

Registered Number: 2874177

**Report of the Directors and
Audited Financial Statements for the Year Ended 31 December 2018
for
British Mountaineering Council
A Private Company Limited by Guarantee**

British Mountaineering Council
A Private Company Limited by Guarantee

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for the Year Ended 31 December 2018

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British Mountaineering Council
A Private Company Limited by Guarantee

Company Information
for the Year Ended 31 December 2018

DIRECTORS:	G Pierce (Chair) E Flaherty S McCalla M Bradbury R Fanner W Kilner R Payne G Richmond L Robinson A Parshall J Roberts D Turnbull
SECRETARY:	D Turnbull
REGISTERED OFFICE:	177-179 Burton Road Manchester M20 2BB
REGISTERED NUMBER:	2874177 (England and Wales)
AUDITORS:	DonnellyBentley Limited Statutory Auditor Chartered Accountants 70 Chorley New Road Bolton Lancashire BL1 4BY

British Mountaineering Council
A Private Company Limited by Guarantee

Report of the Directors
for the Year Ended 31 December 2018

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review continued to be to act as the representative body for the sport of climbing, mountaineering (including ski-mountaineering) and hill walking.

DIRECTORS

The directors who served during the year were as follows:

N Kurth (resigned 16/06/18)	R Payne
E Flaherty	G Richmond
S McCalla	L Robinson
M Bradbury	G Pierce (appointed 21/11/18)
R Fanner	J Roberts (appointed 16/06/18)
W Kilner	D Turnbull (appointed 20/07/18)
A Parshall (appointed 11/01/18, resigned 22/03/18, appointed 16/06/18)	

During the year the company held a qualifying third party indemnity provision for the benefit of the directors.

CHARITABLE DONATIONS

£29,230 was donated to Mountain Heritage Trust in the year.

£1,105 was donated to BMC Access and Conservation Trust in the year.

£1,000 was donated to Climbers Against Cancer.

£1,000 was donated to The Climate Coalition.

STRUCTURE GOVERNANCE AND MANAGEMENT

British Mountaineering Council is a company limited by guarantee and is governed by its Memorandum of Association.

It is a non profit making members body, and its directors are also volunteers. The company has been incorporated without share capital as it is limited by guarantee to a maximum of £1 by each of its members.

In the event of winding up, any surplus cannot be distributed to its members but has to be transferred to a recreational or sporting institution registered in Great Britain with objects similar to those of the company and which shall also prohibit any distribution to its members.

The company is currently in the process of an Organisational Review, which will require revised Articles of Association to be presented to the members in General Meeting. Full details are available at www.thebmc.co.uk.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 of the profit or loss of the company for that period. In preparing these 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.

British Mountaineering Council
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Report of the Directors
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.

DISCLOSURE OF INFORMATION TO THE AUDITORS

We, the directors of the company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

AUDITOR

The auditor, Angela Donohoe and her firm DonnellyBentley Limited, Statutory Auditor, Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
D Turnbull - Secretary

19 February 2019

Report of the Independent Auditors to the Members of British Mountaineering Council

Opinion

We have audited the financial statements of British Mountaineering Council (the 'company') for the year ended 31 December 2018 which comprise Income and Expenditure Account, the Balance Sheet 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 the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018, and of its surplus for the year 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 opinion

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 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.

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.

Report of the Independent Auditors to the Members of British Mountaineering Council

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 our 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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.

Report of the Independent Auditors to the Members of British Mountaineering Council

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Angela Donohoe FCA (Senior Statutory Auditor)
for and on behalf of DonnellyBentley Limited
Statutory Auditor
Chartered Accountants
70 Chorley New Road
Bolton
BL1 4BY

19 February 2019

British Mountaineering Council
A Private Company Limited by Guarantee

Income and Expenditure Account
for the Year Ended 31 December 2018

	Notes	2018 £	2017 £
Income			
Membership subscriptions	2	1,916,004	1,823,160
Sports England Grants	3	202,355	318,814
Surplus from Insurance scheme		416,202	302,012
Surplus from Magazines	4	9,428	6,386
Surplus from Guidebook sales	5	19,632	10,014
Other publications	6	1,260	9,051
Income from DVDs	7	1,682	761
Income from Maps	8	2,205	15
Sundry Income	9	127,031	75,719
Release of Grants	17	2,136	2,136
Bank Interest and royalties		8,711	7,945
Administration Fees (MTE)		25,715	24,881
Other income re Specialist Programmes		174,743	168,056
		<u>2,907,104</u>	<u>2,748,950</u>
Expenditure			
Salaries and Personnel	10	1,221,272	1,195,562
Office Accommodation and Costs		199,739	183,125
General administrative expenses	11	226,250	227,250
Finance, Consultancy and Bank Charges		126,477	96,437
Marketing and Publicity		61,220	78,858
Summit Magazine		185,671	172,742
Personal Accident and Civil Liability Insurance		185,741	264,151
AGM, Area meetings and Events		140,773	98,249
Cost of Specialist Programmes	12	478,909	532,310
		<u>2,826,052</u>	<u>2,848,684</u>
Surplus/(Deficit) on ordinary activities before taxation		81,052	(99,734)
Corporation Tax		-	-
Surplus/(Deficit) on ordinary activities after taxation		<u>81,052</u>	<u>(99,734)</u>
Retained surplus/(deficit) for the financial year	18	<u>81,052</u>	<u>(99,734)</u>

The notes form part of these financial statements

British Mountaineering Council
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Balance Sheet
31 December 2018

	Notes	2018		2017	
		£	£	£	£
Fixed Assets					
Tangible assets	13		435,786		479,600
Investments	20		<u>4</u>		<u>4</u>
			435,790		479,604
Current Assets					
Stocks		61,316		65,980	
Debtors	14	282,339		315,462	
Cash at bank and in hand		<u>1,692,855</u>		<u>1,395,215</u>	
		2,036,510		1,776,657	
Creditors: falling due within one year	15	<u>(1,242,519)</u>		<u>(1,105,396)</u>	
Net Current Assets			<u>793,991</u>		<u>671,261</u>
Total Assets Less Current Liabilities			1,229,781		1,150,865
Deferred Income	16		(50,046)		(52,182)
Total Assets Less Total Liabilities			<u><u>1,179,735</u></u>		<u><u>1,098,683</u></u>
Capital and Reserves					
Accumulated fund	18		1,179,735		1,098,683
			<u><u>1,179,735</u></u>		<u><u>1,098,683</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the provisions of FRS 102 Section 1A – small entities.

The financial statements were approved by the Board of Directors and were signed on its behalf by:



.....
L Robinson – Director

19 February 2019

The notes form part of these financial statements

British Mountaineering Council
A Private Company Limited by Guarantee

Notes to the Financial Statements
for the Year Ended 31 December 2018

ACCOUNTING POLICIES

General information

British Mountaineering Council is a company limited by guarantee incorporated in England within the United Kingdom. The address of the registered office is 177-179 Burton Road, Manchester, M20 2BB.

The financial statements are presented in sterling which is the functional currency of the company.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. There were no material departures from that standard. The financial statements have been prepared under the historical cost convention.

Income

Income represents the value of goods and services, both invoiced and on a receipts basis supplied by the company, net of value added tax and trade discounts.

The policies adopted for the recognition of turnover are as follows:

Membership fees

The separate annual subscription fee is recognised as revenue when no significant uncertainty about its collectability exists which is usually on payment.

Insurance income

Insurance income is recognised on the date of receipt of monies from the customer. Alterations in brokerage arising from additional premiums and adjustments are taken into account when they occur.

Sale of goods

Turnover from the sale of items such as maps, guidebooks and DVDs is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on payment.

Grant income

The Sports Council grant is credited to the income and expenditure account on a time apportioned basis; other grants are credited to the income and expenditure account as the relevant expenditure is recognised.

Interest and dividends receivable

Interest income is recognised using the effective interest method and dividend income is recognised as the club's right to receive payment is established.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

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Notes to the Financial Statements
for the Year Ended 31 December 2018

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Land and Buildings:	
Freehold property	2% straight line (50 years)
Improvements to freehold property	10% straight line
Plant and Machinery:	
Computer equipment	33.33% straight line
Hut equipment	25% straight line
Competition equipment	20% straight line
Fixtures and fittings	20% reducing balance
Leasehold Improvements	1.96% straight line (50 years)

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Tax

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the income and expenditure account as they become payable in accordance with the rules of the scheme.

Preparation of consolidated financial statements

The financial statements contain information about British Mountaineering Council as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

British Mountaineering Council
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

1. OPERATING SURPLUS/(DEFICIT)

The operating surplus is stated after charging:	2018	2017
	£	£
Depreciation – owned assets	76,730	70,569
Auditors' remuneration	8,200	7,775
Pension costs	62,437	64,955

2. SUBSCRIPTIONS

	2018	2017
	£	£
Individual	1,571,331	1,498,378
Club	336,717	317,483
Organisations and trade	7,956	7,299
	<u>1,916,004</u>	<u>1,823,160</u>

3. SPORTS COUNCIL GRANTS

	2018	2017
	£	£
From Sport England	202,355	331,829
Forwarded to MTE	-	(13,015)
Forwarded to MTUK	-	-
Forwarded to NICAS	-	-
Forwarded to OIA	-	-
	<u>202,355</u>	<u>318,814</u>

4. SURPLUS FROM MAGAZINES

	2018	2017
	£	£
Income	35,683	54,248
Expenditure	(26,255)	(47,862)
Surplus	<u>9,428</u>	<u>6,386</u>

5. GUIDE BOOK PUBLICATIONS TRADING ACCOUNT

	2018	2017
	£	£
Sales	31,679	19,187
Cost of sales	(9,168)	(5,934)
Donations to Access	(2,879)	209
Stock write down	-	(3,448)
Surplus	<u>19,632</u>	<u>10,014</u>

British Mountaineering Council
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

6.	OTHER PUBLICATIONS TRADING ACCOUNT	2018	2017
		£	£
	Sales	40,101	49,743
	Cost of sales	(38,841)	(40,186)
	Stock write down	-	(506)
	Surplus	<u>1,260</u>	<u>9,051</u>
7.	DVD'S TRADING ACCOUNT	2018	2017
		£	£
	Sales	3,483	2,509
	Cost of Sales	(1,801)	(1,748)
	Surplus	<u>1,682</u>	<u>761</u>
8.	MAPS TRADING ACCOUNT	2018	2017
		£	£
	Sales	4,102	5,325
	Cost of sales	(1,897)	(3,649)
	Stock write down	-	(1,661)
	Surplus	<u>2,205</u>	<u>15</u>
9.	SUNDRY INCOME	2018	2017
		£	£
	Reciprocal rights cards	799	602
	Sundry	112,540	64,243
	Financial services / introducers fees	13,692	10,874
		<u>127,031</u>	<u>75,719</u>
10.	EMPLOYEES AND DIRECTORS	2018	2017
		£	£
	Gross salaries	1,033,414	1,009,854
	Social security costs	104,669	103,107
	Pension costs	62,437	64,955
	Healthcare	4,814	4,879
	Recruitment and training	15,938	12,767
		<u>1,221,272</u>	<u>1,195,562</u>

The average number of employees during the year was 33 (2017: 33).

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Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

11. GENERAL ADMINISTRATIVE EXPENSES

	2018	2017
	£	£
Postage	45,432	45,436
Stationery and printing	40,487	45,792
Computer maintenance and software	63,601	65,453
Depreciation	76,730	70,569
	226,250	227,250

12. COST OF SPECIALIST ACTIVITIES

	2018	2017
	£	£
Committee and travel costs	69,058	80,746
Direct expenditure relating to activities	409,851	451,564
	478,909	532,310

13. TANGIBLE FIXED ASSETS

	Land and Buildings	Plant and Machinery	Leasehold Improvements	Total
	£	£	£	£
Cost				
At 1 January 2018	539,052	280,235	105,986	925,273
Additions	2,981	29,935	-	32,916
Disposals	-	(26,869)	-	(26,869)
At 31 December 2018	542,033	283,301	105,986	931,320
Depreciation				
At 1 January 2018	171,454	221,304	52,915	445,673
Charge for the year	32,099	39,531	5,100	76,730
On disposals	-	(26,869)	-	(26,869)
At 31 December 2018	203,553	233,966	58,015	495,534
Net Book Value				
At 31 December 2018	338,480	49,335	47,971	435,786
At 31 December 2017	367,598	58,931	53,071	479,600

In addition to the above fixed assets, The Glen Brittle Memorial Hall (GBMH – in memory of climbers who died in the Second World War) and the Alex MacIntyre Memorial Hall (AMMH) are also jointly owned by the Officers of the BMC and the Mountaineering Council of Scotland (MCoS). These officials hold the properties in trust for the benefit of the members of these two organisations.

The GBMH was originally transferred to the BMC and MCoS in 1968, and the AMMH in 1983.

According to the 1968 Deed of transfer, the BMC is responsible for the upkeep of the GBMH. In 2015 £50,000 was lent to GBMH, interest free, for a five year period, to be spent on further refurbishment. This year £10,000 has been repaid (2017: £10,000)

British Mountaineering Council
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

14. DEBTORS

	2018	2017
	£	£
Prepayments	104,922	67,985
Other debtors	177,417	247,477
	282,339	315,462

Other debtors include £20,000 (2017: £30,000) falling due after more than one year.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	221,121	182,850
Corporation tax	-	-
Other taxes and social security costs	36,246	35,019
Deferred subscriptions	846,716	769,493
Deferred grant income	2,136	2,136
Other creditors	136,300	115,845
Bank overdraft	-	53
	1,242,519	1,105,396

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018	2017
	£	£
Deferred grant income	50,046	52,182

17. DEFERRED GRANT INCOME

	Grants at 2017	Released in Year	Grants at 2018
	£	£	£
D Whillans Memorial Fund	30,506	(1,201)	29,305
Sports Council	17,450	(686)	16,764
Peak Park Planning Board	374	(14)	360
Rural Development Committee	5,988	(235)	5,753
	54,318	(2,136)	52,182

The deferred grant income will be released as follows:

Within one year	£ 2,136
More than one year	50,046
	52,182

British Mountaineering Council
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Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

18. ACCUMULATED FUND: MOVEMENT ON MEMBERS FUNDS

	2018	2017
	£	£
At 1 January 2018	1,098,683	1,198,417
Retained surplus/(deficit)	<u>81,052</u>	<u>(99,734)</u>
At 31 December 2018	<u>1,179,735</u>	<u>1,098,683</u>

19. LIMITED BY GUARANTEE

The company is limited by guarantee and does not have a share capital. Every full member of the company (as defined in the Articles of Association) undertakes to contribute to the assets of the company, in the event of the same being wound up while he is a full member, or within one year after he ceased to be a full member, for payment of the debts and liabilities of the company contracted before he ceased to be a full member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding (£1) one pound in the case of each individual member and in the case of each club member not exceeding (£1) one pound for every member of that club recorded in its last preceding return to the company.

20. INVESTMENTS: SUBSIDIARY UNDERTAKINGS

The company owns 100% of the share capital of BMC Land Holdings Limited and BMC Climbing Walls Limited. The subsidiaries were both incorporated in England.

	2018
	£
BMC Climbing Walls Ltd has remained dormant since incorporation – cost of investment	2
BMC Land Holdings Limited has been dormant this year – cost of investment	<u>2</u>
	<u>4</u>

BMC Land Holdings Limited results for the year, taken from the unaudited management accounts, are as follows:

	2018	2017
	£	£
Surplus for the year	<u>-</u>	<u>-</u>
Reserves	<u>2</u>	<u>2</u>

BMC Land Holdings Limited has acquired property at various times, which it holds on behalf of the BMC. These are listed below:-

- Wilton Quarry No 1 (Bolton)
- Tremadog Rocks (Craig Bwlch y Moch)
- Craig y Longridge
- Horseshoe Quarry
- Stone Farm Rocks

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Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

20. **SUBSIDIARY UNDERTAKINGS (continued)**

Mountain Heritage Trust, BMC Land and Property Trust and Mountain Training Trust are all companies limited by guarantee and have no share capital. Their memorandum and articles of association state that no portion of their income or property shall be paid or transferred directly or indirectly to members of the companies as they are all Registered Charities.

British Mountaineering Council is the sole member of both Mountain Heritage Trust and BMC Land and Property Trust and controls the appointment of trustees to both these charities.

British Mountaineering Council is one member of three of Mountain Training Trust members and is entitled to nominate one representative as trustee and director to the Board of the Mountain Training Trust.

Mountain Heritage Trust results for the year, taken from the unaudited management accounts, are as follows:

	2018 £	2017 £
Deficit for the year	<u>(41,310)</u>	<u>(13,022)</u>
Reserves	<u>66,513</u>	<u>107,823</u>

BMC Land and Property Trust results for the year, taken from the unaudited management accounts, are as follows:

	2018 £	2017 £
Surplus/(Deficit) for the year	<u>63,117</u>	<u>(43,872)</u>
Reserves	<u>263,759</u>	<u>200,642</u>

Mountain Training Trust results taken from the latest audited accounts, are as follows:

	31/03/2018 £	31/03/2017 £
Surplus/(Deficit) for the year (after actuarial gains/losses)	<u>209,636</u>	<u>(172,020)</u>
Reserves	<u>(182,110)</u>	<u>(391,746)</u>

21. **RESERVES POLICY**

The British Mountaineering Council's policy on reserves is to retain funds available for general purposes of a minimum of 3 months and a maximum of 9 months in value of annual expenditure.

Reserves are required in the short term to ensure the British Mountaineering Council has adequate working capital in order to meet its general business commitments, including those to staff, and to protect the work of the British Mountaineering Council against threats such as a fall in the level of income. In the longer term such reserves provide a strategic financial support to the planning processes of the British Mountaineering Council.

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Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

22. RELATED PARTY TRANSACTIONS

As explained in note 21, the British Mountaineering Council controls Mountain Heritage Trust (MHT), a charity, through the appointment of trustees to this charity.

The transactions (BMC expenditure) with MHT are listed below:

Donation towards audit fee £nil (2017: £4,200)
Donation towards running costs £26,343 (2017: £26,763)
Payment of trustees travelling expenses £870 (2017: £734)

The British Mountaineering Council also has a relationship with Mountain Training Trust (MTT) and Mountain Training England (MTE) through the appointment of a trustee, as the BMC representative, to the Boards of these registered charities.

The transactions (BMC income and expenditure) with MTE and MTT are listed below:

		2018	2017
		£	£
BMC income:	MTE re accountancy services and desk space for officer	25,715	24,881
BMC expenditure:	MTE re profit share from DVD sales	410	303
	MTT re profit share from DVD sales	578	535

23. CONTROLLING PARTY

The company is not controlled by any one individual but overseen by the Board of Directors and National Council; and ultimately the body of the full membership.

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Income and Expenditure Account
for the Year Ended 31 December 2018

	2018 £	2017 £
Income	2,907,104	2,748,950
Administrative expenses	<u>(2,826,052)</u>	<u>(2,848,684)</u>
Operating profit/(loss)	<u>81,052</u>	<u>(99,734)</u>
Surplus/(Loss) before tax	<u>81,052</u>	<u>(99,734)</u>

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British Mountaineering Council
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Schedule to the Income and Expenditure Account
for the Year Ended 31 December 2018

	2018	2017
	£	£
Income		
Membership subscriptions	1,916,004	1,823,160
Sports Council grants	202,355	318,814
Surplus from insurance scheme	416,202	302,012
Surplus from magazines - High, OTE, Climber & Trail	9,428	6,386
Surplus from guidebook sales	19,632	10,014
Other publications	1,260	9,051
Income from DVD's	1,682	761
Income from maps	2,205	15
Sundry Income (Hut, RR Cards, Partnership, Sponsorship)	127,031	75,719
Release of grants	2,136	2,136
Bank interest	8,481	7,188
Credit card royalties	230	757
Administration fees (MTE)	25,715	24,881
Specialist programme income	174,743	168,056
	<u>2,907,104</u>	<u>2,748,950</u>
 Expenditure		
Employee costs:-		
Salaries and NI	1,138,083	1,112,961
Pension and life assurance costs	62,437	64,955
Healthcare	4,814	4,879
Recruitment expenses	341	204
Training courses	15,597	12,563
	<u>1,221,272</u>	<u>1,195,562</u>
 Premises costs:-		
Office rates, fuel and services	65,013	55,316
Communication	107,941	105,496
Servicing and repairs	8,896	8,324
Office sundry	17,889	13,989
	<u>199,739</u>	<u>183,125</u>
 General administrative expenses:-		
Postage	45,432	45,436
Printing and stationery	40,487	45,792
Computer maintenance and software	63,601	65,453
Depreciation	76,730	70,569
	<u>226,250</u>	<u>227,250</u>

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British Mountaineering Council
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Schedule to the Income and Expenditure Account
for the Year Ended 31 December 2018

	2018	2017
	£	£
Legal and Professional costs:-		
Audit fees	8,200	7,775
Finance and consultancy	93,722	62,711
Bank charges	311	311
Credit card charges	24,244	25,640
	<u>126,477</u>	<u>96,437</u>
Marketing and Publicity:-		
All advertising and publicity	98,667	103,467
Less allocated to insurance	<u>(37,447)</u>	<u>(24,609)</u>
	<u>61,220</u>	<u>78,858</u>
Summit Magazine	185,671	172,742
Personal accident and civil liability insurance	185,741	264,151
AGM, area meetings and events	140,773	98,249
Cost of specialist programmes	478,909	532,310
	<u>991,094</u>	<u>1,067,452</u>
TOTAL	<u>2,826,052</u>	<u>2,848,684</u>

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British Mountaineering Council
A Private Company Limited by Guarantee

Schedule to the Income and Expenditure Account
for the Year Ended 31 December 2018

	2018		2017	
Sports Council Grants	£	£	£	£
From Sport England	202,355		331,829	
Forwarded to MTE	<u>-</u>		<u>(13,015)</u>	
		202,355		318,814
 Allocated as follows:-				
Admin staff cost	39,618		17,017	
Summit	-		9,500	
Excellence/Talent ID	20,899		46,812	
Technical	-		750	
Communications and media	12,025		44,563	
Area officers	27,948		121,225	
Competitions	93,626		53,096	
Youth	8,239		16,351	
Equity	-		7,625	
Climbing walls	<u>-</u>		<u>1,875</u>	
		<u>(202,355)</u>		<u>(318,814)</u>
		<u>-</u>		<u>-</u>

British Mountaineering Council
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Specialist Programmes in 2018

	Access & Conservation	Facilities	Heritage	Guide-books	Competitions	Expeditions	Safety & Training	Technical	Youth & Equity	National & International Representation	Performance	Volunteers Clubs & Media	Total
Start Fund at 1 January 2018	-	2,112	-	-	-	13,628	-	-	-	-	-	-	15,740
Programme Income:													
Sports Council grants	-	-	-	-	93,626	-	20,899	-	8,239	27,948	-	12,025	162,737
Other grants, donation & sales	-	-	-	-	101,535	-	73,208	-	-	-	-	-	174,743
Programme costs:													
Direct costs	(29,973)	(4,857)	(27,097)	-	(229,581)	(15,679)	(66,950)	(846)	(20,164)	(134,132)	-	(21,344)	(550,623)
Committee and travel costs	(8,085)	(4,857)	(1,133)	-	(4,931)	(1,178)	(1,848)	(1,701)	(1,201)	(42,797)	-	(1,328)	(69,058)
Surplus/(loss) pre-overhead allocation	(38,058)	(9,214)	(28,230)	-	(39,351)	(17,143)	25,309	(2,546)	(13,126)	(148,981)	-	(10,647)	(281,987)
End Fund at 31 December 2018	-	1,612	-	-	-	13,913	-	-	-	-	-	-	15,525
Costs with staff allocation:													
Staff PY	3.7	0.6	0.1	0.9	1.4	0.1	1.8	0.6	1.1	2.2	0.2	0.5	13.2
Overhead allocation	273,761	46,991	15,890	95,179	100,256	8,355	128,105	45,951	77,977	164,023	11,140	33,419	1,001,043
(Surplus)/loss pre overhead allocation	38,058	9,214	28,230	-	39,351	17,143	(25,309)	2,546	13,126	148,981	-	10,647	281,987
Net cost	311,819	56,204	44,120	95,179	139,607	25,497	102,795	48,497	91,103	313,004	11,140	44,065	1,283,030
Direct costs	29,973	4,857	27,097	-	229,581	15,679	66,950	846	20,164	134,132	-	21,344	550,623
Committee and travel costs	8,085	4,857	1,133	-	4,931	1,178	1,848	1,701	1,201	42,797	-	1,328	69,058
Overhead allocation	273,761	46,991	15,890	95,179	100,256	8,355	128,105	45,951	77,977	164,023	11,140	33,419	1,001,043
Total expenditure	311,819	56,704	44,120	95,179	334,768	25,212	196,902	48,497	99,342	340,952	11,140	56,090	1,620,725

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