's forthcoming deposit return system – and received huge press coverage. A mobile 'reverse vending machine' showed how easy it will be to recycle empty bottles and cans in exchange for cash, to help build support for a comprehensive scheme.

We submitted a strong response to the National Infrastructure Commission's interim consultation on a National Infrastructure Assessment, focusing in particular on road-building, Brexit, water policy, littering, and land value capture. Ahead of the Autumn Statement in November, we released new analysis that shows the Oxford-Cambridge Arc could put an area of countryside the size of Birmingham at risk of development. It received excellent media coverage and we are now working with the Ox-Cam Working Group to conduct opinion polling on attitudes to development in the Arc, and exploring collaboration with the Wildlife Trust on advocacy work around the need for a Strategic Environmental Assessment.

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CPRE is a member and part-funder of the Town and Country Planning Association (TCPA)-led Raynsford Review of Planning that launched its final report 'Planning 2020', in November. The report highlights six key characteristics needed for a fit-for-purpose planning system, and puts forward 24 recommendations. Housing Minister Kit Malthouse welcomed the report and agreed to further meetings on the recommendations.

We are now looking at how we can embody the recommendations in our campaigning, in particular how planning should focus on the public interest, improve democratic accountability and ensure there is no unnecessary loss of countryside.

b) Development (Fundraising) & Marketing

Total voluntary income for the year was £4m, exceeding last year's income by £673k as a result of several legacies. Legacy income (£1.98m) represented 50% of the total income for the year. However, this is a relatively unpredictable source of income which can be difficult to accurately forecast in amount and timing.

CPRE reports three key areas of income generation performance: donations, legacies and memberships and over the past three years, the composition of CPRE's voluntary income has stayed constant.

Membership fees continue at a stable level due to a high member retention rate (98%) despite our not yet having a full supporter retention programme in place. Plans are in place to invest in more proactive retention programmes for the future strategy as soon as new acquisition programmes are launched.

Overall, performance of our fundraising compares well to market leaders and competitors. However, our portfolio is over-reliant on two activities, aside from legacies: membership and Warm Cash Appeals that raise 70% of our total income and are all near saturation. This creates a critical imperative for CPRE to test and roll-out new acquisition routes in the short-term, as there is no pipeline of new activity to replace this income.

In the coming year we will be developing new strategies to build and diversify our supporter base, reinforce existing relationships and increase our donations and gifts income to provide more sustainable, predictive income.

For 2017, CAF UK Giving reported that although the number of people giving to charity either via donations or sponsoring someone decreased from the previous year, donations made by the UK public to charity rose to a total of £10.3 billion – however, this is driven by fewer people giving more.

As a charity with its heritage, credibility and remit, CPRE has significant opportunity to address operational shortfalls to grow income in virtually all income techniques, if dependencies (investment, systems, campaigning topics and plans, staff and skills) are appropriately managed.

Our key challenges, as we develop and implement the new strategy, will be increasing unrestricted voluntary income in a volatile economic climate, maintaining current performance whilst diversifying our portfolio, and building the infrastructure necessary to support fundraising at the level required for growth.

Most important for future growth is the ability to connect with our supporters emotionally. If we are to attract broader and more diverse audiences it is vital that we are aspirational in our messaging, ambitious and solution focussed in our goals, and proud of our past successes. If we achieve these things it is likely that we will also encourage our current donor base to give more generously.

That is why 2018 was focused on creating CPRE's new purpose and visual and verbal identity. This 'Purpose Project' has enabled us to gain invaluable insight into our existing membership and prospective supporters, and a clear direction of how CPRE needs to present itself to attract new support and new income. Broadening our appeal will be critical to create balance, sustainability and reduce risk in our future fundraising strategy.

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c) Communications & Digital

Communications and digital work this year has been dominated by innovating and increasing our engagement, both directly with 'signed up' supporters, and generating new content to better engage our followers on our various channels. Our communications and digital activity has been central to the rethinking of CPRE's Purpose and how we communicate it to the public and so a large part of the year has been dedicated to informing that review to best position us for the years ahead. In the meantime, we have delivered significant external communications as part of the Fracking and Green Clean campaigns and the sponsored 'Bryson Line' walk from one end of England to the other.

Work on the our intranet, has not moved as fast as we hoped given the demands of the implementation of new General Data Protection Regulations (GDPR) and the need to pause while the organisation's IT platforms were reviewed and our new volunteering and partnerships director came on board.

Our three big steps forward in 2018 were:

- The new Website project: after pausing for the review of CPRE's Purpose, we resumed this work in late summer and finished the year with our requirements ready to sign off for this autumn's launch of the new brand
- New online content: we experimented with a greater variety of video and live streaming this year plus presenting it in different ways. It helped our engagement across both Twitter and Facebook.
- Better project working: multi-disciplinary project groups improved joint working across audience channels and between teams, helping us make better use of engagement and campaigning opportunities.

We also worked with strategic communications expert Selina Fox who helped us think more about how we could measure and target our content better.

We continue to meet our press targets – this year we made inroads into broadcast channels with particular successes with Countryfile and in our state of the Green Belt work. This has set us up well for creating a new media strategy for the new brand and strategic plan, which is likely to include more work with consumer press.

We fell slightly short of both our targets on both Twitter and Facebook, which were ambitious given that this has been a transition year and that we paid for advertising on Facebook in 2017, which had helped us increase our followers dramatically. However, the work with Selina on communications strategy helped us analyse our current followers and provide a framework for testing new approaches to broaden our audience as we roll out our new brand.

d) Volunteering & Partnerships

Our national network

Throughout 2018, our chief executive Crispin Truman continued his mission to visit all 43 of the county and local groups that comprise our national network – which continues to be CPRE's greatest asset. Volunteers are the life blood of all charities, but at CPRE, they are also the frontline campaigners and experts – in the public eye and in the heart of the community.

We need our local volunteers to shape and even lead our national campaigns, and in 2018 CPRE's board has taken its commitment to a volunteer-led culture to another level. We are investing more resources to help our local groups build effective local partnerships, and be even more visible in community life, and help recruit new members and volunteers. The appointment of Crewenna Dymond as our first Director of Volunteering and Partnerships will give our local network an even stronger voice within CPRE, and make sure the organization remains in touch with the rural communities we need to represent.

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e) Finance & Corporate Services

Governance

During the year the Terms of Reference for the Audit Committee were revised and its remit expanded to include HR, IT, Investment & Risk Management. The membership of the resulting new 'Finance, Audit and Corporate Services (FACS)' sub committee of the Board was also strengthened by co-opting members with relevant expertise onto the committee.

Investment

The Board reviewed its investment policy this year and decided to take back enough cash under our direct management so we have access to the £2.7m (being the minimum reserve levels) and to increase returns on these cash balances through use of a mixture of notice and instant access cash accounts. The remaining balance of Investments £3.9m will continue to be invested longer term through the CCLA Investment Fund.

Infrastructure

A small refurbishment of the London office was undertaken. This removed existing offices to create an open plan meeting and work space. This has resulted in greater collaborative working and a more efficient use of the space. An additional area was sublet to new tenants 'The Heritage Alliance', creating new unrestricted income and opportunities for collaboration with a closely-related sector.

IT upgrade

During the year our IT and telecoms equipment was upgraded. New laptops for all staff were purchased to replace obsolete PCs. This is part of a longer-term process of creating a more agile working environment. In addition, the telephone system was upgraded to the new SIP telephone system which should reduce future call costs and increase business resilience. This upgrade will also facilitate the move to the Cloud. This process has commenced with the move to Office 365 in December 2018.

Data Management Compliance

A considerable amount of work was undertaken in the first half of the year to our data protection policies and procedures in line with the new GDPR requirements.

Pay & Reward

With staff costs representing 55% of our total cost base and the current pay and reward structure being a number of years old it was decided that CPRE should undertake an independent review of our pay and reward system to ensure it is fit for purpose for the new strategy. This review is currently underway.

f) Key Performance Indicators

A large number of KPIs are currently in place to measure progress against the strategic plan and these are reported on in full to the Board. They demonstrate progress across all key areas and strong performance in most. A summary set of strategic KPIs was put in place for 2018 and our performance against these is listed below. At the time of writing the most recent data is for three quarters of the year. These results show good progress against all key areas and it is expected that the full year will show 90% of targets to be met.

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	Key area of activity	Board level KPI 2018	2017-19 Strategy	Full Year Result
1.	GDPR and data protection	100% branches communicated with and received training	KPI 4	Achieved
2.	One CPRE 1	At least 50% branches engage in internal communications review		Postponed to 2019
3.	One CPRE 2	September Conference attended by representatives of at least 33 branches		Achieved
4.	One CPRE 3	4-5 regional consultation events for strategy review		Achieved
5.	Income 1	Exceed budgeted income	SE 5; KPI 1	Achieved
6.	Income 2	Legacy pledges increase 5%	SE 5; KPI 3	Partially achieved. Legacy income +£0.8m on prior year. Notifications continue to be up YoY but less than 5%.
7.	Membership	Total membership at least equal to previous year. Retention above 95%	SE 5; KPI 2	Retention over 98% membership's income continues to be generally stable
8.	Campaign impact 1	Rural affordable housing policy statement from Government	SO1 & 2	Mainly achieved, but future scoping slower due to fracking campaign
9.	Campaign impact 2	NPPF improved wording on AONBs, Green Belt, Brownfield and Speculative Development	SO1-4	Improvements on some key areas in NPPF
10.	Parliamentary	Increased number of Government and Opposition policy statements supportive of CPRE positions	SO1-10	Strong Parliamentary support for positions on planning, fracking & Agriculture Bill
11.	Media Profile	At least 4 appearances on major national TV/radio news programmes. At least four substantial pieces in significant consumer monthly.		Achieved
12.	Volunteer engagement	Branch use of Intranet (Tree) consultation and design complete, roll-out date confirmed.		Postponed to 2019
13.	Developing staff	Improvements in Charity Pulse survey scores Qs 36 -38	SE 4; KP 1	Score increased from 58.6% to 64%
14.	Organisational capacity	Complete national office reorganisation and IT upgrade	SE7; KP1	London office reorganisation complete. IT & Telephone system upgraded. Office 365 conversion complete.

Table 1: Progress against 2018 KPIs

TRUSTEES' REPORT

FINANCIAL REVIEW

The financial results of the charity's activities for the year to 31 December 2018 are set out in the Statement of Financial Activities and supporting notes.

Income and Fundraising Performance

This year we increased income compared to 2017 by £0.6m – mainly as a result of several very generous legacies and our loyal supporters continuing to respond to appeals throughout the year. Legacy income of £2m was higher than in 2017. Membership, (net of the branch and regional share) and Committed Giving income remained steady at £1.1m. However, funding from charitable trusts and companies decreased from £0.4m in 2017 to £0.3m in the current year.

CPRE has been running the same fundraising programme for a number of years, it is therefore becoming increasingly difficult to maintain or increase income levels in all areas. Building on the results of the Purpose Project plans continue to be developed to address these issues and to create a long-term and robust approach to developing multi-partner, multi-funded projects, which will significantly increase and strengthen our charitable activity.

As market competition increases and confidence in charities decreases - in this difficult economic climate and with new rules that will make it harder to communicate with potential donors - there are four key priorities which will have most impact on our income generation:

- Cost-effective and scalable recruitment and retention of members and regular donors.
- Use of digital technology to harness support and drive action.
- Increased profile of our work and impact with supporter audiences (through marketing activities) to maintain and increase propensity to give.
- Swift and accurate data analysis to inform investment decisions.

We would like to thank our many supporters who helped optimise the value of their donations by completing Gift Aid forms. We reclaimed £356k in Gift Aid in 2018 (2017: £368k).

Expenditure

Total expenditure in 2018 was £4.5m (2017 £3.8m) of which £3.3m was spent on charitable activities (2017: £3.1m), this included additional roles to support the network, investment in the Strategic Collaboration Fund to support local CPRE projects and work on the new strategy. The extensive Purpose Project and compliance with GDPR work increased raising funds expenditure to £1.2m. We ended the year with a small deficit of £0.4m (2017: £0.1m).

Financial Reserves Policy

The Board recognises the need to keep unrestricted reserves at a level appropriate to the needs of the organisation. The Board reviewed its reserves policy in September 2018 to set the context for the 2019 budget. CPRE's reserves policy is:

'The Board adopts a risk-based approach to reserves. Its policy is to hold unrestricted free reserves, in a range of £2.7m – £5.6m. This reflects the Trustees current appraisal of working capital requirements, the risks in CPRE's sources of income, an allowance for unplanned expenditure, and a degree of funding for key investments during the next planning cycle'.

For the purpose of its policy, CPRE has defined its reserves as its unrestricted free reserves, which constitute total reserves less restricted, and endowment reserves, fixed assets and legacy debtors. We have ignored our

TRUSTEES' REPORT

fixed assets, as they are illiquid. We have not included legacy debtors because they may not be received for up to two years from the date of probate.

Therefore, our policy focuses on our unrestricted free reserves. These were at £5.5m at the year-end (£7.2m in 2017) and represent a strong base to help finance activities in future years, to invest in the CPRE network and achieve new strategic objectives as per the table below. A proportion of the unrestricted reserves have been specifically designated for this purpose. Further information on CPRE's funds is contained in note 16 to the accounts.

Table: Unrestricted Free Reserves

	2018
	£'000
Total Reserves	8,350
Less: Restricted Reserves	(358)
Less: Endowments Reserves	(107)
Less: Designated Reserves	(1,486)
Less: Legacy Debtors	(918)
Unrestricted Free Reserves	5,481

The year-end total of £5.5m is within our target range of £2.7m to £5.6m.

During the year the Trustees decided to create a Designated Reserve of £1,486k for strategic purposes. This includes the Strategic Collaboration Fund for developing the network and the Strategic Investment Fund for significant future one off investment. These include the roll out of the brand, building a new website and an upgrade to the current CRM systems. Further details can be found in note 16.

Having assessed the charity's financial position, its plans for the foreseeable future, the risks to which it is exposed and the detailed cash projections, the Trustees are satisfied that it remains appropriate to prepare the statements on a going concern basis.

Investment Policy and Performance

During 2018 all CPRE's investments were managed by CCLA.

For the year to 31 December 2018 the total portfolio has reduced by 22.4% (2017: grew by 61.7%) as we withdrew £1.5m from our investments during 2018 (2017: Addition £0.6m). Investment uncertainty surrounding Brexit has reduced the gains made on investment in 2018 to £30k (2017: £238k).

In the latter half of the year, the Trustees reviewed the investment policy and decided to self-invest the lower end of the reserves policy in cash deposits with the balance continuing to be invested by CCLA.

CPRE's prime ethical consideration is to identify any obvious conflicts of interest between its objectives and the objectives/activities of any company whose shares may be acquired directly for the purpose of investment. We had no direct investment in company shares at 31 December 2018.

Fundraising Approach

CPRE undertakes fundraising activity to its supporters via direct mail, telephone and email in line with the Fundraising Code of Practice set by the Fundraising Regulator. Our fundraising promise, which is available on our website to reassure supporters of our approach, is

'When you support us by becoming a member, campaigner or donor you can be sure of the following:

TRUSTEES' REPORT

- We will never sell your contact details to anyone outside of CPRE
- We will only contact you if you have expressed an interest in our work
- If we phone you, we will always check you are happy to take the call
- If you ask us to change how we communicate with you, or stop, we will respect that
- We do not engage in cold-calling, door to door or street fundraising
- We try hard to ensure no one ever feels pressurised to support our work
- We are registered with the Fundraising Regulator and adhere to the Fundraising Code of Practice
- All our activities are open, fair, honest and legal

In 2018, CPRE worked with a carefully selected telemarketing partner: QTS, who adhere to the Fundraising Code of Practice and have robust policies in place regarding vulnerable people and treating donors fairly. CPRE supporters registered on the Telephone Preference Service were only called with an appeal if they have agreed to receive such calls. Callers are thoroughly trained and updated on CPRE's work and calls are regularly monitored by CPRE.

CPRE is registered with the Fundraising Regulator and adheres to the standards of the Fundraising Code of Practice. Five complaints about fundraising activity were received by CPRE national office in 2018 and all were promptly resolved without the need for escalation to the regulator.

Risk Management

The Board recognises its responsibilities in terms of managing risk and has systems in place to ensure that the risks faced by the charity are identified, assessed, managed and monitored.

The Senior Management Team and all staff assess risks as part of most processes. The Board review current material risks at each Board meeting during the year and a thorough review of potential risks was undertaken in December 2018.

The main categories of risk are:

- Governance
- Reputation
- Financial
- Regulatory
- External

The Board considers the gross risk before taking into account the internal and external controls and the residual net risk after these internal and external controls are applied. The major net risks relate to external factors beyond CPRE's control; the most significant are considered to be:

- Changes in policy and/or planning decisions leading to further degradation of the countryside
- A downturn in the economy leading to a decrease in income

The most significant internal risks prior to our internal controls are considered to be:

- Failure to diversify & grow income
- Security of electronic data
- Poor customer care/ loss of supporters

TRUSTEES' REPORT

- Fragmentation of CPRE as a federal organisation.

Our internal controls are intended to manage rather than eliminate risks and to give reasonable rather than absolute assurances.

There are only two significant residual internal net risks, all of which are assessed as acceptable:

- Failure to diversify & grow income
- Poor customer care/ loss of supporters

The system of internal control includes:

- A three-year strategic plan
- An annual operational plan and budget, with actual performance being monitored regularly
- A range of policies (e.g. financial reserves policy) and procedures
- A Memorandum of Understanding with CPRE regions and branches
- A regular risk assessment programme
- A staff structure and scheme of delegation that aids continuity of our work

The scheme of delegation sets out the delegated authority of the FACS Committee, the Policy Committee, the Nominations Committee and the principal officers. The day-to-day management is delegated to the Chief Executive, the principal officers and other CPRE staff.

TRUSTEES' REPORT

FUTURE PLANS

a) Current strategy

The 2019 plan and budget will deliver the third and final year of our 2017-19 strategy. Our aim this year will be to focus on certain priorities within the strategy, moving the organisation forward in key areas and preparing the ground for our new strategic plan in 2020.

Described in full in a separate document, the 2017-19 strategy aims to:

1. promote and enhance the character of the countryside
2. promote a more sustainable approach to land use; and
3. defend the countryside from damaging development.

A range of strategic objectives under each of these aims describes our policy goals in key areas of planning, infrastructure and landscape protection. Strategic 'enablers' for the period aim to build a stronger organization through:

- Greater support to staff and volunteers
- A 'One CPRE' approach to all our work
- A more effective national office
- Growing income and
- Maximizing communications impact.

b) 2019

2019 is the year in which the implementation of the Purpose Project begins in earnest. Members and the public will begin to see the fruits of our review in the form of new messaging, a new visual identity and a wholly new website. It is also the year in which we will create our 2020-26 strategy, building on the new purpose to plan a whole new programme of work which puts into practice the intentions we have expressed.

Meanwhile we have a full programme of campaign, policy, network support and fundraising work to deliver, with no let-up on addressing the challenges and opportunities faced by the countryside at both national and local level.

In 2019 national CPRE will focus on three major priorities which combine completion of current reviews and consultation, launch of the Purpose Project, and our programme of ongoing work. The three overall headings for our work this year are:

Implement the brand

Following completion of the Purpose Project a major investment of resources is required to implement everything which came out of it and to set us on the right track to a broader appeal, greater membership and diversified income. In 2019 we will:

- Implement our new visual identity
- Develop key messaging
- Build the new website

TRUSTEES' REPORT

Devise the strategy

We want the new strategy to be one for the whole national CPRE network and for it to be informed by all key stakeholders. We'll be working hard in 2019 to create something which is innovative, focused and robust to take the charity and its network to its centenary year and beyond.

Prepare for 2020: test and innovate

As we continue the change and review programme highlighted in 1 and 2, in 2019 we also intend to continue and build on recent progress in delivering our integrated campaigning, media and fundraising work and strengthen our support to the network. All our project work will also involve preparing for 2020 so we will increasingly look to ensure that our programmes are testing out and responding to the ideas coming out of the strategic review. Key headings for this work are:

- Creative campaigning, continue a strong and responsive programme of campaign, policy and research work while testing new approaches to engaging support and promoting our message
- Invest in the network, build up our volunteering and network support through the new national team
- Generate income, develop the fundraising and membership programmes for which the Purpose Project has laid the ground
- Build capacity, preparing the national organisation to do new things in new ways from 2020

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

a) Legal and Administrative Details

The Campaign to Protect Rural England is a registered charity (number 1089685) and a company limited by guarantee (number 04302973). It was founded in 1926. It is registered in England and its registered office is 5-11 Lavington Street, London, SE1 0NZ. It is governed by its Memorandum and Articles of Association adopted on 4 October 2001, which were amended on 30 June 2017.

The members of the Trustee Board are Trustees under charity law and Directors under company law. They are also known as Board Members.

CPRE has a wholly owned trading subsidiary, CPRE Enterprises Limited (Company No 4287611) which has been dormant throughout the year.

b) Structure

National CPRE comprises the national office in London and eight regional groups.

The regional groups were originally set up to influence regional plans but their role has evolved into one of engaging with sub-regional planning bodies and supporting collaboration across the network. All regional work in London is carried out by CPRE London.

The regional groups' financial results are incorporated into the main charity financial statements at the end of each year.

The wider CPRE network operates as a network of 43 branches and over 100 active district groups. There are 41 separately constituted branches that operate within the wider CPRE federal structure. As legal entities in their own right, with their own boards of trustees, their results do not form part of these financial statements. Two branches, Durham and Northumberland, are part of the main charity and their finances are incorporated into the charity financial statements at the end of each year.

While 41 of the branches are separately registered charities, with their own governing documents and boards of trustees, most use the name and branding of CPRE. All deliver broadly similar objectives and receive a share of the membership subscriptions from CPRE's members. The Chairs of our branches hold over 70% of the voting rights at our Annual General Meeting.

The Board believes that the structure of the organisation is a huge strength that gives CPRE both a national presence and a strong and effective grassroots involvement.

General Council

The General Council comprises the voting members of CPRE.

The Board

The Board is made up of at least three and not more than ten Trustees including the Chair, the Chair of Policy Committee and the Treasurer. It is composed of up to eight Elected Board Members (including the posts listed above) and up to two Selected Board Members. All Elected Board Members serve a three-year term of office but may be eligible for re-election for a further three-year term. All Selected Board Members hold office until the next AGM but may be eligible for co-option for a further year at the discretion of the Board, subject to a maximum term of six years.

TRUSTEES' REPORT

Recruitment of Trustees

Trustees are recruited in accordance with our Articles of Association and the process is undertaken by the Nominations Committee who make recommendations to the Board.

All members of the Board have role descriptions and take part in induction programmes, training and development as appropriate.

c) Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company 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 charitable company and of its net incoming/outgoing resources 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 FRS102 and the Charities SORP (SORP2015);
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charitable company's constitution. They are also responsible for safeguarding the assets of 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 charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The following statements have been affirmed by each of the Trustees of the charitable company:

- so far as each Trustee is aware, there is no relevant audit information, (that is, information needed by the company's auditors in connection with preparing their report), of which the company's auditors are unaware; and
- each 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 company's auditors are aware of that information.

Sub Committees

The Board has three sub-committees: the Policy Committee, Finance, Audit and Corporate Services Committee and the Nominations Committee. The Board sets terms of reference for sub-committees, all of which report directly to the Board.

TRUSTEES' REPORT

The purpose of the Policy Committee is to provide a body of expertise to advise the Board and assist staff and Trustees of CPRE in all aspects of its external policy.

The purpose of the Nominations Committee is to select suitable candidates to be nominated for the Board. It is chaired by a member of CPRE's General Council.

d) Reference and Administrative Details

Management

The Board delegates responsibility for the day to day management of CPRE to its Chief Executive. He is aided by the Senior Management Team and other senior colleagues.

The present office holders and any past office holders who served during the year, and to the date of signing this Report, are listed below.

Office holders

Patron

Her Majesty The Queen

President

Emma Bridgewater

Vice Presidents

Bill Bryson

Sir Andrew Motion

Tom Flood

The Board (Trustees/Directors)

Su Sayer CBE	Chair
Lucie Hammond CTA	Treasurer
Stephen Anderson	General Board Member
Mike Benner	General Board Member retired 28 June 2018
Margaret Clark CBE	Selected Board Member
Martin Crookston	Selected Board Member retired 28 June 2018
Christine Drury	General Board Member (Vice Chair)
Robin Thompson CBE DL	General Board Member
Corinne Pluchino	General Board Member
Andy Topley	Selected Board Member
Dr Richard Simmons	Chair of Policy Committee appointed Jan 2018
Will Rivers	Appointed 28 June 2018

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND

TRUSTEES' REPORT

Sub-committees of the Board:

Policy Committee

Dr Richard Simmons	Chair appointed 1 January 2018
Su Sayer CBE	Trustee
Lyndis Cole	
John Croxen	
Richard Lloyd	
Michael Monk	Retired September 2018
Stan Jones	
Anna Hall	
Sabine Mosner	Appointed June 2018
Kaley Hart	Appointed June 2018
Catherine Le Grice-Mack	Appointed June 2018

Finance, Audit and Corporate Services Committee

Lucie Hammond CTA	Chair
Robin Thompson CBE	Trustee
Pankaj Shah	Co-optee Appointed June 2018
Patrick Cooper	Co-optee Appointed June 2018

Nominations Committee

Su Sayer CBE	Trustee
Martin Crookston	Trustee, retired June 2018
Andy Topley	Trustee, from July 2018
Isabella Stone	Chair
Marion Temple	Branch nominated member, retired June 2018
John Lambert	Branch nominated member, appointed June 2018
Patricia Broadfoot	Branch nominated member, appointed June 2018

Principal Officers

Crispin Truman OBE	Chief Executive
Tom Fyans	Director of Campaigns and Policy
Elvira Meucci-Lyons	Director of Development and Marketing
Mark Cornish FCA	Director of Finance & Corporate Services and Company Secretary (from 19 March 2018)
Dr Crewenna Dymond	Director for Volunteering and Partnerships (from 10 September 2018)

TRUSTEES' REPORT

Professional Advisers:

A list of CPRE's main professional advisers appears on page 39.

e) Health and Safety

The Board considers managing health and safety and wellbeing of our staff, volunteers, suppliers and visitors a key priority.

The Board is ultimately responsible for compliance with health and safety legislation. The day-to-day responsibility is delegated to the Chief Executive and Director of Finance & Corporate Services, who are responsible for compliance, relevant policy development and performance. Health and Safety is a line-management responsibility throughout CPRE.

During the course of the year there were no significant accidents or incidents involving members of staff, volunteers, contractors or visitors to our office. An independent audit of the organisations Health & Safety systems was carried out. There was no significant weakness. A small number of recommendations for improvement were noted and these are in the process of being implemented.

f) Employees and Volunteers

Our staff and volunteers continue to build CPRE's long-established reputation for professionalism, expertise and quality. They are the reason for our many lobbying and campaigning successes.

CPRE's volunteers are also highly valued and the Board is grateful for the huge amount of work they do. The work of volunteers in the branches and regional groups is supported by advice and other support from National Office, including inductions, training seminars and our events programme.

We support equal opportunities, and recruit and promote employees on the basis of aptitude and ability without discrimination. CPRE seeks to enable disabled employees to play a full role in the organisation.

g) Remuneration Policy

The pay of the principal officers - see above - is determined by the Board of Trustees. Salaries are benchmarked with those of charities of similar size in terms of income, staff numbers and complexity.

The same benefits, including pensions, and terms and conditions apply to the principal officers as all other staff.

All other staff salaries are set by the principal officers, as a team. Salaries are arranged in organisation-wide pay bands, using comparisons with charities of similar size in London. They are reviewed annually and any changes to pay bands are determined by the Board of Trustees.

The Board includes Trustees appointed by our volunteer branch chairs and Trustees with significant pay expertise and knowledge, especially of the charity sector.

All London-based staff are paid at least the London Living Wage.

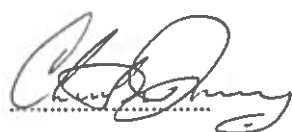
AUDITOR

Haysmacintyre has indicated its willingness to be reappointed as statutory auditor.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP) 2015 and in accordance with the special provisions of the Companies Act 2006 relating to small companies.

TRUSTEES' REPORT

Approved by the Trustees on 21 March 2019 and signed on their behalf by:



Christine Drury

Vice Chair



Lucie Hammond CTA

Treasurer

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND

Independent auditor's report to the members of Campaign to Protect Rural England

Opinion

We have audited the financial statements of Campaign to Protect Rural England for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of the charitable company's net movement in funds, including the 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 18, 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (which incorporates the strategic report and the directors' report) has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND

- 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.

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.



Richard Weaver (Senior Statutory Auditor)

For and on behalf of haysmacintyre, Statutory Auditors

21 March 2019

10 Queen Street Place

London EC4R 1AG

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND

STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 DECEMBER 2018

		Unrestricted	Restricted	Endowment	2018	2017
	Note	Funds	Funds	Fund	Total	Total
		£'000	£'000	£'000	£'000	£'000
Income from						
Donations and legacies	2 & 3	3,809	226	-	4,035	3,362
Other trading activities	4	41	-	-	41	27
Investments	5	7	4		11	15
Total		3,857	230	-	4,087	3,404
Expenditure on						
Raising funds	6	1,193	-	-	1,193	702
Charitable activities	7	3,100	222	-	3,322	3,057
Total	7	4,293	222	-	4,515	3,759
Net gains / (losses) on investments	11	33	-	(3)	30	238
Net (expenditure)/ income		(403)	8	(3)	(398)	(117)
Reconciliation of funds:						
Total funds brought forward		8,288	350	110	8,748	8,864
Total funds carried forward		7,885	358	107	8,350	8,748

All of the charity's activities are continuing.

There are no gains and losses other than those shown above.

The notes on pages 32 to 54 form part of these financial statements

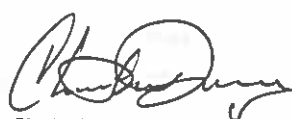
CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
(A COMPANY LIMITED BY GUARANTEE-COMPANY NO. 4302973)

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £'000	2017 £'000
FIXED ASSETS			
Tangible assets	10	286	228
Investments	11	5,076	6,546
Total fixed assets		5,362	6,774
CURRENT ASSETS			
Debtors	13	1,200	1,244
Regional bank balances		236	244
Cash at bank and in hand		2,311	1,072
Total current assets		3,747	2,560
Liabilities:			
Creditors: Amounts falling due within one year	14	(662)	(442)
Net current assets		3,085	2,118
Total assets less current liabilities		8,447	8,892
Creditors: Amounts falling due after one year	14	(97)	(144)
Total net assets		8,350	8,748
The funds of the charity:			
Unrestricted funds	16	7,885	8,288
Restricted funds	17	358	350
Endowment fund	18	107	110
Total charity funds		8,350	8,748

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
21 March 2019



Christine Drury

Vice Chair



Lucie Hammond CTA

Treasurer

The notes on pages 32 to 54 form part of these financial statements.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2018

Cash flows from operating activities:	2018	2017
	£'000	£'000
Net cash provided by operating activities (see Table 1)	(129)	1,223
Cash flows from investing activities		
Dividends, interest and rents from investments	4	9
Bank and other interest received	7	6
Purchase of property, plant and equipment	(143)	(7)
Sale/ (Purchase) of investments	1,500	(2,260)
Net cash outflow used in investing activities	1,368	(2,252)
Increase/(Decrease) in Cash	1,239	(1,029)
Change in cash and cash equivalents in the year	1,239	(1,029)
Cash and cash equivalents at 1 January 2018 (see Table 2)	1,072	2,101
Cash and cash equivalents at 31 December 2018 (see Table 2)	2,311	1,072
	2018	2017
	£'000	£'000

Table 1: Reconciliation of net income to net cash flow from operating activities

Net expenditure for the year	(398)	(117)
Adjustments for:		
Depreciation charges	84	58
Gains on investments	(30)	(238)
Dividends, interest and rents from investments	(11)	(15)
(Increase)/Decrease in debtors	44	1,403
(Increase)/Decrease in regional cash balances	9	(24)
Increase/(Decrease) in creditors	173	156
Net cash provided by operating activities	(129)	1,223

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND

Table 2: Analysis of cash and cash equivalents

	2018	2017
	£'000	£'000
Cash in hand	1,560	558
Notice deposits (6 months)	751	514
Total cash and cash equivalents	2,311	1,072

The notes on pages 32 to 54 form part of these financial statements.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2018

1. PRINCIPAL ACCOUNTING POLICIES

a) Charity Information

The Campaign To Protect Rural England is a company limited by guarantee (No 4302973) and a registered charity (No 1089685) in England & Wales. The registered office is 5-11 Lavington Street, London, SE1 9NZ

b) Basis of accounting and statement of compliance Basis of accounting and statement of compliance

The financial statements have been prepared under the historical cost convention, with the exception of fixed asset investments, which are included at their market value at the balance sheet date. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015), the Companies Act 2006 and applicable accounting standards (FRS102). There are no material uncertainties related to events or conditions which would cast doubt on the charity's ability to continue as a going concern.

Consolidated accounts have not been prepared, as the operation of the wholly owned trading subsidiary, CPRE Enterprises Limited, was not material to the income, expenditure or net assets of CPRE in the year.

The principal accounting policies and estimation techniques are as follows:

c) Branches

CPRE branches receive a share of the membership subscription paid in respect of members assigned to them, which includes tax recovered from gift aid. The majority of the branches are autonomous separately registered charities and produce their own financial statements, which are not consolidated. However, there are two branches that are part of the National Office (County Durham and Northumberland). The accounts of these branches have been included within these financial statements.

d) Regional Groups

CPRE is responsible for the activities of eight regional groups. The income and expenditure of these groups have been included within these financial statements.

e) Income

Voluntary income and subscriptions are recorded when received at the national office.

Legacies are recognised when the conditions of entitlement, probability and measurement are met. Each bequest is recognised once a reasonable estimate of its value can be made and providing there is no evidence of any significant contentious claims against the deceased's estate. Where CPRE is left part of the residue of an estate, the deceased's Will, initial statements of assets and liabilities and draft estate accounts are used to calculate the estimated value of the bequest. This estimate is only recognised as income once the executors have proved the Will (i.e. obtained probate). Probate values will normally be used to estimate value.

Grants receivable and merchandise income are accounted for on an accruals basis.

Donated services are included at the rate that would have been charged if the charity had been invoiced for them. An equivalent amount is included in expenditure.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018
PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

f) Fixed Assets

Items over £1,000 (2017 £1,000) are capitalised. Fixed assets are stated at cost less accumulated depreciation.

Depreciation of fixed assets is provided at rates calculated to write off the cost of fixed assets over their anticipated useful lives and is charged on a monthly basis from purchase. The rates used during the year were as follows:

Leasehold improvements	10% straight line
Furniture and equipment	25% or 33 1/3% straight line
Computer equipment	33 1/3% straight line
Database	10% straight line

g) Fixed Asset Investments

Fixed asset investments are stated at market value. Investment income is included in the Statement of Financial Activities on a receivable basis. Realised and unrealised gains and losses on investment assets are shown in the Statement of Financial Activities. Realised gains are based on disposal proceeds compared with either opening market value or cost if acquired during the year.

h) Operating Leases

Operating lease rentals are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

i) Fund Accounting

Restricted funds are those the use of which is restricted by the conditions imposed by the donors.

Endowment funds are those where the income can be spent but the capital element retained. General funds are those which are available for the general advancement of CPRE's objectives.

j) Allocation of Costs

Overheads and support costs have been allocated to the cost headings in the Statement of Financial Activities as follows:

An estimate of staff time spent on each activity during the year, together with the individual's salary cost, has been used to calculate the actual cost of staff time spent on each activity. These staff cost figures have been used to calculate a percentage figure, which has been used to apportion the total overhead and support costs.

Support costs include the costs of Human Resources and IT, Finance and Governance. Overhead costs include rent, depreciation and office costs.

Expenditure is recognised on an accruals basis when a liability is incurred.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

k) Raising funds

The cost of raising funds includes the production and postage costs of appeals and raffles, the marketing and promotional costs of all our fundraising programmes, the costs of members and supporter recruitment and the administrative cost of processing donations.

l) Charitable activities

Charitable activity costs include all expenditure incurred in direct pursuit of CPRE's charitable objectives.

These include all policy work, development of the branches and regional groups and the production of policy information about its work.

It also includes Membership and Supporter services including the materials, administrative and processing costs for member and supporter services.

j) Taxation

VAT

Irrecoverable VAT is included under the relevant expense headings. In 2018 this amounted to £207k (2017 £162k).

Corporation Tax

CPRE is a registered charity and can claim exemption from Corporation tax on income and gains, which are applied for charitable purposes under the Corporation taxes Act 2010.

m) Pension schemes

CPRE operates defined contribution pension schemes for all qualifying employees. The assets of the schemes are held in separate funds administered by independent providers.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2018	2017
	£'000	£'000	£'000	£'000
Membership subscriptions	1,466	-	1,466	1,487
Less: Branch share of subscriptions(note 1b)	(596)	-	(596)	(591)
	870		870	896
Legacies	1,982	-	1,982	1,213
Appeals	396	-	396	386
Charitable Trusts and Companies (note 3)	127	205	332	385
Committed giving	246	-	246	264
Major personal donations	69	21	90	51
Raffles	59	-	59	86
General donations	53	-	53	71
Give as You Earn donations	6	-	6	5
Regional Income	1	-	1	4
Branch Income	-	-	-	1
	3,809	226	4,035	3,362

At 31 December 2018, our estimate of the value of legacies that had been bequeathed to CPRE, but which had not been included in the financial statements, was £123k (2017: £728k). None of these bequests has a remaining life interest.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2018

Comparative 2017	Unrestricted	Restricted	Total
	Funds	Funds	2017
	£'000	£'000	£'000
Membership subscriptions	1,487	-	1,487
Less: Branch share of subscriptions(note 1b)	<u>(591)</u>	-	<u>(591)</u>
	896		896
Legacies	1,213	-	1,213
Appeals	386	-	386
Charitable Trusts and Companies (note 3)	245	140	385
Committed giving	264	-	264
Major personal donations	16	35	51
Raffles	86	-	86
General donations	71		71
Give as You Earn donations	5	-	5
Regional Income	4	-	4
Branch Income	<u>1</u>	<u>-</u>	<u>1</u>
	<u>3,187</u>	<u>175</u>	<u>3,362</u>

At 31 December 2017, our estimate of the value of legacies that had been bequeathed to CPRE, but which had not been included in the financial statements, was £727,587 (2016: £50,154). None of these bequests has a remaining life interest.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

3. GENERAL, CORPORATE AND TRUST DONATIONS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2018 £'000	Total 2017 £'000
Esme Fairbairn Foundation (*)	-	88	88	(20)
The Garfield Weston Foundation	-	-	-	80
K S Richer Trust	33	-	33	110
National Association	-	-	-	13
KMF Maxwell-Stuart's Charitable Trust	-	-	-	20
Charities Aid Foundation	-	-	-	25
The Underwood Trust	20	25	45	20
Anonymous donation	-	-	-	20
JTI	-	-	-	10
Seven Helpers	10	-	10	-
Sanglier Ltd	-	37	37	-
The Tolkien Trust	-	26	26	-
Anglo- American Charitable Foundation	-	19	19	-
Donations less than £10,000	64	10	74	107
	127	205	332	385

(*) Due to an early completion of the project in 2017 £20k was returned to the funder

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2018

Comparative 2017	Unrestricted Funds £'000	Restricted Funds £'000	Total 2017 £'000
Esme Fairbairn Foundation (*)	-	(20)	(20)
The Garfield Weston Foundation	-	80	80
K S Richer Trust	110	-	110
National Association	-	13	13
KMF Maxwell-Stuart's Charitable Trust	-	20	20
Charities Aid Foundation	25	-	25
The Underwood Trust	20	-	20
Anonymous donation	-	20	20
JTI	-	10	10
Donations less than £10,000	90	17	107
	<hr/> 245 <hr/>	<hr/> 140 <hr/>	<hr/> 385 <hr/>

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

4. OTHER TRADING ACTIVITIES

	2018	2017
	£'000	£'000
Rental income	38	24
CPRE publications	3	3
	41	27

5. INVESTMENTS

	2018	2017
	£'000	£'000
UK listed securities	4	9
Bank interest	7	6
	11	15

6. RAISING FUNDS

	2018	2017
	Total	Total
	Funds	Funds
	£'000	£'000
Fundraising costs:		
Direct costs	581	285
Employment costs	426	270
Support costs	186	147
Total	1,193	702

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2018

7. ANALYSIS OF EXPENDITURE

	Direct Employment Costs	Grant Funding Activities	Support Costs	Direct Costs	2018 Total	2017 Total
	£'000		£'000	£'000	£'000	£'000
Charitable activities						
Campaigns and policy to enhance and protect the countryside	630		335	173	1,138	1,162
Support to branches and volunteers	371	73	246	358	1,048	959
Develop our capability	172		94	383	649	449
Supporter services	230		136	121	487	487
Total Charitable activities	1,403	73	811	1,035	3,322	3,057
Raising funds	426		186	581	1,193	702
	1,829	73	997	1,616	4,515	3,759

During the year CPRE established the Strategic Collaboration Fund (SCF). The new SCF will make national CPRE funds available to the network for specific, strategic projects designed to increase support and capacity within the CPRE network.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

ANALYSIS OF SUPPORT COSTS BY CHARITABLE ACTIVITY

	OVERHEADS	IT & HR	FINANCE	GOVERNANCE	TOTAL
	£'000	£'000	£'000	£'000	£'000
CAMPAIGNS AND POLICY TO ENHANCE AND PROTECT THE COUNTRYSIDE	219	46	55	15	335
SUPPORT TO BRANCHES AND VOLUNTEERS	161	34	40	11	246
DEVELOP OUR CAPABILITY	62	13	15	4	94
SUPPORTER SERVICES	89	19	22	6	136
2018 TOTAL SUPPORT COSTS	531	112	132	36	811
2017 TOTAL SUPPORT COSTS	525	88	121	34	768

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2018

Comparative 2017	Direct Employment Costs £'000	Support Costs £'000	Direct Costs £'000	2017 Total £'000
Charitable activities				
Campaigns and policy to enhance and protect the countryside	587	356	219	1,162
Support to branches and volunteers	395	243	321	959
Develop our capability	157	61	231	449
Supporter services	253	108	126	487
	1,392	768	897	3,057
Raising funds	269	148	285	702
Total Expenditure	1,661	916	1,182	3,759

Analysis of support costs

by charitable activity	Overheads £'000	IT & HR £'000	Finance £'000	Governance £'000	Total £'000
Campaigns and policy to enhance and protect the countryside	243	41	56	16	356
Support to branches and volunteers	167	28	38	11	244
Develop our capability	41	7	9	3	60
Supporter services	74	12	17	5	108
2017 Total support costs	525	88	120	35	768

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

8. EMPLOYEE INFORMATION

The average monthly headcount was 47 (2017 41). The average number of employees, on a full-time equivalent basis was as follows:

	2018	2017
	No	No
Full time	42	31
Part time (FTE)	3	8
	<u>45</u>	<u>39</u>

Employee costs were as follows:	£'000	£'000
Salaries	1,811	1,586
National Insurance	184	166
Pension contributions	136	115
	<u>2,131</u>	<u>1,867</u>

CPRE operates a Group Personal Pension Plan that all members of staff are eligible to join after the completion of their probationary service period. CPRE contributes 7% of eligible employees' salaries to their pension plans. 47 members of staff (2017: 39) were members of the Group Personal Pension Plan at the end of the year. All of the higher paid employees were members of the Group Personal Pension Plan. Contributions into the Plan for these employees were £25k (2017: £23k. The total value of employee benefits received by key management personnel, (our principal officers (see page 23) was £334,109 (2017: £305,986).

Employees paid £60,000 or more

	2018	2017
£90,000 - £99,999	1	-
£80,000 - £89,999	-	1
£70,000 - £79,999	1	1
£60,000 - £69,999	1	-

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

9. TRUSTEES' REMUNERATION AND EXPENSES

None of the Trustees received any remuneration during the year (2017: none). Travelling expenses reimbursed to 9 (2017: 9) Trustees during the year amounted to £4,138 (2017: £4,319).

AUDITOR'S REMUNERATION

The amounts payable to haysmacintyre were:

	2018	2017
	£'000	£'000
Audit costs:		
Statutory audit	14	13
Other fees	1	-
Total	15	13

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

10. TANGIBLE FIXED ASSETS

	Leasehold Improvements £'000	Computer Equipment £'000	Furniture and Equipment £'000	Total £'000
Cost				
At 1 January 2018	472	287	3	762
Additions	98	43	2	143
At 31 December 2018	570	330	5	905
Depreciation				
At 1 January 2018	285	247	3	535
Charge for the year	66	18	-	84
At 31 December 2018	351	265	3	619
Net book value				
At 31 December 2018	218	66	2	286
At 31 December 2017	186	41	-	227

11. INVESTMENTS

	Listed Investments £'000	Total £'000
Value at 1 January 2018	6,546	6,546
Additions/ (Disposals)	(1,500)	(1,500)
Investment gains	30	30
Value at 31 December 2018	5,076	5,076

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

12. TRADING SUBSIDIARY

CPRE Enterprises Limited

The organisation has a wholly owned subsidiary registered in England, CPRE Enterprises Limited.

CPRE Enterprises Limited has been dormant throughout 2018 and 2017.

Summarised Balance Sheet of CPRE Enterprises Limited	2018	2017
	£	£
Cash at bank	2	2
Called up share capital	2	2

13. DEBTORS	2018	2017
	£'000	£'000
Accrued legacy income	918	941
Prepayments	164	216
Other debtors	118	46
Other accrued income	-	41
	1,200	1,244

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2018

14. CREDITORS: amounts falling due within one year	2018	2017
	£'000	£'000
Share of subscriptions owed to branches and regional groups	165	157
Accruals and deferred income	62	74
Grant Commitment	71	-
Trade creditors	245	80
Other creditors	-	21
Taxation and social security	54	47
Pension schemes	19	17
Accrued rent	46	46
	662	442
 CREDITORS: amounts falling due after more than one year	 2018	 2017
	£'000	£'000
Accrued rent	97	144

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

15. FINANCIAL INSTRUMENTS	2018	2017
	£'000	£'000
Financial assets measured at fair value	7,622	7,862
Financial assets measured at amortised cost	1,200	1,244
Financial liabilities measured at amortised cost	759	586

Financial assets measured at fair value comprise listed investments and cash balances.

Financial assets measured at amortised cost comprise all debtors.

Financial liabilities measured at amortised cost comprise all creditors.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Investments	Net Current Assets	Total Net Assets
	£'000	£'000	£'000	£'000
General Funds	286	4,969	1,144	6,399
Designated Funds	-	-	1,486	1,486
Total Unrestricted Funds	286	4,969	2,630	7,885
Restricted Funds	-	-	358	358
Endowment Fund	-	107	-	107
At 31 December 2018	286	5,076	2,988	8,350

Designated funds are represented by:	£'000
Strategic Collaboration Fund	177
Legacy fund for work in North Yorkshire	170
Funds held by regions	235
Strategic Investment Fund	904
Total Designated Funds	1,486

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 DECEMBER 2018

Comparative 2017	Tangible Fixed Assets	Investments	Net Current Assets	Total Net Assets
	£'000	£'000	£'000	£'000
General Funds	227	-	617	844
Designated Funds	-	6,436	1,008	7,444
Total Unrestricted Funds	227	6,436	1,625	8,288
Restricted Funds	-	-	350	350
Endowment Fund	-	110	-	110
At 31 December 2017	227	6,546	1,975	8,748

17. RESTRICTED FUNDS

	1 January 2018 £'000	Incoming Resources £'000	Resources Expended £'000	Balance at 31 December 2018 £'000
Esmée Fairbairn Foundation	115	88	116	87
CPRE Mark	21	4	-	25
Anonymous donors	15	-	15	-
JTI	3	-	2	1
Balances b/fwd: each under £5,000	1	6	3	4
The Garfield Weston Foundation	80	-	25	55
KMF Maxwell-Stuart's Charitable Trust	17	-	-	17
Andrew Mason legacy	98	-	26	72
Sanglier Ltd	-	37	4	33
Underwood Trust	-	25	-	25
Anonymous donors 2	-	20	19	1
Anglo American Charitable Foundation	-	19	-	19
Tolkien Trust 1	-	16	2	14
Tolkien Trust 2	-	10	10	-
CHK Charities Ltd	-	5	-	5
Total restricted funds	350	230	222	358

- The Esmée Fairbairn Foundation grant is towards a project looking at litter at a strategic level in Essex.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

- Mark fund is used for the branch award scheme as noted in note 18.
- The new anonymous donations were for our work protecting Green Belts.
- The donation from JTI is for the Stop the Drop campaign.
- The Garfield Weston Foundation grant is contributing to the Litter Campaign by paying for the Campaign Officer post.
- KMF Maxwell-Stuart's Charitable Trust grant helps to investigate issues and trends in landscapes that are causing their decline.
- The bequest from Mr Andrew Mason is for projects in Devon.
- The donation from Sanglier Limited is funding the design and implementation of a brand new website.
- The Underwood Trust is funding our Brownfield first project.
- The new anonymous donation 2 funded a Campaigns Officer post.
- Anglo-American Charitable Foundation funded our Landscape project.
- The first donation from the Tolkien Trust supported our first apprenticeship scheme. The second donation is for work on enhancing our website.
- CHK Charities Ltd is funding our Housing Design project.
- Comparative movements on restricted funds can be found in note 17 in 2017 accounts

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

Comparative 2017	Balance at 1 January 2017 £'000	Incoming Resources £'000	Resources Expended £'000	Balance at 31 December 2017 £'000
Esmée Fairbairn Foundation - 1	79	(20)	59	-
Esmée Fairbairn Foundation - 2	131	-	16	115
CPRE Mark	20	1	-	21
Anonymous donors	-	20	5	15
JTI	5	10	12	3
The Samworth Foundation	5	-	5	-
Balances b/fwd: each under £5,000	9	-	8	1
Underwood Trust	5	-	5	-
National Association AONB	-	13	13	-
The Garfield Weston Foundation	-	80	-	80
KMF Maxwell-Stuart's Charitable Trust	-	20	3	17
James Woolf	-	10	10	-
Andrew Mason legacy	149	-	51	98
Steel Charitable Trust	-	5	5	-
CPRE Kent	-	20	20	-
CPRE Gloucestershire	-	5	5	-
The Tolkien Trust	10	-	10	-
The B & J Lloyd Trust	4	-	4	-
The Miller Trust	5	5	10	-
New donations: each under £5,000		7	7	-
Total restricted funds	422	176	248	350

- The first grant from the Esmée Fairbairn Foundation is for the funding of two posts working on housing and energy campaigns. Due to an early completion of the project £20,312 was returned to the funder.
- The second grant is towards a project looking at litter at a strategic level in Essex.
- Mark fund is used for the branch award scheme as noted in note 18.
- The new anonymous donations were for our work protecting Green Belts.
- The donation from JTI is for the Stop the Drop campaign.
- The Samworth Foundation supported a senior Rural Policy Campaigner post.
- Underwood Trust funded the work on Green Belt film, which was produced in 2017.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

- National Association AONB is used to strengthen the protection of AONB.
- The Garfield Weston Foundation grant is contributing to the Litter Campaign by paying for the Campaign Officer post.
- KMF Maxwell-Stuart's Charitable Trust grant helps to investigate issues and trends in landscapes that are causing their decline.
- James Wolf grant is funding the Housing White Paper.
- The bequest from Mr Andrew Mason is for projects in Devon.
- The donation from Steel Charitable Trust is for the Green Belt Report.
- CPRE Kent is for the policy and research advisory salary.
- CPRE Gloucestershire funded a Housing Policy Research and adviser post.
- The donation from the Tolkien Trust is for our work on enhancing our website.
- The donation from B & J Lloyd Family Charitable Trust is for our work on Land Use.
- The Miller Trust is supporting our Smarter Travel research.
- Comparative movements on restricted funds can be found in note 17 in 2016 accounts

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

18. ENDOWMENT FUND

	Balance at		Income, Investment Gains/ (losses)	Balance at
	1 January	Transfers		31 December
	2018			2018
	£'000	£'000	£'000	£'000
Endowment Fund (Colonel Hill)	110	-	(3)	107

Comparative 2017	Balance at		Income, Investment Gains/ (losses)	Balance at
	1 January	Transfers		31 December
	2018			2018
	£'000	£'000	£'000	£'000
Endowment Fund (Colonel Hill)	110	-	-	110

The Endowment Fund was established by a donation in 1997. The income from the Fund is used to fund the CPRE Mark, which signifies approval for constructive developments and schemes, which leave the environment protected or enhanced.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

19. OPERATING LEASE COMMITMENTS

At 31 December 2018, CPRE was committed to making the following payments in respect of non-cancellable operating leases:

	2018	2017
	£'000	£'000
Land and Buildings		
Payments due within 1 year	427	319
Payments due within 2-5 years (*)	905	1,288
Other		
Payments due within 1 year	1	1
Payments due within 2 to 5 years	2	4

(*) The property lease for 5 – 11 Lavington Street expires in February 2022.

20. RELATED PARTY

Patrick Cooper, a co-opted member of the Finance Audit & Central Service Committee, is the husband of Caroline Mason CBE who is CEO of the Esmée Fairbairn Foundation from whom CPRE have received grant funding. The details of the grants received can be found note 17. These grants were awarded on an "arm's length" basis and Patrick is not involved in any decision making regarding applications to trusts and foundations.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2018

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