

**REPORT OF THE TRUSTEES
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005
FOR
THE CHESHIRE BRANCH OF THE CAMPAIGN
TO PROTECT RURAL ENGLAND**

THE CHESHIRE BRANCH OF THE CAMPAIGN TO PROTECT RURAL ENGLAND

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FOR THE YEAR ENDED 31 DECEMBER 2005**

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Legal and Administrative information

The Cheshire Branch of the Campaign to Protect Rural England
Victoria Buildings, Lewin Street, Middlewich, CW10 9AT
Tel/fax 01606 835046
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Website: www.cprecheshire.org.uk

Governing document

The Cheshire Branch of the Campaign to Protect Rural England (CPRE) is a Registered Charity, no. 248304. The governing document is the Constitution dated 16 February 1996.

The object of CPRE Cheshire Branch shall be to promote and encourage for benefit of the public the improvement, protection and preservation of the countryside within boundaries of the Branch as defined below and its towns and villages and the better development of the rural environment.

The boundaries of the Branch are approximately those of the County of Cheshire as constituted from time to time plus Wirral Metropolitan District, Warrington, Halton, Trafford Metropolitan District and the Metropolitan Borough of Stockport.

Trustees

| | | |
|--------------|---------------------------------|-------------------|
| Mrs J Astins | Mr R Hibbert | Mrs Y Sanné |
| Mr R Bass | Mr R Macklin (Resigned 17/5/05) | Mr C Shaw |
| Mrs L Burns | Mr K Parker | Mrs J Stainthorpe |
| Mr J Hill | Mr R Parkin | |

Trustees are appointed at the Annual General Meeting of the Branch

Bankers

National Westminster Bank plc, Poynton, Cheshire.

Hon. Legal adviser

Mr David Mason
(Messrs Birch Cullimore)

Investment adviser

Mr R Race
(Messrs Brewin Dolphin Securities)

THE CHESHIRE BRANCH OF THE CAMPAIGN TO PROTECT RURAL ENGLAND

Holding Trustees

(Appointed under the Constitution to hold investments)

Mr R C Budenberg

Mr A G Curtis

Mr R B Hyde

Independent Examiners

Mesrs Clarke Nicklin LLP Chartered Accountants & Registered Auditors
Grove House, 227/233 London Road,
Hazel Grove, Stockport, SK7 4HS

President

Lady Baker Wilbraham

Vice-Presidents

Mrs J Astins

Mr A Jurgens

Col G E Sparrow

Mrs J Stainthorpe

Trustees' Annual Report for the year ended 31st December 2005

Aim

Our objective is to promote the beauty, tranquillity and diversity of Cheshire by encouraging the sustainable use of land and other natural resources in town and country.

Structure

CPRE has a national office based in London and nine Regional groups. There are branches in every county, which are registered charities in their own right. Cheshire Branch has District Committees mirroring local government administrative districts.

Operation

We are a campaigning organisation with the benefit of a professional workforce at national and regional level using research and evidence to define policy, alongside a strong in-depth volunteer organisation working at region, county and local level to implement and monitor policy and planning legislation, support initiatives which benefit the countryside and oppose those which threaten it. Where our interests overlap, we work with other organisations such as Friends of the Earth, CPRW (Campaign to Protect Rural Wales), Cheshire Landscape Trust, National Trust etc.

Management

The business of Cheshire CPRE is managed by the Executive Committee comprising the Trustees who are nominated at the Annual General Meeting. Nominations are sought from the sub-committees, the Districts, the Treasurer and other members of the Branch.

Districts

We have representatives in nine districts who contribute to strategic consultations on Local Plans, often appearing at Public inquiries to present their views. They take part in local strategic partnership forums with other environmental, business and local authority groups attempting to ensure CPRE principles are considered in local strategic and policy decisions. They respond to consultations on major initiatives such as road and transport schemes, major retail and employment developments, waste and planning guidance matters. Day by day, members monitor planning applications lists, comment on applications and campaign to bring threats to the countryside to public attention. District committees offer advice and help to both parish councils and local community action groups on planning matters.

Campaigns

Plans for increasing capacity on the M6 reared their head again. The DfT are continuing work on the scheme, with options said to be limited to "symmetrical" widening, "parallel" widening, and a separate expressway. The Branch has continued to argue that traffic flow improvements can be better achieved by traffic management, better public transport, and planning policies aimed at reducing the need for travel. However, we have argued for symmetrical widening being the "least worst" option.

Wind turbine schemes at Aston and near Tarporley were put forward during the year, and opposed by the Branch, on the grounds that great damage would be caused to sensitive and valuable landscapes. We now await the expected planning applications, heartened by the news that the 37-turbine installation at Whinash in Cumbria has been rejected at Government level.

The Branch took part in a national CPRE campaign for removal of the mobile advertisements that have sprung up along the motorways. Cheshire is especially badly affected.

Successes have been achieved by the Branch in its submissions about Local Transport Plans, the revised Cheshire Structure Plan, and the Stockport Urban Development Plan. The North West Regional Spatial Strategy document is now awaited. It is expected to be very bad, all about economic growth and little interest in conserving the North Cheshire countryside.

District campaigns covered a wide range of issues, from waste disposal to green belt issues. One of the most notable successes of the year was the prevention of a 100 dwelling development in open countryside at Combermere Abbey.

There are at present 834 Cheshire members of CPRE, down from 850 last year. About 70 people joined during the year. This was more than offset by people not renewing their memberships. Our stands at Summer Shows in Cheshire attended by some 250,000 people, the writing competition run with Cheshire Life, the 'Buy Local' awards scheme, and the Hedgerow Awards, all continued to help raise awareness of CPRE in Cheshire.

A grant of £5,000 was received from Awards for All, The National Lottery small grants scheme, for distributing 15,000 circulars in the Chester area drawing residents' attention to threats to the Chester Green Belt. This project was completed early in 2006. It yielded a lot of valuable feedback, and approximately 20 new members for CPRE.

Hedgerow Award Scheme

Our President, Lady Baker Wilbraham presented awards to the following Cheshire farmers and landowners at the Annual General Meeting, in recognition of the quality of their hedgerows:

First Year awards

Arthur Lea, Dinglebank Farm, Lower Withington
Simon Nuttall, Fields Cottage, Lower Peover
Andrew Needham, Bank Farm, North Rode
Harold Bailey, Sandbach Farm, Henbury
Len Venables, Lower Minn End Farm, Bosley
William Blackburn, Woolstencroft Farm, Agden

Second Year Awards

Alan Baskerville, Lapwing Hall Farm, Chelford
John and Mark Walton, Stockley Farm, Arley

Financial Review

The third year of the fundraising initiative raised over £6,700 which combined with donations and an increase in membership subscriptions contributed to increasing the operating surplus of the charity to £9,496.

The unrestricted funds of the charity are identified in note 13a to the financial statements. These funds, including the special reserve fund, are designated funds held by both the Branch Office and the District Committees, which will be used in 2006 to:

support the management and administration etc., of the charity and particularly the running of the Branch Office, including the employment of the Press and Membership Officer and the Branch Secretary;

support the cost of campaigns being undertaken to challenge various development planning proposals, green belt and transportation issues.

The special reserve fund represents the investment portfolio, which provides essential income for the charity through dividends.

Reserves Policy

At present the charity has no free reserves. The trustees are aware of the desirability to establish free reserves and have sought professional advice to develop a fundraising strategy to raise additional funds. The trustees are of the opinion that due to the nature of the charity's activities and the current level of income, free reserves are unlikely to be established for some time.

Investment Policy

The trustees, who have powers under the constitution to invest in such investments, securities or property as may be thought fit, consider that the most appropriate policy is for investment in a broad based portfolio which will maintain the long-term purchasing power of the capital against inflation whilst achieving a balance between capital growth and the generation of income for the charity.

The trustees consider that the income from the investments of £2,382 in the year is satisfactory. The market value of the portfolio increased by £4,237 during the year.

The investment strategy is reviewed annually by the trustees in conjunction with the Investment Committee and the Investment Adviser.

Statement of Trustees Responsibilities

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 and that an independent examination is needed.

The Independent Examiner's report and Financial Statements follow on pages 7 to 14.

Finally and most importantly, thanks to our volunteers

We employ a secretary for mornings only and the Press and Membership Officer works two days a week. The business of the Branch is managed by the Executive Committee whose support and advice is much appreciated. Policy work, monitoring planning applications, representing CPRE at shows and events are just a few of the many activities carried out by our volunteers who give unstintingly of their time and resources.

A huge thank you to all of you; it would not be possible to continue protecting our precious countryside for future generations without your help

Trustees Annual Report approved by the Trustees on 4th April 2006.



Roger Parkin
Trustee

INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

Report to the trustees of The Cheshire Branch of the Campaign to Protect Rural England

We report on the accounts of the charity for the year ended 31 December 2005, which are set out on pages 8 to 14.

Respective Responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 and that an independent examination is needed.

It is our responsibility to:

- examine the accounts (under section 43(3)(a) of the 1993 Act);
- follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b) of the act); and
- state whether particular matters have come to our attention.

Basis of independent examiner's report

Our examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently we do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with our examination, no matter has come to our attention:

- 1 which gives us reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 41 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the acthave not been met; or
- 2 to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Clarke Nicklin LLP

Clarke Nicklin LLP
Chartered Accountants and Registered Auditors

5 April 2006

Grove House
227/233 London Road
Hazel Grove
Stockport
SK7 4HS

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2005

| | Notes | Unrestricted Funds Designated £ | Restricted Funds £ | Total Funds 2005 £ | Total Funds 2004 £ |
|-----------------------------------------------------------|-------|------------------------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOMING RESOURCES | | | | | |
| Subscriptions | | 12,671 | - | 12,671 | 9,283 |
| Donations, legacies and sundry income | | 13,133 | - | 13,133 | 15,029 |
| Grants | | - | 5,000 | 5,000 | - |
| Investment income | 2 | 2,382 | - | 2,382 | 2,324 |
| Interest received | 3 | 676 | - | 676 | 637 |
| Other income | 4 | 73 | - | 73 | 897 |
| Total Incoming Resources | | 28,935 | 5,000 | 33,935 | 28,170 |
| RESOURCES EXPENDED | | | | | |
| Costs of generating funds | | | | | |
| Fund-raising costs | 5 | 931 | - | 931 | 1,947 |
| | | <u>931</u> | <u>-</u> | <u>931</u> | <u>1,947</u> |
| Charitable expenditure | | | | | |
| Support costs | 6 | 19,793 | - | 19,793 | 21,551 |
| Management and administration | 7 | 7,952 | - | 7,952 | 9,870 |
| | | <u>27,745</u> | <u>-</u> | <u>27,745</u> | <u>31,421</u> |
| Total Resources Expended | | 28,676 | - | 28,676 | 33,368 |
| NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS | | 259 | 5,000 | 5,259 | (5,198) |
| Transfers Between Funds | | 3,520 | (3,520) | - | - |
| NET INCOMING/(OUTGOING) RESOURCES | | 3,779 | 1,480 | 5,259 | (5,198) |
| Gains on Investment Assets | | | | | |
| Unrealised | | 4,237 | - | 4,237 | 3,894 |
| NET MOVEMENT IN FUNDS | | 8,016 | 1,480 | 9,496 | (1,304) |
| Balances at 1 January 2005 | | 63,666 | 3,548 | 67,214 | 68,518 |
| BALANCES AT 31 DECEMBER 2005 | | 71,682 | 5,028 | 76,710 | 67,214 |


The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 10 to 14 form part of the financial statements.

BALANCE SHEET AT 31 DECEMBER 2005

| | Notes | £ | 2005 £ | £ | 2004 £ |
|--------------------------------------------------|-------|---------------|----------------------|---------------|----------------------|
| FIXED ASSETS | | | | | |
| Tangible Fixed Assets | 9 | | 1,149 | | 893 |
| Investments | 10 | | 49,453 | | 45,216 |
| | | | <u>50,602</u> | | <u>46,109</u> |
| CURRENT ASSETS | | | | | |
| Sundry debtors | | 3,766 | | 143 | |
| Building society deposit | | 13,912 | | 15,306 | |
| National Savings | | - | | 311 | |
| Cash at bank | | 9,392 | | 7,267 | |
| Cash in hand | | 92 | | 25 | |
| | | <u>27,162</u> | | <u>23,052</u> | |
| CREDITORS: Due within one year - Accruals | | 1,054 | | 1,947 | |
| NET CURRENT ASSETS | | | 26,108 | | 21,105 |
| NET ASSETS | | | <u>76,710</u> | | <u>67,214</u> |
| UNRESTRICTED FUNDS | 13a | | 71,682 | | 63,666 |
| RESTRICTED FUNDS | 13b | | 5,028 | | 3,548 |
| TOTAL FUNDS | | | <u>76,710</u> | | <u>67,214</u> |

Approved by the Trustees
and signed on their behalf by:


Trustee **R.J. HIBBERT**

5 April 2006

The notes on pages 10 to 14 form part of the financial statements.

THE CHESHIRE BRANCH OF THE CAMPAIGN TO PROTECT RURAL ENGLAND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

1. ACCOUNTING POLICIES

Accounting convention

The financial statements are prepared under the historical cost convention as modified by the inclusion of fixed asset investments at market value. The financial statements have been prepared in accordance with the Revised Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities", published in 2005 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Investment Income

Dividends are included on a cash basis.

Fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life, as set out below:

| | |
|---------------------------------|---------|
| Telephone and fax equipment | 5 years |
| Exhibition and office equipment | 3 years |

Investments

Fixed assets are stated at market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

Leasing commitments

Rentals paid under operating leases are charged to the statement of financial activities as incurred.

2. INVESTMENT INCOME

| | Unrestricted Funds Designated | Restricted Funds | Total Funds 2005 £ | Total Funds 2004 £ |
|----------------------------------------------------------|-------------------------------------|---------------------|-----------------------------|-----------------------------|
| Income from Special Reserve Fund: | | | | |
| M & G Equities Investment Fund for Charities (Charifund) | 1,179 | - | 1,179 | 1,142 |
| COIF Charities Investment Fund | 148 | - | 148 | 147 |
| Aberdeen Fixed Interest Unit Trust | - | - | - | - |
| M & G High Yield Corporate Bond | 1,055 | - | 1,055 | 1,035 |
| | <u>2,382</u> | <u>-</u> | <u>2,382</u> | <u>2,324</u> |

3. INTEREST RECEIVED

| | | | | |
|---------------------------|------------|----------|------------|------------|
| Building Society interest | 355 | - | 355 | 343 |
| Bank interest | 321 | - | 321 | 285 |
| National Savings interest | - | - | - | 9 |
| | <u>676</u> | <u>-</u> | <u>676</u> | <u>637</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

4. OTHER INCOME

| | Unrestricted Funds Designated | Restricted Funds | Total Funds 2005 £ | Total Funds 2004 £ |
|------------------------|-------------------------------------|---------------------|-----------------------------|-----------------------------|
| Districts' events | - | - | - | 819 |
| Annual General Meeting | 73 | - | 73 | 78 |
| | <u>73</u> | <u>-</u> | <u>73</u> | <u>897</u> |

5. FUND-RAISING COSTS

| | | | | |
|-------------|------------|----------|------------|--------------|
| Newsletters | <u>931</u> | <u>-</u> | <u>931</u> | <u>1,947</u> |
|-------------|------------|----------|------------|--------------|

6. SUPPORT COSTS

| | | | | |
|------------------------------|---------------|----------|---------------|---------------|
| Wages and national insurance | 13,468 | - | 13,468 | 12,792 |
| Insurance | 499 | - | 499 | 367 |
| Travel expenses | 1,005 | - | 1,005 | 1,975 |
| Depreciation of fixed assets | 554 | - | 554 | 84 |
| Transport Campaign Group | 535 | - | 535 | 604 |
| Donation to public enquiry | - | - | - | 250 |
| Information technology | 95 | - | 95 | 95 |
| Cheshire Structure Plan | 661 | - | 661 | 302 |
| Attendance at Shows | 894 | - | 894 | 718 |
| North West Region | 1,000 | - | 1,000 | 300 |
| M6 Toll Campaign | - | - | - | 3,613 |
| Memorial Plaque | - | - | - | 167 |
| Annual General Meeting | 1,082 | - | 1,082 | 284 |
| | <u>19,793</u> | <u>-</u> | <u>19,793</u> | <u>21,551</u> |

7. MANAGEMENT AND ADMINISTRATION

| | | | | |
|------------------------------------------------|--------------|----------|--------------|--------------|
| Rent and rates | 2,425 | - | 2,425 | 2,512 |
| Printing, stationery, publications and postage | 983 | - | 983 | 2,953 |
| Annual report | 516 | - | 516 | 567 |
| Lease payments for photocopier | 620 | - | 620 | 619 |
| Telephone | 706 | - | 706 | 864 |
| Miscellaneous | 1,372 | - | 1,372 | 1,014 |
| Audit fee | 1,000 | - | 1,000 | 940 |
| Hire of rooms for meetings | 330 | - | 330 | 173 |
| Training | - | - | - | 168 |
| Inspectors Report | - | - | - | 60 |
| | <u>7,952</u> | <u>-</u> | <u>7,952</u> | <u>9,870</u> |

THE CHESHIRE BRANCH OF THE CAMPAIGN TO PROTECT RURAL ENGLAND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

| | | |
|-------------------------------|--------------|-------------|
| 8. EXPENDITURE | 2005 | 2004 |
| | £ | £ |
| Other expenditure includes: | | |
| Auditors remuneration - audit | <u>1,000</u> | <u>940</u> |

The Trustees neither received nor waived any emoluments during the year (2004 - nil).

Out of pocket expenses were reimbursed to trustees as follows:

| | | | | |
|---------------------------------------|---------------|---------------|-------------|--------------|
| | 2005 | 2004 | 2005 | 2004 |
| | Number | Number | £ | £ |
| Travel, telephone and sundry expenses | <u>1</u> | <u>3</u> | <u>735</u> | <u>1,205</u> |

| | | |
|--------------------|---------------|---------------|
| | 2005 | 2004 |
| | £ | £ |
| Wages | 13,468 | 12,401 |
| National insurance | <u>-</u> | <u>391</u> |
| Total emoluments | <u>13,468</u> | <u>12,792</u> |

No employee earned more than £50,000 per annum (2004 - nil)

| | | |
|-----------------------------|---------------|---------------|
| | 2005 | 2004 |
| | Number | Number |
| Average number of employees | <u>2</u> | <u>2</u> |

9. TANGIBLE FIXED ASSETS

| | | | | |
|-----------------------|----------------------------------------------|------------------------------------------------|-----------------------------|--------------|
| | Telephone & Fax Equipment | Exhibition Stand & Fittings | Office Equipment | Total |
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 January 2005 | 209 | 666 | 1,537 | 2,412 |
| Additions | - | 810 | - | 810 |
| | <u>209</u> | <u>1,476</u> | <u>1,537</u> | <u>3,222</u> |
| At 31 December 2005 | <u>209</u> | <u>1,476</u> | <u>1,537</u> | <u>3,222</u> |
| Depreciation | | | | |
| At 1 January 2005 | 96 | 666 | 757 | 1,519 |
| Charge for year | 42 | - | 512 | 554 |
| | <u>138</u> | <u>666</u> | <u>1,269</u> | <u>2,073</u> |
| At 31 December 2005 | <u>138</u> | <u>666</u> | <u>1,269</u> | <u>2,073</u> |
| Net book value | | | | |
| At 31 December 2005 | <u>71</u> | <u>810</u> | <u>268</u> | <u>1,149</u> |
| At 31 December 2004 | <u>113</u> | <u>-</u> | <u>780</u> | <u>893</u> |

The primary use of all the tangible fixed assets is for direct charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

10. INVESTMENTS

| | Unrestricted Funds Designated | Restricted Funds | Total |
|----------------------------------|-------------------------------------|---------------------|---------------|
| | £ | £ | £ |
| Market value at 1 January 2005 | 45,216 | - | 45,216 |
| Unrealised gains | 4,237 | - | 4,237 |
| Market value at 31 December 2005 | <u>49,453</u> | <u>-</u> | <u>49,453</u> |
| Cost at 31 December 2005 | <u>33,560</u> | <u>-</u> | <u>33,560</u> |

The investments are held as fixed assets which generate income to be applied for the general running of the Charity. All investments are listed on the U.K. Stock Exchange.

Investment holdings in excess of 5% by value of the portfolio :

| | £ |
|----------------------------------------------------------|--------|
| M & G Equities Investment Fund for Charities (Charifund) | 27,713 |
| COIF Charities Investment Fund | 4,872 |
| M & G High Yield Corporate Bond | 16,868 |

11. ALLOCATION OF NET ASSETS

The net assets are held for the various funds as follows:

| | Unrestricted Funds Designated | Restricted Funds | Total |
|-----------------------|-------------------------------------|---------------------|---------------|
| | £ | £ | £ |
| Tangible Fixed Assets | 1,149 | - | 1,149 |
| Investments | 49,453 | - | 49,453 |
| Net Current Assets | 21,080 | 5,028 | 26,108 |
| | <u>71,682</u> | <u>5,028</u> | <u>76,710</u> |

Reconciliation of Movements in Unrealised Gains on Investments included in above

| | | | |
|-------------------------------------------|---------------|----------|---------------|
| Unrealised gains at 1 January 2005 | 11,656 | - | 11,656 |
| Net gains arising on revaluations in year | 4,237 | - | 4,237 |
| Unrealised gains at 31 December 2005 | <u>15,893</u> | <u>-</u> | <u>15,893</u> |

12. OPERATING LEASE COMMITMENTS

The following payments are committed to be paid within one year:

| Expiry date: | 2005 | | 2004 | |
|-------------------|----------------|------------|----------------|------------|
| | Buildings £ | Other £ | Buildings £ | Other £ |
| Two to five years | 1,449 | 620 | 1,450 | 619 |
| | <u>1,449</u> | <u>620</u> | <u>1,450</u> | <u>619</u> |

THE CHESHIRE BRANCH OF THE CAMPAIGN TO PROTECT RURAL ENGLAND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2005

13a. UNRESTRICTED FUNDS

| | At 1 January 2005 £ | Incoming Resources £ | Resources Expended £ | Transfers £ | Investment Gains £ | At 31 December 2005 £ |
|------------------------------|------------------------------|----------------------------|----------------------------|----------------|--------------------------|--------------------------------|
| Designated Funds: | | | | | | |
| Special Reserve Fund | 45,216 | 2,382 | - | 1,138 | 4,237 | 52,973 |
| Other Funds: | | | | | | |
| Branch | 6,459 | 25,688 | (28,227) | 2,382 | - | 6,302 |
| Districts | 11,991 | 865 | (449) | - | - | 12,407 |
| | <u>63,666</u> | <u>28,935</u> | <u>(28,676)</u> | <u>3,520</u> | <u>4,237</u> | <u>71,682</u> |

The capital of the Special Reserve Fund is to be used only in the event of dire need, the retention of the capital balance being seen as essential in order to provide investment income which contributes significantly to the total income of the Charity. Other designated funds, are committed for administration, specific campaigns and projects during 2006.

13b. RESTRICTED FUNDS

| | At 1 January 2005 £ | Incoming Resources £ | Resources Expended £ | Transfers £ | Investment Gains £ | At 31 December 2005 £ |
|---------------------------|------------------------------|----------------------------|----------------------------|----------------|--------------------------|--------------------------------|
| Hazel Grove Fighting Fund | 28 | - | - | - | - | 28 |
| A6 (M) Campaign Fund | 3,520 | - | - | (3,520) | - | - |
| National Lottery campaign | - | 5,000 | - | - | - | 5,000 |
| | <u>3,548</u> | <u>5,000</u> | <u>-</u> | <u>(3,520)</u> | <u>-</u> | <u>5,028</u> |

The Hazel Grove Fighting Fund was donated in an earlier year and was substantially utilised in 2002 as a result of legal costs incurred in campaigning for the change in the status of an area of land in the village to that of village green. The National Lottery grant was received in 2005 for expenditure on campaigns commencing in 2006.

The A6 (M) Campaign Fund was transferred to the designated funds at 31 December 2005.

14. TRANSFERS

| | Designated Funds | | Restricted Funds £ |
|-------------------------------|------------------|--------------|--------------------------|
| | Special £ | Other £ | |
| Investment income transferred | (2,382) | 2,382 | - |
| A6 (M) Campaign Fund | 3,520 | - | (3,520) |
| | <u>1,138</u> | <u>2,382</u> | <u>(3,520)</u> |