

MOUNTAIN BOTHIES ASSOCIATION

(a company limited by guarantee and registered in Scotland)

ANNUAL REPORT & ACCOUNTS

1st APRIL 2000 to 31st MARCH 2001

Company Registration No. 191425

Charities Registration No. SC008685



Stables Thompson & Briscoe

Chartered Accountants

ASSOCIATION INFORMATION

Chairman : Colin G. Scales
Treasurer : R. Gilbert B. Clark
Company Secretary : Lynda J. Woods
Director of Projects : Trevor Cotton (retired December 1999)

Trustees :

Edwin C. Butcher
R. Gilbert B. Clark (co-opted Feb – Oct 2000)
Trevor Cotton (retired July 2000)
Bernard J. Heath
Roger G. Muhl
Colin G. Scales
F. Brian Wain
Lynda J. Woods

Registered Office : c/o Lindsays WS (Solicitors)
11 Atholl Crescent, Edinburgh EH3 8HE
Solicitors : Lindsays WS (Solicitors) - address as above
Auditors : Stables Thompson & Briscoe
Lowther House, Lowther Street, Kendal LA9 4DX
Bankers : Bank of Scotland
9 High Street, Inverness IV1 1JB

Registered Charity No : SC008685

Registered Company No: 191425

TRUSTEES' REPORT

The Trustees acting as directors submit their Annual Report and Audited Accounts for the year ending 31 March 2001.

Principal Activity

The principal activity of the association is the maintenance of simple shelters in remote country for the use and benefit of all who love wild and lonely places.

Review of the Business and Results

Although the overall level of expenditure increased by just under 4%, the outcome of the year's operations represents an excess of revenue over expenditure of £39,624. This reflects a 42% increase in income from membership fees together with a legacy of £21,000 from a deceased member. The direct charitable expenditure was some 11.4% lower compared to the previous year, this reduction being offset by the cost of providing a book-keeping service and by an increased investment in the services provided to members in the form of a members' handbook and a manual on safe-working practice for work-party volunteers.

Trustees

The Trustees at any time of the year are listed on page 1 of this report.

Auditors

The Trustees recommend that Stables, Thompson & Briscoe be re-appointed as the Company's Auditors in accordance with Section 385 of the Companies Act 1985.



CG Scales
Chairman

12 May 2001

STATEMENT OF TRUSTEES RESPONSIBILITIES

Company Law requires the Trustees (being company 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 its financial activities for that year. In preparing those statements the Trustees are required to:

- a) Select suitable accounting policies and then apply them consistently.
- b) Make judgements and estimates that are reasonable and prudent.
- c) State whether the policies adopted are in accordance with the Statement of Recommended Practice (Accounting by Charities) and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements.
- d) Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them too ensure that the financial statements comply with the Companies Acts 1985 and the Charities Acts. The Trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

On behalf of the Trustees

A handwritten signature in black ink, appearing to read 'G. H. Sales', written in a cursive style.

Chairman

AUDITORS REPORT TO THE MEMBERS OF THE MOUNTAIN BOTHIES ASSOCIATION

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention as modified by the revaluation of certain assets and the accounting policies set out in page 7.

Respective Responsibilities of Trustees and Auditors

As described on page 3 the Trustees are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and report our opinion to you.

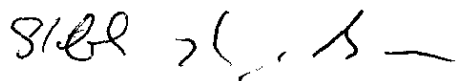
Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations we consider necessary in order to provide us with sufficient evidence to give reasonable assurances that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the charitable company's state of affairs as at 31st March 2001 and of its incoming resources and application of resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**STABLES THOMPSON & BRISCOE
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

**Lowther House
Lowther Street
Kendal**

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 MARCH 2001

INCOME AND EXPENDITURE

	Notes	Unrestricted Funds	Restricted Funds	Total Funds	
				2001	2000
Incoming Resources					
Membership Fees	2	49,212		49,212	34,736
Donations and Gifts	3	6,829	6,020	12,849	12,471
Grants	3		2,826	2,826	1,851
Legacies	3		21,981	21,981	250
Bank Interest Received	4	3,202	625	3,827	2,062
Fund Raising	6	3,329		3,329	2,445
Other Income	9	48		48	70
Total Incoming Resources		<u>62,620</u>	<u>31,452</u>	<u>94,072</u>	<u>53,885</u>
Resources Expended					
Direct Charitable Expenditure	5	13,532	10,980	24,512	27,669
Fund-raising	6	2,443		2,443	2,856
Publications	7	10,180		10,180	7,826
Publicity	7	27		27	425
Management and Administration	8	17,238		17,238	13,668
Sundries	9	48		48	
Total Resources Expended		<u>43,468</u>	<u>10,980</u>	<u>54,448</u>	<u>52,444</u>
Net Incoming/Outgoing Resources for the year		<u>£19,152</u>	<u>£20,472</u>	<u>£39,624</u>	<u>£1,441</u>

Fund Transfers	<u>2001</u>	<u>2001</u>	<u>2001</u>	<u>2000</u>
	-	-	-	-
Other Recognised Gains	<u>2001</u>	<u>2001</u>	<u>2001</u>	<u>2000</u>
Gains/(Losses) on Investments	-	-	-	(2,410)

NET MOVEMENT IN FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2000	2000	2000	1999
Fund Balances brought forward at 1 April 2000	<u>88,756</u>	<u>3,233</u>	<u>91,989</u>	<u>92,958</u>
	2001	2001	2001	2000
Fund Balances carried forward at 31 March 2001	<u>107,908</u>	<u>23,705</u>	<u>131,613</u>	<u>91,989</u>

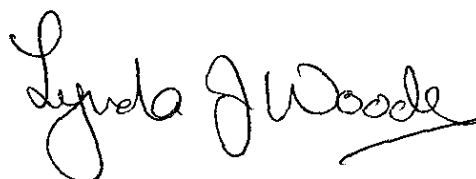
BALANCE SHEET AS AT 31 MARCH 2001

	Notes	As at 31 March 2001		As at 31 March 2000	
		£	£	£	£
Fixed Assets					
Tangible Assets	10	3,753	<u>3,753</u>	5,775	<u>5,775</u>
Current Assets					
Stocks	11	1,080		32	
Debtors	12	6,859		6,178	
Cash at Bank & in Hand		<u>124,437</u>		<u>81,804</u>	
		<u>132,376</u>		<u>88,014</u>	
Current Liabilities					
Accruals and Creditors	13	<u>4,516</u>		<u>1,800</u>	
Net Current Assets			<u>127,860</u>		<u>86,214</u>
NET ASSETS			<u>131,613</u>		<u>91,989</u>
FUNDS					
Restricted Funds	14,15&16		23,705		3,233
Unrestricted Funds	15&16		<u>107,908</u>		<u>88,756</u>
			<u>131,613</u>		<u>91,989</u>

Approved by the Board of Trustees on 12 May 2001
and signed on their behalf by:-



C.G. Scales (Trustee)



L.J. Woods (Trustee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 MARCH 2001

1 ACCOUNTING POLICIES

Basis of Accounting

The recommendations of the Statement of Recommended Practice (Accounting by Charities) have been followed in the preparation of these accounts which combine the accounts of all funds of the Association and have been prepared on an accruals basis. Income and expenditure are included as they are earned or incurred, rather than as cash is received or paid.

Cash Flow Summary

Under Company Law, exemptions are available for small companies from the requirement to prepare a cash flow statement. The Trustees have taken advantage of these exemptions so far as these accounts are concerned.

Fund Accounting

The Association's restricted funds are those where the donor has imposed a legally binding restriction on the use of the funds, or where the Trustees and the donor have together agreed that the funds be used for a specified purpose. Details of the funds and of the restrictions are given in the notes to the accounts. The Association's unrestricted funds consist of funds which the charity may use for its purposes at its discretion.

Voluntary Income

- a) All voluntary income is included in income on receipt, except where the donor requires the sum to be invested to provide income for the Association's purposes, in which case it is treated as an endowment and credited to the endowment fund balance on receipt. Endowments are not included as income because they must be invested and do not represent income which the Association may use directly for its purpose.
- b) Restricted income is included in the restricted income and expenditure account on receipt.
- c) Cash in transit is included as income where it was in the post or was being transferred to the Association's bank account at the year end.
- d) Donations under deed of covenant or Gift Aid, together with the associated income tax recovery are recognised as income when the donation is received.
- e) Subscriptions are treated as income of the Association in the accounting period during which the monies are received as it is not considered practical to apportion them over the subscription period (the calendar year) to which they relate.
- f) Grants are credited to income upon entitlement.
- g) Legacies are included in income on receipt.
- h) Donations of items other than cash are included in income/expenditure at their estimated market value and are acknowledged in the notes to these accounts.

Fixed Assets and Depreciation

Expenditure on equipment is capitalised in the Association's financial statements and depreciated over the anticipated useful life as follows :-

Plant and machinery	25% straight line over 4 years
Computers and office equipment	25% straight line over 4 years

Maintenance and Improvement of Bothies

Expenditure on small tools, maintenance and improvements to bothies is written off to the Income and Expenditure account as and when incurred. Items of equipment installed as permanent fixtures in bothies (e.g. stoves) are likewise written off at the time of installation. The work of maintaining the bothies is undertaken by the members of the Association on a voluntary basis and is therefore not assigned a monetary value in these accounts.

Stocks

Stocks on hand are valued in the Association's financial statements at cost price except for materials and loose tools required for bothy maintenance, and items valued at £100 or less, which are written off to the Income and Expenditure account in the accounting period in which the materials/tools were acquired.

Fixed Asset Investments

Unrealised gains or losses on fixed asset investments are recognised in the Income and Expenditure Account.

Statement of Financial Activities

Income and expenditure items are allocated between restricted and unrestricted funds on the basis of their origin and purpose.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDING 31 MARCH 2001

2 MEMBERSHIP FEES	2001	2000
Members subscriptions	36,532	
Members donations	6,876	
Gift Aid	5,804	
	<u>49,212</u>	<u>34,736</u>
3 DONATIONS, LEGACIES & GRANTS	2001	
Bank of Scotland	5,000	
Donations - Joe & Corrie Brown's Wedding	1,220	
Donations - General purpose	1,829	
Dumfries and Galloway Council Grant for Brattleburn	1,000	
North Pennines Leader II Award for Greg's Hut	1,350	
Cumbria Leader II Award for Mosedale Cottage (final claim)	476	
Legacy - ES Hodge Settlement	1,335	
Legacy - Ross Higgins	20,646	
Donations in kind (see note 5.3)	4,800	
	<u>37,656</u>	
4 INCOME FROM INVESTMENTS OTHER THAN LAND OR BUILDINGS		
	2001	2000
Bank interest received	3,827	1,585
Dividends	-	477
	<u>3,827</u>	<u>2,062</u>
5 BOTHY MAINTENANCE COSTS		
5.1 Allocated by Projects	2001	
Invermallie	2,653	
Ben Alder Cottage	859	
Culra	523	
Kettleton Byre	572	
Greg's Hut	2,905	
Kershopehead	708	
Mosedale	1,595	
Nant Rhys	4,745	
Nant Syddion	2,163	
Other Minor Projects (nominally under £400)	5,674	
	<u>22,397</u>	
5.2 Allocated by class of expenditure	2001	2000
Materials Purchased	17,537	20,730
Hire of Equipment	1,504	1,303
Transport Costs	2,786	3,798
Other work party expenses	570	976
	<u>22,397</u>	<u>26,807</u>
Sundry tools & safety equipment	1,837	786
Project Administration	278	76
	<u>24,512</u>	<u>27,669</u>
5.3 Donations made in kind		

The following donations of materials for bothy maintenance are acknowledged:

Pedigree Masterfoods and MRS Ltd Materials & transport to an estimated value of £4,500 used for working parties at Nant Rhys and Nant Syddion.

Forest Enterprise (Keilder Forest District) Materials to an estimated value of £300 used on maintenance of Keilder Bothies.

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDING 31 MARCH 2001

6	FUND-RAISING ACTIVITIES	2001	2001	2000	2000
		Income	Expenditure	Income	Expenditure
	Calendars	1,174	839	892	1,208
	Christmas Cards	1,437	1,037	1,026	983
	Leisurewear & badges	718	567	527	665
		<u>3,329</u>	<u>2,443</u>	<u>2,445</u>	<u>2,856</u>

7	PUBLICATIONS AND PUBLICITY EXPENSES	2001	2000
	Annual report and Newsletters	3,819	4,429
	Volunteers Handbook	1,075	-
	Members Handbook	1,320	
	Distribution costs	3,966	3,397
		<u>10,180</u>	<u>7,826</u>
	Publicity leaflets & General Publicity	27	425
		<u>10,207</u>	<u>8,251</u>

8 MANAGEMENT AND ADMINISTRATION

8.1	Administrative costs	2001	2000
	Public Liability Insurance	679	623
	Trustees Indemnity Insurance	273	275
	Bank Charges	88	649
	Legal Fees	16	501
	Affiliation Fees	83	150
	Trustee Administration	1,769	1,899
	Staff Emoluments (Finance Officer)	4,480	1,600
	Membership & Gift Aid Administration	2,546	602
	General Meeting Expenses (net costs)	755	69
	Committee Expenses	105	426
	Area Organisers' Administration	751	604
	Health & Safety Training & Administration	1,020	701
	Depreciation	2,475	4,353
		<u>15,040</u>	<u>12,452</u>
	Audit of Financial Statements	2,198	1,216
		<u>17,238</u>	<u>13,668</u>

Note: Direct Debit fees moved from Bank Charges to Membership Administration

8.2 Trustee Administration

The Trustees incurred expenses as follows:

	2001	2000
Chairman	599	555
Director of Projects	-	121
General Secretary	147	74
Treasurer	45	106
Finance Officer	285	967
Referendum	335	
Calendars to owners	163	
Dent Working party	128	
Travelling/Sundry	67	76
	<u>1,769</u>	<u>1,899</u>

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDING 31 MARCH 2001

8.3 Staff Emoluments

The Association has employed the following members of staff on a regular basis throughout the year:

	Number	2001	2000
Full time	None	-	-
Part time - over 16 hours per week	None	-	-
Part time - under 16 hours per week	One	4,480	1,600

8.4 AGM Expenses

St Boswells 16 September and 21 October 2000

Room hire 16 September	150
Room hire 21 October	90
Notification of reconvened AGM	515
	<u>755</u>

9 SUNDRIES

Other income from sales of archive newsletters. Sundry expenses relate to the sales and disbursement of profit to Friends of Melgarve and Border Bothies Association.

10 TANGIBLE FIXED ASSETS

	Plant & Machinery	Office Equipment	Total
Cost			
At 1 April 2000	8,683	11,140	19,823
Additions	282	170	452
At 31 March 2001	<u>8,965</u>	<u>11,310</u>	<u>20,275</u>
Depreciation			
At 1 April 2000	4,722	9,325	14,047
Charge for year	1,403	1,072	2,475
At 31 March 2001	<u>6,125</u>	<u>10,397</u>	<u>16,522</u>
Net book value			
B/F at 1 April 2000	3,960	1,815	5,775
C/F at 31 March 2001	<u>2,840</u>	<u>913</u>	<u>3,753</u>

11 STOCKS

	2001	2000
Members Handbooks	1080	
Leisurewear		32
	<u>1080</u>	<u>32</u>

12 DEBTORS

	2001	2000
Income Tax recoverable	5,872	5,250
Prepayments	986	928
	<u>6,859</u>	<u>6,178</u>

13 ACCRUALS AND CREDITORS

	2001	2000
Accountancy	2,000	1,800
Printers: Members handbook & envelopes	2,497	
Telephone	19	
	<u>4,516</u>	<u>1,800</u>

NOTES TO FINANCIAL STATEMENTS FOR YEAR ENDING 31 MARCH 2001

14 RESTRICTED FUNDS

	Balance at 01-Apr-00	Movement in Resources		Balance at 31-Mar-01
		In-coming	Out-going	
Sutherland Memorial	1,029	39	1,068	-
Paul Bale Memorial Trust	557	21	578	-
Audrey Boorne Bequest	527	20	547	-
Chadwick Memorial Fund	1,120	41	1,161	-
Joe & Corri Brown Fund	-	1,242		1,242
ES Hodge Settlement	-	1,364		1,364
Leader II (Cumbria) Grant	-	476	476	-
Leader II (North Pennine) Grant	-	1,350	1,350	-
Dumfries & Galloway Grant	-	1,000	1,000	-
Ross Higgins Bequest	-	21,099		21,099
Donations in kind (see note 5.3)	-	4,800	4,800	-
	<u>3,233</u>	<u>31,452</u>	<u>10,980</u>	<u>23,705</u>

Note: 'In-coming' includes bank interest received.

The nature and purpose of these funds is as follows:

Sutherland Memorial	Maintenance of Uags Bothy and bothies near Munroes
Paul Bale Memorial Trust	Maintenance of Oban Bothy and bothies in Western Highlands
Audrey Boorne Bequest	Restoration and maintenance of bothies
Chadwick Memorial Fund	Renovation of An Cladach Bothy and other bothies
Joe & Corri Brown Fund	Renovation of Peanmeanach Bothy
ES Hodge Settlement	To be used at the Trustees discretion
Leader II (Cumbria) Grant	Renovation of Mosedale Cottage and Greg's Hut
Dumfries & Galloway Grant	Renovation of Brattleburn
Ross Higgins Bequest	To be used at the Trustees discretion

15 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Net Current Assets	Total
Sutherland Memorial	-	-	-
Paul Bale Memorial Trust	-	-	-
Audrey Boorne Bequest	-	-	-
Chadwick Memorial Fund	-	-	-
Joe & Corri Brown Fund		1,242	1,242
ES Hodge Settlement		1,364	1,364
Leader II (Cumbria) Grant		-	-
Dumfries & Galloway Grant		-	-
Ross Higgins Bequest		21,099	21,099
Total Restricted Funds		23,705	23,705
Unrestricted funds	<u>3,753</u>	<u>104,155</u>	<u>107,908</u>
Total Funds	<u>3,753</u>	<u>127,860</u>	<u>131,613</u>

16 ANALYSIS OF EXPENDITURE BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total Funds	
			2001	2000
Direct Charitable Expenditure				
Bothy maintenance	13,445	10,980	24,425	27,593
Work Party & Safety Awards	87		87	76
	<u>13,532</u>	<u>10,980</u>	<u>24,512</u>	<u>27,669</u>
Fund-raising, Publicity and Publications				
Calendars & Christmas Cards	1,876		1,876	2,191
Leisurewear	567		567	665
Annual Report & Newsletters	3,819		3,819	4,429
Other Publications	2,395		2,395	
Distribution Costs	3,966		3,966	3,397
Publicity leaflets & General Publicity	27		27	425
	<u>12,650</u>	<u>-</u>	<u>12,650</u>	<u>11,107</u>
Management & Administration				
Public Liability Insurance	679		679	623
Trustees Indemnity Insurance	273		273	275
Bank Charges	88		88	649
Legal Fees	16		16	501
Affiliation Fees	83		83	150
Trustee Administration	1,769		1,769	1,899
Staff Emoluments (Finance Officer)	4,480		4,480	1,600
Membership & Gift Aid	2,546		2,546	602
General Meeting Expenses (net costs)	755		755	69
Committee expenses	105		105	426
Area Organisers Administration	751		751	604
Safety Training & Admin	1,020		1,020	701
Depreciation	2,475		2,475	4,353
Audit fees	2,198		2,198	1,216
	<u>17,238</u>	<u>-</u>	<u>17,238</u>	<u>13,668</u>
Sundry	<u>48</u>	<u>-</u>	<u>48</u>	<u>-</u>

17 SHARE CAPITAL

The Mountain Bothies Association is a company limited by guarantee and consequently does not have a share capital. The liability of each member is limited to a maximum of £5.