

Mountain Heritage Trust
Company Limited by Guarantee
Unaudited Financial Statements
31 December 2020

SAINT & CO

Chartered Accountants
Sterling House
Wavell Drive, Rosehill
Carlisle, Cumbria
CA1 2SA

Mountain Heritage Trust
Company Limited by Guarantee
Financial Statements
Year ended 31 December 2020

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Mountain Heritage Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Mountain Heritage Trust
Charity registration number	1083219
Company registration number	03950830
Principal office and registered office	Blencathra Field Centre Threlkeld Keswick CA12 4SG

THE TRUSTEES

The British Mountaineering Council	
DK Scott CBE	(Resigned 7 December 2020)
Ms T A Tasker	
Mr W M Lownsbrough	(Resigned 18 March 2021)
Mr C Martin	
Mr J E Porter	(Resigned 30 November 2020)
Ms C Renouf	(Resigned 8 February 2021)
Ms E J Sutton	(Resigned 12 March 2021)
Mr I J Smith	
	(Served from 17 February 2020 to 5 February 2021)
Ms C Meehan	

INDEPENDENT EXAMINER

Stuart Farrer FCA
Saint & Co Chartered Accountants
Sterling House
Wavell Drive
Rosehill
Carlisle
Cumbria
CA1 2SA

Mountain Heritage Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

INTRODUCTION

In response to the Covid 19 pandemic and the national lockdown introduced on 23 March 2020 arrangements were made for the MHT Collections Manager and the part-time Administrator to work from home. While our Collections Manager was home working the Trust was able to maintain a remote enquiry service and keep in touch with our supporters via our website and social media. Researchers were not able to visit the archive. A communication was sent to all donors explaining how our collection standards were being maintained. Arrangements were effected to furlough the Collections Manager, but the continued safety of our collections remained a key priority and there continued to be staff from the FSC on site 24/7 and a designated MHT Trustee made regular checks on the archive.

When national lockdowns ceased, the Trust made a decision to restart its activities with the collections manager operating from home, with regular on site checks on the archive collections. Staff from the Field Studies Centre (FSC) were on site 24 hours a day and monitored all the buildings. A remote flood alarm was also installed, and trustees had copies of the Collection Salvage Plan in case of emergency.

Following a drop in the British Mountaineering Council's (BMC) income due to the Covid-19 pandemic, the current years grant, used to recompense Collection Manager and Administrator salaries, was reduced significantly. As a consequence, in early May 2020 the decision was taken to suspend our part-time freelance Administrator's contract and to furlough our full-time Collections Manager with effect from Friday 8 May. The part-time Administrator subsequently left for work elsewhere.

During furlough, all email and telephone enquiries were directed to an MHT Trustee email address which was checked daily by a trustee. An MHT trustee assumed responsibility for the Trust's social media activity.

The Collections Manager returned to work from furlough on Monday 3 August and a new office administrator joined the Trust on Monday 7 September. A risk assessment was undertaken prior to them returning to work in the office and action taken to make the environment Covid 19 safe.

The Trust has been successful in attracting emergency funding towards covering the shortfall caused by the reduction in funding from the BMC. Two short term grants have been received:

- Heritage Fund Emergency Fund grant of £17,700 with effect from July to October 2020
- Culture Recovery Fund grant of £17,400 with effect from October 2020 to March 2021.

Fundraising to ensure the long-term sustainability of the Trust continues to be a priority.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company is a Registered Charity and a Company Limited by Guarantee and is governed by its Memorandum and Articles of Association.

Recruitment and Appointment of Trustees

The directors and Trustees are appointed by the members. At the time of this report, the sole member is the British Mountaineering Council (BMC) who has therefore appointed all Directors and Trustees, but the BMC also has the right to appoint three Directors and Trustees out of a maximum possible of seven, should the number of members increase. However, a governance review with the Trust's legal advisors is currently in progress to ensure the Trust is operating from a governance structure that is more relevant to a modern day Charity legal framework and allows MHT to operate more independently from the influence of the BMC, its sole member, and will allow the Trust to bring in a broader 'membership' of heritage mountaineering bodies to work alongside the

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Year ended 31 December 2020

BMC. The Memorandum & Articles of Association have been revised and are currently in draft form awaiting approval by the BMC board of directors.

The Board of Trustees

The current Board of Trustees has reduced due to some individuals finishing at the end of their three-year tenure, one moved from being a Trustee to a Patron, and sadly we have to report the death of Doug Scott, one of our longest service Trustees and a former Vice Chair. We have recruited two new trustees and work is in progress to recruit more. We have three patrons, but it is hoped to attract additional candidates to support the Trust. The current set of trustees continue to meet quarterly, but obviously during the pandemic, this has been undertaken remotely.

As a Registered Charity the company is non-profit making and has at its sole member, the British Mountaineering Council (BMC). The BMC is a corporate body with over 75,000 members and is limited by guarantee but is not a charity. Mountain Heritage Trust has been incorporated without share capital as it is limited by guarantee, to a maximum of £1, by its members. The Memorandum and Articles of Association prohibit distribution of any surpluses other than to similar charities and so by definition the BMC will not be able to benefit financially from any surplus generated by the Charity. Future members of the Charity are to be approved by all existing members.

Risk Management

The Directors and Trustees, as mentioned above, have carried out a review of the Charity's activities. The Directors and Trustees are monitoring progress against the strategic objectives set out in the plan at each quarterly meeting and a comprehensive annual review is also carried out. As part of this process, the Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finance of the Charity and are satisfied those systems are in place to mitigate exposure to major risks.

OBJECTIVES AND ACTIVITIES

The Charity was established for the advancement for the public benefit of education and training through knowledge and understanding about the history, heritage, skills and safe conduct of climbing, hill walking and mountaineering and the environments in which these activities take place; for the advancement for the public benefit of education, awareness and understanding for the creation of a record and archive, and display and preservation of mountaineering history and heritage; and to assist in the provision of facilities for recreation or leisure for persons who are in need thereof by reason of their youth, age, infirmity, poverty or to the members of the public at large.

These objects were fulfilled as detailed in the review of activities.

Public Benefit

The Trustees confirm that they have complied with section 17(5) of the 2011 Charities Act in having paid due regard to the Charities Commission guidance on public benefit.

The trustees have considered the guidance issued by the Charity Commission and confirm that they continue to adhere to this guidance. The benefit of MHT's work to the general public is that it provides a unique resource of Britain's mountain heritage which is preserved and promoted to as wide an audience as possible. The creation and upkeep of this legacy will ensure future generations will have full knowledge of this fascinating aspect of our history.

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Year ended 31 December 2020

ACHIEVEMENTS AND PERFORMANCE

As previously mentioned, during 2020, the Trust, alongside many other charitable organisations, struggled with the pressures brought on by the pandemic. Despite the ensuing long term furlough of the Collections Manager and resignation of the Administrative Assistant, the Trust managed some worthwhile achievements during the small window of operations in 2020.

- Shortly before the pandemic swept through the UK, we curated a **small exhibition at Keswick Museum**. However, due to the lack of resources to support and maintain exhibitions such as that shown to Keswick Museum, the Trust has decided to give up the residency at the Keswick Museum for the short term in order to focus on more bespoke exhibitions and at a more diverse range of venues.
- The Trust has continued to acquire new collections with considerable interest and significance to the mountaineering community. It necessitated the acquisition of a bespoke cataloguing database and a concerted effort by the Collections Manager to set up a system whereby the requisite information could be entered into this new system (**CALM**). The volunteers also supported this work (prior to the pandemic).
- Acquisition of a portable **fundraising unit** featuring an information board with promotional film (1-2 minutes) and contactless giving point. This is being funded by The National Archives Testbed programme through a grant of £3,260. This seeks to help both in the promotion of the Trust and raising some valuable funding. The benefit of the portability is that the unit can be moved around to points most beneficial for promotion. A professional media company was used to produce the film which will include interviews, footage of MHT collections and general information about the Trust, closing with a call to action to support the Trust.
- Continued **Partnership work with the National Trust** at Allan Bank where the Chorley Hopkinson library resides remains ongoing. The National Trust continue to consider funding opportunities to broaden the popularity of Allan Bank to its membership and the general public. It is hoped that by doing so we can bring a greater prominence to the importance of the mountaineering library entrusted to ourselves and the National Trust by Lord Chorley. We continue to view our partnership working with the National Trust as an exciting opportunity for MHT.
- A number of the MHT's outdated **policies** were revisited and updated to suit the current operations.

A large amount of work from the trustees and the Collections Manager was effected to prepare for a **substantial Heritage Lottery bid** to be submitted by the end of the year. If successful, it will enable a larger contingent of staff to be recruited and promote the Trust as the national 'go to' mountain heritage

ENQUIRIES AND ACQUISITIONS

Due to the pandemic and the ensuing closure of the office base at Blencathra, general enquiries from the public were not received nor followed up at the rate in previous years. It is hoped that with more promotional work for the Trust in more stable times, that interest would be spiked, and enquiries logged at a rate more applicable to normal working.

Research

A small amount of research was undertaken by a researcher from Leeds Beckett who accessed the Trust's magazine collections to aid their work on their MA exploring the lived experience of non-elite female British climbers 1970-present.

Another enquiry led to a visiting photographer who discussed the possibility of photographing items in the collections for publication in a coffee-table style book on the popularisation of outdoor clothing.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

FINANCIAL REVIEW

During the financial year our total incoming resources, of the charity were £49,908 of which £23,173 was restricted. Total resources expended, for the charity were £70,616 of which £37,424 was spent on restricted projects, resulting in a Net Resources Deficit of £20,708.

The Balance Sheet shows Total Funds at the Balance Sheet date of £63,826 represented by Unrestricted General Funds of £52,770 and Restricted Funds of £11,056.

The financial position of the charity as at the Balance Sheet date is considered to be satisfactory.

Reserves and Investment Policy

The charity is in its eighteenth year of operation, and it is intended to build up six months expenditure in due course as free reserves on the unrestricted fund in order to allow the charity to react in an orderly way to unforeseen events. At the year end unrestricted reserve levels were £52,770 (2020: £60,126) and the charity's current level of unrestricted free reserves (total funds less the amount held in fixed assets and restricted funds) is £12,470 (2019: £17,853).

There are no investments.

Investment Powers

Under the Memorandum and Articles of Association, the Charity has the power to make any investment which the Trustees think appropriate.

PLANS FOR FUTURE PERIODS

- a) Continue to consolidate and develop MHT's presence in its new home at the Blencathra Field Studies Centre and the wider surrounding area.
 - b) As part of the outcomes of a 'Resilience Project – ongoing work to develop a comprehensive marketing strategy that supports all areas of the Trust; develop this with the aid of a Marketing specialist to include a media presence.
 - d) As part of the outcomes of a 'Resilience Project – 'the development and upgrade of the MHT website to better represent the activities of the Trust.
 - e) To further develop the relationship with Mountain Rescue England and Wales to support their Heritage efforts.
 - f) When the necessary staff and trustee resources are available, develop a manageable and sustainable events profile for MHT which directly / indirectly keeps the custodianship, dissemination and development of its collections central.
 - g) To continue to add to the database of National Archives with regular updating.
 - h) To continue to target potential mountain heritage archives and be pro-active in securing their future.
 - i) To continue to offer support and consultancy to other mountain heritage organisations, in particular the Scottish Mountain Heritage Collection and the Kendal Mountain Festivals archive.
 - j) To continue to support and develop a relationship with climbing clubs for the potential development of club archives, including oral interviews.
 - k) To continue to offer heritage consultancy to the BMC and promote the work of MHT with regular articles in Summit magazine and gain a presence on the BMC website regarding mountain heritage.
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l) Revisit the five-year Development Plan which was an outcome of the Resilience Plan project funded by the HLF which will guide the Trust's priorities and activities.

m) Focus our governance through increased skills and confidence in areas including strategy, fundraising and collections management. (This progresses the Memorandum of Articles of Association to be presented to the BMC.)

m) Further develop the Collections Management System which supports the nationally significant heritage in our care.

n) Develop partnerships with key stakeholders in line with 'mountain heritage' to understand how MHT could develop to be most useful to them, whether as individual heritage organisations or the mountaineering sector.

Connected Institutions and Bodies

Currently, the British Mountaineering Council is the sole member of Mountain Heritage Trust with the power to appoint Trustees. Its principal activity continues to be to act as the representative body for the sport of climbing, mountaineering (which shall include ski-mountaineering) and hill walking. However, as mentioned earlier, work is in progress to enhance the independence of MHT as a heritage body, firstly through the modernisation and revision of the Memorandum of Articles of Association and furthermore by broadening its membership to include a wider range of mountaineering heritage stakeholders.

Directors of The British Mountaineering Council:

Matthew Bradbury (resigned 23 August 2020)

Emma Flaherty (resigned 31 March 2020)

Amanda Parshall (resigned 23 August 2020)

Gareth Pierce (resigned 30 October 2020)

Chris Stone (appointed 28 March 2020, resigned 25 October 2020)

Huw Jones (resigned 1 October 2020)

Lynn Robinson

David Turnbull (resigned 1 December 2020)

Jonny Dry

Paul Drew

Fiona Sanders

Jonathan White

Jon Punshon (appointed 28 March 2020, resigned 14 August 2020)

Rosemary Yule (appointed 1 October 2020)

Peter Salenieks (appointed 29 October 2020)

Carl Spencer (appointed 29 October 2020)

Flavia Alzetta (appointed 6 January 2021)

Paul Davies (appointed 1 December 2020)

Diane Hopper (appointed 6 January 2021)

Caroline Worboys (appointed 13 January 2021)

Mountain Heritage Trust
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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 December 2020

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 30 September 2021 and signed on behalf of the board of trustees by:

Ms T A Tasker
Trustee

Mr C Martin
Trustee

Mountain Heritage Trust

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Independent Examiner's Report to the Trustees of Mountain Heritage Trust

Year ended 31 December 2020

I report to the trustees on my examination of the financial statements of Mountain Heritage Trust ('the charity') for the year ended 31 December 2020.

RESPONSIBILITIES AND BASIS OF REPORT

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Stuart Farrer FCA
Independent Examiner

Saint & Co Chartered Accountants
Sterling House
Wavell Drive
Rosehill
Carlisle
Cumbria
CA1 2SA

4 October 2021

Mountain Heritage Trust
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 December 2020

			2020		2019
		Unrestricted	Restricted	Total funds	Total funds
	Note	funds	funds		
		£	£	£	£
Income and endowments					
Donations and legacies	5	26,550	23,173	49,723	101,379
Charitable activities	6	170	–	170	3,108
Investment income	7	15	–	15	122
Total income		<u>26,735</u>	<u>23,173</u>	<u>49,908</u>	<u>104,609</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	(669)	–	(669)	–
Expenditure on charitable activities	9,10	(32,523)	(37,424)	(69,947)	(99,763)
Total expenditure		<u>(33,192)</u>	<u>(37,424)</u>	<u>(70,616)</u>	<u>(99,763)</u>
Net (expenditure)/income		<u>(6,457)</u>	<u>(14,251)</u>	<u>(20,708)</u>	<u>4,846</u>
Transfers between funds		(900)	900	–	–
Net movement in funds		<u>(7,357)</u>	<u>(13,351)</u>	<u>(20,708)</u>	<u>4,846</u>
Reconciliation of funds					
Total funds brought forward		60,127	24,407	84,534	79,688
Total funds carried forward		<u>52,770</u>	<u>11,056</u>	<u>63,826</u>	<u>84,534</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 12 to 26 form part of these financial statements.

Mountain Heritage Trust
Company Limited by Guarantee
Statement of Financial Position
31 December 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible fixed assets	16	15,300	17,274
Heritage assets	17	25,000	25,000
		<u>40,300</u>	<u>42,274</u>
CURRENT ASSETS			
Debtors	18	1,908	5,478
Cash at bank and in hand		33,624	40,191
		<u>35,532</u>	<u>45,669</u>
CREDITORS: amounts falling due within one year	19	<u>(12,006)</u>	<u>(3,409)</u>
NET CURRENT ASSETS		<u>23,526</u>	<u>42,260</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>63,826</u>	<u>84,534</u>
NET ASSETS		<u>63,826</u>	<u>84,534</u>
FUNDS OF THE CHARITY			
Restricted funds		11,056	24,407
Unrestricted funds		52,770	60,127
Total charity funds	23	<u>63,826</u>	<u>84,534</u>

For the year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The statement of financial position
continues on the following page.

The notes on pages 12 to 26 form part of these financial statements.

Mountain Heritage Trust
Company Limited by Guarantee
Statement of Financial Position *(continued)*
31 December 2020

These financial statements were approved by the board of trustees and authorised for issue on 30 September 2021, and are signed on behalf of the board by:

Ms T A Tasker
Trustee

Mr C Martin
Trustee

Company Registration Number: 03950830

The notes on pages 12 to 26 form part of these financial statements.

Mountain Heritage Trust
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 December 2020

1. GENERAL INFORMATION

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Blencathra Field Centre, Threlkeld, Keswick, CA12 4SG.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Companies Act 2006 and the Charities Act 2011.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Taxation

No provision is made for taxation as exemption has been granted by the HM Revenue and Customs from taxation under the legislation applicable to charitable companies, section 466 to 493 of the Corporation Tax Act 2010.

Disclosure exemptions

The charity has taken advantage of the disclosure exemptions permitted by the Charities SORP 2015 (FRS102) regarding inclusion of a Statement of Cash Flows as the Charity is a small charity as defined in Update Bulletin 1 of the Charities SORP (FRS102).

Mountain Heritage Trust
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

3. ACCOUNTING POLICIES *(continued)*

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The trustees consider there were no significant judgements made in preparing the financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The trustees consider there are no key sources of estimation uncertainty.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for a particular purpose. The aim and use of each restricted fund is set out in the notes to the financial statements.

Mountain Heritage Trust
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

3. ACCOUNTING POLICIES *(continued)*

Incoming resources

All income is included in the statement of financial activities once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies are applied to particular categories of income:

(a) Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

(b) Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

(c) Gifts donated for resale are included as income within activities for generating funds when they are sold.

(d) Legacy income is recognised when receipt is probable and entitlement is established.

(e) Income from grants, where related to specific performance conditions, are accounted for as earned (as the related goods or services are provided). Grant income included in this category provides funding to support performance activities and is recognised where there is entitlement, receipt of the income is probable and the amount can be measured with sufficient reliability.

(f) Income or grants received in advance are held in deferred income. Any grants restricted to future accounting periods are deferred and recognised in those accounting periods.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Mountain Heritage Trust
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Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

3. ACCOUNTING POLICIES *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and Fittings	- 10% reducing balance
Equipment	- 20% reducing balance

Heritage assets

The charity holds heritage assets, originally acquired by way of gift, which are tangible fixed assets of historical, artistic or scientific importance that are held to advance preservation and conservation objectives of the charity.

Where heritage assets were acquired in past accounting periods and not capitalised, it can be difficult or costly to attribute a cost or value to them. Therefore heritage assets are excluded from the balance sheet as reliable cost information is not available and conventional valuation approaches lack sufficient reliability or significant costs are involved in the reconstruction or analysis of past accounting records or in valuation, which are onerous compared with the additional benefit derived by users of the accounts in assessing the trustees' stewardship of the assets.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Mountain Heritage Trust
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

3. ACCOUNTING POLICIES *(continued)*

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Defined contribution plans

The charity operates a defined contribution pension scheme for its employee. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

Mountain Heritage Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

4. LIMITED BY GUARANTEE

Every member of the company undertakes to contribute to the assets of the company, in the event of the same being wound up while he is a member or within one year after he ceases to be a member, the payments of debts and liabilities of the company contracted before he ceased to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves, such amount as may be required not exceeding £1.

5. DONATIONS AND LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
DONATIONS			
Donations	5,416	–	5,416
GRANTS			
Heritage Lottery Fund Grant	–	17,700	17,700
The British Mountaineering Council	15,300	–	15,300
National Archives	–	–	–
HLF Resilience	–	(3,227)	(3,227)
Government grant income	5,167	8,700	13,867
SPONSORSHIP			
Sponsorship	667	–	667
	<u>26,550</u>	<u>23,173</u>	<u>49,723</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
DONATIONS			
Donations	16,142	–	16,142
GRANTS			
Heritage Lottery Fund Grant	–	2,948	2,948
The British Mountaineering Council	30,300	–	30,300
National Archives	–	3,260	3,260
HLF Resilience	–	48,729	48,729
Government grant income	–	–	–
SPONSORSHIP			
Sponsorship	–	–	–
	<u>46,442</u>	<u>54,937</u>	<u>101,379</u>

6. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2020 £	Unrestricted Funds £	Total Funds 2019 £
Other income	<u>170</u>	<u>170</u>	<u>3,108</u>	<u>3,108</u>

Mountain Heritage Trust
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Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

7. INVESTMENT INCOME

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Bank interest receivable	15	15	122	122

8. COSTS OF RAISING DONATIONS AND LEGACIES

	Unrestricted Funds	Total Funds 2020	Unrestricted Funds	Total Funds 2019
	£	£	£	£
Costs of other trading income	669	669	—	—

9. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Restricted Funds	Total Funds 2020
	£	£	£
Charitable activities	28,137	35,450	63,587
Support costs	4,386	1,974	6,360
	32,523	37,424	69,947

	Unrestricted Funds	Restricted Funds	Total Funds 2019
	£	£	£
Charitable activities	54,730	34,252	88,982
Support costs	4,903	5,878	10,781
	59,633	40,130	99,763

Mountain Heritage Trust
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Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

10. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

Charitable Activities	2020	2019
	£	£
Exhibition and Event expenses	640	4,807
Wages & Salaries	28,364	36,027
Pension costs	1,367	1,631
Rent	11,000	11,000
Insurance	1,022	899
Travel and Subsistence	438	5,029
Legal & professional	18,271	20,000
Telephone	433	560
Training	—	3,981
Depreciation	1,975	2,263
Printing, postage, stationery and advertising	12	1,274
Archival material costs	65	1,511
	63,587	88,982
Support Activities	2020	2019
	£	£
Repairs & Maintenance	—	670
Marketing and Website Costs	3,849	6,581
Bank charges & interest	88	117
Sundry	913	1,013
	4,850	8,381
Governance Costs	2020	2019
	£	£
Accountancy fees	1,510	900
Audit Fees	—	1,500
	1,510	2,400
	69,947	99,763

11. ANALYSIS OF SUPPORT COSTS

	Analysis of support costs	Total 2020	Total 2019
	£	£	£
Premises	—	—	670
Communications and IT	3,849	3,849	6,581
Finance costs	88	88	117
Sundry	913	913	1,013
	4,850	4,850	8,381

Mountain Heritage Trust
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Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

12. NET (EXPENDITURE)/INCOME

Net (expenditure)/income is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation of tangible fixed assets	1,974	2,263
Fees payable for the audit of the financial statements	–	1,500
	<u><u> </u></u>	<u><u> </u></u>

13. INDEPENDENT EXAMINATION FEES

	2020	2019
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	550	–
	<u><u> </u></u>	<u><u> </u></u>

14. STAFF COSTS

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020	2019
	£	£
Wages and salaries	28,364	36,027
Employer contributions to pension plans	1,367	1,631
	<u><u>29,731</u></u>	<u><u>37,658</u></u>

The average head count of employees during the year was 1 (2019: 2).

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

15. TRUSTEE REMUNERATION AND EXPENSES

No remuneration was paid directly or indirectly out of the funds of the charity to any Trustee or to any person or persons known to be connected with them.

No reimbursement was made out of the funds of the charity to any Trustee in respect of their position as Trustee. Trustee travel and subsistence expenses, totalling £550, were paid to 3 trustees during the year. (2019: £3,165 to 7 trustees).

Mountain Heritage Trust
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Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

16. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 January 2020 and 31 December 2020	<u>19,069</u>	<u>5,702</u>	<u>24,771</u>
Depreciation			
At 1 January 2020	4,266	3,231	7,497
Charge for the year	<u>1,480</u>	<u>494</u>	<u>1,974</u>
At 31 December 2020	<u>5,746</u>	<u>3,725</u>	<u>9,471</u>
Carrying amount			
At 31 December 2020	<u>13,323</u>	<u>1,977</u>	<u>15,300</u>
At 31 December 2019	<u>14,803</u>	<u>2,471</u>	<u>17,274</u>

17. HERITAGE ASSETS

The charity holds heritage assets consisting of a painting of Scafell Crag by Julian Cooper and also holds title to other collections of mountaineering significance.

The Trust maintains summary lists (electronic and/or paper) of its heritage assets, these are to be expanded in the near future to provide greater detail as time permits. Access is permitted to all assets (except in two cases where a closure period has been agreed with donors for a small section of specified collections) once they are catalogued and providing users follow the Trust's handling guidelines and comply with Data Protection legislation.

	Heritage Asset £
Cost or valuation	
At 1 January 2020 and 31 December 2020	<u>25,000</u>
Accumulated depreciation	
At 1 January 2020 and 31 December 2020	<u>—</u>
Carrying amount	
At 31 December 2020	<u>25,000</u>
At 31 December 2019	<u>25,000</u>

The heritage asset included within the financial statements is the painting of Scafell Crag by Julian Cooper. This is included at valuation.

Heritage assets recognised at valuation

In 2010, the painting was valued on behalf of the trustees, by The Heaton Cooper Studio Limited to a value of £25,000. The Heaton Cooper Studio Limited appear appropriately skilled to carry out this work. Julian Cooper is a director of The Heaton Cooper Studio Limited. The Trustees consider this valuation to be an accurate reflection of the true worth of the painting to the charity at the year end. The trustees are of the opinion that the painting is not depreciating.

Mountain Heritage Trust
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Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

17. HERITAGE ASSETS *(continued)*

Summary of transactions

	2020	2019	2018	2017	2016
	£	£	£	£	£
Not included in the statement of financial position					
Donations	—	—	—	7,755	—
	<u>—</u>	<u>—</u>	<u>—</u>	<u>7,755</u>	<u>—</u>
Total additions	<u>—</u>	<u>—</u>	<u>—</u>	<u>7,755</u>	<u>—</u>

There have been no transactions in the last 5 years relating to heritage assets included in the balance sheet.

Heritage assets not recognised on the statement of financial position

The Trust holds title to a collection of heritage assets originally acquired by way of a gift. The value of this collection has not been included within the financial statements due to the nature of the items preventing a fair market value being obtained. The insured sum for this collection amounts to £63,237, a value which the trustees believe to be reasonable.

18. DEBTORS

	2020	2019
	£	£
Prepayments and accrued income	500	3,760
Other debtors	1,408	1,718
	<u>1,908</u>	<u>5,478</u>

19. CREDITORS: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	2,712	111
Accruals and deferred income	8,775	2,400
Social security and other taxes	274	393
Pension Fund	—	362
Other creditors	245	143
	<u>12,006</u>	<u>3,409</u>

20. DEFERRED INCOME

	2020	2019
	£	£
At 1 January 2020	—	7,419
Amount released to income	—	(7,419)
Amount deferred in year	6,960	—
At 31 December 2020	<u>6,960</u>	<u>—</u>

Mountain Heritage Trust

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Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

20. DEFERRED INCOME *(continued)*

The deferred income in the year is for part of the Culture Recovery Fund 2020 which relates to the period 1 January 2021 to 31 March 2021.

21. PENSIONS AND OTHER POST RETIREMENT BENEFITS

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,367 (2019: £1,631).

22. GOVERNMENT GRANTS

The amounts recognised in the financial statements for government grants are as follows:

	2020 £	2019 £
Recognised in income from donations and legacies:		
Government grants income	<u>13,867</u>	<u>–</u>

Included in Government grants is £5,167 relating to grants claimed under the Coronavirus Job Retention Scheme and £8,700 relating to the Culture Recovery Fund.

23. ANALYSIS OF CHARITABLE FUNDS

Unrestricted funds

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
General funds	<u>60,126</u>	<u>26,737</u>	<u>(33,192)</u>	<u>(901)</u>	<u>52,770</u>

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
General funds	<u>68,298</u>	<u>49,673</u>	<u>(59,634)</u>	<u>1,790</u>	<u>60,127</u>

Mountain Heritage Trust
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Notes to the Financial Statements (continued)
Year ended 31 December 2020

23. ANALYSIS OF CHARITABLE FUNDS (continued)

Restricted funds

	At 1 January 2020	Income	Expenditure	Transfers	At 31 December 2020
	£	£	£	£	£
Man and Mountain	–	–	(141)	141	–
Mercer's Grant	–	–	(759)	759	–
Joe Tasker	674	–	(135)	–	539
Johnnie Lees	1,908	–	(40)	–	1,868
Archives Testbed	3,260	–	–	–	3,260
HLF Resilience project	18,566	(3,228)	(9,949)	–	5,389
Friends of Blencathra	–	8,700	(8,700)	–	–
Restricted fund 11 - desc in a/cs	–	17,700	(17,700)	–	–
	<u>24,408</u>	<u>23,172</u>	<u>(37,424)</u>	<u>900</u>	<u>11,056</u>

	At 1 January 2019	Income	Expenditure	Transfers	At 31 December 2019
	£	£	£	£	£
Man and Mountain	151	2,948	(8,323)	5,224	–
Mercer's Grant	8,438	–	(1,424)	(7,014)	–
Joe Tasker	843	–	(169)	–	674
Johnnie Lees	1,958	–	(51)	–	1,907
Archives Testbed	–	3,260	–	–	3,260
HLF Resilience project	–	48,729	(30,163)	–	18,566
Friends of Blencathra	–	–	–	–	–
Restricted fund 11 - desc in a/cs	–	–	–	–	–
	<u>11,390</u>	<u>54,937</u>	<u>(40,130)</u>	<u>(1,790)</u>	<u>24,407</u>

The Man and Mountain fund was a Heritage Lottery Fund Grant and is restricted to a project exploring the life and influence of Sir Chris Bonington.

The Mercer's Grant was restricted to improving archive storage for preserving mountaineering heritage.

The HLF Resilience Grant is restricted to improving the organisational resilience of the charity including developing comprehensive marketing and fundraising strategies, improving website facilities and creating a five year development plan to formalise the trusts priorities.

The Culture Recovery Fund 2020 and the Heritage Lottery Emergency Fund were restricted to cover specific costs to support the Charity in the wake of the coronavirus (COVID-19) pandemic.

Mountain Heritage Trust
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £
Tangible fixed assets	7,200	8,100	15,300
Heritage assets	25,000	–	25,000
Current assets	25,616	9,916	35,532
Creditors less than 1 year	(5,046)	(6,960)	(12,006)
Net assets	52,770	11,056	63,826
	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	8,098	9,176	17,274
Heritage assets	25,000	–	25,000
Current assets	30,438	15,231	45,669
Creditors less than 1 year	(3,409)	–	(3,409)
Net assets	60,127	24,407	84,534

25. OPERATING LEASE COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	11,000	11,000
Later than 1 year and not later than 5 years	–	11,000
	11,000	22,000

Mountain Heritage Trust
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Notes to the Financial Statements *(continued)*
Year ended 31 December 2020

26. RELATED PARTIES

The British Mountaineering Council is the sole member of Mountain Heritage Trust, and controls Mountain Heritage Trust through the appointment of trustees to the charity.

The receipts from the British Mountaineering Council are listed below:

Donation towards general running costs £15,300 £ (2019: £30,300).

At the balance sheet date £245 was owed to BMC (2019: £143 was owed to BMC).

William Lownsbrough, a trustee of Mountain Heritage Trust, is director of Nibiru Holdings Limited. During the year Mountain Heritage Trust paid Nibiru Holdings Limited £613 (2019: £1,820) for IT support, at the year end Mountain Heritage trust owed Nibiru Holdings Limited £nil (2019: £nil).

Elizabeth Sutton, a trustee of Mountain Heritage Trust, is director of Ruby Tiger Limited. During the year Mountain Heritage Trust paid Ruby Tiger Limited £8,322 (2019: £nil) for fundraising research and proposal submission, at the year end Mountain Heritage trust owed Ruby Tiger Limited £2,641 (2019: £nil).

Key management personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. No compensation has been paid to key management personnel for services provided to the charity since key management personnel is made up of the trustees of the charity.