

Company Registration Number: 05227778 (England and Wales)

**COUNTRYSIDE ALLIANCE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

COUNTRYSIDE ALLIANCE

COMPANY INFORMATION

Directors

Baroness Golding
Lord Mancroft
W Tyrwhitt-Drake
G Portwin
T Bonner
A Arkwright
R Fry
A Ogg
C Squire
R Hardy
K Silcock
J Wharton

Secretary S Hatcher

Company number 05227778

Registered office

1 Spring Mews
Tinworth Street
London
SE11 5AN

Independent Auditors

Streets Audit LLP
Tower House
Lucy Tower Street
Lincoln
Lincolnshire
LN1 1XW

COUNTRYSIDE ALLIANCE

| CONTENTS | Page |
|-----------------------------------|-------------|
| Directors' report | 3 - 5 |
| Independent auditors' report | 6 - 8 |
| Income statement | 9 |
| Statement of financial position | 10 |
| Notes to the financial statements | 11 - 19 |

COUNTRYSIDE ALLIANCE

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and financial statements for the year ended 31 December 2018.

Principal activities and review of the business

Countryside Alliance promotes the conservation, protection and improvement of the physical and natural environment by supporting access and conservation projects and programmes that protect features of wildlife, flora and fauna in the countryside generally and responsible and sustainable use of these environments. The Alliance promotes agriculture, game and food production for the public benefit. Education plays an important part in much of our work especially on subjects pertaining to the conservation protection and enjoyment of the countryside and the history, heritage and practices of agriculture and the management of the physical and natural environment. The Alliance is well known for its work to preserve, protect and promote the heritage and practice of activities relating to wildlife, the countryside, wildlife management, including hunting, shooting and fishing together with the management of the natural environment. In addition we continue to promote sustainable development for the benefit of the public, campaigning to ensure the preservation, conservation and protection of the environment and the prudent use of natural resources. This extends to disadvantaged parts of the community, particularly in relation to rural economies and the need to preserve and protect the rural environment whilst advancing rural community life. The Countryside Alliance strives to provide an energetic and effective campaigning platform but also to ensure a sound financial base for those operations.

Countryside Alliance is identified as a public benefit entity due to the nature of its activities.

In 2018 we achieved a surplus of £10,329 on expenditure of £4,523,483. Membership income continues to account for the majority of income. For the remainder we are reliant on income from fundraising and donations which are inherently more variable. The contribution from fundraising in 2018 was invaluable, we continued to enjoy some significant fundraising success. Expenditure in 2018 decreased by £22,589.

Significant investment in a digital infrastructure is already harnessing the benefits of the internet and digital communications in the pursuit of campaigning and marketing gains. An integrated communication infrastructure will provide an effective platform for the future.

James Wharton and Karen Silcock were appointed as directors of the company at the Annual General Meeting. After Six years Tim Vestey stood down as a director and the Board recorded their particular appreciation of his contribution over many years. The Alliance warmly acknowledges the generosity and hard work by its supporters that enables it to sustain its campaigns and activities. Without such dedicated and committed support, we would be unable to achieve many of the challenging goals and objectives that we have set ourselves. Given the Alliance's campaigning work and its range of activities, it is committed to best practice in everything it does. All regulatory issues including Health & Safety, Risk Assessment and other regulatory issues are taken as a matter of importance and are an integral part of this policy.

A fundamental disagreement has arisen with our auditor Robert Anderson of Streets Audit LLP who does not concur with our accounting policy on the treatment of membership income which has been unchanged since the creation of the Alliance more than twenty years ago. The directors are of the opinion that the accounting policy set out in the notes to the financial statements is appropriate and that deferring income against the future cost of insurance benefits is neither necessary nor justified. As a public benefit entity and with a membership income that is not an exchange based transaction, the Alliance is in our view wholly justified in adopting the exemption from Section 23 Revenue of Financial Reporting Standard (FRS) 102 and instead following the accounting treatment set out in Section PBE34 paragraphs 64-74 of the FRS. Like other comparable membership organisations we are confident our position is correct. The Auditor however does not concur with this view and has qualified his audit report in this regard.

COUNTRYSIDE ALLIANCE

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

Future developments

The Alliance will continue to promote and protect the countryside, the rural economy and the rural way of life. As outlined above, we continue to benefit from loyal support from supporters which make our continued activities possible and whilst there are undoubtedly challenges ahead, there is every indication that this will continue to be the case.

Directors

The following directors have held office since 1 January 2018.

| | |
|------------------|-----------------------------|
| Baroness Golding | |
| Lord Mancroft | resigned 12 June 2019 |
| W Tyrwhitt-Drake | |
| G Portwin | |
| T Bonner | |
| A Arkwright | |
| R Fry | |
| A Ogg | |
| C Squire | |
| R Hardy | |
| K Silcock | appointed 11 September 2018 |
| J Wharton | appointed 11 September 2018 |
| T Vestey | resigned 11 September 2018 |

Countryside Alliance is a private company limited by guarantee and as such has no issued share capital. The liability of each member, being the officers of the company, in the event of winding up is limited to £1. The total liability of members is limited to £1 at 31 December 2018.

Auditors

A resolution proposing that Streets Audit LLP be appointed as auditors will be put to the Annual General Meeting.

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 company and the profit and loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

COUNTRYSIDE ALLIANCE

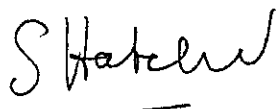
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that, in the case of each of the persons who are directors at the time when this report is approved, so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provision of Part 15 of the Companies Act 2006 relating to small companies.

By order of the board



S Hatcher
Secretary

COUNTRYSIDE ALLIANCE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2018

Qualified Opinion

We have audited the financial statements of Countryside Alliance for the year ended 31 December 2018 which comprise of the income statement, statement of financial position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the basis for qualified opinion section, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and its profit for the period 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 qualified opinion

In our opinion subscription income of approximately £220,000 should be deferred to be matched against the cost of benefits received by members. Approximately £213,000 should be deferred in the 2017 year end and approximately £213,000 should have been deferred in previous years which would result in a £7,000 decrease in the results for the current year. The Statement of Financial Position should include this deferred income within creditors resulting in an understatement of current liabilities in the current year of £220,000 (2017 £213,000) and show Total Assets less Current Liabilities of £9,175 in the current year (2017 net liabilities of £83,292).

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 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 qualified opinion.

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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

COUNTRYSIDE ALLIANCE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2018

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

COUNTRYSIDE ALLIANCE

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 DECEMBER 2018

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the 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.

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Anderson (Senior Statutory Auditor)

For and on behalf of
Streets Audit LLP
Chartered accountant & statutory auditor
Tower House
Lucy Tower Street
Lincoln
LN1 1XW

8 July 2019

COUNTRYSIDE ALLIANCE

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

| | Notes | 2018 £ | 2017 £ |
|---|----------|------------------|------------------|
| Revenue | 1 | | |
| Subscriptions | | 3,244,562 | 3,253,193 |
| Fundraising and donations | | 1,289,250 | 1,361,181 |
| | | <u>4,533,812</u> | <u>4,614,374</u> |
| Direct costs | | (3,011,309) | (3,027,263) |
| Gross surplus | | <u>1,522,503</u> | <u>1,587,111</u> |
| Administrative expenses | | (1,497,817) | (1,502,134) |
| Finance costs | 2 | (14,357) | (16,675) |
| Surplus on ordinary activities before taxation | 3 | <u>10,329</u> | <u>68,302</u> |
| Tax expense | 6 | - | - |
| Surplus on ordinary activities after taxation | | <u>10,329</u> | <u>68,302</u> |

The income statement has been prepared on the basis that all operations are continuing operations.

The notes on pages 11 to 19 form part of these financial statements.

COUNTRYSIDE ALLIANCE


**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018**

| | Notes | 2018 | | 2017 | |
|--|-------|-----------|-----------|-----------|-----------|
| | | £ | £ | £ | £ |
| Non-current assets | | | | | |
| Property, plant and equipment | 7 | 365,135 | | 271,096 | |
| Investments in subsidiaries | 8 | 5,100 | | 5,100 | |
| | | | 370,235 | | 276,196 |
| Current assets | | | | | |
| Inventories | 9 | 44,379 | | 19,961 | |
| Trade and other receivables | 10 | 295,107 | | 335,512 | |
| Cash and cash equivalents | | 309,332 | | 369,055 | |
| | | 648,818 | | 724,528 | |
| Current liabilities | | | | | |
| Trade and other payables | 11 | (589,878) | | (521,017) | |
| Financial liabilities | 12 | (200,000) | | (350,000) | |
| | | (789,878) | | (871,017) | |
| Net current assets/(liabilities) | | | (141,060) | | (146,489) |
| Total assets less current (liabilities) | | | 229,175 | | 129,707 |
| Non-current liabilities | | | | | |
| Trade and other payables | 13 | | 24,158 | | 35,019 |
| Financial liabilities | 14 | | 150,000 | | 50,000 |
| Income and expenditure Account | | | | | |
| | 17 | | 55,017 | | 44,688 |
| | | | 229,175 | | 129,707 |

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The notes on pages 11 to 19 form part of these financial statements.

The financial statements were approved by the Board on 26/6/2019

T Bonner
Director 

Company number 05227778

COUNTRYSIDE ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

1.1 Accounting conventions

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards (UK Generally Accepted Accounting Principles).

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

The Alliance has taken the small group exemption in relation to the obligation to prepare and deliver group accounts.

1.2 Statement of compliance

The individual financial statements of Countryside Alliance have been prepared in accordance with Financial Reporting Standard 102 1A and Companies Act 2006 (as applicable to companies subject to the small companies' regime).

1.3 Going concern

These financial statements have been prepared on a going concern basis. The company recorded a net surplus of £10,329 for the year ended 31 December 2018 and is forecasting a surplus and positive cash position for the forthcoming year. The continued activities and campaigns of the company are greatly assisted thanks to the provision of loans from supporters underpinning the Balance Sheet. Based on a review of performance in 2018 together with a lower cost base and good prospects of expected income and cash flows over the forthcoming year, the board is satisfied that the going concern basis is a suitable basis on which to draw up the accounts.

1.4 Public benefit entity

Countryside Alliance is a public benefit entity.

1.5 Revenue

Income is included in the accounts net of Value Added Tax when the company becomes entitled to the income the receipt is probable and can be quantified with reasonable accuracy. If these conditions are not met then the income is deferred. Specific policies apply to the following categories of income:

(a) Membership income is treated as a donation and is accounted for when received.

(b) Legacy income is accounted for based on settlement of the estate of receipt or payment whichever is earlier.

Under the provisions of Sections 23 and PBE34 of FRS 102, as a public benefit entity and with a non-exchange based transaction, the directors are satisfied the treatment is entirely appropriate.

1.6 Life members

The Life Members subscriptions are transferred to the Income Account over five years.

1.7 Property, plant and equipment

Computers and fixtures, fittings and equipment (FFE) are recognised on assets valued over £500 at cost. Depreciation is applied using the straight line method for the useful life of the asset as follows:

| | | |
|--------------------|---|-------------------------------|
| FFE | - | useful life 60 months on cost |
| Computer equipment | - | useful life 48 months on cost |
| Website | - | useful life 36 months on cost |
| CRM development | - | useful life 84 months on cost |

COUNTRYSIDE ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1.8 **Investments**

Investments held as fixed assets are stated at cost less provision for any impairment in value.

1.9 **Inventories**

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell.

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 **Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 **Financial instruments**

The alliance has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the alliance's statement of financial position when the alliance becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.12 **Concessionary loans**

Concessionary loans are initially recognised at the amounts received. In subsequent years, the carrying amount of concessionary loans shall be adjusted to reflect any accrued interest payable.

1.13 **Operating leases**

The relevant rentals are charged to the income and expenditure account on a straight line basis.

1.14 **Pension costs**

The Alliance operates a defined contribution scheme. Contributions payable to the Alliance's pension scheme are charged to the income and expenditure account in the year to which they relate.

COUNTRYSIDE ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1.15 **Taxation**

The Alliance is a mutual entity operating for the benefit of its members. Where appropriate, current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.16 **Short term employee benefits**

FRS 102 1A requires a cost of short term compensated absences to be recognised when employees render the service that increases their entitlement.

COUNTRYSIDE ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

| | | | |
|---|--|-------------|-------------|
| 2 | Finance costs | 2018 | 2017 |
| | | £ | £ |
| | Loans and overdrafts | 14,357 | 16,675 |
| | | <hr/> | <hr/> |
| 3 | Surplus on ordinary activities before taxation | 2018 | 2017 |
| | | £ | £ |
| | The surplus is stated after charging: | | |
| | Staff costs (Note 4) | 1,820,785 | 1,815,937 |
| | Depreciation | 37,781 | 19,875 |
| | Auditors' remuneration | 14,000 | 25,000 |
| | | <hr/> | <hr/> |
| 4 | Staff costs | 2018 | 2017 |
| | | £ | £ |
| | Wages and salaries | 1,542,218 | 1,538,503 |
| | Social Security costs | 171,115 | 172,164 |
| | Other pension costs | 107,452 | 105,270 |
| | | <hr/> | <hr/> |
| | | 1,820,785 | 1,815,937 |
| | | <hr/> | <hr/> |
| | The average number of persons, including Executive directors, employed by the company during the year was: | Nos | Nos |
| | Management and administration | 18 | 19 |
| | Campaigning | 20 | 19 |
| | | <hr/> | <hr/> |
| | | 38 | 38 |
| | | <hr/> | <hr/> |

COUNTRYSIDE ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

| 5 | Directors | 2018 | 2017 |
|---|---|----------------|----------------|
| | Remuneration | 112,000 | 111,500 |
| | Pension contributions to money purchase schemes | 7,140 | 7,105 |
| | | <u>119,140</u> | <u>118,605</u> |

No remuneration was paid to any of the directors other than the Chief Executive Tim Bonner.

The aggregate staff cost of key personnel for the year ending 31 December 2018 is £235,744 (2017: £234,688) which include the Chief Executive and Deputy Chief Executive.

| 6 | Taxation | 2018 £ | 2017 £ |
|---|--------------------|-----------|-----------|
| | Current tax charge | - | - |

No tax charge arises on the income for the year. Taxable losses carried forward at 31 December 2018 are £115,462 (2017: £115,462).

7 Property, plant and equipment

| | Fixtures and show equipment £ | Computer equipment £ | Total £ |
|---------------------------------------|--|----------------------------|----------------|
| Cost | | | |
| At 31 December 2017 | 36,887 | 342,388 | 379,275 |
| Additions for year | - | 131,816 | 131,816 |
| Disposals | - | - | - |
| At 31 December 2018 | <u>36,887</u> | <u>474,204</u> | <u>511,091</u> |
| Amortisation/ depreciation | | | |
| At 31 December 2017 | 22,064 | 86,113 | 108,177 |
| Charge for the year | 5,257 | 32,522 | 37,779 |
| Disposals | - | - | - |
| At 31 December 2018 | <u>27,321</u> | <u>118,635</u> | <u>145,956</u> |
| Net book value | | | |
| 31 December 2018 | <u>9,566</u> | <u>355,569</u> | <u>365,135</u> |
| 31 December 2017 | <u>14,823</u> | <u>256,273</u> | <u>271,096</u> |

COUNTRYSIDE ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

| | | |
|----------|-----------------------------------|--------------|
| 8 | Investment in subsidiaries | £ |
| | Cost at 31 December 2017 and 2018 | <u>5,100</u> |

BFSS Investments Limited is a wholly owned dormant subsidiary. The aggregate amount of BFSS Investments Limited capital and reserves as at 31 December 2017 was £100 (2016: £100) and the loss for the year was £nil (2016: £nil).

Countryside Alliance Insurance Services Limited is also a wholly-owned subsidiary. It is registered with FCA as an insurance intermediary. The aggregate of its capital and reserves was £8,499 (2016: £8,798) and its loss for the period was £(299).

| | | | |
|----------|--------------------|---------------|---------------|
| 9 | Inventories | 2018 | 2017 |
| | | £ | £ |
| | Merchandise | <u>44,379</u> | <u>19,961</u> |

| | | | |
|-----------|---|----------------|----------------|
| 10 | Trade and other receivables | 2018 | 2017 |
| | | £ | £ |
| | Amount due from The Countryside Alliance Foundation | 64,505 | 31,673 |
| | Loans | 25,000 | - |
| | Other debtors | 74,462 | 183,893 |
| | Trade debtors | 14,910 | 2,264 |
| | Prepayments and accrued income | 116,230 | 117,682 |
| | | <u>295,107</u> | <u>335,512</u> |

COUNTRYSIDE ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

| 11 | Current trade and other payables | 2018 | 2017 |
|----|---|----------------|----------------|
| | | £ | £ |
| | Other taxes and social security costs | 108,590 | 127,196 |
| | Other creditors | 302,047 | 239,577 |
| | Accruals and deferred income | 179,241 | 150,234 |
| | Amounts owing to subsidiary undertaking | - | 4,010 |
| | | <u>589,878</u> | <u>521,017</u> |

| 12 | Current financial liabilities | 2018 | 2017 |
|----|--------------------------------------|----------------|----------------|
| | | £ | £ |
| | Bank loans (secured) | 50,000 | 50,000 |
| | Loans (unsecured) | 150,000 | 300,000 |
| | As at 31 December 2018 | <u>200,000</u> | <u>350,000</u> |

The bank loans are guaranteed by supporters of Countryside Alliance. All bank and unsecured loans carry a variable market rate of interest.

| 13 | Non-current trade and other payables | 2018 | 2017 |
|----|---|---------------|---------------|
| | | £ | £ |
| | Life members' subscriptions | 24,158 | 35,019 |
| | As at 31 December 2018 | <u>24,158</u> | <u>35,019</u> |

It is considered appropriate to transfer Life memberships over a five year period (2017: ten year period) to the Income and Expenditure Account. The movement on the Life Memberships is shown below.

| | 2018 | 2017 |
|---|---------------|---------------|
| | £ | £ |
| Life Members Subscriptions | | |
| At 1 January 2017 | 35,019 | 33,292 |
| Life Members income received | 1,500 | 9,000 |
| Transferred to Income and Expenditure Account | (12,361) | (7,273) |
| As at 31 December 2018 | <u>24,158</u> | <u>35,019</u> |

COUNTRYSIDE ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

| | | | |
|----|--|-------------|-------------|
| 14 | Non-current financial liabilities | 2018 | 2017 |
| | | £ | £ |
| | Loans | 150,000 | 50,000 |
| | As at 31 December 2018 | 150,000 | 50,000 |

15 **Share capital**

The company is limited by guarantee and as such has no issued share capital.

16 **Operating lease arrangements**

Countryside Alliance has the following operating lease agreements:

| | |
|-------------------------|---------------|
| Main office photocopier | 36 month term |
| Headquarters fit out | 60 month term |
| Rent | 60 month term |

The total outstanding liability for all operating leases at 31 December 2018 is:

| | | |
|--------------------|-------------|-------------|
| | 2018 | 2017 |
| | £ | £ |
| Less than one year | 110,330 | 110,330 |
| One to five years | 72,310 | 213,099 |
| | 182,640 | 323,429 |

COUNTRYSIDE ALLIANCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

| 17 | Income and expenditure account | 2018 | 2017 |
|----|---------------------------------------|---------------|---------------|
| | | £ | £ |
| | As at 31 December 2017 | 44,688 | (23,614) |
| | Surplus for the year | 10,329 | 68,302 |
| | As at 31 December 2018 | <u>55,017</u> | <u>44,688</u> |

18 Related party transactions

Short term loans to the company (note 12) include amounts lent by the directors totalling £Nil (2017: £12,500)

The Countryside Alliance Foundation is a separately constituted educational charity with an independent board of trustees. Two Countryside Alliance directors A Ogg and R Fry are also directors of The Countryside Alliance Foundation. During the year staff costs totalling £168,408 (2017: £59,595) were transferred from Countryside Alliance to The Countryside Alliance Foundation representing the proportion of work done by employees on The Countryside Alliance Foundation's charitable activities during the year. The year end balance of £64,505 (2017: £31,673) was receivable from The Countryside Alliance Foundation.

19 Short term employee benefits

FRS 102 1A requires a cost of short term compensated absences to be recognised when employees render the service that increases their entitlement.

Consequently, an accrual of £4,809 (2017: £4,310) has been made to reflect this in the year ended 31 December 2018.