

BRITISH CAVE RESEARCH ASSOCIATION
REGISTERED CHARITY NO: 267828



BCRA

BRITISH CAVE RESEARCH ASSOCIATION

REGISTERED CHARITY NUMBER 267828

**COUNCIL REPORT AND ANNUAL ACCOUNTS FOR
THE PERIOD ENDED 31ST DECEMBER 2007**

BRITISH CAVE RESEARCH ASSOCIATION

REGISTERED CHARITY NO: 267828

COUNCIL REPORT

The Council presents its report for the period ended 31st December 2007.

The objects of the British Cave Research Association (BCRA) are to promote the study of caves and associated phenomena wherever they may be situated, for the benefit of the public. It is administered, in accordance with its Constitution (last amended September 2007), by the members of the Council. The Association's correspondence address is The Old Methodist Chapel, Great Hucklow, Buxton, Derbyshire SK17 8RG.

Council Members

The Council consists of: the President, the Chairman, the Secretary, the Treasurer, up to fifteen representatives of the personal members, four representatives of the member clubs and any further members (to a maximum of two) co-opted by the Council.

All members of the Council, other than the President, are elected for a year term, but are eligible for re-election. Nominations for all positions on the Council, other than the President, must be proposed and seconded by voting members. In the event of a contested election, the election shall be determined by a postal ballot. The Council appoints the President to serve for a period of three years.

Council members during the period ended 31st December 2007 were as follows:

Dave Checkley President	Phil Murphy
Steve Whitlock Chairman	Jenny Potts
Ursula Collie Secretary	Allan Richardson
Julian Griffiths Treasurer	Joanne Whistler
Mick Day	John Wilcock
Trevor Faulkner	
Dave Judson	
Paul Mann	

There were no changes in personnel during the period:

Association News

Financial Review

Changes to the Association's membership consequent upon the formation of the British Caving Association (BCA) came into effect from January 2006. This period is, therefore, the third period to which these changes have applied. Membership of the Association is now available to members of BCA for £10 and these subscriptions are shown as membership subscriptions in the accounts. In addition a number of individuals continue to pay amounts to the Association under standing orders, although they are not formally members of the Association under the new rules. These payments are included under donations received. Membership of the Association has fallen since the formation of BCA, but this has been offset, at least in part, by a drop in expenditure as functions have been transferred to BCA.

The Association's accounting year end has been changed to 31st December to align it with that of the BCA. The accounting period is therefore one of nine months to 31st December 2007.

Gross income fell from £28,012 in the year to 31st March 2007 to £27,164 in the nine months to 31st December 2007. Both membership subscriptions and donations fell due, in part, to the shorter accounting period. This was offset by an increase in the surplus from Hidden Earth. The surplus for Hidden Earth 2007 was £5,300 against £1,150 last year. The surplus last year included a donation to the Ghar Parau Foundation of £1,000.

Direct charitable expenditure at £14,947 was lower than last year. Grant expenditure in fact rose from £4,670 to £8,298, both as a result of the Cave Science and Technology Research Initiative and higher grants by the Ghar Parau Foundation. Publication costs fell from £10,102 to £2,870. Of this reduction £3,936 was due to the transfer of

COUNCIL REPORT

Association News (continued)

Speleology's costs of production to BCA. The rest reflected the reduction in the number of issues of Cave and Karst Science due to the shorter period. Other expenditure fell from £3,163 last year to £2,207 this period. Much of this reduction was due to the shorter accounting period.

Overall the Association recorded a surplus of £10,010 for the period compared to £4,944 for the year to 31st March 2007.

Reserves Policy

The Association needs reserves of funds to provide working capital for its ongoing activities and to absorb any temporary variability in its income. Therefore the Trustees (members of Council) consider that it is prudent to keep in reserve a sum equivalent to 6 months expenditure in reserves.

Reserves are currently in excess of this requirement due to the receipt of the Balcombe legacy in 2001 (see below).

Subscriptions

In early 2004 there were fundamental changes to the way in which the Association's public liability insurance scheme operated. These changes, together with other changes to the way the Association operates as a result of the set up of BCA, had implications for both the membership of the Association and subscription rates. At the Association's AGM in September 2005 it was agreed that the constitution be amended so that membership of the Association is effectively only open to members of BCA. This meant that from January 2006 the route to becoming a member of the Association has been to join BCA and pay a supplementary fee. Direct individual membership of the Association is no longer available.

Graham Balcombe Bequest

The money continues to be held in a high interest account. At the Annual Conference in 2005 the Cave Science and Technology Research Initiative was announced. This initiative is aimed to provide £25,000 over the next five years towards cave research. Funds from the Balcombe bequest will be used to fund this expenditure.

In addition Council has agreed £20,000 funding over the course of 2008 to catalogue library material. Again funds from the Balcombe bequest will be used to fund this expenditure.

Meetings

The following meetings were held during the period:

- **BCRA National Caving Conference 2007 "Hidden Earth 2007"** at Tewkesbury, Gloucestershire, September 2007.
- **Cave Technology Symposium**, Hulland Ward, Derbyshire, April 2007

Publications

The programme of occasional publications has continued with steady success.

Cave and Karst Science has also continued steadily and sets a high standard for the speleologically minded. There has been one issue in the period. The publication continues to provide a forum for the exchange of ideas and information for both professional and amateur cave researchers and it remains one of the most important ways that we continue to fulfil our constitutional objectives. Thanks are due to the editorial team, and in particular to Deej Lowe, for the enormous amount of work that this entails on the Association's behalf.

COUNCIL REPORT

Association News (continued)

Special Interest Groups

The work of the Special Interest Groups (SIGs) continues to enhance the portfolio of BCRA. The Cave Radio and Electronics Group (CREG), the Cave Surveying Group (CSG), and the Explosives User Group (EUG), are currently active, producing informative publications and hosting practical field meets. It is hoped that a SIG for Cave Archaeology can be formed, and the Hydrology and Speleohistory SIGs revived if there is enough interest.

UKCCEF

The accounts of the United Kingdom Cave Conservation Emergency Fund (UKCCEF) for the 9 month period to 31st December 2007 (31st March 2007, 12 months to 31st March 2007) are included in these accounts. The Fund had a surplus of £672 for the period.

Ghar Parau

The Ghar Parau Foundation is a subsidiary charity of BCRA, but has its own governing committee and trustees. It continues to support caving expeditions outside the UK and distributes funds from its own resources, from the BCA and from private donations.

New Honorary Members

There were no new honorary members elected during the period.

COUNCIL REPORT

Other Business

British Caving Association

On 1st January 2004, the new British Caving Association (BCA) came into existence. This organisation took over the national body functions of the National Caving Association (NCA) and BCRA.

A timetable was set to transfer all of the functions from NCA into BCA by the end of 2004, and NCA was formally wound up at its AGM in March 2005. BCRA also moved to transfer functions to the new organisation. These changes had implications for the membership of BCRA and at the Association's AGM in September 2005 it was agreed that the constitution be amended so that membership of the Association is effectively only open to members of BCA. This meant that from January 2006 the route to becoming a member of the Association has been to join BCA and pay a supplementary fee.

Under the new structure BCRA is a constituent body of BCA whilst remaining a separate legal entity, concentrating its efforts on supporting cave sciences. It will do this by channelling grant funding and facilitating publication through its journal, Cave and Karst Science, and continuing with its series of occasional publications, including the successful Cave Studies series.

Some Council members of BCRA are also council members of BCA and there is close cooperation between the two organisations. Accordingly, under the terms of Financial Reporting Standard 8, transactions between the two associations are classified as being between "related parties". Membership subscriptions for the Association are now largely collected by BCA. In addition BCA has incurred publication costs on behalf of the Association. The Association has also collected membership subscriptions and publication sales, and incurred publication and insurance costs on behalf of BCA. These transactions are detailed in note 11 to the accounts.

Statement of Trustees Responsibilities

Under the Charities Act 1993 the Trustees are required to:

- Ensure that accounting records are kept in respect of the charity, which are sufficient to show and explain all the charity's transactions.
- Prepare in respect of each financial year of the charity a statement of accounts complying with the requirements as to its form and contents as may be prescribed by regulations made by the Secretary of State.

By order of the Trustees

J T Griffiths
Treasurer

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE BRITISH CAVE RESEARCH ASSOCIATION FOR THE PERIOD ENDED 31ST DECEMBER 2007

Respective responsibilities of trustees and examiner

As the charity's trustees, you are responsible for the preparation of the accounts as set out on pages 7 to 13. You consider that the audit requirement of Section 43(2) of the Charities Act 1993 (The Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under Section 43(7)(b) of the Act, whether particular matters have come to my attention.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with Section 41 of the Act, and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act,have not been met; or
- (2) to which, in my opinion, attention should be drawn, in order to enable a proper understanding of the accounts to be reached.

P A Hill
Chartered Accountant
3 Bull Lane
St Ives
Cambridgeshire
PE27 5AX

BRITISH CAVE RESEARCH ASSOCIATION

REGISTERED CHARITY NO: 267828

**ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER 2007
STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31ST
DECEMBER 2007**

	9 months to 31 st December 2007 Unrestricted Funds £	9 months to 31 st December 2007 Restricted Funds £	9 months to 31 st December 2007 Total £	Year to 31 st March 2007 £
INCOMING RESOURCES				
Membership Subscriptions	650	-	650	2,776
Gift Aid	1,773	-	1,773	-
Donations Received	4,058	4,280	8,338	11,932
Royalties Received	20	-	20	118
Publication Sales	1,458	-	1,458	2,267
Advertising Revenues	-	-	-	279
Field Meetings and Conference Surpluses	5,300	-	5,300	1,150
Income from Investments	-	2,018	2,018	1,580
Bank Interest Received	6,935	672	7,607	7,910
TOTAL INCOMING RESOURCES	£20,194	£6,970	£27,164	£28,012
RESOURCES EXPENDED				
Direct Charitable Expenditure				
Cost of Publications – see Note 5	2,870	-	2,870	10,102
Cost of Books for Resale	587	-	587	557
Distribution of Publications	1,239	-	1,239	2,767
Other Publication Costs	295	-	295	552
Grant Expenditure – see Note 7	2,473	5,825	8,298	4,670
Library Purchases and Expenses	1,658	-	1,658	1,257
Total Direct Charitable Expenditure	9,122	5,825	14,947	19,905
Other Expenditure				
Bank Charges	286	-	286	428
Administration Expenses – See Note 6	741	-	741	1,382
Independent Examination Fees	822	-	822	823
Miscellaneous Expenses	226	-	226	285
Depreciation of Fixed Assets	132	-	132	245
Total Other Expenditure	2,207	-	2,207	3,163
TOTAL RESOURCES EXPENDED	£11,329	£5,825	£17,154	£23,068
NET INCOMING/(OUTGOING) RESOURCES FOR THE PERIOD	£8,865	£1,145	£10,010	£4,944
BALANCES BROUGHT FORWARD AT 31ST MARCH 2007	199,599	60,210	259,809	254,865
BALANCES CARRIED FORWARD AT 31ST DECEMBER 2007	£208,464	£61,355	£269,819	£259,809

There were no other recognised gains or losses during the period (Year to 31st March 2007 nil).

The notes below form an integral part of these accounts.

BRITISH CAVE RESEARCH ASSOCIATION

REGISTERED CHARITY NO: 267828

**ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER 2007
BALANCE SHEET AS AT 31ST DECEMBER 2007**

	31 st December 2007	31 st March 2007
	£	£
FIXED ASSETS – see Note 9	41	173
INVESTMENTS (Ghar Parau Foundation) – see Note 10	40,000	37,000
CURRENT ASSETS		
Other Debtors – see Note 11	1,631	2,404
Prepayments and Accrued Income	2,186	-
Stock of Goods for Resale	6,901	7,143
UKCCEF Building Society Account	18,101	17,429
Ghar Parau Foundation Account	1,995	5,972
Bank Deposit Accounts	182,832	174,457
Bank Current Accounts	26,887	20,776
Cash in Hand	100	100
	<u>240,633</u>	<u>228,281</u>
Less: CURRENT LIABILITIES		
Special Interest Groups	402	803
Accruals and Deferred Income	3,371	4,813
Other Creditors	5,378	-
Bank Overdraft	1,704	29
	<u>10,855</u>	<u>5,645</u>
NET CURRENT ASSETS	<u>229,778</u>	<u>222,636</u>
NET ASSETS	<u>£269,819</u>	<u>£259,809</u>
RESTRICTED FUNDS – see Note 12		
BCRA Research Fund (Restricted)	2,809	2,809
UK Cave Conservation Emergency Fund	18,101	17,429
Ghar Parau Foundation	40,445	39,972
UNRESTRICTED FUNDS		
BCRA Research Fund (Unrestricted)	37,500	37,500
BCRA General Fund	170,964	162,099
	<u>£269,819</u>	<u>£259,809</u>

The notes below form an integral part of these accounts.

These accounts were approved by the Trustees and signed on their behalf on 5th August 2008.

J T Griffiths
Treasurer

BRITISH CAVE RESEARCH ASSOCIATION

REGISTERED CHARITY NO: 267828

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER 2007

1) ACCOUNTING POLICIES

Basis of Preparation of Accounts

The accounts have been prepared under the Historical Cost Convention and in accordance with applicable accounting standards and the requirements of the Statement of Recommended Practice – Accounting by Charities.

There are a number of Special Interest Groups (SIGs), which act in the name of the Association. The SIGs consist of members of the Association with a common interest in a specialised subject and, whilst supported by the Association, contribute to their own funds for their own needs. The accounts of the Special Interest Groups (SIGs) have not been incorporated into these accounts on the basis of materiality.

The United Kingdom Cave Conservation Emergency Fund (UKCCEF) is a fund administered by the Association as a constituent member of the British Caving Association (BCA), which prepares separate accounts. These accounts, which are drawn up to 31st December are included in these financial statements.

The Ghar Parau Foundation is a subsidiary charity (Registered Charity 267828/1), which prepares separate accounts. These accounts, which are drawn up to 31st December, are consolidated in these financial statements.

Membership Subscriptions

Subscriptions are stated on a receipts basis. No adjustment is made to account for late receipt of subscriptions, as in the opinion of the Council it is prudent not to assume renewal of membership in the event of a delay in receipt of the subscription.

Legacies

Unless incapable of financial measurement, legacies are credited as income in the year in which they are receivable. Legacies are considered receivable when probate has been granted in respect of the legatee's estate.

Grants

Grants are accounted for when paid or received.

Annual Conference and Field Meetings

Income receivable from Field Meetings and the Association's Annual Conference is stated in the Statement of Financial Activities net of expenditure. While these meetings are an essential part of the Association's activities the intention is that admission fees should cover costs. Hence, in the opinion of Council, it is appropriate to show net income or expenditure from these activities.

Fixed Assets

Fixed Assets, which are all tangible, are stated at cost less a charge for depreciation. There are no assets held under any finance lease or hire purchase agreement.

Depreciation is provided at rates calculated to write off the cost of each individual asset, less its estimated residual value, over its expected useful life, on the following basis:

Computer Equipment	20% straight line basis
Other Equipment	20% straight line basis

Investments

These are stated at cost.

BRITISH CAVE RESEARCH ASSOCIATION

REGISTERED CHARITY NO: 267828

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER 2007 (continued)

Stocks

The Association holds a stock of publications for resale. The stock is valued at the lower of cost or net realisable value. The valuation does not include any proportion of fixed or variable overheads.

Foreign Currencies

There are no assets or liabilities in foreign currencies as at 31st December 2007. Transactions in foreign currencies are translated into Sterling at the rate of exchange ruling on the date of each individual transaction. Exchange differences are taken into account on an arising basis.

2) SPECIAL INTEREST GROUPS

There are a number of Special Interest Groups, which act in the name of the Association. These groups are self-financing groups, which have undertaken to present their own accounts. The turnover of the Special Interest Groups does not exceed £5,000 in total per annum.

3) UKCCEF

The UKCCEF is a fund administered by the Association as a constituent body of the BCA. The objective of the Fund is to support, by loan or grant, projects which further the conservation of caves. The accounts of the Fund, which are drawn up to 31st December, are incorporated within these financial statements.

4) SUBSIDIARY CHARITY

The Ghar Parau Foundation is a subsidiary charity (registered charity number 267828/1), which prepares separate accounts and is administered by its own trustees who are elected by the Council of the Association. The Foundation exists to grant awards to overseas caving expeditions originating from within the United Kingdom. The accounts of the Foundation, which are drawn up to 31st December, are incorporated within these financial statements.

5) PUBLICATION COSTS

	9 months to 31 st December 2007		Year to 31 st March 2007	
	£	No	£	No
Cave and Karst Science	2,870	1 issue	6,166	2 issues
Speleology	-		3,936	3 issues
	<u>£2,870</u>		<u>£10,102</u>	

The publication costs for Speleology in the year to 31st March 2007 include £3,750 fees paid to the editor. These expenses are being borne by BCA from 1st January 2007.

6) ADMINISTRATION EXPENSES

Administration expenses are expenses incurred by the Trustees and other officers of the Association, either in attending Council meetings, or in fulfilling their functional responsibilities within the Association.

The Trustees have not been remunerated during the period. A total of 9 trustees (Year to 31st March 2007 9) have been reimbursed for expenses related to the Association's business at a cost of £558 (Year to 31st March 2007 £1,278). Of this £441 (Year to 31st March 2007 £745) related to attendance at Council meetings, the balance represented the cost of undertaking their functional responsibilities within the Association.

**NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER
2007
(continued)**

7) GRANTS

	9 months to 31 st December 2007			Year to 31 st March 2007
	Unrestricted Funds	Research Fund	Ghar Parau Foundation	
	£	£	£	£
Ghar Parau Foundation Grants	-	-	2,730	500
Tratman Award	-	-	50	0
Alex Pitcher Award	-	-	175	50
BCA Awards	-	-	1,500	2,500
China Caves Project	-	-	1,370	-
Data Loggers	300	-	-	-
Cave Invading Shrimps	495	-	-	-
Subterranean Fauna	500	-	-	-
Microclimate Study	500	-	-	-
Cave Cine Archives	383	-	-	-
Pressure Sensors	295	-	-	-
Stalactite Dating – Victoria Cave	-	-	-	1,320
Pulsed Electrical Energy for Rock Removal	-	-	-	300
	<u>£2,473</u>	<u>£-</u>	<u>£5,825</u>	<u>£4,670</u>

8) ANNUAL CONFERENCE

The 2007 Annual Conference was held in Tewkesbury, Gloucestershire. It made a surplus of £5,300 (2006 surplus £1,150).

9) FIXED ASSETS

	Computer Equipment £	Other Equipment £	Total £
At Cost			
As at 1/4/07	4,102	1,893	5,995
Additions during the Period	-	-	-
Disposals during the Period	(1,681)	(1,473)	(3,154)
As at 31/12/07	<u>2,421</u>	<u>420</u>	<u>2,841</u>
Depreciation			
As at 1/4/07	3,930	1,892	5,822
Charged for the Period	131	1	132
On Disposals during the Period	(1,681)	(1,473)	(3,154)
As at 31/12/07	<u>2,380</u>	<u>420</u>	<u>2,800</u>
Net Written Down Value			
As at 1/4/07	<u>£172</u>	<u>£1</u>	<u>£173</u>
As at 31/12/07	<u>£41</u>	<u>£-</u>	<u>£41</u>

**NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER
2007
(continued)**

10) INVESTMENTS

	£
Carrying value of investments at 1/4/07	37,000
Additions at cost	<u>3,000</u>
Carrying value of investments at 31/12/07	<u>40,000</u>

Investments comprise National Savings Bonds valued at cost. These are held by the Ghar Parau Foundation.

11) OTHER DEBTORS (RELATED PARTY TRANSACTIONS)

With the transfer of functions to BCA, membership subscriptions for the Association are now largely collected by BCA. In addition BCA has incurred publication costs on behalf of the Association. The Association has also collected membership subscriptions and publication sales, and incurred publication and insurance costs on behalf of BCA. The amount due from BCA at 31st December 2007 was £1,489 (31st March 2007 £2,301).

12) RESTRICTED FUNDS

The Association is responsible for two restricted funds and has a subsidiary charity.

The BCRA Research Fund

This fund has been established to promote research into all aspects of speleology in Britain and abroad. From the fund's original donation part of the monies held are restricted for the purpose of the fund. Additionally monies have been transferred from the Association, which are unrestricted in nature. The two constituent parts of the fund are stated on the Balance Sheet as at 31st December 2007.

The United Kingdom Cave Conservation Emergency Fund (UKCCEF)

This fund has been established to provide financial assistance for projects which further the conservation of caves. The accounting reference date of this fund is 31st December.

Ghar Parau Foundation

The Ghar Parau Foundation is a subsidiary charity (registered charity number 267828/1), which is administered by its own trustees who are elected by the Council of the Association. The foundation exists to grant awards to overseas caving expeditions originating from within the United Kingdom. The accounting reference date of this fund is 31st December.

BRITISH CAVE RESEARCH ASSOCIATION

REGISTERED CHARITY NO: 267828

**NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31ST DECEMBER
2007
(continued)**

The movement and analysis of the net assets by fund is as follows:

	Unrestricted	BCRA Research	Restricted Funds	
	Funds		UKCCEF	Ghar Parau Foundation
	£	£	£	£
Opening Balance	199,599	2,809	17,429	39,972
Income for the Period	20,194	-	672	6,298
Expenditure for the Period	(11,329)	-	-	(5,825)
Closing Balance	<u>£208,464</u>	<u>£2,809</u>	<u>£18,101</u>	<u>£40,445</u>
Held as:				
Fixed Assets	41	-	-	-
Investments	-	-	-	40,000
Current Assets	217,728	2,809	18,101	1,995
Current Liabilities	(9,305)	-	-	(1,550)
	<u>£208,464</u>	<u>£2,809</u>	<u>£18,101</u>	<u>£40,445</u>

13) FUTURE CAPITAL EXPENDITURE AND FUTURE COMMITMENTS

No amount of capital expenditure was contracted for as at 31st December 2007 (31st March 2007 nil). No capital expenditure remained authorised, but not contracted for as at 31st December 2007 (31st March 2007 nil).

At the Annual Conference in 2005 the Cave Science and Technology Research Initiative was announced. This initiative is aimed to provide £25,000 over the next five years towards cave research. Funds from the Balcombe bequest will be used to fund this expenditure and the first grants under this initiative were made in June 2006. As at 31st December 2007 £4,093 grants had been made under the initiative.

In addition Council has agreed £20,000 funding over the course of 2008 to catalogue library material. Again funds from the Balcombe bequest will be used to fund this expenditure.