



THE BRITISH GEOTECHNICAL ASSOCIATION

Annual Report and Financial Statements for the year ended 31 December 2012

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THE BRITISH GEOTECHNICAL ASSOCIATION

Trustees' Annual Report for the year ended 31 December 2012

LEGAL AND ADMINISTRATIVE INFORMATION

The British Geotechnical Society was formed in 1949 as an unincorporated association. It became a registered charity by statutes adopted December 1981 as amended January 1997. It became the British Geotechnical Association by statutes adopted in June 2000 and amended in June 2005. The charity number is 284131.

The charity trustees who served during the year were:

Mr R Fernie - Chairman (& ICE)
Dr C Menkiti - Vice Chairman
Dr J Hellings, Jan - Sep
Mr D Preece, Jan - Sep
Dr C O'Sullivan, Jan - Sep
Mr G Bunce
Mr I Uglow
Dr L Zdravkovic
Mr C Powell
Dr K Dineen

Ms H Natrass (BTS)
Ms H Scholes (Geol Soc)
Dr P Ingram
Dr C Martin
Dr G Swift (ISRM)
Mr H Wood
Mr I Nettleton (IMo3), Sep - Dec
Mr P Ruddy, Sep - Dec
Dr M Winter, Sep - Dec
Dr S Hardy, Sep - Dec
Dr F Schroeder, Sep - Dec

The method of appointment or election of trustees and the name of any body or person entitled to nominate or appoint one or more trustees is as follows:

The Trustees of the British Geotechnical Association are the members of its committee.

The committee comprises:

Chairman
Vice-Chairman
2 Representatives of the Institution of Civil Engineers
9 Elected Members
1 Representative of the Geological Society of London (Geol Soc)
1 Representative of the Institute of Materials, Minerals and Mining (IMMM)
1 Representative of the British Tunnelling Society (BTS)

The Chairman and Vice Chairman of the Association shall be elected by members of the committee.

Only members of the Association shall be members of the Committee. This requirement may be waived if the Committee agree.

The members to be elected by ballot shall be nominated by not less than three members of the Association.

Honorary Officers shall not be entitled to vote at Committee Meetings.

Details of Membership classes are under Association Organisation.

THE BRITISH GEOTECHNICAL ASSOCIATION

Trustees' Annual Report for the year ended 31 December 2012

LEGAL AND ADMINISTRATIVE INFORMATION

The principal office of the charity is:

One Great George Street
Westminster
London SW1P 3AA

Names and addresses of other relevant organisations:

Bankers

CAF BANK Limited
PO Box 289
West Malling
Kent ME19 4TA

Solicitors

Solicitors are appointed from time to time as the need arises.

Independent examiner

Jonathan Healey FCA
Chartered Accountant
Lindeyer Francis Ferguson
North House
198 High Street
Tonbridge, Kent
TN9 1BE

Investment Advisers

Coutts & Co.
440 Strand
London WC2R 0QS

THE BRITISH GEOTECHNICAL ASSOCIATION

Trustees' Annual Report for the year ended 31 December 2012

OBJECTIVES, POLICIES AND ORGANISATION

Investment Policy

Management of investments is delegated by the Committee to Coutts & Co. The fund is managed with an emphasis on income with some regard to capital growth and a moderate approach to risk.

Reserves Policy

The trustees consider it prudent to keep unrestricted reserves at levels which ensure that there are sufficient funds to meet the needs of current and future activities. The activities of the Association are largely regular and predictable in the medium to long term. Reserves can therefore be relied on to act as contingency in the event of income flows being disrupted.

Charity objectives

The objects of the Association are the advancement of public education in the subjects of soil and rock mechanics and engineering geology and in their application to engineering.

Summary of policies adopted to further the objects of the Association

- a) To hold regular meetings for discussion of subjects lying within the above fields.
- b) To arrange for the holding of periodical and regional conferences, symposia and seminars.
- c) To co-operate in the activities of International Societies of which the British Geotechnical Association is a member and with such bodies as may be appropriate.
- d) Generally promote training courses and seminars in the field of geotechnology.
- e) To do all such lawful things as shall further the above objects.

There are no changes in the Association's objects from the previous year.

Association Organisation - Committee

The affairs of the Association are managed by the Committee.

Membership

Individual membership shall be open to those professionally engaged or otherwise actively interested in work lying within the scope of the Association, upon payment of the appropriate entrance fee and annual subscription.

Corporate membership shall be open to all organisations, or parts of organisations, engaged or otherwise actively interested in any aspect of geotechnical engineering. Corporate members must nominate an individual to act as the contact person for correspondence. This person shall not be considered as an individual member of BGA.

Subscriptions may only be modified with the approval of the Annual General Meeting or a Special General Meeting.

THE BRITISH GEOTECHNICAL ASSOCIATION

Trustees' Annual Report for the year ended 31 December 2012

OBJECTIVES, POLICIES AND ORGANISATION

Sponsorship

The following three bodies shall be associated in the sponsorship of the Association.

- a) The Institution of Civil Engineers
- b) The Institution of Materials, Minerals and Mining
- c) The Geological Society of London

THE BRITISH GEOTECHNICAL ASSOCIATION

Trustees' Annual Report for the year ended 31 December 2012

REVIEW OF DEVELOPMENTS AND ACHIEVEMENTS DURING THE YEAR

CHAIRMAN'S REPORT for 2012

1 COMMITTEE STRUCTURE AND ACTIVITIES

Mr Rab Fernie remains Chairman in 2012 with Dr Chris Menkiti as Vice Chairman.

Neil Smith, Peter Eldred and Fleur Loveridge continue in their honorary positions of Secretary, Treasurer and Publicity Officer to the BGA. Jan Hellings and David Preece left the elected committee and Catherine O'Sullivan handed the reins of the Rankine Lecture and dinner to Felix Schroeder. John Powell continues to represent BGA interests with ISSMGE.

Newly elected members in 2012 are Stuart Hardy, Peter Ruty and Mike Winter. Associated body representatives are Helen Natrass (British Tunnelling Society), Helen Scholes (Geological Society) and Gareth Swift (International Society for Rock Mechanics). Derek Smith has been replaced by Ian Nettleton in his role representing the Institute of Minerals Materials and Mining, although Derek continues to support the BGA in respect of the ECSMGE Conference in Edinburgh in 2015. Peter Assinder also attends as a guest, representing the British Chapter of the International Geosynthetics Society. Jim Cook continues to provide liaison with the AGS.

2 MEETINGS

2012 was a full year for meetings, including much liaison with ICE on matters as diverse as Associated Society networking, Learned Society strategy meetings and process meetings for the future of Geotechnique.

Programmed joint meetings included collaboration with OES, EGGS, IGS and BTS.

This year's biennial Touring Lecture was given by Professor J Carlos Santamarina to the regions in Birmingham, Cardiff, London and, as an extra location, also in Belfast. The lecture entitled 'The role of Geotechnical Engineers in the Energy Challenge' was appreciated by all and very highly rated; we would hope to see Professor Santamarina back in the near future.

The Geotechnical Engineering Lecture (November) was on 'Low volume-loss tunneling for London Ring Main extension' by Dr Benoit Jones.

The 52nd Rankine Lecture was delivered by Professor Malcolm Bolton of the University of Cambridge on 'Performance Based Design in Geotechnical Engineering'. The lecturer, topic and web cast facility produced a hugely successful and massively accessed evening, emphasising the importance and significance of the event to the UK Geotechnical and Civil Engineering Community.

THE BRITISH GEOTECHNICAL ASSOCIATION

Trustees' Annual Report for the year ended 31 December 2012

REVIEW OF DEVELOPMENTS AND ACHIEVEMENTS DURING THE YEAR

CHAIRMAN'S REPORT FOR 2012

3 PRIZES

The Cooling Prize competition was held at Queen's University, Belfast, and was won by Dr Jonathan Dewsbury. The MSc Dissertation prize was won by Thomas Clifford of the University of Birmingham. The Best YGES Presentation was won by Sam Divall of City University. All three presented at the Annual Conference.

The Fleming Award, sponsored by Cementation Skanska Ltd, had three interlinked finalists on remedial works. The award was deservedly won by the Somerset County Council & Crestmoor Construction Team for their submission on the 'Construction on West Quay Collapse, Bridgewater'. The well attended meeting allowed networking at the Cementation sponsored reception after the presentations.

The BGA Medal for 2011 was presented to Prof David White and Dr Johnny Cheuk at the AGM.

4 BGA ISSUES AND HIGHLIGHTS

The 10th Annual Conference took place in September this year (because of the ICE closure for the London Olympics), following the usual format of Research Presentations, AGM and Industry Presentations. The invited speakers, Chris Dulake and Tim Smart, updated the audience on Crossrail and HS2 respectively. The day was completed by a drinks reception.

The BGA, with help from senior figures in Geotechnics, has been considering its strategical positioning for the next few years, particularly in the issues of communication, the young, international impact and finances. It is intended that a vision for 2020 will be issued around March 2013.

The BGA continues to liaise closely with ICE, constantly reviewing its role as both an Expert Panel (for ICE) and as an Associated ICE Society.

We are delighted that Prof Hugh St John has been invited to deliver the first Keiichi Fujita Lecture in Seoul in 2014. This is an ISSMGE Honour Lecture sponsored by TC204, Underground Construction.

Rab Fernie (Chairman)
January 2013

THE BRITISH GEOTECHNICAL ASSOCIATION

Trustees' Annual Report for the year ended 31 December 2012

Importance of the efforts of unpaid volunteers and provision of free facilities and services

The success of the Association continues to depend entirely on the work of very many people, those who have served on its committees and working groups, those who have spoken and taken part in its meetings, and those who have helped in many other ways. The British Geotechnical Association would like to take this opportunity to register its appreciation of the efforts of all those who so willingly helped during the year.

Review of the transactions and financial position of the charity

Unrestricted Funds

Membership subscriptions include subscriptions to the publication Ground Engineering.

The Committee considers the reserves to be adequate to meet its on-going activities.

Surplus funds are placed on short term deposit.

A surplus of £2,556 income over expenditure for the year has increased the unrestricted fund which amounts to £58,583 at the year end. This compares to a surplus in the unrestricted fund of £6,687 in 2011.

Designated Funds - Rankine Fund

The fund balance at the year end amounts to £169,750 after an increase for investment gain of £13,828 compared to a loss of £10,709 in 2011 and an excess of expenditure over income of £2,007, compared to an excess of expenditure over income of £11,038 in 2011.

Investment income is used to fund the Rankine Lecture.

Designated Funds - The BGA Fund

The fund balance at the year end amounts to £19,716 after payment of a £500 bursary and interest received of £42, the same as received in 2011.

The BGA Fund is for raising the understanding and the appreciation of geotechnics by the public, particularly pupils at schools and colleges (to further the interest in geotechnics as a career) and other technical/scientific professionals (to encourage the employment of experts in geotechnics on projects wherever appropriate). Also for aiding young undergraduates and graduates in geotechnics and allied subjects (normally under 30 years of age) in their training and experience (including funding of teaching, research and travel, eg exchanges with young graduates in other countries).

Degree of Financial Dependency

As discussed above the Association is dependent on the voluntary efforts of its members.

Risk Assessment

A risk assessment with respect to the finances of the BGA has been carried out by the Financial and General Purposes sub-committee. A register of risks has been established which is reviewed at least annually. Where appropriate, measures have been identified to mitigate the risks the charity faces.

Organisational Context

The Association's role is the advancement of public education in the subjects of soil and rock mechanics and engineering geology and in their application to engineering, which is not something that can exist in isolation and there are many important links with other engineering disciplines and sciences. Although totally separate from other organisations, the Association seeks to co-operate in areas of common ground with other bodies.

The Annual Report on pages 2 to 8 was approved by the Committee on 10 April 2013 and was signed on its behalf by:



Rab Fernie - Chairman of the Committee

THE BRITISH GEOTECHNICAL ASSOCIATION

Independent Examiner's Report to the Trustees of the British Geotechnical Association

I report on the accounts of the charity for the year ended 31 December 2012, which are set out on Pages 10 to 16.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 (2) of the Charities Act 2011 Act and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts under section 145 of the 2011 act;
- Follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145 (5)(b) of the 2011 Act ; and
- State whether particular matters have come to my attention.

Basis of Independent Examiners 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 the seeking of 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, no opinion is given as to whether the accounts present a true and fair view and the report is limited to those matters set out in the statement below.

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 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 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.



Jonathan Healey FCA
Chartered Accountant
Lindeyer Francis Ferguson
North House
198 High Street
Tonbridge, Kent
TN9 1BE

10 April 2013

**THE BRITISH GEOTECHNICAL ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2012**

				2012	2011
	Notes	Unrestricted £	Designated £	Total £	Total £
Incoming Resources					
Incoming resources from charitable activities	3	77,015	-	77,015	77,100
Activities for generating funds	4	36,676	5,534	42,210	39,312
Total Incoming Resources		<u>113,691</u>	<u>5,534</u>	<u>119,225</u>	<u>116,412</u>
Resources Expended					
Cost of generating funds	5	28,745	7,499	36,244	42,702
Direct charitable expenditure	6	81,010	500	81,510	77,834
Governance costs	7	1,380	-	1,380	1,185
Total Resources Expended		<u>111,135</u>	<u>7,999</u>	<u>119,134</u>	<u>121,721</u>
Net incoming / (outgoing) before any other recognised gains and losses		<u>2,556</u>	<u>(2,465)</u>	<u>91</u>	<u>(5,309)</u>
Other recognised gains / (losses)	8				
Realised		-	1,410	1,410	(3,806)
Unrealised		-	12,418	12,418	(6,903)
		<u>-</u>	<u>13,828</u>	<u>13,828</u>	<u>(10,709)</u>
Net Movement in Funds		2,556	11,363	13,919	(16,018)
Fund balances brought forward 1 January 2012		56,027	178,103	234,130	250,148
Fund balances carried forward at 31 December 2012		<u>58,583</u>	<u>189,466</u>	<u>248,049</u>	<u>234,130</u>

THE BRITISH GEOTECHNICAL ASSOCIATION

BALANCE SHEET AT 31 DECEMBER 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Market value of investments	8	223,024	205,924
CURRENT ASSETS			
Cash at bank		14,694	7,071
Cash on short term deposit		48,607	83,338
Debtors	9	56,841	30,906
		<hr/>	<hr/>
		120,142	121,315
CURRENT LIABILITIES			
Creditors	10	95,117	93,109
		<hr/>	<hr/>
NET CURRENT ASSETS		25,025	28,206
		<hr/>	<hr/>
TOTAL ASSETS	11	248,049	234,130
Financed by:			
ACCUMULATED FUNDS			
Unrestricted		58,583	56,027
Designated Funds	12	189,466	178,103
		<hr/>	<hr/>
		248,049	234,130
		<hr/>	<hr/>

Approved by the Committee on 10 APRIL 2013



Rab Fernie
Chairman



P J L Eldred
Honorary Treasurer

THE BRITISH GEOTECHNICAL ASSOCIATION

Notes to the financial statements for the year ended 31 December 2012

1 Responsibilities of the Committee

The Committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing the financial statements the Committee are required to :

- a) select suitable accounting policies and then apply them consistently
- b) make judgements and estimates that are reasonable and prudent
- c) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue to operate.

2 Accounting Policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and in accordance with the requirements of the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005), issued in March 2005, and the Charities Act 2011.

a) *Basis of Accounting*

The annual accounts have been prepared on the historical cost basis of accounting as modified by the revaluation of the investments.

b) *Statement of Financial Activities*

All recognised gains and losses are included in the Statement of Financial Activities.

None of the Association's activities were acquired or discontinued during the year.

c) *Rankine Fund*

The Rankine Fund has been consolidated into the British Geotechnical Association accounts.

d) *BGA Fund*

The BGA Fund has been consolidated into the British Geotechnical Association accounts.

e) *Investments*

Investments are shown at market value. Unrealised gains are incorporated within the fund balances to which the investments relate and are identified as unrealised. Cash held as part of the investments portfolio is included in investments.

f) *Income*

All subscriptions and investment income is accounted for when received, except in the case of subscriptions which are specifically stated to be in respect of an ensuing accounting period. No credit is taken for subscriptions unpaid at the balance sheet date.

THE BRITISH GEOTECHNICAL ASSOCIATION

Notes to the financial statements for the year ended 31 December 2012

2 Accounting policies - Continued

g) Taxation

As a registered charity, the Association is exempt from taxation.

h) Expenditure allocation

Direct expenditure is allocated to its functional cost on the basis of actual activity. Management and administration costs comprise central overheads related to the organisational management of the fund and the costs of statutory compliance.

3. Incoming resources from charitable activities

	2012		2011	
	£	£	£	£
<i>Members subscriptions</i>				
United Kingdom	59,540		60,032	
Europe	5,448		5,696	
Africa	399		330	
Asia	4,612		4,567	
Australasia	3,619		2,988	
North America	2,965		3,055	
South America	432		432	
	77,015		77,100	

4. Activities for generating funds

	General	Rankine Fund (Designated)	BGA Fund (Designated)	Total
	£	£	£	£
Rankine Dinner	26,230	-	-	26,230
Annual Conference	10,250	-	-	10,250
Workshops	-	-	-	-
Investment Income	93	5,492	42	5,627
Book sales and royalties	103	-	-	103
	36,676	5,492	42	42,210

5. Cost of generating funds

	General	Rankine Fund (Designated)	BGA Fund (Designated)	Total
	£	£	£	£
Rankine Dinner	21,898	-	-	21,898
Rankine Lecture	-	5,279	-	5,279
Annual Conference	6,847	-	-	6,847
Investment Management Fee	-	2,220	-	2,220
	28,745	7,499	-	36,244

THE BRITISH GEOTECHNICAL ASSOCIATION

Notes to the financial statements for the year ended 31 December 2012

6. Direct charitable expenditure	2012	2011
	£	£
Subs to other bodies	13,104	12,666
Awards & prizes (Includes £500 BGA Fund Bursary)	2,376	1,481
Admin	14,019	13,924
Postage	1,596	1,298
Printing, stationery and photocopying	666	621
Meeting expenses	619	1,233
Publication - Ground Engineering	44,657	44,112
YGEC travel	1,009	967
Touring Lecture	1,896	-
Website	334	133
Membership Video (formerly CD)	1,234	1,399
	<hr/>	<hr/>
	81,510	77,834
	<hr/> <hr/>	<hr/> <hr/>
 7. Governance costs	 2012	 2011
	£	£
Reviewer Fee	1,020	1,053
Cost of trustees meeting	360	132
	<hr/>	<hr/>
	1,380	1,185
	<hr/> <hr/>	<hr/> <hr/>
 8. Investments - Rankine fund	 2012	 2011
	£	£
Market value at 1 January 2012	198,839	209,894
Disposals at market value	(22,481)	(60,750)
Acquisitions at cost	27,525	60,404
Net (loss) / gain on revaluation	13,828	(10,709)
	<hr/>	<hr/>
Listed investments at market value at 31 December 2012	217,711	198,839
Cash on deposit awaiting investment	5,313	7,085
	<hr/>	<hr/>
Market value as at 31 December 2012	223,024	205,924
	<hr/> <hr/>	<hr/> <hr/>

THE BRITISH GEOTECHNICAL ASSOCIATION

Notes to the financial statements for the year ended 31 December 2012

9. Debtors	2012	2011
	£	£
Other Debtors (Prepayments)	29,604	12,125
Amount due from ICE	27,237	18,781
	<hr/>	<hr/>
	56,841	30,906
	<hr/> <hr/>	<hr/> <hr/>

10. Creditors: amounts falling due within one year	2012	2011
	£	£
Creditors and accruals	62,541	56,226
Subscriptions and other receipts in advance	32,576	36,883
	<hr/>	<hr/>
	95,117	93,109
	<hr/> <hr/>	<hr/> <hr/>

11. Analysis of group net assets between funds	Unrestricted Funds	Designated Funds	Total Funds
	£	£	£
Fund balances at 31 December 2012 represented by:			
Investments	-	223,024	223,024
Current assets	100,426	19,716	120,142
Current liabilities falling due within one year	(95,117)	-	(95,117)
Transfer between funds	53,274	(53,274)	-
	<hr/>	<hr/>	<hr/>
	58,583	189,466	248,049
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE BRITISH GEOTECHNICAL ASSOCIATION

Notes to the financial statements for the year ended 31 December 2012

12. Designated fund analysis	Rankine Fund	BGA Fund	Total
	£	£	£
Balance brought forward at 1 January 2012	157,929	20,174	178,103
Dividends and interest received	5,492	42	5,534
Designated expenditure	(5,279)	(500)	(5,779)
Investment Management fees	(2,220)	-	(2,220)
Gain on investment assets	13,828	-	13,828
	<hr/>	<hr/>	<hr/>
Fund balances carried forward at 31 December 2012	169,750	19,716	189,466
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

13. Trustee expenses

	2012	2011
	£	£
Expenses reimbursed to committee members	2,253	68
	<hr/> <hr/>	<hr/> <hr/>
	No.	No.
Number of members	5	2
	<hr/> <hr/>	<hr/> <hr/>

Trustees do not receive any remuneration

14. Staff

The Association does not employ staff directly.