

REGISTERED COMPANY NUMBER: 08425307 (England and Wales)  
REGISTERED CHARITY NUMBER: 1154016

Companies House

**Report of the Trustees and  
Unaudited Financial Statements for the Year Ended  
31 August 2017  
for**

**British Motorcycle Manufacturing  
Academy Limited**

HSKS Greenhalgh  
Chartered Accountants  
18 St Christopher's Way  
Pride Park  
Derby  
DE24 8JY



**British Motorcycle Manufacturing  
Academy Limited**

**Contents of the Financial Statements  
for the Year Ended 31 August 2017**

	Page
Report of the Trustees	1
Independent Examiner's Report	2
Statement of Financial Activities	3
Balance Sheet	4 to 5
Notes to the Financial Statements	6 to 12
Detailed Statement of Financial Activities	13 to 14

**British Motorcycle Manufacturing  
Academy Limited**

**Report of the Trustees  
for the Year Ended 31 August 2017**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: 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) (effective 1 January 2015).

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

08425307 (England and Wales)

**Registered Charity number**

1154016

**Registered office**

Hastings House  
Park Lane  
Castle Donington  
Derbyshire  
DE74 2SG

**Trustees**

S J Garner  
S P Skinner

**Independent examiner**

HSKS Greenhalgh  
Chartered Accountants  
18 St Christopher's Way  
Pride Park  
Derby  
DE24 8JY

Approved by order of the board of trustees on 25/5/18 and signed on its behalf by:



S J Garner - Trustee

**Independent Examiner's Report to the Trustees of  
British Motorcycle Manufacturing  
Academy Limited**

**Independent examiner's report to the trustees of British Motorcycle Manufacturing Academy Limited ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2017.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts 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 your 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.

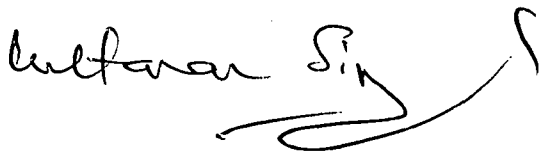
**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies

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 Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts 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



Kultaran Singh FCA  
Institute of Chartered Accountants in England and Wales  
HSKS Greenhalgh  
Chartered Accountants  
18 St Christopher's Way  
Pride Park  
Derby  
DE24 8JY

Date: 25.08.2018

**British Motorcycle Manufacturing  
Academy Limited**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31 August 2017**

	Notes	Unrestricted fund £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	498	499,280	499,778	957,994
Investment income	3	9	-	9	11
<b>Total</b>		<b>507</b>	<b>499,280</b>	<b>499,787</b>	<b>958,005</b>
 <b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	4				
Educational		25,230	495,258	520,488	833,102
<b>NET INCOME/(EXPENDITURE)</b>		<b>(24,723)</b>	<b>4,022</b>	<b>(20,701)</b>	<b>124,903</b>
 <b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		(8,976)	130,227	121,251	(3,652)
 <b>TOTAL FUNDS CARRIED FORWARD</b>		<b>(33,699)</b>	<b>134,249</b>	<b>100,550</b>	<b>121,251</b>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**British Motorcycle Manufacturing  
Academy Limited**

**Balance Sheet  
At 31 August 2017**

	Notes	Unrestricted fund £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	10	1,942	3,562	5,504	10,193
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due within one year 11		10,000	212,909	222,909	268,956
Cash at bank and in hand		37,101	-	37,101	1,457
		<u>47,101</u>	<u>212,909</u>	<u>260,010</u>	<u>270,413</u>
<b>CREDITORS</b>					
Amounts falling due within one year	12	(82,741)	(79,745)	(162,486)	(155,638)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>(35,640)</u>	<u>133,164</u>	<u>97,524</u>	<u>114,775</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(33,698)</u>	<u>136,726</u>	<u>103,028</u>	<u>124,968</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year <sup>13</sup>		-	(2,478)	(2,478)	(3,717)
<b>NET ASSETS/(LIABILITIES)</b>		<u><u>(33,698)</u></u>	<u><u>134,248</u></u>	<u><u>100,550</u></u>	<u><u>121,251</u></u>
<b>FUNDS</b>	15				
Unrestricted funds				(33,698)	(8,976)
Restricted funds				134,248	130,227
<b>TOTAL FUNDS</b>				<u><u>100,550</u></u>	<u><u>121,251</u></u>

The notes form part of these financial statements

**British Motorcycle Manufacturing  
Academy Limited**

**Balance Sheet - continued  
At 31 August 2017**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2017 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on .....25/5/18..... and were signed on its behalf by:

  
.....  
S J Garner - Trustee

The notes form part of these financial statements

**British Motorcycle Manufacturing  
Academy Limited**

**Notes to the Financial Statements  
for the Year Ended 31 August 2017**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: 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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on reducing balance

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**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.

**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.



**British Motorcycle Manufacturing  
Academy Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**2. DONATIONS AND LEGACIES**

	2017 £	2016 £
Grants	499,280	957,729
Other income	498	265
	<u>499,778</u>	<u>957,994</u>

Grants received, included in the above, are as follows:

	2017 £	2016 £
Other grants	<u>499,280</u>	<u>957,729</u>

**3. INVESTMENT INCOME**

	2017 £	2016 £
Interest receivable	<u>9</u>	<u>11</u>

**4. CHARITABLE ACTIVITIES COSTS**

	Direct costs (See note 5) £	Support costs £	Totals £
Educational	<u>102,515</u>	<u>417,973</u>	<u>520,488</u>

**5. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2017 £	2016 £
Staff costs	62,481	167,070
Insurance	1,963	2,140
Telephone and communication costs	2,304	2,827
Postage and stationery	216	1,407
Advertising	-	1,462
Sundries	1,955	2,236
Training and registration fees	18,978	113,635
Travelling and motor expenses	84	433
Purchases	14,534	37,937
	<u>102,515</u>	<u>329,147</u>

**6. NET INCOME/(EXPENDITURE)**

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

	2017 £	2016 £
Depreciation - owned assets	2,757	5,055
Deficit/(surplus) on disposal of fixed asset	<u>2,621</u>	<u>(296)</u>

**British Motorcycle Manufacturing  
Academy Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 August 2017 nor for the year ended 31 August 2016.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2017 nor for the year ended 31 August 2016.

**8. STAFF COSTS**

The average monthly number of employees during the year was as follows:

	2017	2016
Tutors	1	3
Administrative	1	1
Apprentices	-	55
	<u>2</u>	<u>59</u>

No employees received emoluments in excess of £60,000.

Apprentices were employed by the charity until 30 June 2016 and transferred onto the payroll of Norton Motorcycle (UK) Limited thereafter.

**9. EXCEPTIONAL ITEMS**

During the year, the charity received grants totalling £191,657 (2016: £285,375) in relation to the construction of a building to house the Centre of Excellence and certain wage costs of apprentices (see also note 8 above). These grants have then been paid over by British Motorcycle Manufacturing Academy Limited to Norton Motorcycles (UK) Limited, a related party, as all costs of the new facility and all wages costs of apprentices are being incurred by Norton Motorcycles (UK) Limited in accordance with the funding agreement with the grant provider.

**British Motorcycle Manufacturing  
Academy Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**10. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 September 2016	271	1,765	17,917	19,953
Additions	-	-	869	869
Disposals	-	-	(6,093)	(6,093)
	<u>271</u>	<u>1,765</u>	<u>12,693</u>	<u>14,729</u>
At 31 August 2017				
<b>DEPRECIATION</b>				
At 1 September 2016	119	772	8,869	9,760
Charge for year	38	248	2,471	2,757
Eliminated on disposal	-	-	(3,292)	(3,292)
	<u>157</u>	<u>1,020</u>	<u>8,048</u>	<u>9,225</u>
At 31 August 2017				
<b>NET BOOK VALUE</b>				
At 31 August 2017	<u>114</u>	<u>745</u>	<u>4,645</u>	<u>5,504</u>
At 31 August 2016	<u>152</u>	<u>993</u>	<u>9,048</u>	<u>10,193</u>

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Other debtors	152,402	176,674
Prepayments and accrued income	70,507	92,282
	<u>222,909</u>	<u>268,956</u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £	2016 £
Other loans (see note 14)	23,163	-
Trade creditors	22,341	44,411
Social security and other taxes	8,600	33,004
Other creditors	91,965	66,464
Accrued expenses	15,178	9,900
Deferred grants	1,239	1,859
	<u>162,486</u>	<u>155,638</u>

**13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2017 £	2016 £
Deferred grants	<u>2,478</u>	<u>3,717</u>

**British Motorcycle Manufacturing  
Academy Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**14. LOANS**

An analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year on demand:		
Other loans	<u>23,163</u>	<u>-</u>

**15. MOVEMENT IN FUNDS**

	At 1/9/16 £	Net movement in funds £	At 31/8/17 £
<b>Unrestricted funds</b>			
General fund	(8,976)	(24,722)	(33,698)
<b>Restricted funds</b>			
Skills Funding Agency	129,448	18,463	147,911
AMSCI	779	(14,442)	(13,663)
	<u>130,227</u>	<u>4,021</u>	<u>134,248</u>
<b>TOTAL FUNDS</b>	<u>121,251</u>	<u>(20,701)</u>	<u>100,550</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	507	(25,229)	(24,722)
<b>Restricted funds</b>			
Skills Funding Agency	198,332	(179,869)	18,463
AMSCI	300,948	(315,390)	(14,442)
	<u>499,280</u>	<u>(495,259)</u>	<u>4,021</u>
<b>TOTAL FUNDS</b>	<u>499,787</u>	<u>(520,488)</u>	<u>(20,701)</u>

**British Motorcycle Manufacturing  
Academy Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**15. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1/9/15 £	Net movement in funds £	At 31/8/16 £
<b>Unrestricted Funds</b>			
General fund	(6,685)	(2,291)	(8,976)
<b>Restricted Funds</b>			
Skills Funding Agency	-	129,448	129,448
AMSCI	3,033	(2,254)	779
	<u>3,033</u>	<u>127,194</u>	<u>130,227</u>
<b>TOTAL FUNDS</b>	<u>(3,652)</u>	<u>124,903</u>	<u>121,251</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	276	(2,567)	(2,291)
<b>Restricted funds</b>			
Skills Funding Agency	354,022	(224,574)	129,448
AMSCI	603,707	(605,961)	(2,254)
	<u>957,729</u>	<u>(830,535)</u>	<u>127,194</u>
<b>TOTAL FUNDS</b>	<u>958,005</u>	<u>(833,102)</u>	<u>124,903</u>

**British Motorcycle Manufacturing  
Academy Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2017**

**16. RELATED PARTY DISCLOSURES**

At the year end, there was an amount of £50,437 (2016: £100,210) owing from Norton Motorcycles (UK) Limited, a company in which the trustees are also directors. This amount is unsecured, interest free, and has no fixed repayment date. This amount is included in note 11 (other debtors) and note 12 (other creditors).

During the year, there was a management charge amounting to £180,000 inclusive of VAT (2016: £180,000) from Norton Motorcycles (UK) Limited. In the opinion of the trustees, this amount is a fair reflection of the market value of the services received by the company. The balance owed at the year end amounted to £200 (2016: £20,530) and is included within trade creditors in note 12.

During the year, the company received grants amounting to £191,657 (2016: £285,375) towards the construction of a building and certain wage costs of apprentices, which were all incurred by Norton Motorcycles (UK) Limited. This amount was subsequently paid over to Norton Motorcycles (UK) Limited as explained in note 9.

At the year end, there was an amount of £10,000 (2016: £10,000) owing from Donington Hall Estates Limited, a company in which Mr S J Garner is also a director. This amount is unsecured, interest free, and has no fixed repayment date.

**17. STATEMENT OF FUNDS**

**Restricted Funds**

**Skills Funding Agency (SFA)**

This is funding received from the Skills Funding Agency, to provide education and training programmes for apprentices. This funding is restricted and is to be used to fund learning and meet all costs of staff, facilities, equipment and materials and not be used to pay the apprentices' wages. Such wages were paid from the wages contributions received from Norton Motorcycle (UK) Limited. These contributions have accordingly been offset against the wage costs of the apprentices.

**Advanced Manufacturing Supply Chain Initiative (AMSCI)**

This is funding received from Birmingham City Council to improve the skills base in the supply chain of the Norton range of motorcycles. This funding requires claims for eligible costs incurred and paid to be submitted on a 3 monthly basis.