

Charity Registration No. 1092012

Company Registration No. 04335730 (England and Wales)

**THE KENT BRANCH OF THE CAMPAIGN TO PROTECT  
RURAL ENGLAND**

(A COMPANY LIMITED BY GUARANTEE)

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2011**

WEDNESDAY



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COMPANIES HOUSE

## THE KENT BRANCH OF THE CAMPAIGN TO PROTECT RURAL ENGLAND

### LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Patron</b>	Sir Donald Sinden CBE	
<b>President</b>	Graham Clarke	
<b>Vice Presidents</b>	Amanda Cottrell OBE DL Rt Hon Damian Green MP Laura Sandys MP Gareth Thomas Sir Robert Worcester KBE DL	
<b>Directors</b>	R A Knox-Johnston JP (Chairman) N C Britten BA Hons (Vice Chairman) Mrs C E C Drury MA Cantab PMD (Harvard) (Vice Chairman) Dr A W Holmes OBE BSc PhD CChem FRSC FIFST (Treasurer) R Baxter PhD R H Godfrey-Faussett R J Horton Dr H Moorby BSc (Hons) DPhil Oxon H W Rayner T G Thomas MB BS FRCS J V Walker Mrs C A Ware BA (Hons) Dip IM G D Warren MSc DIC MICE CEng FGS CGeol MIWEM	
<b>Company Secretary</b>	S D Dunn, Dip Comp	
<b>Chief Executive</b>	Dr H Newport BSc Hons PhD	
<b>Charity number</b>	1092012	
<b>Company number</b>	4335730	
<b>Operational address</b>	Queens Head House Ashford Road Charing Kent TN27 0AD	
<b>Registered office</b>	Queens Head House Ashford Road Charing Kent TN27 0AD	
<b>Auditors</b>	Larkings (S E ) LLP 31 St George's Place Canterbury Kent CT1 1XD	
<b>Bankers</b>	CAF Bank Ltd 25 King's Hill Avenue King's Hill West Malling Kent ME19 4JQ	Santander Bridle Road Bootle Merseyside L30 4GB
<b>Investment advisors</b>	CCLA Investment Management Limited 80 Cheapside London EC2V 6DZ	
	Newton Investment Management Limited 71 Queen Victoria Street London EC4V 4DR	Vestra Wealth LLP 14 Cornhill London EC3V 3NR

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**THE KENT BRANCH OF THE CAMPAIGN TO PROTECT RURAL ENGLAND**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2011**

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The directors present their report and financial statements for the year ended 31 March 2011

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005

**Constitution**

The company was incorporated on 6 December 2001 and became a registered charity on 14 May 2002. Activities within the company did not commence until 11 October 2002. The Kent Branch of the Campaign to Protect Rural England is a company limited by guarantee and is governed by a Memorandum and Articles of Association dated 6 December 2001. The company also operates under the names CPRE Kent and CPRE Protect Kent.

**Recruitment and appointment of Trustees**

The Directors of the Company are also Charity Trustees for the purpose of Charity Law, and under the Company's Articles are known as members of the Board. This committee includes *ex officio* the Chairman, Vice Chairman and Treasurer of the Company who are elected annually at the AGM, together up to five members who are also elected annually after prior nomination. Each of the twelve district committees and three specialist committees (Environment, Transport and Historic Buildings) may also nominate a member, in which case nomination must be made not less than 28 clear days prior to the AGM. The requirement for 28 days prior notice enables members voting at the AGM to have had time to evaluate the candidates.

There is also provision for three additional members to be co-opted by the Board during the year. No member may serve for more than five years continuously except the Chairman, Vice Chairman and Treasurer whose *ex officio* role may continue after previous service as members. Members are eligible to serve again after standing down for one year.

**Trustees' training and induction**

New Trustees are anticipated to be familiar with the practical work of the Company. However, they will be expected to spend some time initially in the Company's office familiarising themselves with the full range of managerial and administrative work that needs to be carried out. Trustees are also encouraged to attend the meetings of district and specialist committees outside their normal areas of experience to broaden their understanding of the wider activities of the Branch. We are also arranging, in consultation with CPRE's National Office, specific training on the duties and responsibilities of Trustees as necessary.

**Objectives and activities for public benefit**

The objects for which the Charity is established are to promote and encourage for the benefit of the public the improvement and protection of the English Countryside and, in particular, that of Kent and its towns and villages, and the better development of the rural environment.

The principal work of the Charity is to influence planning policy and planning decisions for the better protection of the countryside of Kent and beyond. We achieve this by monitoring and commenting on planning applications and emerging planning policy, and by engaging with decision makers and the public to raise awareness and grow membership.

We provide advice and support to individuals and community organisations on planning policy and process, and specialist input on individual schemes where possible. We encourage participation in the planning process and provide media and campaigning support to those local campaigns that are aligned with our organisational priorities and policies.

The Charity also works to inform decision makers and the public on the effects of climate change and exploitation of natural resources, the need for sustainability, the impact of people's actions and choices that can be made.

The trustees confirm that they have referred to the guidance contained at the Charity Commissioner's general guidance on public benefit when reviewing the charity's objectives.

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2011**

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**Organisation Structure**

The Charity employs a chief executive, who is assisted by a deputy chief executive, a company secretary/office manager, a senior planner and a publicity and events manager

In March Sean Furey, the deputy chief executive, left the charity. The continued need for a deputy chief executive post is to be reviewed. In November Gemma Watts, the publicity and events manager left the charity and was replaced in the same month by Jamie Weir. The other post holders are

Dr Hilary Newport - chief executive  
Sandra Dunn - company secretary/office manager  
Bran Lloyd - senior planner

The charity is governed by a board, and the finance and general purposes committee reports to it. Additional working groups are set up as and when required. Present groups include an investment committee, premises committee, a marketing, membership and fundraising committee, legal committee and a legacy committee. There are twelve district committees that each respond to planning matters within their districts and county-wide specialist committees which consider planning, the environment, transport and historic buildings.

**Achievements and performance**

***Campaigns and events***

The *Keeping the Lights On* conference was held at the Pines Calyx in April. Seventy delegates attended, including representatives from the KCC Select Committee on Climate Change, Swale Borough Council and Ashford's Future. Speakers included expert on climate change, Sir Crispin Tickell, the former Government adviser on environment and climate change, Mike Dixon, Engineering Projects Manager with EDF Energy Networks, Peter Harper, Head of Research and Innovation from the Centre of Alternative Technology, Tim Pyke, Head of Climate Change from E.ON and Alistair Gould, Chairman of The Bay Trust. Following the conference we produced a publication, also called *Keeping the Lights On*, which describes the pros and cons of various energy sources.

Leeds Castle Enterprises made us one of their designated charities for the year and very kindly allowed us use of the grounds for a cinema screening. A castle theme seemed most appropriate and so *Monty Python and the Holy Grail* was chosen. More than 1,300 people came with their picnics to enjoy the evening. Sir Donald Sinden pre-recorded an introduction urging people to join Protect Kent. Nearly £7,000 was raised from the evening. Further events there are planned for next year.

Amanda Cottrell invited us to use her barn for an evening of songs, poetry and anecdotes, which were supplied with great aplomb by Graham Clarke. The evening was also an opportunity to inform influential people about our work.

Chief Executive, Hilary Newport was on the panel of a 'Question Time' organised by Swale Borough Council. This event considered a number of issues relating to future development in Swale Borough as part of the Council's consultation on its emerging Core Strategy.

After hearing about plans to sell off Forestry Commission land we organised a public meeting near Bedgebury forest. Fortunately, following much opposition the government has now decided to review their plans.

The chairman spoke at meetings in Higham and Shorne against plans for an additional Thames Crossing. He also put forward ideas on how to reduce the need for Operation Stack, which causes massive congestion to traffic in Kent and is implemented several times a year when cross-channel shipping is disrupted either by the weather or industrial action.

We had a stand at the Kent County Show again this year. Our theme was *Threats to Kent*, and as litter is one of the threats throughout the country a Womble seemed appropriate, so Great Uncle Bulgaria (aka Alex Hills) agreed to come on our stand. He was a big hit with the children and agreed to be engaged again the following year.

Other stands were at the Staple Country Fayre, East Kent Ploughing Match and fairs in Canterbury and Sevenoaks.

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2011

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### Outings

Margaret Micklewright, our volunteer Events Organiser, organised a full programme of members' outings, including trips to Wilkins jam factory and a nuclear bunker in Essex, Butterfly World near St Albans, a horse-drawn boat trip on the River Wey, Winkworth Arboretum and tours of Cooks Kitchen in Faversham, Charing village and Chegworth Valley orchard

### Planning

Much of our Senior Planner's time has been taken up with liaising with district committees in order to respond to the various documents that make up each authority's Local Development Framework. This included making responses to the following planning documents

- Ashford Borough Council Gypsy and Traveller DPD
- Ashford Borough Council Tenterden and Rural Sites DPD
- Ashford Borough Council Urban Sites and Infrastructures DPD
- Dover District Council Site Allocations DPD
- Kent County Council Draft Statement of Community Involvement
- Kent County Council Waste and Minerals Core Strategy
- Medway Council Core Strategy
- Swale Borough Council Core Strategy
- Swale Borough Council Stones Farm Development Brief
- Tunbridge Wells Borough Council Allocations DPD
- Tunbridge Wells Borough Council Town Centres DPD

He also attended and participated in the two Examinations in Public during the year

- Ashford Borough Council Tenterden and Rural Sites DPD
- Sevenoaks District Council Core Strategy

He has also been working through and explaining to District Chairmen and committees the major changes in the planning system as outlined by the coalition government. His work on this has been particularly useful, not only for our District Committees, but also for other CPRE branches and individuals

A joint campaigning group has been established with ten local councils in Swale Borough in regard to traffic issues on the A2 between Sittingbourne and Faversham

Our greatest success was the dismissal of the appeal by Kent International Gateway (KIG) for a gigantic road/rail freight interchange depot on 270 acres between junctions 8 and 7 on the M20. This followed a 12-week public inquiry. Our witnesses were of superb standard. The inspector's report picked up several of their arguments.

We took part in public inquiries into SE Water and Thames Water's water resource management plans. We believed that our main objective was to promote a fully 'joined-up' strategy for the South East as a whole as South East Water and Thames Water had not made any attempt to co-ordinate their plans. We argued that the next five years should be used as an opportunity to review long-term proposals to enable the formation of a wider strategy for the south east.

After Shepway District Council was minded to approve the application to extend Lydd airport, we wrote to the Secretary of State asking for the matter to be called in. The public inquiry started in February and is not expected to finish until September 2011. We are a Rule 6 party, which means that we are a full participant in the Inquiry and able to cross examine witnesses. We are giving evidence on matters such as quality of life, tranquillity and planning policy.

Our Senior Planner ran training events for Wye Parish Council and Heme & Broomfield Parish Council. He also ran two workshops at the Kent Association of Local Councils annual planning conference.

### District Committees and Specialist Group activity

Our District Committees have continued with their core activities of reviewing and commenting on planning applications, either suggesting how the applications could be improved or objecting to them because of the effect they would have on the environment.

Maidstone committee produced a report, *Maidstone Town – a View from the Villages*. This gives a local perspective from outside the town, and puts forward proposals which we hope will enhance the town centre, making it a more pleasant and enjoyable environment for everyone.

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2011**

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There are multiple issues in Shepway, and especially Sellindge, where an anaerobic digester is planned. KCC is also looking at a site nearby for a lorry park to alleviate the need for Operation Slack. We are campaigning against both these issues.

Our Senior Planner assisted the committees in submitting representations on Local Development Framework documents when they came up for consultation (see above for more detail). With his input we were able to submit more robust responses and we engaged positively in the development of LDFs around the county. Most of the committees held discussions with their council officers and councillors, often with members of staff.

Many committees had guest speakers at their AGM.

Kevin Bush from 'Remade South East' was the guest speaker at Dover District Committee's AGM. His talk was entitled 'Waste Management in the South East'. Mr Bush is the Construction Manager for Remade South East, a not-for-profit company which helps to divert valuable waste away from landfill into new products and end-uses by implementing re-use and recycling schemes.

Maidstone's AGM was held courtesy of our President, Graham Clarke, in his studio in Boughton Monchelsea.

Dan Tuson from Natural England gave a talk at the Ashford AGM on his book *The Kent Downs*.

Canon David Ratcliff from the Elham Going Green Group gave a talk at the Canterbury AGM on problems and solutions for small communities in the conservation and cost of heating.

Jim Preston spoke at the Swale AGM on aviation in North Kent.

The AGM of the Tunbridge Wells committee also included an open discussion on transport in Tunbridge Wells, in advance of Tunbridge Wells Borough Council's publication of its new Transport Strategy. Matters under discussion included the designation of Tonbridge and Tunbridge Wells as a Regional Transport Hub. There were also discussions on what could be done to make rural roads safer for non-motorists and whether bypasses are needed for the A228 (Colt's Hill) and the A21 Kippings Cross to Lamberhurst.

The Kent Historic Buildings Committee has succeeded in getting English Heritage to list the lifeboat house in Hythe. The committee also plans an annual bursary in memory of its past chairman and historic buildings expert, the late Ken Gravett. This will be awarded to the most promising Kent-based architecture undergraduate who has shown a commitment to heritage buildings and their conservation.

**Media and publicity**

There was a 40% increase in media coverage this year over last year's. We were quoted in 125 newspaper and online articles and gave numerous radio and television interviews.

We have recently updated our website to make it easier to use. We also use Facebook and twitter, and thus get more instant responses from 'followers'.

Presentations have been given to various local organisations to raise awareness of our work and attract new members. These included:

West Kent WI  
Ashford Rotary  
Canterbury Society  
Kennington North  
Kent Federation of Amenity Society's meeting at Hersden

There were many radio and TV interviews including the Chairman's interview with Radio Kent on the Copenhagen climate change conference. He also held many meetings with politicians including one with Chris Huhne, Secretary of State for Energy and Climate Change and he also met with the Rt Reverend Dr A M A Turnbull CBE DL.

We made good use of our prize of up to £150,000 worth of advertising that was awarded to us by KOS Media when we won the charity award in their £1 million Business Challenge. Although we do not have an accurate figure for the total value of advertisements published they included many varied features on topics such as traffic, flooding, fly-tipping, green belt and our very successful Leeds Castle event. As no reliable figure can be ascertained for the actual value this is not shown in the charity's SOFA.

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2011**

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KOS Media also provided us with some internet TV coverage with their station Your Kent TV, which included an interview with the Chairman about 'Threats to Kent' and coverage of events including our Energy Conference held at the Pines Calyx in April and the Canterbury Climate Fair organised by Greenpeace

***Links with outside bodies***

Closer links have been established with Kent Federation of Amenity Societies and Kent Association of Local Councils. We now have a member of the KFAS on our Board, and we will be working closely with KALC with joint workshops on neighbourhood planning and our Senior Planner provides planning training for them.

**Queens Head House**

We moved to our new office, Queens Head House in Charing, in November. We bought the premises to convert into office accommodation and a self-contained flat. Now we no longer have to pay rent and we also receive an income from the flat, giving a 5% return on investment. The office was officially opened by Lord Lieutenant Allan Willett who unveiled a brass plaque that was made by our President, Graham Clarke, to commemorate the event.

Our appeal to "buy a tile" for Queens Head House raised almost £2,000.

**Financial review**

This has been an interesting year in that there has been a continuing demand for cash to pay for the conversion of the Queen's Head into offices. When the pub was purchased it was anticipated that there would be a steady supply of cash from the sale of houses in the Read legacy which would meet these needs, effectively being a reinvestment in property. The sales occurred and had distribution taken place it would have been more than adequate for that.

At the time of writing this report the Trustees of the Bare Trust set up from the estate (Mr Dudley Gore and Mr Tim Wickens) were holding well over three million pounds of which our share was a quarter. The Board does not feel it has had a satisfactory explanation for this retention from the Trustees and is actively pursuing the matter in cooperation with fellow beneficiaries.

As a result, we have had to realise some investments and that, inevitably resulted in a decrease in income from investments. This coupled with a general decrease in interest rates and dividends means that our income from that source is down and the operating deficit is higher than we would have liked.

The policy developed previously by the Investment committee has been implemented. This requires that we hold funds in three categories, long term investments that should give substantial long term benefits but which may be volatile, shorter term investments that are more stable but can be easily realised when cash is needed and an adequate supply of cash on call. This is performing well during the current turbulent times and will become even more important when we have access to the remaining Read funds.

The conversion of the building was not completed as rapidly as anticipated when the forecast of expenditure was prepared and as a consequence, we did not see the anticipated savings and additional income from the flat this year to the extent was originally hoped. The full benefit is now becoming apparent.

It is the Board's policy that the Read estate and the Trust fund should be wound up as soon as possible and the remaining funds distributed. We believe this is now the policy of the other charities. When we have received our share and the funds have been invested they should provide sufficient income for the normal operation of the branch so the only drain on capital will be for special, one off, projects or campaigns that are in accordance with our aims. Over the years these will result in a gradual erosion of capital but, we believe, it is in accordance with Mr Read's intention. However, it will result in a gradually reduced income from that source. This will need to be compensated for by restriction of expenditure or, more desirably, an increase in income generation.

The current financial year is equally interesting as we see the markets in turmoil. Such uncertainty means that careful financial control is essential to secure the long term future. This is in place and the continued support of the Finance and Investment committees will ensure that it is maintained.

**Investment policy and review**

The investment policy divides investments between property, now represented by Queens Head House and the remaining properties to be sold within the Read Estate, Long Term market investments, a Reserve, invested in specialist unitised Funds containing a significant proportion of fixed interest and, finally, Cash Deposits.



**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2011**

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Cash deposits are to be maintained at a level of one year's working capital requirements. Investments in The Reserve, which is designed to be stable in the face of stock market movements, contains anticipated cash requirements in the medium term and the long term portfolio, which will involve the bulk of our investments, is invested in Unitised funds, typified by our existing holding in Newton Global Income and Growth Fund for Charities.

This policy is designed to provide for cash needs for up to four years, should there be a significant downturn in the stock markets, but also to ensure that we can benefit from rising markets.

In addition to Newton Fund Managers, we have appointed brokers Vestra Wealth to assist us in choosing and monitoring appropriate unit funds. The competitive dealing terms which we have negotiated with them allow us to move freely between funds as performance may dictate.

We are satisfied that the charity now has a stable system of investment control, which will meet its needs, while taking best advantage of investment conditions.

We have set our Investment Advisor the objective "To achieve a balanced return between income and capital growth over the long term". We consider that this objective has again been achieved during the year to March 2011.

**Reserves policy**

The Directors have deemed it prudent to maintain a level of liquid reserves which will not exceed one year's budgeted expenditure.

The Directors will review reserves policy annually, at the time when the budget is approved. Should it prove necessary to supplement the reserves (to reflect heightened levels of activity, for example) this will be done by calling down further funds from the expendable endowment.

**Plans for future periods**

We have decided to replace the position of Deputy Chief Executive with that of Campaigns Manager, and Andrew Ogden took on that role when he joined the staff in June 2011.

We hope to welcome up to 800 new members to the branch next year. These are National Office supporters who have been invited to take up full branch membership.

National Office has received government funding, in association with the National Association of Local Councils, for training sessions on 'supporting communities and neighbourhood planning'. The Branch hopes to receive funding for two events.

Plans to erect overhead pylons look like becoming an issue. We plan to campaign to have new power lines buried underground instead of blighting the landscape.

**Membership**

We have found that the best method of recruitment for us is at public meetings and events.

Our greatest success was at the public meeting in Shorne when nearly 40 new members were recruited, but we get a steady stream of new members at talks to outside organisations such as rotary clubs.

Over the year we recruited 180 new members, but retention appears to be the problem we need to address as over the same period we lost 190, and so ended the year with a slight deficit, having 2087 members. Our Publicity and Events Manager is now working hard to rectify the situation by phoning members as they lapse. Quite often they say that they had forgotten to renew and do so right away. We look forward to seeing better retention figures next year.

**Risk management**

A risk management strategy has been prepared and is under regular review by the Board. It highlights the major areas of risk to which the Charity is exposed and identifies the appropriate control in the authorisation of expenditure and to ensure the health and safety of staff, volunteers and visitors. The strategy is updated at least annually in consultation with the full Board.

**Related parties**

During previous years, funds were transferred from the previous unincorporated charity (Registered No. 286183) to the Company. Further details of this can be found in the notes to the accounts.

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2011**
**Directors**

The directors, (who are also the trustees for the purpose of Charity law), who served during the year were

R Baxter PhD  
 N C Britten BA Hons (Vice Chairman)  
 Mrs C E C Drury MA Cantab PMD (Harvard) (Vice Chairman)  
 R H Godfrey-Faussett  
 Dr A W Holmes OBE BSc PhD CChem FRSC FIFST (Treasurer)  
 R J Horton  
 R A Knox-Johnston JP (Chairman)  
 P D Marsh ARIBA Dip Cons (AA) FSA (resigned 16 07 10)  
 Dr H Moorby BSc (Hons) DPhil Oxon (appointed 19 11 10)  
 H W Rayner  
 G W M Thomas MA CEng MIMech Dip BIM (resigned 19 11 10)  
 T G Thomas MB BS FRCS  
 J V Walker (appointed 17 12 10)  
 Mrs C M Ware BA (Hons) Dip IM  
 G D Warren MSc DIC MICE CEng FGS CGeol MIWEM

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of it winding up.

**Statement of trustees' responsibilities**

The trustees (who are also directors of The Kent Branch of the Campaign to Protect Rural England for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping proper accounting records that 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. 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.

**Statement of Disclosure of Information to Auditors**

We the trustees of the charity who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that

- there is no relevant audit information of which the charity's auditors are unaware, and
- we have taken all the steps that we ought to have taken as trustees in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2011**

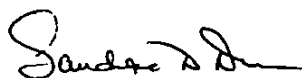
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**Auditors**

A resolution to re-appoint Larkings (S E ) LLP, Chartered Accountants as auditors will be put to the members at the Annual General Meeting

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

On behalf of the board of directors



S D Dunn  
Company Secretary

Date 28 October 2011

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
OF THE KENT BRANCH OF THE CAMPAIGN TO PROTECT RURAL ENGLAND**

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We have audited the financial statements of The Kent Branch of the Campaign to Protect Rural England for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of trustees' responsibilities set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in Note 18 to the financial statements.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements

- \* give a true and fair view of the state of the charitable company's affairs as at 31 March 2011, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- \* have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- \* have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS  
OF THE KENT BRANCH OF THE CAMPAIGN TO PROTECT RURAL ENGLAND**

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

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

- \* adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- \* the 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, or
- \* the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report



**Michael J Moore FCA  
Senior Statutory Auditor  
For and on behalf of  
Larkings (S.E.) LLP  
Chartered Accountants and  
Statutory Auditors  
Canterbury  
Kent  
CT1 1XD**

Date

31st october 2011

**STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)  
FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	Unrestricted Funds £	Endowment Funds £	Total 2011 £	Total 2010 £
<b>Incoming resources</b>					
<b>Incoming resources from generated funds:</b>					
<i>Voluntary income</i>					
Donations and legacies	2	8,727	-	8,727	161,269
<i>Activities for generating funds</i>					
Lottery Club subscriptions		4,478	-	4,478	4,512
Investment income	3	-	146,031	146,031	163,203
Sale of goods		1,033	-	1,033	570
Rental income		2,475	-	2,475	-
<b>Incoming resources from charitable activities</b>					
Subscriptions		35,417	-	35,417	35,866
Functions, events and sundry income		18,192	-	18,192	15,330
<b>Total incoming resources</b>		<b>70,322</b>	<b>146,031</b>	<b>216,353</b>	<b>380,750</b>
<b>Resources expended</b>					
Costs of generating funds	4	2,801	64	2,865	2,798
Charitable activities	5	316,805	-	316,805	299,726
Governance costs	6	26,792	-	26,792	26,290
<b>Total resources expended</b>		<b>346,398</b>	<b>64</b>	<b>346,462</b>	<b>328,814</b>
<b>Net incoming/(outgoing) resources before transfers</b>	9	(276,076)	145,967	(130,109)	51,936
Transfers between funds	16	195,967	(195,967)	-	-
<b>Net incoming/(outgoing) resources before other recognised gains</b>		(80,109)	(50,000)	(130,109)	51,936
<b>Other recognised gains / losses</b>					
(Losses)/gains on revaluation of investments	12	-	58,311	58,311	698,265
<b>Net movement in funds</b>		(80,109)	8,311	(71,798)	750,201
<b>Reconciliation of funds</b>					
Fund balances at 1 April 2010		152,498	3,465,104	3,617,602	2,867,401
<b>Fund balances at 31 March 2011</b>		<b>72,389</b>	<b>3,473,415</b>	<b>3,545,804</b>	<b>3,617,602</b>


The surplus/(deficit) for the year for Companies Act purposes comprises the net incoming resources for the year plus realised gains or losses on investments and was £13,194 (2010, surplus - £51,936)

**BALANCE SHEET**  
**AS AT 31 MARCH 2011**

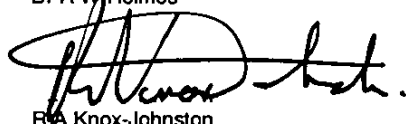
	Notes	£	2011 £	£	2010 £
<b>Fixed assets</b>					
Tangible assets	11		523,186		302,940
Investments	12		<u>2,877,685</u>		<u>3,119,728</u>
			3,400,871		3,422,668
<b>Current assets</b>					
Stocks		1,010		895	
Debtors	13	36,457		18,607	
Cash at bank and in hand		<u>126,223</u>		<u>196,335</u>	
		163,690		215,837	
<b>Creditors amounts falling due within one year</b>	14	<u>(18,757)</u>		<u>(20,903)</u>	
<b>Net current assets</b>			<u>144,933</u>		<u>194,934</u>
<b>Net assets</b>			<u>3,545,804</u>		<u>3,617,602</u>
<b>Capital funds</b>					
Endowment funds (includes revaluation reserve of £345,259 (2010 - £430,251))	16		3,473,415		3,465,104
<b>Income funds</b>					
Unrestricted funds			<u>72,389</u>		<u>152,498</u>
<b>Total funds</b>	17		<u>3,545,804</u>		<u>3,617,602</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the board for issue on 28 October 2011



Dr A W Holmes



R A Knox-Johnston

Company Registration No. 04335730

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011**
**1 Accounting policies**
**a) Basis of preparation**

The financial statements are prepared under the historical cost convention modified to include fixed asset investments at market value

The financial statements have been prepared in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006

**b) Incoming resources**

Donations, legacies and other forms of voluntary income are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement

Subscriptions relates to the amounts received from the CPRE National Office. These are included on a cash basis as members pay at different rates and cover a year from the date the member pays the subscription. The charity's trustees opinion is that the cost of calculating any accrual or deferred income outweighs any benefit

**c) Resources expended**

Resources are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered

Costs of operating funds comprise the costs associated with attracting voluntary income and the costs of the Lottery Club prizes and investment management fees

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and the estimated costs linked to the strategic management of the Charity

**d) Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation provided are rates calculated to write off the cost less estimated residual value of each asset over its expended useful life, as follows

Freehold land	Nil
Freehold buildings	2% on cost
Integral building features	10% on cost
Fixtures and fittings	20% on cost
Computer & office equipment	25% on cost

**e) Pensions**

The pension costs charged in the financial statements represent the contributions payable by the charity to employees personal pension schemes during the period in accordance with the Financial Reporting Standard for Smaller Entities. The schemes are defined contributions schemes

**f) Company Status**

The Charity is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity

**g) Fund Accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes

The expendable endowment fund was created by the Trustees. Investment income arising on the endowment fund and investment management charges are initially allocated to the endowment fund, but a transfer is made to the unrestricted fund which represents this income and expenses plus £50,000 per year. Any capital gains or losses arising on the investments form part of the fund



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011**
**h) Investments**

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

<b>2 Donations and legacies</b>	<b>2011 £</b>	<b>2010 £</b>
Donations	6,727	4,333
Grants	-	2,750
Legacies	2,000	154,186
	<u>8,727</u>	<u>161,269</u>

<b>3 Investment income</b>	<b>2011 £</b>	<b>2010 £</b>
Dividends receivable from multi asset funds	115,988	128,888
Bank Interest receivable	1,037	2,791
Interest on fixed term deposit	-	5,643
Interest on fixed interest bonds	10,756	1,050
Income from hedge funds	1,250	-
Income from the Bare Trust of A I Read (deceased)	17,000	24,831
	<u>146,031</u>	<u>163,203</u>

<b>4 Cost of generating funds</b>	<b>2011 £</b>	<b>2010 £</b>
Investment management fees	64	34
Purchases for resale	240	509
Lottery Club prizes	2,010	2,255
Property rental costs	551	-
	<u>2,865</u>	<u>2,798</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011

5 Chantable activities	2011 £	2010 £
<b>Costs directly allocated to campaigning activities</b>		
Staff costs	126,129	121,169
Travelling expenses	5,311	7,512
Grants payable (see below)	524	3,769
Publicity and printing	7,428	8,945
Events	17,543	24,109
Newsletters	5,130	11,346
Volunteering activities	3,630	3,723
Subscriptions and publications	1,432	1,330
Denton Wood costs	1,373	-
<b>Support costs allocated to campaigning activities</b>		
General office staff	69,739	67,221
Premises costs	22,361	29,035
Staff training	832	1,656
Liability insurance	2,037	1,995
Printing, postage and stationery	6,234	6,431
Telephone	2,491	1,452
Computer and equipment maintenance	5,803	4,281
Legal and professional	21,596	1,408
Depreciation	16,262	3,441
Sundry	950	903
	<u>316,805</u>	<u>299,726</u>

Grants payable are analysed as follows	2011 £	2010 £
South East Regional Group	524	519
ACRK Village of the Year	-	500
KCC - Charing Beeches	-	2,750
	<u>524</u>	<u>3,769</u>

SERG (South East Regional Group) is a group formed by National Office to deal with regional matters on behalf of the individual county branches. The contribution CPRE Kent has made relates to the work done by the group on behalf of Kent.

The grant to Action with Communities in Rural Kent (ACRK) was to help sponsor the Village of the Year competition and to fund the award for the Environmental Action section.

The grant to Kent County Council (Kentish Stour Countryside Partnership) was in respect of a grant received from Rail Link Countryside Initiative for the same amount for the purpose of assisting with the restoration of Charing Beeches Hangers to SSSI standards.

6 Governance costs	2011 £	2010 £
Staff costs	18,370	17,647
Audit and accountancy	5,870	4,818
Other costs	2,552	3,825
	<u>26,792</u>	<u>26,290</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011**

**7 Directors**

None of the directors (or any persons connected with them) received any remuneration during the year, but 8 (2010 - 6) of them were reimbursed a total of £5,647 (2010 - £5,064) travelling and other incidental expenses

**8 Employees****Number of employees**

The average monthly number of employees during the year, calculated on the basis of full time equivalents, was

	2011 No	2010 No
Campaign work	3	3
Support and administration	2	2
	<u>5</u>	<u>5</u>

**Employment costs**

	2011 £	2010 £
Wages and salaries	183,850	176,896
Social security costs	19,814	18,996
Other pension costs	10,574	10,145
	<u>214,238</u>	<u>206,037</u>

There were no employees whose annual emoluments were £60,000 or more

**9 Net incoming resources for the year**

	2011 £	2010 £
Net incoming resources is stated after charging		
Depreciation of tangible assets	16,262	3,441
Loss on disposal of fixed assets	-	-
Auditors' remuneration - audit fees	5,870	4,818
- other services	3,760	688
	<u>3,760</u>	<u>688</u>

**10 Taxation**

The charitable company is exempt from Corporation Tax on its charitable activities

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011

11 Tangible fixed assets	Freehold land & buildings £	Computers & office equipment £	Fixtures, & fittings £	Total £
<b>Cost</b>				
As at 1 April 2010	295,940	22,878	10,518	329,336
Additions	219,133	10,719	6,656	236,508
Disposals	-	(9,034)	-	(9,034)
As at 31 March 2011	515,073	24,563	17,174	556,810
<b>Depreciation</b>				
As at 1 April 2010	-	18,239	8,157	26,396
Charge for the year	8,809	5,140	2,313	16,262
Disposals	-	(9,034)	-	(9,034)
As at 31 March 2011	8,809	14,345	10,470	33,624
<b>Net book values</b>				
As at 31 March 2011	506,264	10,218	6,704	523,186
As at 31 March 2010	295,940	4,639	2,361	302,940

At 31 March 2011 the net book value of freehold land and buildings contained £154,618 of land at cost which is not depreciated

12 Fixed asset investments	2011 £	2010 £	
Market value at 1 April 2010	3,119,728	2,663,384	
Acquisitions at cost	799,646	198,079	
Disposal proceeds	(1,100,000)	(440,000)	
Change in value in the year			
Realised	143,303	-	
Unrealised	<u>(84,992)</u>	<u>698,265</u>	
Market value at 31 March 2011	<u>2,877,685</u>	<u>3,119,728</u>	
Historical cost at 31 March 2011	<u>2,532,426</u>	<u>2,689,477</u>	
Investments are represented by			
Fixed interest bond	213,289	213,467	
Hedge funds	813,762	-	
Multi asset funds	<u>1,850,634</u>	<u>2,906,261</u>	
	<u>2,877,685</u>	<u>3,119,728</u>	
Included within the above are the following investments which represent more than 5% of total market value			
<u>Holding</u>			
1,440,070 units	Global Growth and Income Fund for Charities	1,850,634	2,906,261
324,000 units	Legal & General Dynamic Bond Trust A Inc	213,289	213,467
85,000 units	C F Ruffer Total Return Ordinary Inc	208,446	-
325,614 units	Capita Financial Managers Trojan O Inc Nav	605,316	-

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011**

<b>13 Debtors</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Tax repayable	2,706	260
Other debtors	1,000	2,187
Prepayments and accrued income	32,751	16,160
	<u>36,457</u>	<u>18,607</u>
<b>14 Creditors: amounts falling due within one year</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Taxation and social security	5,587	4,907
Other creditors	4,240	3,464
Accruals	8,040	10,570
Deferred income	890	1,962
	<u>18,757</u>	<u>20,903</u>

**15 Transfer of activities and assets from The Kent Branch of the Council for the Protection of Rural England**

At the annual general meeting on 11 October 2002 of The Kent Branch of the Council for the Protection of Rural England (an unincorporated charity, charity number 286183) it was agreed that the assets and activities of The Kent Branch of the Council for the Protection of Rural England would be transferred to this company

**16 Endowment fund**

	Balance at 01 04 10 £	Net Incoming resources £	Gain on investments £	Transfer to unrestricted fund £	Balance at 31 03 11 £
<b>Expendable endowment</b>					
Arthur Ivor Read Legacy	<u>3,465,104</u>	<u>145,967</u>	<u>58,311</u>	<u>(195,967)</u>	<u>3,473,415</u>
	<u>3,465,104</u>	<u>145,967</u>	<u>58,311</u>	<u>(195,967)</u>	<u>3,473,415</u>

The expendable endowment was created by the Trustees and represents the amounts received from the estate of Arthur Ivor Reed Deceased. The Trustees intend to transfer the investment income, plus the sum of £50,000 of the capital to unrestricted funds every year.

Mr Arthur Ivor Reed Deceased left the residue of his estate to four named Charities. His estate consisted primarily of investments and freehold properties. The balance of the freehold properties remaining in the estate on the 11 October 2002 were appropriated to the four beneficiaries. This was achieved by the creation of a Bare Trust administered by Mr T J N Wickens and Mr D S Gore.

For Probate purposes the value of the freehold interest passing to the residuary beneficiaries was £7,352,350 (one quarter share was £1,838,187). As at 31 March 2011, properties with a probate value of £4,904,750 had been disposed of, which the charity was entitled to one quarter.

The valuation (including discounts for tenants in situ) at 31 March 2011 indicates the value of the properties remaining to be sold as £3,767,863 of which the Charity is entitled to receive one quarter, less ongoing expenses and maintenance costs.

In accordance with the statement of recommended practice, in that due to the uncertainty of the timing and the amount to be received, capital from the estate of the late Arthur Ivor Reed will be included in the statement of financial activities when received. Income from the estate is included in these accounts on a receivable basis.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011**

**16 Endowment fund (continued)**

Half yearly transaction reports are prepared by the solicitors acting for the Bare Trustees. The last of these reports received from the solicitors in respect of the Bare Trust were those for the six months ended 31 March 2010. Income less expenses arising from the estate is included within these accounts as investment income. However because the charity considers that the Bare Trustees have not prepared accounts in the appropriate format there are ongoing discussions with the Bare Trustees, the other beneficiaries and their professional advisors. The solicitors have prepared transaction reports for the year ended 31 March 2011 but because the reports for the six months ended 31 March 2010 have not been formally approved the solicitors have not issued these. We have though been able to obtain from the solicitors with reasonable accuracy the balance of capital and income funds held by the solicitor at 31 March 2011 which amounted to approximately £1,900,000 of which the charity is entitled to one quarter. Of this amount income amounting to £17,000 has been accrued in these accounts as relating to the year ended 31 March 2011.

**17 Analysis of net assets between funds**

	Unrestricted funds £	Endowment funds £	Total 2011 £
Fund balances at 31 March 2011 are represented by			
Tangible fixed assets	21,540	501,646	523,186
Investment	-	2,877,685	2,877,685
Current assets	69,606	94,084	163,690
Creditors amounts falling due within one year	(18,757)	-	(18,757)
	<u>72,389</u>	<u>3,473,415</u>	<u>3,545,804</u>

**18 APB Ethical Standard - Provision Available for Small Entities (Revised)**

In common with many other charities of our size, we use our auditors to assist with the preparation of the financial statements, operating the charity's payroll and advice given regarding the Read legacy.