

Company number: 10719031

Charity number: 1174975

The South Downs National Park Trust

Report and Financial Statements

1 April 2017 – 30 April 2018

Contents	Page
1. Reference and administrative details	2
2. Report of the Trustees	3
3. Independent examiner's report	7
4. Statement of Financial Activities (incorporating an income and expenditure account)	8
5. Balance sheet	9
6. Notes to the financial statements	10

1. Reference and administrative details

This report has been drawn up in accordance with the requirements of the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Company number	1174975
Charity number	10719031
Governing Document	Memorandum and Articles Incorporated 10 April 2017
Registered office	South Downs Centre, North Street, Midhurst, West Sussex, GU29 9DH
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Julie Fawcett (Chair) Appointed on 15/06/17 Greg Mahon (Treasurer) Appointed on 08/03/18 Dean Orgill Appointed on 15/06/17 Dan Montagnani Appointed on 15/06/17 Helen Jackson Appointed on 15/06/17 Josephine Carr Appointed on 08/03/18 Vance Russell Appointed on 15/06/17 Toni Shaw Appointed on 15/06/17
Company Secretary	Robin Parr from 15/6/17 to present
Senior staff	James Winkworth, Director 15/6/17 to present Sophie Ritson
Bankers	LLOYDS TSB BANK PLC City Office, PO Box 72, Bailey Drive, Gillingham Business Park, Kent, ME8 0LS.
Independent Examiner	H.G. Barron, CPFA 10 Downside, Westdene, Brighton, BN1 5EQ

2. Report of the Trustees

The Trustees present their report and the independently examined financial statements for the year ended 30 April 2018.

The reference and administrative information set out in the previous section forms part of this report. The financial statements comply with current statutory requirements, the Trust's Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (Charities SORP FRS 102).

2.1 Structure, governance and management

The South Downs National Park Trust was established by the South Downs National Park Authority. The South Downs National Park Authority is a founding donor and has committed to supporting the Trust via a formal management agreement whilst it develops sustainable income in its first years of operation.

The organisation is a charitable company limited by guarantee, incorporated on 10th April 2017 and registered as a charity in September 2017. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

During this founding year an open Trustee recruitment process was implemented, appointing Trustees to the Board including the Chair, Julie Fawcett. This included advertising and shortlisting followed by a formal interview process. Two of the eight current Trustees are appointed to the board by the South Downs National Park Authority. Trustees will serve for a 3 year term and may be re-appointed for a further term. All Trustees give their time voluntarily and receive no benefits from the charity.

The Trustees review the aims, objectives and activities of the charity each year. In 2017 the Trustees developed a 2017-20 strategic framework including setting a vision, mission, key strategies and objectives.

This report looks at what the charity has achieved and the outcomes of its work for the year ending 30 April 2018. The Trustees report highlights the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees to ensure that the charity's aims, objectives and activities remain focused on its stated purposes.

2.2 Objectives and activities

In the inaugural South Downs National Park Trust Business Plan (2017-20), we share the vision for the South Downs National Park developed by the South Downs National Park Authority that by 2050:

- The iconic English lowland landscapes and heritage will have been conserved and greatly enhanced. These inspirational and distinctive places, where people live, work, farm and relax, are adapting well to the impacts of climate change and other pressures.
- People will understand, value, and look after the vital natural services that the National Park provides. Large areas of high-quality and well-managed habitat will form a network supporting wildlife throughout the landscape.
- Opportunities will exist for everyone to discover, enjoy, understand and value the National Park and its special qualities. The relationship between people and landscape will enhance their lives and inspire them to become actively involved in caring for it and using its resources more responsibly.
- Its special qualities will underpin the economic and social well-being of the communities in and around it, which will be more self-sustaining and empowered to shape their own future. Its villages and market towns will be thriving centres for residents, visitors and businesses and supporting the wider rural community.
- Successful farming, forestry, tourism and other business activities within the National Park will actively contribute to, and derive economic benefit from its unique identity and special qualities.

The Trust's mission is to work with delivery partners to enhance and protect the South Downs National Park for current and future generations, contributing to the delivery of the South Downs National Park Partnership Management Plan (2014-19). From 2017-20 we will focus on specific projects which deliver:

- Increased engagement with and enjoyment of the National Park for hard to reach groups.
- Improved access of the National Park through improved recreational facilities, culture and heritage opportunities, or increasing the land available for use by the public.
- Increased outdoor educational opportunities, in supporting the next generation to learn about their environment and engaging them in its future protection.
- Conservation of the special fauna and flora of the National Park.
- Community cohesion and diversity across the National Park.

The direct beneficiaries of the South Downs National Park Trust are the thousands of people that live in and visit the South Downs National Park. Our work is delivered with our partners who are experienced, non-profit, delivery organisations operating in and around the South Downs National Park. Trustees are therefore satisfied that the Trust ensures its work is in the public benefit.

Our 2017 - 2020 business strategy states the following 3 year objectives, intended to establish the charity as a sustainable organisation and to deliver against the mission:

1. **Partnership** - The South Downs National Park Trust will work with partners to develop, initiate and support projects that deliver the South Downs National Park Partnership Management Plan.
2. **Philanthropy** - The South Downs National Park Trust will champion philanthropy for the South Downs National Park and increase resources invested in it.
3. **Awareness** - The South Downs National Park Trust will seek to increase awareness and understanding of the South Downs National Park with under-represented groups.
4. **Financial sustainability** - The South Downs National Park Trust will aim to achieve financial sustainability beyond 2020.
5. **Governance** – The South Downs National Park Trust will have exemplar governance procedures and practices.

2.3 Charitable Activities in the past year

This initial year has been focused on establishing the Trust, developing projects and fundraising to support them. Progress against the 2017-20 business strategy objectives is outlined below.

Objective 1: Partnership

Target: By April 2019 develop relationships with key local partners to build a pipeline of 30 projects from at least 5 organisations and committing to supporting/delivering 8 projects

Project shelf – In its first year to 30 April 2018 the Trust developed a shelf of projects which partner organisations would like to deliver for the South Downs National Park but for which there is no current funding available. Priority projects are regularly reviewed and approved by Trustees. The project shelf contains 23 projects from 7 organisations including the South Downs National Park Authority, National Trust, The Garden Classroom and the Beacon Hub Community Interest Organisation. Trustees are confident that a number of these projects will be funded and delivered within the next financial year. The Travel Grant for schools was an early success in delivering such priority projects (see below).

Objective 2: Philanthropy

Target: By April 2019 develop and deliver a fundraising strategy securing £300,000 for projects across the National Park and increase awareness of the South Downs National Park Trust in the South East to 5%.

- a. **Fundraising strategy** – A fundraising strategy has been developed to guide the work of the Trust in its first planning period, which has delivered project income and the framework for future philanthropy e.g. the legacy giving programme and steps to establish a Development Board.

- b. **Income** - In total, £122,638 was raised by the South Downs National Park Trust in donations to 30 April 2018. In addition to this a £40,000 grant and £73,630 of in-kind contributions were received from the South Downs National Park Authority. This funding contributed to key projects including the following:
- **Mend our Way** - launched in October 2017, we aim to raise £120,000 to carry out critical improvements on the South Downs Way. This year long appeal is part of the national "Make a Million" campaign, run by the British Mountaineering Council. The campaign received £61,934 (by 30 April 2018), with £1,934 from public donation. It has also generated significant media coverage helping to raise the profile of the new Trust.
 - **Stile replacement programme** – through partnership with the Friends of the South Downs, the Trust is funding and co-ordinating the replacement of 20 stiles. The changes are focused on single stiles on an otherwise open route, maximising the access to the National Park for individuals with limited mobility.
 - **Travel Grant** – The South Downs National Park Travel Grant allows schools to claim up to £300 towards travel costs when visiting education providers in the National Park. A school's eligibility is based on proximity to the National Park and the percentage of pupils eligible for Free School Meals. The National Park Authority allocates £10,000 to this programme each year, but the grant is historically over-subscribed and many applications have been turned down due to lack of funds. In one of its first projects, The South Downs National Park Trust secured an additional £6,000 enabling an additional 1200 school children to benefit from an outdoor learning experience, increasing the awareness and understanding of the South Downs National Park.
- c. **Development Board** – We are establishing a group of influential individuals who will champion philanthropy for the South Downs through the Trust's work. In our first year we met 43 local individuals who might support the Trust through the Development Board, which we hope to convene in 2019.
- d. **Legacy Giving** – Recognising the current and anticipated rise in legacy giving, the South Downs National Park Trust has begun to promote legacy giving by establishing initial materials and by working with the South Downs National Park Authority to promote "gifts in wills" for the South Downs.
- e. **Awareness of the Trust** – In our first year we established a website, an online donations facility, promotional literature and other mechanisms to raise the profile of the new charity. Initial media activity to raise the profile of the Trust has included a launch of the charity, the Mend our Way appeal and an innovative partnership with Langham Brewery, which sees 5p from every bottle of beer sold being donated to the South Downs National Park Trust. In order to measure and better understand the impact of this awareness-raising work, the Trust is due to run a You Gov survey at the end of 2018-19.

Objective 3: Awareness

Target: Seek to increase awareness in the following groups (Young Adults, 25/34, C2DE).

The Trust has a specific objective of raising both awareness and use of the National Park with those groups that are known to be under-represented, as evidenced by the National Park Authority's 2016 You Gov survey. This has been an important consideration in the development of the Project Shelf and identification of project priorities.

Apprenticeship Program – we initiated work to secure funding for a Countryside Apprenticeship Programme which will train a new generation to care for the South Downs.

Objective 4: Financial sustainability

Target: By April 2019 build reserves to a level of 9 months expenditure and develop unrestricted income of £40,000 per annum

In its first year, the Trust has initiated measures to generate a range of diverse and sustainable income streams for the future, including unrestricted income, whilst raising project funding to meet immediate business plan targets.

- a. **Unrestricted income** - £51,204 in unrestricted income was raised from donations in the first year of operation. Some of this was through donation boxes and online giving but also through a £50k major donation. Our future fundraising strategy considers how we can continue to develop unrestricted income streams.

- b. **Visitor Giving** – A positive development in encouraging unrestricted giving this year has been the development of our Visitor Giving programme which works with tourism providers to raise £2 from every visitor to the National Park. In March we developed a pilot with Deans Place (an 100 bedroom hotel in Alfriston), which includes a suggested £2 donation in the bill of every staying guest. We will be developing this programme over 2018/19, securing a number of partners to develop a regular stream of unrestricted income.
- c. **Reserves** - Thanks to the generosity of our donors this year we have sufficient unrestricted income to cover 9 months operating costs. In 2018/19 we intend to invest these, in line with our Reserves Policy, in a new community grant scheme.

Objective 5: Governance

Target: By April 2019 the South Downs National Park Trust's governance will follow the principles of the Charity Governance Code for Smaller Charities

Establishing the Trust – in its founding year the Trust created a governance and operational framework based on good sector practice for smaller charities. This has included:

- Open recruitment of 4 Trustees against a role specification to form the first Trust board
- Governance induction training for new trustees delivered by an independent charity governance professional
- Setting of annual governance cycle
- Development of the first 3-year Trust strategy including vision, mission, aims, objectives and targets
- Development of core organisational policies and procedures in line with sector good practice (Charity Governance Code, Charity Commission, Fundraising Regulator)

2.4 Future plans and changes

1. **Project Delivery**
 - Secure funding for the Apprentice Programme, working with the South Downs National Park Authority to recruit over the summer ready for the start of the academic year in September.
 - With our partners, initiate and secure funding for further 5 projects from the shelf, with the aim that all projects should start before March 2019.
2. **Grant Giving**
 - Sustainable Communities Fund – Work with the South Downs National Park Authority to establish an endowed Sustainable Communities Fund, generating a secure long term funding stream for grass roots projects within the South Downs National Park.
 - VRS Fund – Working with the VRS, establish a named fund which will champion volunteer lead projects by providing grant funding.
3. **New Website** – Further develop our online presence by establishing a new, independent website to provide donor information on our work to date and to further clarify our independence from the South Downs National Park Authority.
4. **Visitor Giving** - Establish our Visitor Giving programme, launching in 2018 and securing 10 partner hotels by March 2019.
5. **Mend our Way and a future appeal** – Reach our £120,000 target for the Mend our Way appeal, getting the improvements underway, so that they can be completed by the end of September 2019. Develop a new appeal to replace Mend our Way, with the aim of launching before March 2019.
6. **Unrestricted Giving** – Develop our plans for increasing unrestricted giving including legacy and regular direct debit.
7. **Finalise our Development Board**, having our inaugural meeting in 2018 and working towards a successful fundraising event in 2019.
8. **New Fundraising Strategy** – Our fundraising strategy runs until March 2019, meaning that over the next year we will need to reflect on our first 18 months of operation in order to set our future fundraising direction.

3. Independent examiner's report

I report on the accounts of the South Downs National Park Trust for the year ended 30 April 2018 which are set out on pages X to X.

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 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act), and
- to state whether particular matters have come to my attention.

Basis of the Independent examiner's report.

My examination was carried out in accordance with the general Directions given by the Charity Commission. 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 any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement.

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act;
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

H.G. Barron, CPFA
10 Downside
Westdene
Brighton
BN1 5EQ

H.G. BARRON 18/12/18

4. Statement of Financial Activities (incorporating an income and expenditure account)

	Note	Unrestricted Funds 2017/18 £	Restricted Funds 2017/18 £	Total Funds 2017/18 £	Total Funds 2016/17 £
Income and endowments:					
Donations	6.2	51,204	71,434	122,638	0
Earned from charitable activities	6.3	113,630	0	113,630	0
Total		164,834	71,434	236,268	0
Expenditure on:					
Raising Funds	6.4	45,480	0	45,480	
Charitable activities	6.5	28,156	0	28,156	0
Total		73,636	0	73,636	0
Net income/(expenditure)		91,198	71,434	162,632	0
Net Movement in funds		91,198	71,434	162,632	0
Reconciliation of funds:					
Funds balance brought forward		0	0	0	0
Funds balance carried forward		91,198	71,434	162,632	0

5. Balance sheet

	2017/18		2016/17	
	£	£	£	£
Currents Assets:				
Cash at Bank and in hand	162,632		0	
	<hr/>		<hr/>	
NET CURRENT ASSETS		162,632		0
		<hr/>		<hr/>
NET ASSETS		<u>162,632</u>		<u>0</u>
The Funds of the charity:				
Restricted funds:				
Apprenticeship Programme		3,500		0
Mend Our Way		61,934		0
Travel Grant		6,000		0
Unrestricted funds		91,198		0
		<hr/>		<hr/>
		<u>162,632</u>		<u>0</u>

6. Notes to the financial statements

6.1 Accounting Policies

The financial statements have been prepared in accordance with the Charities SORP 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland for (FRS102) (effective 1 January 2015)' and applicable accounting standards.

a. Accounting convention

The financial statements are prepared under the historical cost convention.

b. Income and endowments

Income received is accounted for on a receivable basis.

c. Expenditure

All expenditure is allocated between the principal headings raising funds and charitable activities.

Charitable activities comprise those costs incurred by the charity in the delivery of its activities and governance associated with meeting the constitutional and statutory requirements of the charity.

d. Fund Accounting

Unrestricted funds comprise those amounts received for use at the discretion of the Trustees in the furtherance of the general objectives of the charity.

Restricted funds are subject to specific restricted conditions imposed by donors and include monies raised for specific projects.

e. Donated Services and Facilities

Donated services and facilities are recognised as income when the economic benefit that flows from the donation has passed to the charity, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity is probable and the economic benefit can be measured reliably.

On receipt, donated services and facilities are recognised on the basis of the value of the gift to the charity; a corresponding amount is then recognised in expenditure in the period of receipt.

6.2 Income from Donations

	2017/18	2016/17
	£	£
Donations:		
Restricted funds:		
Apprenticeship Programme	3,500	0
Mend Our Way	61,934	0
Travel Grant	6,000	0
Unrestricted funds	51,204	0
Total Income from Charitable Activities	<u>122,638</u>	<u>0</u>

6.3 Income Earned from Charitable Activities

	2017/18	2016/17
	£	£
Earned from Charitable Activities:		
Grant (South Downs National Park Authority)	40,000	0
In-kind Contribution (South Downs National Park Authority)	73,630	0
Total Income from Charitable Activities	<u>113,630</u>	<u>0</u>

The grant from the South Downs National Park Authority of £40,000 is for purpose of furthering the objectives of the Trust having regard to the South Downs National Park Authority Partnership Management Plan.

The in-kind contribution is the value of resource provided by the South Downs National Park Authority in the form of salary costs towards the activities defined within the Memorandum of Understanding between the South Downs National Park Authority and South Downs National Park Trust.

6.4 Expenditure on Raising Funds

	2017/18	2016/17
	£	£
In-Kind Salary Costs	45,480	0
Total Expenditure on Charitable Activities	<u>45,480</u>	<u>0</u>

The in-kind salary is the value of resource provided by South Downs National Park Authority towards raising funds.

6.5 Expenditure on Charitable Activities

	2017/18	2016/17
	£	£
In-Kind Salary Costs	28,150	0
Bank Charges	6	0
Total Expenditure on Charitable Activities	<u>28,156</u>	<u>0</u>

The in-kind salary is the value of resource provided by South Downs National Park Authority towards charitable activities including governance.

The South Downs National Park Trust has no employees.

None of the Trustees or any person connected with them has received or is due to receive any remuneration or expenses during the year.

There were no related party transactions during the year.