

Motocross Challenge Project
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2019

BURGESS HODGSON LLP

Chartered accountants
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Motocross Challenge Project

Company Limited by Guarantee

Financial Statements

Year ended 31 March 2019

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Motocross Challenge Project

Company Limited by Guarantee

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

Year ended 31 March 2019

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 March 2019.

Reference and administrative details

Registered charity name Motocross Challenge Project

Charity registration number 1086714

Company registration number 04110405

Principal office and registered office The Yard
Abbey Manor
Abbey Road
Dover
Kent
CT15 7DQ

The trustees

Mr S North
Mr R Newton
Mr N Oldfield - Resigned
31/07/2018
Mr J Rodger
Mr P Woodsford - Resigned
11/04/2018
Mr N Castle
Mrs S Rodger
Mr M Bennett - Resigned
10/04/2018
Mr T Ovenden

Company secretary C Newton

Independent examiner Andrew Miles FCA
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Motocross Challenge Project

Company Limited by Guarantee

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

Year ended 31 March 2019

Structure, governance and management

The charity's working name is Motocross Challenge Project. J Rodger is the chairman of the charity. R Newton and C Newton coordinate the activities of the project on a day to day basis.

The Charity is constituted by the Memorandum and Articles of Association. The Charity's registered number is 1086714 and company number is 04110405. The charity's registered office is The Yard, Abbey Manor, Abbey Road, Dover, Kent, CT15 7DQ.

Trustees are appointed in line with the Memorandum and Articles of Association. They are given on appointment full details of the policies and procedures of the Motocross Challenge Project and an overview of key issues affecting young people in the region. They are encouraged to visit the centre and become familiar with the staff and their roles within the project.

The Trustees hold regular meetings with the coordinators to discuss any issues arising. The Trustees are responsible for key policy decisions whilst operational decisions are made by the coordinators and are discussed at staff meetings on a day to day basis.

The Trustees are responsible for the identification and management of risks affecting the project. The major risk identified is that funding from the major funder will not continue. The role of the coordinator is to liaise with existing and potential funders to ensure funding remains in place long term.

Objectives and activities

The objectives of the charity are:

- 1) The advancement of education and employment opportunities for the young people of the Dover and District area.
- 2) The provision of facilities for recreation or other leisure time occupation in the interests of social welfare and with the objective of improving conditions of life of those young people living and working in the Dover and District area.
- 3) Assisting charitable institutions whose work benefits those living and working in the Dover and District area.
- 4) To create an active partnership between public, private, voluntary and community sectors to enable them to work together for the social integration of the young people of the Dover and District area.
- 5) To undertake any other charitable purpose in the area of benefit or for those young people living or working in the Dover and District area.

Achievements and performance

The year has seen an increase in the recreational activities provided for young people in the area and improvements in the facilities available.

In the trustees opinion, the activity days continue to benefit both young people and the wider local community.

Motocross Challenge Project

Company Limited by Guarantee

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

Year ended 31 March 2019

Financial review

The charity's main source of income are fees received from Kent County Council for young people participating in the Motocross Challenge Project. The charity also received fees from other organisations which are detailed in the notes to the financial statements.

The financial accounts show reserves carried forward of £59,580 (2018: £66,360). It is the trustees opinion that these reserves were at a satisfactory level for the continuation of the charity's objectives.

Plans for future periods

The trustees are of the opinion that the continued running of activity days for young people will achieve the objectives of the charity.

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 and signed on behalf of the board of trustees by:

Mr R Newton
Trustee

Mr J Rodger
Trustee

Motocross Challenge Project

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Motocross Challenge Project

Year ended 31 March 2019

I report to the trustees on my examination of the financial statements of Motocross Challenge Project ('the charity') for the year ended 31 March 2019.

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.

Andrew Miles FCA
Independent Examiner

Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Motocross Challenge Project

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2019

		Unrestricted funds	2019 Restricted funds	Total funds	2018 Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	—	112,614	112,614	121,427
Other trading activities	6	14,415	—	14,415	14,802
Other income	7	—	—	—	22
Total income		<u>14,415</u>	<u>112,614</u>	<u>127,029</u>	<u>136,251</u>
Expenditure					
Expenditure on charitable activities	8,9	5,986	105,464	111,450	117,361
Other expenditure	11	1,542	—	1,542	1,635
Total expenditure		<u>7,528</u>	<u>105,464</u>	<u>112,992</u>	<u>118,996</u>
Net income and net movement in funds		<u>6,887</u>	<u>7,150</u>	<u>14,037</u>	<u>17,255</u>
Reconciliation of funds					
Total funds brought forward		49,627	16,733	66,360	49,105
Total funds carried forward		<u>56,514</u>	<u>23,883</u>	<u>80,397</u>	<u>66,360</u>

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

Motocross Challenge Project

Company Limited by Guarantee

Statement of Financial Position

31 March 2019

	Note	2019 £	£	2018 £
Fixed assets				
Tangible fixed assets	16		16,328	14,611
Current assets				
Debtors	17	–		1,256
Cash at bank and in hand		69,351		77,704
		<u>69,351</u>		<u>78,960</u>
Creditors: amounts falling due within one year	18	<u>5,282</u>		<u>27,211</u>
Net current assets			<u>64,069</u>	<u>51,749</u>
Total assets less current liabilities			<u>80,397</u>	<u>66,360</u>
Net assets			<u>80,397</u>	<u>66,360</u>
Funds of the charity				
Restricted funds			23,883	16,733
Unrestricted funds			56,514	49,627
Total charity funds	20		<u>80,397</u>	<u>66,360</u>

For the year ending 31 March 2019 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.

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

Mr R Newton
Trustee

Mr J Rodger
Trustee

Motocross Challenge Project

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 March 2019

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 The Yard, Abbey Manor, Abbey Road, Dover, Kent, CT15 7DQ.

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)) and the Companies Act 2006.

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.

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. Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. 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.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Motocross Challenge Project

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

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.

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.

Motocross Challenge Project

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

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	- 20% straight line
Motor Vehicles	- 25% straight line
Equipment	- 20% straight line

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. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

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

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by guarantee

The company is limited by guarantee and has no share capital. By virtue of Section 60 of the Companies Act 2006 the company is not required to use the word limited in its name.

In the event of winding up, the members are liable to contribute towards any deficiency up to a maximum of £1 each.

Motocross Challenge Project

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

5. Donations and legacies

	Restricted Funds £	Total Funds 2019 £	Restricted Funds £	Total Funds 2018 £
Grants				
Kent County Council	46,200	46,200	25,655	25,655
Schools & Youth Clubs	24,781	24,781	27,560	27,560
Grants receivable	41,633	41,633	68,212	68,212
	<u>112,614</u>	<u>112,614</u>	<u>121,427</u>	<u>121,427</u>

6. Other trading activities

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Revenue days and other sales	<u>14,415</u>	<u>14,415</u>	<u>14,802</u>	<u>14,802</u>

7. Other income

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Bank interest received	<u>—</u>	<u>—</u>	<u>22</u>	<u>22</u>

8. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Promotion of leisure activities for young people	—	105,464	105,464
Support costs	<u>5,986</u>	<u>—</u>	<u>5,986</u>
	<u>5,986</u>	<u>105,464</u>	<u>111,450</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Promotion of leisure activities for young people	—	112,697	112,697
Support costs	<u>4,664</u>	<u>—</u>	<u>4,664</u>
	<u>4,664</u>	<u>112,697</u>	<u>117,361</u>

Motocross Challenge Project

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2019 £	Total fund 2018 £
Promotion of leisure activities for young people	105,464	–	105,464	112,697
Governance costs	–	5,986	5,986	4,664
	<u>105,464</u>	<u>5,986</u>	<u>111,450</u>	<u>117,361</u>

10. Analysis of support costs

	Analysis of support costs activity 1 £	Total 2019 £	Total 2018 £
Governance costs	<u>5,986</u>	<u>5,986</u>	<u>4,664</u>

11. Other expenditure

	Unrestricted Funds £	Total Funds 2019 £	Unrestricted Funds £	Total Funds 2018 £
Gains/Losses on disposal of tangible fixed assets	–	–	(880)	(880)
Printing, postage, stationery and advertising	561	561	1,547	1,547
Telephone costs	981	981	968	968
	<u>1,542</u>	<u>1,542</u>	<u>1,635</u>	<u>1,635</u>

12. Net income

Net income is stated after charging/(crediting):

	2019 £	2018 £
Depreciation of tangible fixed assets	7,108	7,854
Gains on disposal of tangible fixed assets	<u>–</u>	<u>(880)</u>

13. Independent examination fees

	2019 £	2018 £
Fees payable to the independent examiner for:		
Independent examination of the financial statements	810	810
Other financial services	1,550	1,546
	<u>2,360</u>	<u>2,356</u>

Motocross Challenge Project

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

14. Staff costs

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

	2019	2018
	£	£
Wages and salaries	62,528	68,703
Social security costs	934	3,569
Employer contributions to pension plans	696	379
	<u>64,158</u>	<u>72,651</u>

The average head count of employees during the year was 5 (2018: 5). The average number of full-time equivalent employees during the year is analysed as follows:

	2019	2018
	No.	No.
Direct charitable staff	<u>5</u>	<u>5</u>

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

15. Trustee remuneration and expenses

No payments were made to the trustees by way of remuneration or reimbursement of expenses apart from: -

Mr R Newton, a trustee of the charity, was paid a salary of £26,000 (2018: £27,096) for non-trustee related services. Mrs C Newton, the wife of Mr R Newton, was paid a salary of £16,867 (2018: £16,400) and Mr C Newton, the son of Mr R Newton, was paid a salary of £7,930 (2018: £3,670) for non-trustee related services.

16. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 Apr 2018	8,400	26,442	25,247	60,089
Additions	—	8,825	—	8,825
At 31 Mar 2019	<u>8,400</u>	<u>35,267</u>	<u>25,247</u>	<u>68,914</u>
Depreciation				
At 1 Apr 2018	3,360	18,934	23,184	45,478
Charge for the year	1,680	4,774	654	7,108
At 31 Mar 2019	<u>5,040</u>	<u>23,708</u>	<u>23,838</u>	<u>52,586</u>
Carrying amount				
At 31 Mar 2019	<u>3,360</u>	<u>11,559</u>	<u>1,409</u>	<u>16,328</u>
At 31 Mar 2018	<u>5,040</u>	<u>7,508</u>	<u>2,063</u>	<u>14,611</u>

Motocross Challenge Project

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

17. Debtors

	2019 £	2018 £
Prepayments and accrued income	–	1,111
Other debtors	–	145
	<u>–</u>	<u>1,256</u>

18. Creditors: amounts falling due within one year

	2019 £	2018 £
Accruals and deferred income	4,150	24,967
Social security and other taxes	1,132	2,244
	<u>5,282</u>	<u>27,211</u>

19. 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 £696 (2018: £379).

20. Analysis of charitable funds

Unrestricted funds

	At 1 Apr 2018	Income	Expenditure	At 31 Mar 2019
	£	£	£	£
General funds	49,627	14,415	(7,528)	56,514

	At 1 Apr 2017	Income	Expenditure	At 31 Mar 2018
	£	£	£	£
General funds	41,102	14,824	(6,299)	49,627

Restricted funds

	At 1 Apr 2018	Income	Expenditure	At 31 Mar 2019
	£	£	£	£
Motocross Challenge Project	16,733	112,614	(105,464)	23,883

	At 1 Apr 2017	Income	Expenditure	At 31 Mar 2018
	£	£	£	£
Motocross Challenge Project	8,003	121,427	(112,697)	16,733

Motocross Challenge Project

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

21. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Tangible fixed assets	16,328	–	16,328
Current assets	40,186	23,883	64,069
Net assets	<u>56,514</u>	<u>23,883</u>	<u>80,397</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Tangible fixed assets	14,611	–	14,611
Current assets	35,016	16,733	51,749
Net assets	<u>49,627</u>	<u>16,733</u>	<u>66,360</u>

Motocross Challenge Project

Company Limited by Guarantee

Management Information

Year ended 31 March 2019

The following pages do not form part of the financial statements.

Motocross Challenge Project

Company Limited by Guarantee

Detailed Statement of Financial Activities

Year ended 31 March 2019

	2019 £	2018 £
Income and endowments		
Donations and legacies		
Kent County Council	46,200	25,655
Schools & Youth Clubs	24,781	27,560
Grants receivable	41,633	68,212
	<u>112,614</u>	<u>121,427</u>
Other trading activities		
Revenue days and other sales	14,415	14,802
Other income		
Bank interest received	—	22
	<u>—</u>	<u>22</u>
Total income	<u>127,029</u>	<u>136,251</u>
Expenditure		
Expenditure on charitable activities		
Wages and salaries	62,528	68,703
Employer's NIC	934	3,569
Pension costs	696	379
Rent	4,877	5,298
Repairs and maintenance	7,129	6,253
Insurance	2,849	3,948
Other motor/travel costs	1,714	1,512
Legal and professional fees	5,394	4,784
Depreciation	7,108	7,854
Other interest payable and similar charges	617	744
Hire of equipment	30	359
Motorcycle repairs and maintenance	1,521	3,397
Site improvement and repairs	6,532	5,506
Fuel	7,661	5,055
Subcontractors	1,860	—
	<u>111,450</u>	<u>117,361</u>
Other expenditure		
Gains/Losses on disposal of tangible fixed assets	—	(880)
Printing, postage, stationery and advertising	561	1,547
Telephone costs	981	968
	<u>1,542</u>	<u>1,635</u>
Total expenditure	<u>112,992</u>	<u>118,996</u>
Net income	<u>14,037</u>	<u>17,255</u>

Motocross Challenge Project

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities

Year ended 31 March 2019

	2019 £	2018 £
Expenditure on charitable activities		
Promotion of leisure activities for young people		
<i>Activities undertaken directly</i>		
Wages/salaries	62,528	68,703
Employer's NIC	934	3,569
Pension costs	696	379
Rent and rates	4,877	5,298
Tuition and activities	7,129	6,253
Insurance	2,849	3,948
Travel and subsistence	1,714	1,512
Legal and professional fees	25	864
Depreciation	7,108	7,854
Hire of equipment	30	359
Motorcycle Repairs and Maintenance	1,521	3,397
Site improvement and repairs	6,532	5,506
Fuel	7,661	5,055
Subcontractors	1,860	—
	<u>105,464</u>	<u>112,697</u>
Governance costs		
Legal and professional fees	5,369	3,920
Bank charges	617	744
	<u>5,986</u>	<u>4,664</u>
Expenditure on charitable activities	<u>111,450</u>	<u>117,361</u>