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CAMPAIGN TO PROTECT RURAL ENGLAND
(Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2017

www.cpre.org.uk



TRUSTEES' REPORT

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A MESSAGE FROM OUR CHAIR

This has been an exciting year of change and progress at CPRE. We have said farewell to Shaun Spiers, our highly-acclaimed chief executive who is now running Green Alliance. In the autumn we welcomed his successor, Crispin Truman who brings a wealth of leadership expertise from the world of heritage and community development. We have driven forward our programme of greater collaboration across the CPRE network with 'One CPRE' and begun a major review of membership and fundraising with the arrival of Elvira Meucci-Lyons as our new development director. Ensuring the highest standards of governance and that we are completely up to date with changes and expectations around the handling of data and personal information, have been top of the Board's agenda.

Right homes in the right places

While carrying out these extensive reviews and a series of initiatives to modernise working practices, CPRE has continued our campaigning and expert policy work unabated, in the face of ever-greater challenges for the English countryside. With the need to get the right homes in the right places foremost among CPRE's concerns, 2017 got off to an excellent start with the Government's publication of a Housing White Paper that heeded our demands to tackle the failings of big developers, diversify the house building sector, and revitalise urban regeneration. The fact that the then Housing Minister, Gavin Barwell, gave CPRE's Annual Lecture later in February, served to illustrate our continuing political influence. The minister confirmed that in drawing up their new blueprint for housing, the Government had 'not only listened to your input, we've taken it on board'.

While we await the Government's response to CPRE's comprehensive feedback on the white paper, we have not been complacent. Throughout 2017, we continued to provide new evidence to strengthen our case: showing the extent to which bad development continues to threaten our countryside, and highlighting the declining provision of affordable housing in rural areas – particularly in schemes earmarked for Green Belt land.

Local people having a say

As well as exposing the failings of the current planning system, we've consistently called for measures that will restore local democratic control through empowered local plans encompassing the views of local people. After all, it is communities themselves who know best which places to protect, and which to develop. We continued to argue that by strengthening neighbourhood planning and allowing councils to build more homes themselves, we will see the housing needs of many more people met and the ability of major developers to profit at the expense of the countryside, reduced.

Brownfield FIRST

Our central argument for solving the housing crisis without sacrificing the environment remains 'brownfield first'. The fact that CPRE lobbying meant the housing white paper had a strong emphasis on urban regeneration was welcome, and we were delighted to see the introduction of brownfield registers in April – a CPRE campaign since 2010. Encouraging councils to identify brownfield land will make it easier to make sure housing is prioritised on derelict urban sites with existing infrastructure, rather than green spaces that are so important for people's health and wellbeing. We monitored the progress of the registers throughout 2017, and published research in December showing that local authorities were ignoring smaller brownfield sites that could provide space for almost 200,000 homes – including in villages and market towns.

Further research published in early 2018 confirmed our long held belief that, in total, brownfield sites could accommodate over a million homes near jobs and services – including in the areas of highest housing pressure where Green Belts are often under threat. This groundwork will help us influence a revised National Planning Policy Framework (NPPF) in 2018, so that all suitable brownfield sites are

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identified and councils are able to refuse planning permission for greenfield land when brownfield is available nearby.

Reducing plastic waste

2017 will be remembered as the year when plastic waste became a national issue, with CPRE at the forefront. During the year it was confirmed that the charge CPRE helped introduce in 2015 has reduced plastic bag usage by 85% - helping clean up town and country in the process. CPRE has led the subsequent campaign for a UK deposit return system (DRS) for bottles and cans, having worked on the issue since 2008. As a result of our lobbying, April 2017 saw the Government finally introduce a strategy to look into the practicalities of DRS. In October, we published joint-research showing that DRS could save local authorities across England a combined total of £35m a year. Then, in December, the Environmental Audit Committee recommended that the Government should introduce DRS for plastic bottles, having received written and oral evidence from CPRE.

With ministerial support for the view that DRS would reduce litter and increase recycling, we could be on the cusp of a momentous success that could change the face of the country. I pay special tribute to our project manager Samantha Harding's efforts, along with our partner organisations and CPRE volunteers who have cleared mountains of litter in the past decade. Together with the advocacy of CPRE's President Emma Bridgewater, they have put us far closer to being the cleaner, greener and more socially-responsible country that we would all wish future generations to inherit.

Sustainable rural communities

It was encouraging that CPRE built such a constructive dialogue with the new Environment Secretary Michael Gove during 2017. As well as providing vocal support for DRS, he will be the politician responsible for the future of our farming and environmental protection. We've been delighted that he has adopted CPRE's mantra that farm support payments must reflect the environmental and social goods provided by farmers, rather than the amount of land they own. We also championed the importance of smaller farmers during 2017, recommending that future funding tackles the decline of the small, family farms that are so important for communities and character of rural England. Our lobbying was vindicated in January 2018 when the Secretary of State outlined that, from 2024, farm support would be based on the delivery of public benefits, such as planting woodland, improving soil health and increasing public access.

It is a testament to the strength of our national campaigners, and the impact of our new chief executive Crispin Truman, that our high level lobbying was maintained throughout 2017. I thank our Director of Policy and Campaigns, Tom Fyans, for his work in making this a smooth transition, and recall Shaun Spiers' parting reflections that when the national and local elements of our organisation work together, it is an 'unbeatable combination'. CPRE's strength comes from its branches, so it is very good news that Crispin brings a wealth of grassroots experience – both in working with rural communities to protect their local heritage, and in representing their concerns at a national level. The way that Crispin has embraced the potential of our local network bodes well for a reinvigorated relationship between all the parts of the organisation.

Our national network

I must pay special tribute to the work of our county groups – the front line in the defence of the English landscape. In many cases, CPRE is the only 'third party' group at planning inquiries, often facing an array of well-funded vested interests to fight for countryside that would otherwise be lost. We rely on hundreds of volunteers who contribute thousands of hours by campaigning locally: supporting community groups, responding to local plans and scouring planning applications.

This passion and dedication was epitomized during 2017 by CPRE Kent, who courageously took on and won a Supreme Court battle to save the historic Farthingloe Valley – part of the Kent Downs Area.

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of Outstanding Natural Beauty – from a development totalling over 600 homes. If that wasn't enough, they also managed to overturn a High Court appeal over a development they argued would increase air pollution – a landmark verdict that means future planning applications must consider their impact on air quality.

Our local volunteers are constantly promoting practical ways of enhancing local countryside (from tree planting to litter picking); engaging young people with environmental issues; and championing the kind of positive development CPRE wants to see. And of course, CPRE's influential national research relies on the local information provided by our branches. It is only because of our unique grassroots network that we can produce research reports which the writer and broadcaster Nicholas Crane described in 2017 as "balanced, informative and critically important".

Because we are completely independent from Government funding CPRE has the freedom to fight for real and lasting change in the public interest. It also means that our work relies on the financial support of members and supporters who share our vision of a beautiful and living countryside. Your generosity has helped us achieve so much in 2017. Please help us do even more as we work towards our Strategic Plan for 2017-19: to defend the countryside from damaging development, enhance its distinct rural character and ensure that our most precious resource – the land – is used far more sustainably.

Please join us at www.cpre.org.uk and help make our vision a reality.

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 90 years of successful campaigning by CPRE and a tribute to our county branch network.

The Trustees of the Campaign to Protect Rural England present their annual report for the year ended 31 December 2017 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).

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.

Our vision - A beautiful and living countryside that is valued and enjoyed by everyone.

We want to see England's beautiful countryside protected and improved, alongside a healthy economy and happy 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.

In our *Vision for the Countryside in 2026*, our centenary year, we emphasise the positive outcomes we want to achieve.

Better planning will ensure we reinvigorate towns and cities, while local people will be able to take an active role in their own local plans.

New life in the countryside will emerge through more affordable housing, more sustainable transport, vital services and thriving new businesses shaped by empowered rural communities.

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Farmland will be recognised as far too valuable to build on – for its beauty and wildlife as well as its productivity – and we will ensure a food system that is more resilient and more local.

Landscapes will change to incorporate wilderness, woodlands and wetlands, encouraging wildlife and allowing nature to help us tackle climate change. Urban green spaces will link people in towns and cities to their local landscapes.

Green energy will be in harmony with the landscape. Buildings will be energy efficient and have reduced-carbon emissions, while wasteful light pollution will be a thing of the past.

Above all, **attitudes** will change – beauty, tranquillity, countryside and local distinctiveness will be valued by all; creating deeper attachments to local landscapes and making quality of life and well-being as important as financial prosperity and economic growth.

Achieving our vision

As much as we love the countryside, we make decisions with the head as well as the heart. Planning, in particular, is all about looking at the bigger picture, and our wide remit means we have to consider the whole of the country, urban as well as rural.

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 do not own land but defend the countryside in the public interest.

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.

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 2017

Our work ranges from campaigns that can take many years to have an impact through to brief activities that can have an almost immediate impact. They also range from having an influence on thousands of hectares of land to small areas that are vital to local residents or as habitats for wildlife, or both. Here we report on the highlights of the year according to the goals we set ourselves in our strategic plan.

1 A planning system that protects and enhances the countryside as well as achieving positive outcomes for people, the economy and the environment

In 2017 we planned to	Some highlights of what we achieved
Ensure the government's new Housing White Paper (HWP) included policy commitments that protected the countryside	<p>The HWP stated it <i>'will reduce speculative development, and support our villages, towns and cities to develop in a way that preserves the unique character of their communities, and protects precious countryside'</i>. The Housing Minister, Gavin Barwell, acknowledged our role, stating that <i>'any honest assessment of the housing white paper will quickly spot the marks of your influence - whether it's the protection of the green belt, our opposition to speculative development or our insistence on community involvement in planning and design'</i>.</p> <p>The HWP committed to consulting on a new methodology for assessing Objectively Assessed Need, a key determinant of housing targets. It also included measures to support more brownfield development and urban regeneration. Most importantly, it included a commitment to at least maintain existing levels of protection for the Green Belt.</p> <p>We welcomed the government's promise to address failings in the housing market, rather than blame the planning system for the shortage of new homes, and congratulated Ministers for listening.</p>
Ensure the Autumn Budget includes proposals to promote affordable housing delivery without undermining Green Belt policy	Following extensive political campaigning by CPRE in the lead up to the Autumn Budget, we welcomed the measures to promote the better use of urban land, particularly high quality, high-density development. Green Belt protection was maintained, and this was a direct result of our influence. The establishment of an inquiry into land banking by Oliver Letwin was welcome, and in line with our previous calls to investigate this issue.

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<p>Ensure more and better use of brownfield land for development</p>	<p>In April, regulations requiring all councils in England to prepare and maintain registers of brownfield land came into force. CPRE has campaigned for this since requirements for gathering brownfield data were dropped in 2010. The registers should help to ensure more suitable brownfield sites are prioritised for housebuilding over greenfield sites.</p> <p>In December, we published <i>Unlocking Potential: best practice for brownfield land registers</i>, which examined how local authorities were identifying and assessing brownfield sites. It made a series of recommendations to make the most of the registers. Subsequent media coverage highlighted deficiencies in the registers, which pressured the Department for Communities and Local Government to agree to conduct their own analysis in 2018.</p>
<p>Ensure the government's revised methodology for assessing housing targets results in more sustainable development</p>	<p>Whilst much of the proposed methodology is still flawed, we welcomed the de-linking of the process from aspirational growth targets. The 'market signals uplift' element to drive housing to areas of high demand (and high environmental constraint) was not as punitive as had been proposed previously by the Local Plan Expert Group in 2016, which we had opposed.</p>
<p>Other work that came to the fore</p>	
<p>Ensure all parties in the General Election recognise the value of the countryside</p>	<p>We responded quickly and effectively to the influencing opportunities presented by the surprise General Election, producing our manifesto for the countryside within a week. The network came together to produce our first manifesto video with contributions from across the country. We succeeded in ensuring both main parties maintained a strong commitment to the Green Belt, National Parks and AONBs in their manifestos.</p> <p>We also established effective working relationships with new post-holders, particularly with the new Secretary of State for the Environment Michael Gove.</p>
<p>Ensure CPRE's better planning principles influence the development and recommendations of the Raynsford Review of Planning</p>	<p>We attended the Taskforce Steering Group meetings and attended stakeholder policy forums on improvements to the planning system. We submitted a national response to the Raynsford Review's Call for Evidence, and provided a framework to enable responses from CPRE branches. The interim report is due to be published in April 2018.</p>

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<p>Ensure the government clearly differentiates between housing need and housing demand in order to meet local need, particularly in rural areas</p>	<p>In September we published our latest Housing Foresight Paper <i>Needless Demand</i> to very positive feedback, and it led to an article in The Times about rural affordable housing issues, alongside a joint letter from CPRE, Shelter, the National Housing Federation, Lord Best and the Bishop of St Albans.</p> <p>We welcomed Theresa May's pledge at the Conservative Party Conference for £2bn of funding to help councils and housing associations build affordable and social homes for rent.</p>
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2 Efficient infrastructure systems that enhance the beauty and vitality of the countryside

In 2017 we planned to	Some highlights of what we achieved
<p>Promote a transport system that enables more sustainable travel choices, particularly in rural areas</p>	<p>In February, our new report challenging the road-building consensus was well received and gained extensive media coverage. <i>The end of the road?</i> revealed that road-building is not only devastating to the environment, but is also failing to relieve congestion and boost local economies.</p> <p>There was a muted response from the Department for Transport (DfT), whilst the RAC Foundation described it as 'home truths'. An expert seminar, with officials from DfT, Highways England, leading academics and commentators was held to launch the report. A leading professor on transport described the report as 'a serious piece of work, not lobby fodder'.</p> <p>In April, the Government published the first ever Cycling and Walking Investment Strategy, following our two-year campaign. It aims to make rural roads safer for walkers and cyclists, and increase their numbers by improving infrastructure. The strategy will make £1 billion of funding available to local bodies, and we will continue to lobby for a fair proportion to reach rural areas and market towns.</p> <p>During the summer, in an attempt to influence the government's second Road Investment Strategy, CPRE and the Campaign for Better Transport published a joint report on a greener vision for the road network. <i>Rising to the challenge</i> called for better maintenance of existing roads, more integration with public transport, and stronger environmental targets to help minimise damage.</p>

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Ensure the National Infrastructure Commission (NIC) delivers benefits for the countryside	We made a detailed submission to the NIC's call for evidence ahead of the first ever National Infrastructure Assessment, addressing issues such as climate change, and minimising land take for development.
Other work that came to the fore	
Ensure a more sustainable approach to the development of the Oxford/Cambridge Growth Corridor	<p>We submitted a response to the Strategic Alliance (a joint local authority and Local Enterprise Partnership group) on the creation of a Sub-National Transport Body for the corridor area, highlighting the need to invest in rail, not road options.</p> <p>We also met the NIC's Senior Adviser on the Corridor, Alistair Gordon, to raise concerns around the lack of public consultation on the proposals to date.</p> <p>Later in the year, the National Infrastructure Commission published its Oxford/Cambridge Growth Corridor study, and we issued a response highlighting our concerns around the environmental impacts of the proposals and the emerging democratic deficit due to the lack of meaningful consultation with local communities.</p>

3 Rural landscapes and character are protected and enhanced

In 2017 we planned to	Some highlights of what we achieved
Gain support for the idea of a land use strategy for England	In March, our new <i>Landlines</i> report and launch event in the House of Lords kick-started a debate on the potential for a national land use strategy to help underpin a longer term, strategic approach to land use. We are now looking to build political support across all parties for greater national coordination of land use in England.
Reduce levels of light pollution across England to support dark skies	Our innovative <i>Night Blight</i> maps charting light pollution helped provide evidence to encourage local councils to lessen the impact of artificial light. Our data was used to support a successful bid to make Bodmin Moor a designated International Dark Sky Landscape; Ashford Borough Council's new Local Plan contained light pollution policies; and the Highways England Design Panel made recommendations based on <i>Night Blight</i> . The maps have continued to be featured in books, articles and animations.
Lead work on solutions to eliminate litter within a generation	Our collaborative work with government departments, environmental groups and industry helped establish England's first National Litter

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	<p>Strategy, which was launched in the spring. It included commitments to tackle roadside littering, encourage better packaging design and investigate the potential for a deposit return scheme for drinks containers – all measures we had been calling for.</p> <p>Later in the year, the government published a Call for Evidence as part of its investigation into drinks containers, following high-level input from CPRE.</p> <p>We also submitted evidence to, and influenced the outcome of, the Environmental Audit Committee's inquiry into drinks container packaging, which supported the introduction of a deposit return scheme.</p>
Ensure the development of a new English Agricultural Policy that benefits the countryside	<p>In August, we published <i>Uncertain Harvest – why the loss of small farms matters</i>. It received significant media coverage, featuring in the Times, FT and on Radio 4. The report resulted in meetings with Defra officials, ministers and shadow ministers, as well as a briefing for HRH the Prince of Wales at Clarence House.</p> <p>We lobbied officials and Ministers to support a healthy mix of farm sizes to maintain our landscapes and rural economies, and give smaller farmers a stronger voice in the distribution of local funding.</p> <p>The new Secretary of State for Environment, Michael Gove, whom we met several times over the summer, reflected our broad position on the future of farming, and mentioned the importance of small farms. Sue Hayman, Labour's shadow minister for farming, reflected CPRE positions on farming at our Labour Party Conference fringe meeting.</p>
Ensure the distinctive rural landscapes people enjoy are enhanced and better protected	<p>In November, we published <i>Beauty Betrayed</i>, our report on the threats from inappropriate, mass housing development to England's Areas of Outstanding Natural Beauty. The report received extensive national and local media coverage. In 2018, we will use this alarming evidence to demand the Government does more to protect our finest landscapes through strengthening protection in the National Planning Policy Framework.</p>

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4 To develop our capability

In 2017 we planned to	Some highlights of what we achieved
Improve local planning support for our branches and regions	After holding a series of consultation workshops with branches at our AGM and Autumn Conference, a report was produced for CPRE's Senior Management Team with recommendations to set up a new online planning tool platform, a programme of training, and bespoke specialist support on planning issues for experts in the network. These measures will be implemented in 2018.
Introduce an intranet	This is now in place in the national office and providing a vastly improved internal communications system. It will be rolled out to our volunteer groups across the country in 2018/19 and is currently being used to develop better cross-team working.
Create a communications strategy framework	We have reviewed and benchmarked our communications work and are currently developing the framework.
Place a greater focus on a small number of national campaigns	CPRE now operates an 'integrated campaigning' approach across the national and local organisation, the benefits of which will be seen in the 2018 campaigning programme.

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Financial Review

The financial results of the charity's activities for the year to 31 December 2017 are set out in the Statement of Financial Activities and supporting notes.

Legacy income of £1.2m was lower than in 2016. The apparent decrease is due to 2016 being an exceptionally good year for legacy income. When compared with 2015 (£1.3m) and 2014 (£2m), the 2017 legacy income is in line with past trends and it remains one of CPRE's most significant income streams.

Membership, (net of the branch and regional share) and Committed Giving income remained steady at £1.2m. However, funding from charitable trusts and companies decreased from £549,663 in 2016 to £384,691 in the current year because of reduced project activity. The charity's Senior Management Team is working on a new strategy to encourage growth in this area of income and thereby support an expansion of charitable activities nationwide.

We would like to thank our many supporters who helped optimise the value of their donations by completing Gift Aid forms. We reclaimed £367,910 in Gift Aid in 2017 (2016: £397,962).

The total expenditure was £3.8m (2016 £3.2m) of which £3.1m was spent on charitable activities (2016 £2.6m). We ended the year with a smaller than anticipated deficit of £116,565.

The charity's unrestricted liquid reserves at £7.2m (£5.6m in 2016) represent a strong base to help finance activities in future years, to invest in the CPRE network and achieve new strategic objectives. Most 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.

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.

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 2017 to set the context for the 2018 budget. CPRE's reserves policy is:

'To hold unrestricted investments and cash, in a range of £2.35m – £6.75m. 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'.

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For the purpose of its policy, CPRE has defined its reserves as its unrestricted liquid reserves, which constitute investments and cash. We have ignored our fixed assets, as they are illiquid. We have ignored debtors less creditors because debtors include legacies receivable, which may not be received for up to two years from the date of probate. Therefore, our policy focuses on our unrestricted liquid assets and these were £7.2m at 31 December 2017 (31 December 2016: £5.6m) as per the table below:

Unrestricted liquid assets

	2017	2016
	£'000	£'000
Investments	6,545	4,047
Cash at bank	<u>1,072</u>	<u>2,101</u>
	7,617	6,148
Less: restricted funds	(350)	(422)
Less: endowments	(110)	(110)
	<u>7,157</u>	<u>5,616</u>
Unrestricted liquid assets		

The year-end total of £7.2m is higher than the top of our target range of £6.75m and so for 2018 we have approved a deficit budget of nearly £1m in order to extend our campaigning, strengthen support to local groups and improve our services.

Investment Policy and Performance

During 2017 all CPRE's investments were managed by CCLA (2016: Ruffer LLP, Sarasins Alpha Charities Investment Fund and COIF).

For the year to 31 December 2017 the total portfolio has grown by 61.74% (2016: 11.1%) as we added £2.3m to our investments during 2017 (2016: £0.6m). This was possible because of the exceptional amount of funds received from legacies during the year, which were invested in the CCLA funds.

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 2017.

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:

- 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*

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- *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 2017, 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. A very small number of complaints about fundraising activity were received by CPRE national office in 2017 and all were promptly resolved without the need for escalation to the regulator.

Fundraising performance

This year we increased unrestricted income ahead of our planned budget – mainly as a result of several very generous legacies and our loyal supporters continuing to respond to appeals throughout the year. We did not however achieve our restricted income budget, due to a combination of delay in using funds given (and therefore in claiming next instalments) and a short-term reduction in new project activity. 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. Plans are already in place to address these issues in 2018 and create a long-term and robust approach to developing multi-partner, multi-funded projects, which will significantly increase and strengthen our charitable activity.

Impressive income growth in recent years has been almost wholly due to strong legacy income, it is now a priority for the charity to diversify and strengthen other income sources. Membership and appeals income from existing donors remains stable but will need to increase for long-term sustainability to be achieved.

A major membership review earlier this year clearly highlighted that before pursuing the membership refreshment and other income development projects further, we needed to consider a range of bigger issues including how we define CPRE's purpose and how we present it, our audience appeal, our campaigning style and the relationship between the national organisation and county groups. After 92 years of operation and with a significantly changed landscape, the Board agreed to launch a major 'Purpose Project' for 2018. Following a tender process, we are now working with the GOOD agency to review our purpose in order to reach new supporters and donors, whilst retaining our current audience and to future-proof our income. Broadening our appeal - with income being a major driver behind this - will be critical to the success of our future fundraising strategy.

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.

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- 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.

The Purpose Project provides a unique opportunity to reposition CPRE and galvanise support - and to plan ahead for this across CPRE, strengthening technology infrastructure, management structures and processes. As a result, we will be in a strong place to maximise success and create a robust and ambitious strategy within the level of investment provided, that will start to move CPRE towards a sustainable programme.

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 project 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 September 2017.

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:

- Inadequate financial reserves to withstand one or more major risks materialising
- Security of electronic data
- Loss of key staff
- Poor customer care
- 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

- Loss of key staff
- Poor customer care leading to the loss of a major supporter

TRUSTEES' REPORT

The system of internal control includes:

- A three year strategic plan
- An annual operational plan, 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 Audit 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.

CPRE's Future Plans

The Board approved our current strategic plan for 2017-19 in December 2016.

Our aims for this plan are:

- To promote and enhance the character of the countryside
- To promote a more sustainable approach to land use
- To defend the countryside from damaging development

Our goals are:

1. A planning system that protects and enhances the countryside as well as achieving positive outcomes for people, the economy and the environment

Strategic objectives

- A planning system that protects and enhances the countryside
- National policy supports realistic housing targets in local plans
- More and better use of brownfield land for development
- Stronger and better implemented national policy on Green Belt protection

2. Efficient infrastructure systems that enhance the beauty and vitality of the countryside

Strategic objectives

- A transport system that enables travel choices, particularly in rural areas
- A National Infrastructure Commission that delivers benefits for the countryside

3. Rural landscapes and character are protected and enhanced

Strategic objectives

- A new English agricultural policy that benefits the countryside
- The distinctive rural landscapes that people enjoy are enhanced and better protected
- A more tranquil countryside with darker skies
- A countryside unspoilt by litter

TRUSTEES' REPORT

In **2018** the operational plan and budget aims to focus the organisation on moving forward key parts of the strategic plan and in particular on:

1. Broadening our Appeal
2. Delivering integrated, policy-led campaigns and
3. Working better together across the national CPRE network

Under these headings during the year we will conduct a major review of our purpose and how we present it – 'the Purpose Project', deliver major campaigns on Rural Affordable Housing and the review of the National Planning Policy Framework (NPPF) and invest in new programmes and capacity to support volunteering and partnership across the CPRE Network.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 2016.

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.

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 federal structure 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

TRUSTEES' REPORT

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.

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.

Induction and training of trustees

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

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.

TRUSTEES' REPORT

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, Audit Committee and Nominations Committee. The Board sets terms of reference for sub-committees, all of which report directly to the Board.

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.

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.

Patron

Her Majesty The Queen

President

Emma Bridgewater

Vice Presidents

Bill Bryson

Tom Flood

TRUSTEES' REPORT

The Board (Trustees/Directors)

Su Sayer	Chair
Catherine Graham-Harrison	Chair of Policy Committee retired 6 July 2017
Lucie Hammond	Treasurer
Stephen Anderson	General Board Member
Mike Benner	General Board Member
Margaret Clark	Selected Board Member
Martin Crookston	Selected Board Member retired 29 June 2017
Christine Drury	General Board Member (Vice Chair)
Elizabeth Hamilton	General Board Member retired 29 June 2017
Robin Thompson	General Board member
Corinne Pluchino	General Board Member appointed 29 June 2017
Andy Topley	Selected Board Member appointed 29 June 2017
Richard Simmons	Chair of Policy Committee appointed January
2018	

Sub-committees of the Board:

Policy Committee

Catherine Graham-Harrison	Chair retired 7 September 2017
Martin Crookston	Interim Chair 7 September – 31 December 2017
Richard Simmons	Chair appointed 1 January 2018
Su Sayer	Trustee
Lyndis Cole	
John Croxen	
John Hoare	Retired 7 September 2017
Richard Lloyd	
Michael Monk	
Henrietta Sherwin	Retired 7 September 2017
Stan Jones	
Anna Hall	

Audit Committee

Lucie Hammond	Chair
Robin Thompson	Trustee

Nominations Committee

Su Sayer	Trustee
Martin Crookston	Trustee
Georgie Bigg	Chair retired 13 March 2017
Isabella Stone	Chair appointed 13 March 2017
Marion Temple	Branch nominated member

TRUSTEES' REPORT

The principal officers are:

Shaun Spiers	Chief Executive (until 31 May 2017)
Crispin Truman	Chief Executive (from 4 September 2017)
Tom Fyans	Director of Campaigns and Policy
Linda Allen	Director of Fundraising and Supporter Services (until 3 February 2017)
Elvira Meucci-Lyons	Director of Fundraising and Supporter Services (from 11 May 2017)
Julian Purvis	Director of Finance & Company Secretary (retired 1 January 2018)

Professional Advisers:

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

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, 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.

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.

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.

TRUSTEES' REPORT

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.

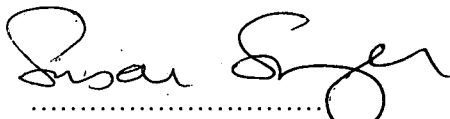
All our staff work in London and are paid at least the London Living Wage.


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.

Approved by the Trustees on 10 May 2018 and signed on their behalf by:


.....
Su Sayer
Chair


.....
Lucie Hammond
Treasurer

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 2017 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).

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.

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 2017 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.

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
- 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.



Richard Weaver (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

17 May 2018

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 DECEMBER 2017

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	2017 Total £	2016 Total £
Income from						
Donations and legacies	2 & 3	3,187,728	174,312	-	3,362,040	6,540,822
Other trading activities	4	27,057	-	-	27,057	37,720
Investments	5	13,500	1,349		14,849	45,093
Total		3,228,285	175,661	-	3,403,946	6,623,635
Expenditure on						
Raising funds	6	702,214	-	-	702,214	611,437
Charitable activities	7	2,808,362	248,273	-	3,056,635	2,593,240
Total	7	3,510,576	248,273	-	3,758,849	3,204,677
Net gains/(losses) on investments	11	238,397	-	(59)	238,338	403,156
Net (expenditure)/income		(43,894)	(72,612)	(59)	(116,565)	3,822,114
Reconciliation of funds:						
Total funds brought forward		8,331,342	422,683	110,241	8,864,266	5,042,152
Total funds carried forward		8,287,448	350,071	110,182	8,747,701	8,864,266

All of the charity's activities are continuing.

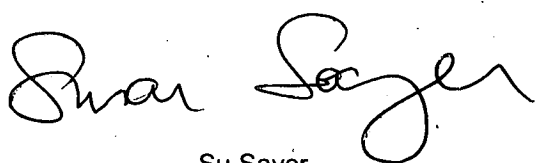
There are no gains and losses other than those shown above.

The notes on pages 28 to 39 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 2017

	Notes	2017 £	2016 £
FIXED ASSETS			
Tangible assets	10	227,514	278,509
Investments	11	<u>6,545,717</u>	<u>4,047,138</u>
<i>Total fixed assets</i>		<u>6,773,231</u>	<u>4,325,647</u>
CURRENT ASSETS			
Debtors	13	1,244,338	2,648,129
Regional bank balances		243,984	219,674
Cash at bank and in hand		<u>1,072,427</u>	<u>2,101,242</u>
<i>Total current assets</i>		2,560,749	4,969,045
Liabilities:			
Creditors: Amounts falling due within one year	14	<u>(442,842)</u>	<u>(430,426)</u>
<i>Net current assets</i>		<u>2,117,907</u>	<u>4,538,619</u>
<i>Total assets less current liabilities</i>		8,891,138	8,864,266
Creditors: amounts falling due after more than one year	14	<u>143,437</u>	-
<i>Total net assets</i>		<u>8,747,701</u>	<u>8,864,266</u>
The funds of the charity:			
Unrestricted funds	16	8,287,448	8,331,342
Restricted funds	17	350,071	422,683
Endowment fund	18	<u>110,182</u>	<u>110,241</u>
<i>Total charity funds</i>		<u>8,747,701</u>	<u>8,864,266</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 May 2018



Su Sayer
Chair



Lucie Hammond
Treasurer

The notes on pages 28 to 39 form part of these financial statements.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2017

Cash flows from operating activities:	2017 £	2016 £
Net cash provided by operating activities (see Table 1)	<u>1,223,223</u>	<u>1,561,021</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	9,117	33,032
Bank and other interest received	5,732	12,061
Purchase of property, plant and equipment	(6,647)	(4,527)
Purchase of investments	<u>(2,260,241)</u>	<u>(600,000)</u>
Net cash outflow used in investing activities	<u>(2,252,038)</u>	<u>(559,434)</u>
Increase/(Decrease) in Cash	<u>(1,028,815)</u>	<u>1,001,587</u>
Change in cash and cash equivalents in the year	(1,028,815)	1,001,587
Cash and cash equivalents at 1 January 2017 (see Table 2)	<u>2,101,242</u>	<u>1,099,655</u>
Cash and cash equivalents at 31 December 2017 (see Table 2)	<u>1,072,427</u>	<u>2,101,242</u>

	2017 £	2016 £
Table 1: Reconciliation of net income to net cash flow from operating activities		
Net income/(expenditure) for the year	(116,565)	3,822,114
Adjustments for:		
Depreciation charges	57,642	58,105
Gains on investments	(238,338)	(403,156)
Dividends, interest and rents from investments	(14,849)	(45,093)
(Increase)/Decrease in debtors	1,403,791	(1,910,840)
(Increase)/Decrease in regional cash balances	(24,311)	(27,489)
Increase/(Decrease) in creditors	<u>155,853</u>	<u>67,380</u>
Net cash provided by operating activities	<u>1,223,223</u>	<u>1,561,021</u>

	2017 £	2016 £
Table 2: Analysis of cash and cash equivalents		
Cash in hand	557,963	1,592,391
Notice deposits (6 months)	<u>514,464</u>	<u>508,851</u>
Total cash and cash equivalents	<u>1,072,427</u>	<u>2,101,242</u>

The notes on pages 28 to 39 form part of these financial statements.

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2017

1. PRINCIPAL ACCOUNTING POLICIES

a) 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:

b) 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.

c) 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.

d) 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.

e) Fixed Assets

Items over £1,000 (2016 £500) 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

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2017

1. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

f) 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.

g) Operating Leases

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

h) 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.

i) 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.

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.

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 2017 this amounted to £161,647 (2016 £97,916).

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.

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 2017

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Membership subscriptions	1,487,039	-	1,487,039	1,502,906
Less: Branch share of subscriptions(note 1b)	(591,454)	-	(591,454)	(591,093)
	895,585		895,585	911,813
Legacies	1,213,412	-	1,213,412	4,160,255
Appeals	386,178	-	386,178	448,928
Charitable Trusts and Companies (note 3)	245,379	139,312	384,691	549,663
Committed giving	263,551	-	263,551	287,797
Major personal donations	16,189	35,000	51,189	51,282
Raffles	85,798	-	85,798	65,912
General donations	71,409	-	71,409	50,397
Give as You Earn donations	5,163	-	5,163	5,461
Regional Income	4,615	-	4,615	9,110
Branch Income	449	-	449	204
	3,187,728	174,312	3,362,040	6,540,822

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.

3. GENERAL, CORPORATE AND TRUST DONATIONS

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Esme Fairbairn Foundation (*)	-	(20,312)	(20,312)	218,803
Kristina Martin Trust	-	-	-	50,000
The Garfield Weston Foundation	-	80,000	80,000	-
K S Richer Trust	110,000	-	110,000	-
National Association	-	13,000	13,000	-
KMF Maxwell-Stuart's Charitable Trust	-	20,000	20,000	-
Charities Aid Foundation	25,000	-	25,000	27,927
The Underwood Trust	20,000	-	20,000	20,000
The Lambert Family Trust	-	-	-	20,000
The Samworth Foundation	-	-	-	20,000
Anonymous donation	-	20,000	20,000	15,000
The Salamanca Group	-	-	-	14,000
Dept. of Communities & Local Govt.	-	-	-	12,100
The Tolkien Trust	-	-	-	10,000
NFU Mutual	-	-	-	12,000
JTI	-	10,000	10,000	10,000
Donations less than £10,000	90,379	16,624	107,003	119,833
	245,379	139,312	384,691	549,663

(*) Due to an early completion of the project £20,312 was returned to the funder

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2017

4. OTHER TRADING ACTIVITIES

	2017 £	2016 £
Rental income	23,795	24,000
CPRE publications	3,137	13,320
Merchandise income	125	400
	<u>27,057</u>	<u>37,720</u>

5. INVESTMENTS

	2017 £	2016 £
UK listed securities	9,117	33,032
Bank interest	5,732	12,061
	<u>14,849</u>	<u>45,093</u>

6. RAISING FUNDS

	Unrestricted Funds £	2017 Total Funds £	2016 Total Funds £
Fundraising costs:			
Direct costs	284,743	284,743	181,623
Employment costs	269,844	269,844	321,694
Support costs	147,627	147,627	108,120
	<u>702,214</u>	<u>702,214</u>	<u>611,437</u>
Total			
	<u>702,214</u>	<u>702,214</u>	<u>611,437</u>

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2017

7. ANALYSIS OF EXPENDITURE

	Direct Employment Costs	Support Costs	Direct Costs	2017 Total	2016 Total
	£	£	£	£	£
Charitable activities					
Campaigns and policy to enhance and protect the countryside	586,598	356,208	219,308	1,162,114	993,912
Support to branches and volunteers	394,800	243,484	320,834	959,118	855,936
Develop our capability	157,327	60,286	231,568	449,181	310,647
Supporter services	251,645	108,382	126,195	486,222	432,745
	<u>1,390,370</u>	<u>768,360</u>	<u>897,905</u>	<u>3,056,635</u>	<u>2,593,240</u>
Raising funds	269,844	147,627	284,743	702,214	611,437
	<u>1,660,214</u>	<u>915,987</u>	<u>1,182,648</u>	<u>3,758,849</u>	<u>3,204,677</u>

Analysis of support costs by charitable activity

	Overheads £	IT & HR £	Finance £	Governance £	Total £
Campaigns and policy to enhance and protect the countryside	243,571	40,872	55,988	15,777	356,208
Support to branches and volunteers	166,491	27,938	38,272	10,783	243,484
Develop our capability	41,225	6,918	9,473	2,670	60,286
Supporter services	74,111	12,435	17,036	4,800	108,382
	<u>525,398</u>	<u>88,163</u>	<u>120,769</u>	<u>34,030</u>	<u>768,360</u>
2017 Total support costs	<u>525,398</u>	<u>88,163</u>	<u>120,769</u>	<u>34,030</u>	<u>768,360</u>
<i>2016 Total support costs</i>	<u>356,825</u>	<u>82,068</u>	<u>113,962</u>	<u>35,072</u>	<u>587,927</u>

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2017

8. EMPLOYEE INFORMATION

The average monthly headcount was 41 (2016 40). The average number of employees, on a full-time equivalent basis was as follows:

	2017 No	2016 No
Full time	31	33
Part time (FTE)	8	5
	<u>39</u>	<u>38</u>

Employee costs were as follows:

	£	£
Salaries	1,585,519	1,543,319
National Insurance	166,702	166,354
Pension contributions	114,979	101,009
	<u>1,867,200</u>	<u>1,810,682</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. 39 members of staff (2017: 38) 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 £23,756 (2016: £20,740). The total value of employee benefits received by key management personnel, (our principal officers (see page 19) was £305,986 (2016: £336,233).

	2017	2016
Employees paid £60,000 or more		
£100,000 - £109,999	-	1
£90,000 - £99,999	-	-
£80,000 - £89,999	-	2
£70,000 - £79,999	1	-
£60,000 - £69,999	1	1

9. TRUSTEES' REMUNERATION AND EXPENSES

None of the Trustees received any remuneration during the year (2016: none). Travelling expenses reimbursed to 9 (2016: 8) trustees during the year amounted to £4,319 (2016: £3,214).

AUDITOR'S REMUNERATION

The amounts payable to haysmacintyre were:

	2017 £	2016 £
Audit costs:		
Statutory audit	13,300	13,300
	<u>13,300</u>	<u>13,300</u>
Total	<u>13,300</u>	<u>13,300</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2017

10. TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Computer Equipment £	Furniture and Equipment £	Total £
Cost				
At 1 January 2017	472,003	280,909	3,054	755,966
Additions	-	6,647	-	6,647
At 31 December 2017	472,003	287,556	3,054	762,613
Depreciation				
At 1 January 2017	241,730	232,673	3,054	477,457
Charge for the year	43,751	13,891	-	57,642
At 31 December 2017	285,481	246,564	3,054	535,099
Net book value				
At 31 December 2017	186,522	40,992	-	227,514
<i>At 31 December 2016</i>	<i>230,273</i>	<i>48,236</i>	<i>-</i>	<i>278,509</i>

11. INVESTMENTS

	Listed Investments £	Unlisted Investments £	Cash £	Total £
Value at 1 January 2017	4,047,126	3	9	4,047,138
Additions/ (Disposals)	2,260,241	-	-	2,260,241
Investment gains	238,338	-	-	238,338
Value at 31 December 2017	6,545,705	3	9	6,545,717

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2017

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 2017 and 2016.

Summarised Balance Sheet of CPRE Enterprises Limited

	2017	2016
	£	£
Cash at bank	<u>2</u>	<u>2</u>
Called up share capital	<u>2</u>	<u>2</u>

13. DEBTORS

	2017	2016
	£	£
Accrued legacy income	940,736	2,502,644
Prepayments	215,849	82,570
Other debtors	46,482	51,902
Other accrued income	41,271	11,013
	<u>1,244,338</u>	<u>2,648,129</u>

14. CREDITORS: amounts falling due within one year

	2017	2016
	£	£
Share of subscriptions owed to branches and regional groups	157,445	150,115
Accruals and deferred income	74,160	83,258
Trade creditors	80,223	143,905
Other creditors	20,946	-
Taxation and social security	47,154	46,650
Pension schemes	17,021	767
Accrued rent	45,893	5,731
	<u>442,842</u>	<u>430,426</u>

CREDITORS: amounts falling due after more than one year

	2017	2016
	£	£
Accrued rent	<u>143,437</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2017

15. FINANCIAL INSTRUMENTS	2017	2016
	£	£
Financial assets measured at fair value	<u>7,862,128</u>	<u>6,368,054</u>
Financial assets measured at amortised cost	<u>1,244,338</u>	<u>2,648,129</u>
Financial liabilities measured at amortised cost	<u>586,279</u>	<u>430,426</u>
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
	£	£	£	£
General Funds	227,514	-	615,949	843,463
Designated Funds	-	6,435,535	1,008,450	7,443,985
Unrestricted Funds	<u>227,514</u>	<u>6,435,535</u>	<u>1,624,399</u>	<u>8,287,448</u>
Restricted Funds	-	-	350,071	350,071
Endowment Fund	-	110,182	-	110,182
At 31 December 2017	<u>227,514</u>	<u>6,545,717</u>	<u>1,974,470</u>	<u>8,747,701</u>

Designated funds are represented by:

	£
Working Capital	500,000
Legacy fund for work in North Yorkshire	600,000
Funds held by regions	243,985
Protection against financial risks	2,250,000
Strategic Investment Fund 2018-2022	3,850,000
	<u>7,443,985</u>

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2017

17. RESTRICTED FUNDS

	Balance at 1 January 2017 £	Incoming Resources £	Resources Expended £	Balance at 31 December 2017 £
Esmée Fairbairn Foundation - 1	79,279	(20,312)	58,967	-
Esmée Fairbairn Foundation - 2	131,633	-	16,372	115,261
CPRE Mark	20,455	859	-	21,314
Anonymous donors	-	20,000	5,236	14,764
JTI	4,642	10,000	12,003	2,639
The Samworth Foundation	5,000	-	5,000	-
Balances b/fwd: each under £5,000	8,920	-	8,570	350
Underwood Trust	4,723	-	4,723	-
National Association AONB	-	13,000	12,383	617
The Garfield Weston Foundation	-	80,000	-	80,000
KMF Maxwell-Stuart's Charitable Trust	-	20,000	3,040	16,960
James Woolf	-	10,000	10,000	-
Andrew Mason legacy	149,057	490	51,381	98,166
Steel Charitable Trust	-	5,000	5,000	-
CPRE Kent	-	20,000	20,000	-
CPRE Gloucestershire	-	5,000	5,000	-
The Tolkien Trust	10,000	-	10,000	-
The B & J Lloyd Trust	3,974	-	3,974	-
The Miller Trust	5,000	5,000	10,000	-
New donations: each under £5,000	-	6,624	6,624	-
Total restricted funds	422,683	175,661	248,273	350,071

- 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.
- 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 2017

18. ENDOWMENT FUND

	<i>Balance at</i>		<i>Income, Investment</i>	<i>Balance at</i>
	<i>1 January</i>	<i>Transfers</i>	<i>Gains/</i>	<i>31 December</i>
	<i>2017</i>		<i>(losses)</i>	<i>2017</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Endowment Fund (Colonel Hill)	<u>110,241</u>	<u>-</u>	<u>(59)</u>	<u>110,182</u>

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.

19. OPERATING LEASE COMMITMENTS

At 31 December 2017, CPRE was committed to making the following payments in respect of non-cancellable operating leases:

	2017	2016
	£	£
Land and Buildings		
Payments due within 1 year	318,750	-
Payments due within 2-5 years (*)	1,287,750	1,020,067
Other		
Payments due within 1 year	1,030	-
Payments due within 2 to 5 years	3,746	1,912

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

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2017

20. COMPARATIVE YEAR 2016

	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	2016 Total £
Income from				
Donations and legacies	6,179,482	361,340	-	6,540,822
Other trading activities	37,720	-	-	37,720
Investments	43,600	1,493	-	45,093
Total	6,260,802	362,833	-	6,623,635
Expenditure on				
Raising funds	611,437	-	-	611,437
Charitable activities	2,238,207	355,033	-	2,593,240
Total	2,849,644	355,033	-	3,204,677
	3,411,158	7,800	-	3,418,958
Net gains on investments	390,577	-	12,579	403,156
Net income	3,801,735	7,800	12,579	3,822,114
Reconciliation of funds:				
Total funds brought forward	4,529,607	414,883	97,662	5,042,152
Total funds carried forward	8,331,342	422,683	110,241	8,864,266

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

CPRE CAMPAIGN TO PROTECT RURAL ENGLAND
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
YEAR ENDED 31 DECEMBER 2017

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