

Mountain Bothies Association

(A company limited by guarantee)



Annual Report

Trustee's Report and Financial Statements
for the year ending 31st December 2014

A Scottish Charity, No. SC008685
Company Registration No.191425 (Scotland)

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MOUNTAIN BOTHIES ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2014

CHARITY INFORMATION

Name

The charity is called the Mountain Bothies Association, and is also known as the MBA.

Numbers

The charity's Scottish Charity Number is SC008685.

Company Registration Number SC191425.

Address

The address of the principal office of the charity is:

Mountain Bothies Association

C/o Henderson Black & Co

Chartered Accountants

Edenbank House

22 Crossgate

Cupar

Fife

KY15 5HW

Bank

The charity's bank is:

Bank of Scotland plc

2-6 Eastgate

Inverness

IV2 3NA

Auditor

The charity's auditor is:

Stables Thompson & Briscoe Ltd

Crickhollow, 1 Stainbank Green

Kendal

Cumbria

LA9 5RP

Trustees

The following have held office since 1 January 2014:

John Arnott

Liz Bibby

Simon Birch

Trevor Cotton from 18 October 2014

Jill Dhanjal to 18 October 2014

Roger Hammond

Andy Mayhew

Roger Muhl

Richard Spencer

Neil Stewart

Major office bearers

The following have held office since 1 January 2014:

Chairman	John Arnott to 18 October 2014 Simon Birch from 18 October 2014
Company Secretary	Richard Spencer
Director of Projects	Roger Hammond
General Secretary	Simon Birch to 12 February 2015 John Arnott from 12 February 2015
Treasurer	Jill Dhanjal to 30 June 2014 Piers Coutts from 1 July 2014

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The Governing Document and how the Association is constituted

The governing documents are the Articles and Memorandum of Association. The Association is a private company limited by guarantee, registered in Scotland, and is recognised by the Office of the Scottish Charity Regulator as a charity. We prepare fully accrued accounts, which are audited by a Registered Auditor in accordance with UK auditing standards.

The Organisational Structure of the Association

The nine Trustees of the Association are elected by the members. The management of the Association is vested in the Trustees, who are responsible for all financial activities, appointments of volunteer officers and matters of policy. The Trustees may approve any expenditure on behalf of the Association, provided that the annual expenditure committed on any one bothy or project may not exceed £20,000 without first being approved in principle at a General Meeting of the Association.

The approval of new projects and appointment of Maintenance Organisers is delegated to the Management Committee, which consists of volunteer officers of the Association together with elected members and delegates from the Maintenance Areas. Responsibility for the planning and implementation of work on bothies is devolved to nine Area Committees each led by its Area Organiser and consisting of the Maintenance Organisers and other active members in that geographical area. Each Area is allocated an annual budget managed by its Area Organiser for the maintenance of its bothies.

Relationships to other Bodies

The MBA is independent of all other bodies.

The Aim of the Association:

To maintain simple shelters in remote country for the use and benefit of all who love wild and lonely places.

What the Association does:

Scattered throughout the wilder parts of Scotland, England and Wales are old shepherds' cottages, huts and similar buildings many of which in the normal course of events might be allowed to fall derelict. Over the years, often with the tacit consent of the owners, these buildings have provided overnight shelter for walkers and other outdoor enthusiasts. The Mountain Bothies Association was founded in 1965 to organise the restoration and maintenance of these shelters.

The Association obtains the owners' permission to maintain these bothies and to make them available as open shelters for anyone to use. Its members have no priority of use and the buildings are left unlocked and may be used without charge by all who require shelter. Whilst the MBA pays for the materials and tools for the renovations, all the work is undertaken by its members on a voluntary basis.

Bothies renovated by the Association are normally existing structures. As a minimum standard, the building is rendered structurally safe to provide a windproof and watertight shelter. A bothy would not normally be connected to the public utilities, and any amenities provided would be of a very basic standard. In locations where there is an appreciable fire hazard, or limited fuel, existing fireplaces may be replaced by a stove. Factors which may be taken into account in selecting a building for renovation include:

- the likely demand for shelter in the area concerned
- the environmental impact
- the existence of other forms of shelter in the vicinity
- the suitability of the site for use as an overnight base or emergency shelter
- accessibility from the highway and the likelihood of vandalism
- the nature of any restrictions imposed by the landowner on the use of the shelter
- the extent and cost of the renovations required and a value for money judgement

Where the Association maintains a bothy, and its use is affected by, or likely to affect the land surrounding the bothy, the Association may maintain or otherwise improve the land in the immediate vicinity of the bothy. Such work may include:

- repairs and improvements to drainage
- repairs and improvements to access paths including to existing bridges and stiles
- prevention of land erosion where this might undermine the building's foundations
- tree planting (where possible using trees of local stock)
- the removal of litter and provision for hygienic disposal of human waste

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The Association believes it has a duty to care for the quality of the experience enjoyed by those who visit bothies, and to ensure that all who are involved in outdoor recreation understand the fragile nature of this resource, and the impact their behaviour can have on the bothy and its environment. The 'Bothy Code' is central to the Association's educational activities in promoting responsible behaviour among all who use bothies. Members' newsletters, our website and the briefing of volunteers at work parties are the principal methods of delivery of expected social and environmental standards.

In addition to the main activity of renovation and maintenance of bothies, the Association may provide funding to other properly constituted organisations, which share similar aims to the Association, for the maintenance of shelters available to the public.

Recruitment and appointment of Trustees

There are nine Trustees. Members of the Association can be nominated for election as Trustee by other members of the Association. Trustees are elected for three year terms of office, so each year prior to the Annual General Meeting a postal ballot of all members is held in order to replace the three Trustees whose terms of office are due to expire. No external bodies are entitled to appoint Trustees of the MBA. The Trustees may at any time co-opt any persons duly qualified to be appointed as Trustees to fill a vacancy in their number or as additional Trustees, particularly to ensure coverage of the necessary skills and experience for governance of the Association. A co-opted Trustee holds office only until the next AGM. The Association recognises the importance of training both for new Trustees and those holding office. All newly appointed Trustees are issued with a 'Trustees Pack'.

Trustees are also directed to our website as an important source of information. In addition, newly appointed Trustees are provided with such personal guidance as may be appropriate, taking into account the individual's service and experience within the Association, by Chairman, Company Secretary and General Secretary. All Trustees are given updates and training on all aspects of their responsibilities as required including charity legislation and regulation, health and safety, media relations and legislation pertinent to the function and governance of the charity. Delivery of training is through specific training events, meetings of Trustees, post and email.

Achievements and performance during the reporting period

If a single event stands out in 2014 to evidence the fact that the MBA is in extremely "good heart" it is the fact that (unlike many charities) we had contested elections at three levels. Quite remarkable. During the year we delivered a substantial amount of bothy maintenance, opened one bothy, agreed to take on two more, whilst maintaining strong working relationships with all landowners. The MBA is a volunteer run organisation and large numbers have been involved in working parties and in running the Association. Finances continue to be healthy.

Elections as evidence of the vitality of the MBA

It was remarkable that 2014 saw contested elections in the MBA - for election as Chairman, as Trustees and as members of the Management Committee. Overseen by the Electoral Reform Society the elections generated lively debate and provided strong evidence that the organisation is in very good heart as it enters its 50th year of operation. Isn't it brilliant that so many members are putting themselves forward to be actively involved in the management of the MBA? Thanks to Roderick Manson, our Returning Officer, for delivering such an efficient operation.

The election results were announced at the Annual General Meeting which was held at Garrigill in October 2014. There were 55 voting members taking part. At present the village does not have an open pub and caterers provided the evening meal, paid for by an anonymous member in appreciation of the way the MBA operates! This generosity was much appreciated. Simon Birch was elected as Chairman for the year until the AGM in 2015, whilst Roger Muhl, Neil Stewart and Trevor Cotton were elected as Trustees to serve for a period of three years until the AGM in 2017. In addition five members were elected to the Management Committee – Margaret Dickson, David Houldershaw, Danny Rafferty, Jinty Smart and Steve Smyth.

The contribution of landowners

In general the work of the Association continues to be a success - we are achieving our objective in maintaining simple shelters in remote country for the use and benefit of all who love wild and lonely places. We currently look after 99 open bothies, having taken on the maintenance of one new bothy, Dubs Hut, during the year. We have agreed plans to take on the maintenance of 2 more new bothies in 2014 – Cae Amos and Flittingford. In addition we are working up plans for the new bothy at Dalavil. We continue to be supported by the owners of these bothies and are very grateful to them for their co-operation and generosity without which we would not exist.

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The contribution of volunteers

During 2014 there were 113 work parties taking place at 59 of our bothies, quite an astonishing contribution by wholly unpaid volunteers. The average length of each work party was 3 days – the longest was 33 days at Uisinis. The work parties were attended by a total of 396 people, putting in 1152 volunteer days of work - an average of 3 days per person. 61 of the 184 individual volunteers who attended work parties in 2014 had not been recorded on volunteer registers before – a third of the work party volunteers were new to the experience!

As well as all our maintenance work being delivered by volunteers, so is all our decision-making and management. In total we had just over 3,500 members by the end of 2014. All our funds come from our members and donors. However the importance of organising finance and member services to a high standard means that the Association continues to pay accountants Henderson Black & Co for these activities.

Communicating with our volunteers and with the general public

Interest in the Association and in the bothies that we maintain continues to grow. We receive a greater number of enquiries from both individuals and the media than ever before. Most of these come through our website- www.mountainbothies.org.uk- which we intend to upgrade during 2015. The website also serves as an important communication tool with our members as well as providing them with the facility to renew their membership on line. The number of members who opted to receive our Newsletter and Annual Report on line also increased during the year, resulting in further savings in postage and stationery costs. We believe that the Association has an important role to play in ensuring that the public are correctly informed about bothies and their use and about their contribution to outdoor pursuits. We have therefore continued to develop positive relations with the media, issuing a number of News Releases throughout the year and responding to enquiries.

We look forward to much increased media and communication activity in 2015 - our 50th Anniversary year. As a first step towards marking that important milestone in Association history, we published, in October 2014, an anniversary book, Mountain Bothies, Celebrating 50 Years of the MBA.

Overview of maintenance achievements

During 2014 the Association undertook a significant amount of bothy maintenance – very much our core work. As already noted there were 113 work parties at 59 bothies and only a small sample are highlighted here.

In the Northern Highlands four bothies have been improved - Schoolhouse, Shenavall, Strathan and Strathcailleach. There is often a struggle to attract volunteers to work at these remote bothies so it is usually the same small team that do the work. Uisinis must go down as the longest and wettest work party that we have ever had, 33 days. This would have been a disaster had not Bernie Prior and Danny Rafferty stuck at it and got the job done. The Lookout windows have suffered weather problems exposed as they are 117 metres up on top of Meall Tuath and continue to require work.

Gleann Dubh Lìghe has now been restored with the support of the Estate and with the hard work of volunteers, including new MO Denise Veizsova who is maintaining the wonderful ambience. Glen Pean now sports new sash windows, only possible with the help of the owners, the Bothy Trust who donated a significant amount towards the project. Sourlies has been reroofed with the same type of material that was used over twenty years ago, hopefully with a similar life span.

Jim Ross and his team have been very busy through out their area carrying out work on nine of their fourteen bothies, a sterling effort from all those involved. Culra bothy continues to present difficulties. Originally we planned to reroof the bothy but asbestos was found within the roof space and walls which resulted in the bothy being temporarily closed. We are working closely with the Estate to resolve this problem and hopefully we will soon be able to report a positive outcome.

We are extremely grateful to the volunteers who service the toilet at Corrou, venturing out on a regular basis to change the toilet bags and stack them to dry. Not only do they service the toilet but they also move the bagged toilet waste to the waste disposal site in Aberdeen. What exceptional volunteering!

Dryfehead is finally finished due to Rab McMurdo and his small team of helpers who have persevered over two years to complete this project. Dubs Hut has been the subject of a clean up and has been brought into use whilst Keb House, a possible new bothy, has been placed in abeyance pending further investigations. Wales acquired an eighth bothy with the opening of Lliest Cwm Bach, an excellent effort by all involved. Maintaining volunteers competences to enable them to do the work on the Bothies is an ongoing task, Liz Bibby, our training officer, has worked hard ensuring that all those needing training in first aid, fall restraint and lime mortar are up to speed and can work safely. In addition our Standards Group meets regularly to

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provide much needed research in order to guide and advise the Director of Projects and Area Organisers to ensure that all maintenance work is undertaken to the highest standards and meets all legal requirements.

Financial Review

It is pleasing to report that the Association came close to balancing the books in 2014, ending the year just on the right side, with a surplus of £733. This situation depended as always on the generosity of our many donors, without whose gifts we would be reporting a substantial deficit.

Income in 2014 was £112,119 whereas last year it was £158,866. However 2013 was boosted by two significant legacies, which together provided over £50,000, and if you remove this unusual element, income has remained fairly constant over the last three years. Income from membership subscriptions was almost identical to 2013, at £57,305, while members' donations over and above their subscriptions increased slightly to £13,032. The Association has also received donations totalling £22,091 from sources other than members, including support from hill-walking and climbing clubs, bothy owners, a large company and many personal donors. Most poignant were the gifts in memory of family or friends who had died, often accompanied by comments such as: 'He was never happier than when in the hills, and was grateful for the shelter of a bothy when overtaken by the weather. I can't think of a better way to commemorate him.' We have also received a large number of smaller donations, both from the UK and further afield, from those who have visited bothies and wish to put something back 'into the pot'. It's encouraging to be reminded how much, and by how many people, the work of the MBA is appreciated. Static income over recent years does highlight the fact that subscription rates have not changed since 2007, and if inflation since then was applied to the standard rate of £20, it should now be nearer £25. This issue will be discussed in the spring 2015 Newsletter, and Trustees will welcome feedback from members on the question.

The total spending in 2014 was £111,386, £10,000 lower than in 2013. As well as maintenance costs, this also includes printing and postage of the Newsletter and Annual Report; administration, banking and accountancy services; meetings and governance; and training on safety equipment and techniques. One additional item this year was the publication of the Anniversary Book, but sales have been strong and this venture is already well on the way to breaking even. £44,184 was spent on renovation and maintenance of bothies, including purchase and transport of materials, tools, scaffolding and safety equipment. What should also be borne in mind is all the work done by volunteers, without whom none of this could be achieved; if the value of all their time were to be included the total cost of bothy maintenance would be many times higher. The total funds and net assets at 31 December 2014 were £228,191. Of this sum, £2,374 is in funds whose use is restricted in some way, £60,000 is allocated as 'self-insurance' against major fire or storm damage, and £50,000 is set aside by Trustees as a prudent allocation against a potential major fall in income. Thus about £105,000 is available to be spent on general maintenance and other costs; this would cover for three years the operating deficits which would exist if the Association ceased to receive income from gifts and legacies.

Plans for future years

MBA Trustees have the prime objective of ensuring the ongoing maintenance of their current bothies. Any proposals for additional bothies will be evaluated and new bothies taken into maintenance if considered appropriate. We will continue to consider how we might raise additional funds for specific projects. We have no plans to change the structure of the Association or to move away from our reliance on volunteers. We will continue with our on-going programme of reviews of both our standing orders and of our forms to ensure best governance and efficient operation.

Risks and reserves

The Trustees have identified three key risks to which the Association may be exposed:

Income shortfall – we depend on members' subscriptions, donations and legacies to pay for materials for bothy maintenance and renovation and for the administration of the Association. In order to mitigate the effect of unexpected income shortfall, we aim to carry a reserve equivalent to 6 months expenditure, £50,000.

Risks to MBA volunteers and to the users of our bothies – we have developed robust systems to ensure the highest possible levels of safety at work parties, and we provide training for volunteers engaged in MBA activities. All renovation and maintenance is carried out with due regard to current legislation in respect of building work, fire risk, and health & safety in order to prevent accidents to volunteers and bothy users. In addition, the Association carries public liability insurance of £5 million.

Storm or fire damage to bothies – most of the owners of the bothies the Association maintains require the buildings to be insured, or at least require that we reinstate the building to their original condition in the event of storm or fire damage. We have reviewed the potential cost of insurance compared with the likely cost of

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reinstatement, taking into account the types of building, the use of volunteer labour and past history of fire and storm damage events and have concluded that self-insurance is the most cost effective option. At current costs and risks, we aim to hold a reserve of £60,000 for self-insurance.

Deficit

The MBA does not have a deficit.

Donated facilities and services

By permission of the Forestry Commission the MBA has the use of a locked store in the Kielder Forest for the storage of equipment.

Statement of Trustees' responsibilities

The Trustees (who are also directors of the Mountain Bothies Association for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing those statements the Trustees are required to:

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Acts 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

Statement of disclosure to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed by order of the Trustees, as agreed on 22 March 2015

Simon Birch
(Chairman)

MOUNTAIN BOTHIES ASSOCIATION (A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF MOUNTAIN BOTHIES ASSOCIATION

We have audited the financial statements of Mountain Bothies Association for the year ended 31st December 2014 which comprise the Statement of Financial Activities and the Income and Expenditure Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2014, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and

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INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF MOUNTAIN BOTHIES ASSOCIATION

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report .

.....
Helen Holmes BSc FCA Senior Statutory Auditor
For and on behalf of Stables Thompson & Briscoe, Statutory Auditor

Lowther House
Lowther Street
Kendal
Cumbria
LA9 4DX

Stables Thompson & Briscoe is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

MOUNTAIN BOTHIES ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES AND
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

		Unrestricted Funds 2014	Restricted Funds 2014	Total funds 2014	Total funds 2013
	Notes	£	£	£	£
INCOMING RESOURCES:					
From generated funds					
Voluntary income					
Membership fees and donations		78,773	-	78,773	79,613
Donations and gifts		21,428	663	22,091	71,027
Investment income					
Bank interest		1,656	39	1,695	3,618
From charitable activities		9,506	-	9,506	4,601
Other incoming resources					
Other interest received		54	-	54	7
Total incoming resources	12	111,417	702	112,119	158,866
RESOURCES EXPENDED:					
Costs of generating voluntary income		10,314	-	10,314	9,797
Charitable activities					
Direct charitable expenditure		56,511	6,865	63,376	79,856
Other charitable expenditure		25,765	-	25,765	24,572
Governance		11,931	-	11,931	7,161
Total resources expended	12	104,521	6,865	111,386	121,386
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS					
SURPLUS (DEFICIT) FOR THE YEAR		6,896	(6,163)	733	37,480
FUND TRANSFERS		-	-	-	-
NET MOVEMENT IN FUNDS		6,896	(6,163)	733	37,480
TOTAL FUNDS BROUGHT FORWARD					
AT 1 January 2014		218,921	8,537	227,458	189,978
TOTAL FUNDS CARRIED FORWARD					
AT 31 December 2014		225,817	2,374	228,191	227,458
REPRESENTED BY:					
Fixed assets		8,589	-	8,589	6,841
Current assets		225,314	2,374	227,688	230,754
Current liabilities		(8,086)	-	(8,086)	(10,137)
		225,817	2,374	228,191	227,458

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

MOUNTAIN BOTHIES ASSOCIATION
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BALANCE SHEET
AS AT 31 DECEMBER 2014

	Notes	2014 £	£	2013 £	£
Fixed assets					
Tangible assets	6		8,589		6,841
Current assets					
Stocks		3,167		-	
Debtors	7	15,431		18,011	
Investments – fixed term bank deposit	8	130,000		130,000	
Cash at bank and in hand		79,090		82,743	
		<u>227,688</u>		<u>230,754</u>	
Liabilities					
Creditors: amounts falling due within one year	9	<u>(8,086)</u>		<u>(10,137)</u>	
Net current assets			219,602		220,617
Total assets less current liabilities			<u>228,191</u>		<u>227,458</u>
Capital and reserves					
Restricted funds	4		2,374		8,537
Unrestricted funds			225,817		218,921
Members' funds - equity interests			<u>228,191</u>		<u>227,458</u>

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

These financial statements were approved by the Board on 22 March 2015

S Birch (Chairman)

P Coutts (Treasurer)

Company Registration No. SC191425 (Scotland)

MOUNTAIN BOTHIES ASSOCIATION
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BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention, modified to include donated assets at market value, and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities, applicable accounting standards and the Companies Act 2006.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

Restricted funds

Funds treated as 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. Unrestricted funds consist of funds which the charity may use for its purpose at its discretion.

1.2 Incoming resources and resources expended

(a) Subscriptions from new members and life members are recognised when received and the renewal of subscriptions of existing members are recognised in the accounting period to which they relate.

(b) Gift Aid donations, together with the associated income tax are recognised as income when the donation is received.

(c) Legacies are included in income when receivable.

(d) Grants are credited to income upon entitlement.

(e) Resources expended are recognised in the period in which they are incurred. The company is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT. Governance costs consist of general running expenses including those related to statutory requirements. This includes trustee meetings, elections costs and statutory accounts preparation and audit.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets include land and buildings valued at market value. Tangible fixed assets, other than land and buildings, are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Bothy maintenance plant and equipment	25% per annum on a straight line basis
Office equipment	25% per annum on a straight line basis

No depreciation is provided in respect of buildings, which are expected to be maintained in such a condition and the useful life is expected to be so great as to make any charges immaterial.

Maintenance and improvement of bothies

The company does not own the majority of bothies it maintains. Expenditure on small tools costing less than £100, maintenance and improvements to bothies is written off to the Income and Expenditure account as and when incurred. Items 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.

1.4 Investments

Current asset investments are stated at the lower of cost and net realisable value.

1.5 Stock

Stock is valued at the lower of cost and net realisable value.

MOUNTAIN BOTHIES ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2014

2	Resources expended	2014	2013
		£	£
	Resources expended include:		
	Depreciation of tangible assets	2,264	2,816
	Loss on disposal of tangible assets	199	4
	Bothy rent	100	100
	Auditors' remuneration	2,260	2,100
	Trustees expenses - paid to 6 trustees (2013: 6) for travel, subsistence, post, stationery and telephone	2,540	2,038
	Trustees indemnity insurance	265	545
	(No remuneration was paid to trustees)		
	There were no employees during the year		
		<u> </u>	<u> </u>
3	Trustees expenses	2014	2013
		£	£
	Chairman	199	-
	Director of projects	455	520
	General secretary	613	564
	Treasurer	149	188
	Company secretary	-	-
	Other trustees	1,124	766
		<u> </u>	<u> </u>
		2,540	2,038
		<u> </u>	<u> </u>

MOUNTAIN BOTHIES ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2014

4 Restricted funds

	Balance at 1 January 2014 £	Movement in reserves Incoming Outgoing £ £		Balance at 31 December 2014 £
Andrew Jenson Memorial	511	27	71	467
Donald Wood	75	-	75	-
David Brown	1,369	6	693	682
Nicholas Randall	6,187	29	5,066	1,150
Alan Galt	370	2	372	-
Alan Stewart	25	-	25	-
Yarm School	-	70	70	-
Lookout Bothy	-	93	93	-
Tony Camerford	-	25	-	25
Simon J Harris	-	50	-	50
Michael Bostelman	-	400	400	-
	8,537	702	6,865	2,374

The nature and purpose of these funds is as follows:

Andrew Jenson Memorial Fund - For the upkeep of Gameshope Bothy, failing which the upkeep of other bothies. (2014 allocation, £71 for Gameshope).

Donald Wood - For Gregs Hut Bothy in Northern England & Borders area. (2014 allocation, £75 to Greg's Hut).

David Brown - To be spent on the Lookout in North West Highlands & Islands area, and thereafter available for any bothy (2014 allocation, £693 to Lookout).

Nicholas Randall - To be spent on bothy maintenance subject to consultation with the donors. (2014 allocation, £5,066 to Gleann Dubh-Lighe).

Alan Galt - Donated for use on the refurbishment of the Shenavall, Glencoul, Glendhu, Suileag, Strathan and Strathcailleach bothies. (2014 allocation, £372 to Shenavall).

Alan Stewart - Donated for use on the refurbishment of the Culra bothy. (2014 allocation, £25).

Yarm School - For the upkeep of Craig bothy. (2014 allocation, £70).

Lookout Bothy - Donations collected at the Bothy for general upkeep of the Lookout Bothy. (2014 allocation, £93).

Tony Camerford - Payment/donation for the window repair of Ruigh Aiteachain Bothy.

Simon J Harris - Donated for use at Nant Rhys Bothy.

Michael Bostelman - Donated for use at Dryfehead Bothy. (2014 allocation, £400).

5 Taxation

The company is a registered charity and, as such, is exempt from taxation on any surplus.

MOUNTAIN BOTHIES ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2014

6 Tangible fixed assets

	Land and buildings	Bothy maintenance plant and equipment	Office equipment	Total
	£	£	£	£
Cost				
At 1 January 2014	3,040	22,600	421	26,061
Additions	-	4,211	-	4,211
Disposals	-	(657)	-	(657)
At 31 December 2014	3,040	26,154	421	29,615
Depreciation				
At 1 January 2014	-	19,028	192	19,220
On disposals	-	(458)	-	(458)
Charge for the year	-	2,156	108	2,264
At 31 December 2014	-	20,726	300	21,026
Net book value				
At 31 December 2014	3,040	5,428	121	8,589
At 31 December 2013	3,040	3,572	229	6,841

7 Debtors

	2014	2013
	£	£
Trade debtors	5,867	7,031
Other taxes - Gift aid	8,436	9,906
Prepayments	1,128	1,074
	15,431	18,011

8 Current asset investments

	2014	2013
	£	£
Fixed term bank deposit	130,000	130,000

MOUNTAIN BOTHIES ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2014

9 Creditors: amounts falling due within one year	2014	2013
	£	£
Trade creditors	1,217	3,203
Deferred income	2,960	3,170
Accruals	3,909	3,764
	<u>8,086</u>	<u>10,137</u>

10 Financial commitments

Written agreements exist for some bothies, whereby the rent shall not exceed £1, payable only if required. Historically landlords have not collected the £1 rents and no landlords requested payment during the year.

The Association has an agreement for the use of Lluest Cwmbach Bothy. The rent is £100 per annum and the agreement may be brought to an end in less than twelve months by either party.

11 Related party relationships and transactions

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.

12 Allocation of costs

	Cost of generating voluntary income	Charitable activities	Governance costs	Total 2014	Total 2013
	£	£	£	£	£
Trustees post, stationery and telephone expenses	-	259	175	434	325
Trustees travel and subsistence expenses	-	1,185	921	2,106	1,713
Non trustee post, stationery and telephone	-	48	-	48	55
Non trustee travel and subsistence expenses	-	2,864	232	3,096	2,781
Meeting expenses - hall hire etc	-	1,274	1,214	2,488	1,685
Finance and members administration	8,487	10,393	1,267	20,147	19,613
Website costs	34	309	-	343	551

Trustees post, stationery and telephone expenses have been allocated on the basis of usage.

Trustees travel, subsistence and meeting expenses have been allocated on the basis of the purpose of the meeting.

Finance and members administration has been allocated on the basis of time spent in the administration of each activity.

Website costs have been allocated on the basis of page contents.

MOUNTAIN BOTHIES ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

13 Detailed statement of financial activities

		2014	2013
	£	£	£
INCOMING RESOURCES:			
Voluntary income			
Members annual subscriptions	57,305	57,285	
Members donations	13,032	12,422	
Tax recovered on Gift Aid donations	8,436	9,906	
		78,773	79,613
Donations and gifts			
Donations and gifts	22,091	71,027	
		22,091	71,027
Investment income			
Bank interest		1,695	3,618
Income from charitable activities			
Calendars	2,931	2,270	
Christmas cards	2,475	2,299	
Leisurewear and badges	40	32	
Anniversary book	4,060	-	
		9,506	4,601
Other incoming resources			
Other interest		54	7
Total incoming resources		112,119	158,866
RESOURCES EXPENDED:			
Costs of generating voluntary income			
Finance and members administration	8,487	8,294	
Bank and paypal charges	1,202	882	
Direct debit bureau	591	566	
Website costs	34	55	
		10,314	9,797

MOUNTAIN BOTHIES ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

13 Detailed statement of financial activities

(Continued)

		2014	2013
	£	£	£
Charitable activities			
Direct charitable expenditure			
Bothy maintenance, including area meetings	40,064	56,394	
Bothy rent	100	100	
Bothy insurance	73	5	
Trustees post, stationery and telephone expenses	259	230	
Non Trustees post, stationery and telephone expenses	48	55	
Trustee travel and subsistence expenses	1,006	784	
Meeting expenses - non trustee travel	2,864	2,781	
Meeting expenses - hall hire etc	1,274	761	
Public liability insurance	983	1,399	
Training and Health and Safety	3,922	4,474	
Affiliation fees	130	160	
Finance and members administration	10,190	9,893	
Depreciation	2,264	2,816	
Loss on disposal of fixed assets	199	4	
		63,376	79,856
Other charitable expenses			
Website costs	309	496	
Bothy notes publication	-	53	
Newsletters	9,736	9,964	
Distribution costs	9,943	10,027	
Calendars	1,822	1,969	
Christmas cards	1,888	1,846	
Anniversary book	1,369	-	
Anniversary book P&P	475	-	
Finance and members administration	203	197	
Exhibitions	20	20	
		25,765	24,572
Governance			
Annual report	1,544	1,522	
Trustees post, stationery and telephone expenses	175	95	
Trustee travel and subsistence expenses	921	746	
Non trustee travel and subsistence expenses	232	-	
Meeting expenses - hall hire etc	1,214	924	
Trustees indemnity insurance	265	545	
Election expenses	4,053	-	
Finance and members administration	1,267	1,229	
Auditors' fees	2,260	2,100	
		11,931	7,161
Total resources expended		111,386	121,386
SURPLUS/(DEFICIT)		733	37,480

MOUNTAIN BOTHIES ASSOCIATION
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

14 Bothy maintenance costs

	2014	2013
	£	£
Bothies where expenditure is over £400		
North Highlands		
Schoolhouse	420	-
Shenavall	566	1,905
Strabeg	-	558
Strathan	-	580
Suileag	-	2,093
North West Highlands and Islands		
Bearnais	471	-
Camasunary	3,000	-
Lookout	786	-
Uags	-	3,320
Uisinis	4,193	1,547
Western Highlands and Islands		
Gleann Dubh-lighe	5,066	11,667
Glenpean	794	-
Kinbreak	-	3,953
Sourlies	742	-
South West Highlands and Islands		
An Cladach	3,224	-
Essan	-	771
Mark Cottage	711	-
Peanmeanach	807	-
Rowchoish	-	768
Central Highlands		
Culra	1,109	-
Lairig Leacach	-	424
Eastern Highlands		
Allt Scheicheachan	517	-
Corrour	668	-
Faindouran	-	444
Tarf Hotel	-	2,906
Southern Scotland		
Dryfehead	1,137	2,537
Kettleton Byre	530	-
Over Phawhope	2,305	-
Tunskeen	-	1,086
Northern England and Borders		
Keb House	-	515
Kershopehead	605	-
Wales		
Cae Amos	1,258	-
Lluest Cwm Bach	-	2,560
Nant Rhys	-	5,399
Other bothies		
where expenditure is under £400 - total	11,155	13,361
	40,064	56,394