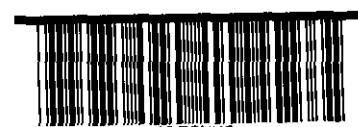


BRAUNSTONE MOTOR PROJECT LIMITED
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED
31ST MARCH 2000



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BRAUNSTONE MOTOR PROJECT LIMITED

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The following pages do not form part of the statutory accounts

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BRAUNSTONE MOTOR PROJECT LIMITED

COMPANY INFORMATION

| | |
|-------------------|---|
| DIRECTORS | Mrs J. Setchfield Rev R. Daniel Mr S. Hall Mr C. Tipper (appointed 7/7/00) |
| SECRETARY | Mr R. Bindloss |
| COMPANY NUMBER | 2866958 |
| CHARITY NUMBER | 1047121 |
| REGISTERED OFFICE | 9 Cantrell Road Braunstone Leicester LE3 1SD |
| BANKERS | HSBC Bank Plc 11 Hinckley Road Leicester LE3 0LG |
| AUDITORS | Pole Arnold Chartered Accountants Stoughton House Harborough Road Oadby Leicester LE2 4LP |

BRAUNSTONE MOTOR PROJECT LIMITED

REPORT OF THE DIRECTORS

31ST MARCH 2000

The directors present their Annual Report, together with the Accounts for the year ended 31st March 2000.

ACTIVITIES

The Braunstone Motor Project is a non-profit making organisation, operating motor vehicle oriented youth training and recreational facilities in Braunstone and other areas of Leicester. Its activities are focused particularly on under-privileged, disabled and other disadvantaged young people and it operates appropriate anti-discrimination and equal opportunities policies. The Project's training programmes have significantly increased during the year. The Project produces detailed reports including full analyses of the number and categories of the users of its facilities.

FUNDING

The principal source of finance in the year was in the form of grants received from the National Lottery Charities Board and funding for training from Leicester City Council's Single Regeneration Budgets, the Department for Education and Employment and the European Social Fund (via Loughborough Technical College).

Additionally the Project generates a level of income itself through charges to certain categories of users of its courses and facilities.

In the period since its inception, the Project has also received grant funding from "Safer Cities", the Urban Programme, Leicestershire Training and Enterprise Council, and the Retail Motor Industry Training Board (ReMIT). In addition, donations have been received from "Children in Need" and a number of other organisations and private individuals.

The Project is supported by the following agencies, each of which is entitled to be represented on the Management Committee that advises the Board on the management of the affairs of the Project:

Leicestershire Police Service
Leicestershire Probation Service
Leicester City Council
Leisure Services Department, Leicester City Council
Housing Department, Leicester City Council
Braunstone Rectory Team
Wycliffe Community College
The Oaks Centre
Leicester Action for Youth Trust
Turning Point Women's Centre
Juvenile Offenders Resources Team, Leicester

BRAUNSTONE MOTOR PROJECT LIMITED

REPORT OF THE DIRECTORS CONTINUED

31ST MARCH 2000

INCORPORATION

Braunstone Motor Project Ltd was incorporated on 28th October 1993 as a company limited by guarantee of £1, regulated by its memorandum and articles of association. It assumed the activities, assets and liabilities of Braunstone Motor Project at that date.

CHARITABLE STATUS

Charitable status was granted to the company on 13th June 1995.

FINANCIAL RESULTS

The activities for the year to 31st March 2000 show a deficit of income over expenditure of £11, leaving a balance of accumulated funds carried forward at that date of £9,654 which the directors consider to be adequate for the fulfilment of obligations of the Project.

FUTURE DEVELOPMENTS

Funding from the National Lottery Charities Board over three years provides the Project with a solid basis to develop its activities. In the coming year it aims to further extend its facilities and services, particularly in the provision of job-oriented mechanics courses for young people from Braunstone and other areas of the city of Leicester where social and economic difficulties are in evidence.

FIXED ASSETS

Details of movements in fixed assets are shown in note 7 to the accounts.

INVESTMENTS

As an integral part of the charitable activities, users of the facilities are involved in the refurbishment of classic motorbikes. These motorbikes are then displayed in museums. The motorbikes are owned by the Braunstone Motor Project and when refurbished have a value. This value is reflected in the balance sheet at estimated market value. The costs of the original bike are expended through the Statement of Financial Activities at the time of purchase as are the costs of refurbishment as they cannot be separately identified from the whole programme of activities.

DIRECTORS AND OFFICERS

The directors who served during the period were:

Mrs Janet Setchfield
Rev. Rajinder Daniel
Mr Steve Hall

Mr Christopher Tipper was appointed as a director on 7th July 2000.

The appointment of directors is governed by the Articles of Association.

The directors have no interests in shares or contracts of the company.

The directors meet on a six weekly basis.

BRAUNSTONE MOTOR PROJECT LIMITED

REPORT OF THE DIRECTORS CONTINUED

31ST MARCH 2000

The day-to-day activities of the Project are managed by Mr Robert Bindloss, who also acts as company secretary.

AUDITORS

Messrs Pole Arnold have been appointed as auditors to the company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by law to prepare financial statements for each financial year which give a true and fair view of the financial activities of the company and its financial position at the end of that year. In preparing those financial statements the directors are required to:

- (a) select suitable accounting policies and apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements;
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SMALL COMPANY EXEMPTIONS

The report of the directors has been prepared in accordance with the special provision of part VII of the Companies Act 1985 relating to small companies.

APPROVAL

This report was approved by the board of directors on 22nd September 2000 and signed on its behalf.

A handwritten signature in black ink, consisting of a large, stylized 'R' followed by a horizontal line and some additional scribbles.

R. Bindloss, Secretary

BRAUNSTONE MOTOR PROJECT LIMITED

AUDITORS' REPORT TO THE MEMBERS OF

BRAUNSTONE MOTOR PROJECT LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3, the company's directors who are also the trustees of the charity, are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

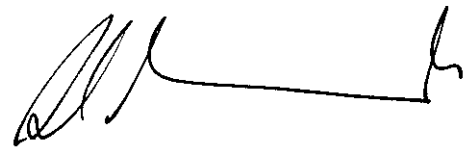
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 2000 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Stoughton House
Harborough Road
Oadby
Leicester

Date: 6th October 2000



POLE ARNOLD
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

BRAUNSTONE MOTOR PROJECT LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST MARCH 2000

| | | 2000 | | 1999 | |
|---|-------|--------------------------|----------------------------|---------------------|---------------------|
| Summary Income and Expenditure | Notes | Restricted Funds £ | Unrestricted Funds £ | Total Funds £ | Total Funds £ |
| INCOMING RESOURCES: | | | | | |
| Grants and training funding | 3 | 130,624 | - | 130,624 | 67,220 |
| Activities and courses | | - | 13,185 | 13,185 | 7,621 |
| Bank interest received | | - | 214 | 214 | 173 |
| Total | | 130,624 | 13,399 | 144,023 | 75,014 |
| RESOURCES USED: | | | | | |
| Direct Charitable Expenditure | 4 | 110,870 | 9,890 | 120,760 | 70,649 |
| Administration Costs | 5 | 19,754 | 3,520 | 23,274 | 5,977 |
| Total expenditure | | 130,624 | 13,410 | 144,034 | 76,626 |
| NET RESOURCES USED | | - | (11) | (11) | (1,612) |
| STATEMENT OF RECOGNISED GAINS AND LOSSES | | | | | |
| Unrealised gain on investments | | - | 5,000 | 5,000 | - |
| Accumulated Funds brought forward | | - | 4,665 | 4,665 | 6,277 |
| Accumulated Funds carried forward | 16 | - | 9,654 | 9,654 | 4,665 |

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no other recognised gains and losses for the above two financial years.

The notes on pages 7 to 11 form part of these accounts.

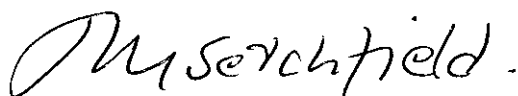
BRAUNSTONE MOTOR PROJECT LIMITED

BALANCE SHEET - 31ST MARCH 2000

| | <u>NOTES</u> | <u>2000</u> <u>£</u> | <u>1999</u> <u>£</u> |
|--|--------------|-------------------------|-------------------------|
| <u>FIXED ASSETS</u> | | | |
| Tangible Assets | 7 | 10,691 | 14,386 |
| Investments | 8 | 5,000 | - |
| | | <u>15,691</u> | <u>14,386</u> |
| <u>CURRENT ASSETS</u> | | | |
| Debtors | 9 | 1,195 | 302 |
| Cash at Bank and in Hand | | 5,431 | 2,158 |
| | | <u>6,626</u> | <u>2,460</u> |
| <u>CREDITORS</u> | | | |
| Amounts falling due within one year | 10 | (6,407) | (4,001) |
| <u>NET CURRENT ASSETS (LIABILITIES)</u> | | <u>219</u> | <u>(1,541)</u> |
| <u>TOTAL ASSETS LESS CURRENT LIABILITIES</u> | | <u>15,910</u> | <u>12,845</u> |
| <u>CREDITORS</u> | | | |
| Amounts falling due after more than one year | 11 | (6,256) | (8,180) |
| | | <u>9,654</u> | <u>4,665</u> |
| <u>CAPITAL AND RESERVES</u> | | | |
| Unrestricted funds | 16 | <u>9,654</u> | <u>4,665</u> |

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the Directors, who approved the accounts on 22nd September 2000.



J. Setchfield
Director

The attached notes form part of these accounts.

BRAUNSTONE MOTOR PROJECT LIMITED

NOTES TO THE ACCOUNTS - 31ST MARCH 2000

1. ACCOUNTING POLICIES

The following accounting policies have been applied for items which are considered material in the context of the accounts:

1.1 Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice.

1.2 Fixed Assets and Depreciation

Fixed assets acquired using Unrestricted Funds are capitalised and depreciated on a straight line basis at the rate of 25% per annum. Where the value of any asset is considered to have permanently diminished, a further charge is made to write it down to its estimated realisable value. Vehicles and other equipment purchased from specific training grants are charged as expenditure in the year of purchase.

1.3 Grant Income

Grant income is credited in the year in which it is receivable. Grants received for specific purposes are accounted for as restricted funds.

1.4 Investments

Investments are stated at market value as determined by the directors. Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities.

1.5 Value Added Tax

Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

1.6 Finance Leases

Assets obtained under finance leases are capitalised as tangible fixed assets. Depreciation is charged over the estimated useful life of the asset. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charity. Obligations under such leases are included in creditors net of the finance charge allocated to future periods. The finance element of each payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate on the net obligation outstanding in each period.

1.7 Operating Leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are reflected in the Statement of Financial Activities as incurred.

1.8 Expenditure on Management and Administration of the Charity

Administration expenditure includes all expenditure not directly related to the charitable activity. This includes costs of renting and running office premises, staff salaries for administrative staff and audit fees.

BRAUNSTONE MOTOR PROJECT LIMITED

NOTES TO THE ACCOUNTS - 31ST MARCH 2000

| | | | |
|----|--|------------------|------------------|
| 2. | <u>OPERATING SURPLUS</u> | <u>2000</u> £ | <u>1999</u> £ |
| | This is stated after charging Depreciation of Tangible Fixed Assets | | |
| | - owned by the company | 1,327 | 2,185 |
| | - held under hire purchase contracts | 2,911 | 485 |
| | Auditor's Remuneration | 1,000 | - |
| 3. | <u>GRANT INCOME</u> | <u>2000</u> £ | <u>1999</u> £ |
| | National Lottery Charities Board | 60,117 | 40,778 |
| | Leicester City Council - SRB2 | 10,500 | 15,819 |
| | Leicester City Council - SRB4 | 13,531 | - |
| | European Social Fund | 3,856 | 5,295 |
| | DFEE Adult Community Learning Fund | 42,620 | 5,328 |
| | | 130,624 | 67,220 |
| 4. | <u>DIRECT CHARITABLE EXPENDITURE</u> | <u>2000</u> £ | <u>1999</u> £ |
| | Salaries | 68,577 | 45,408 |
| | Vehicle running, maintenance and travel costs | 6,735 | 6,724 |
| | Tools and consumables | 8,339 | 3,690 |
| | Equipment and vehicle purchase | 7,851 | 2,250 |
| | Insurance | 2,844 | 2,810 |
| | External courses and licenses | 7,166 | 6,267 |
| | Occupancy costs | 3,087 | - |
| | Creche facilities | 3,883 | 833 |
| | Miscellaneous expenditure | 6,837 | 674 |
| | Hire purchase interest | 1,803 | 158 |
| | Depreciation | 4,238 | 2,670 |
| | Profit on sale of fixed assets | (600) | (835) |
| | | 120,760 | 70,649 |
| 5. | <u>ADMINISTRATION EXPENDITURE</u> | <u>2000</u> £ | <u>1999</u> £ |
| | Salaries | 14,565 | 4,252 |
| | Office costs | 7,608 | 1,671 |
| | Audit | 1,000 | - |
| | Bank interest and charges | 101 | 54 |
| | | 23,274 | 5,977 |

BRAUNSTONE MOTOR PROJECT LIMITED

NOTES TO THE ACCOUNTS - 31ST MARCH 2000

6. STAFF COSTS

The average number of staff employed was seven (1999 five). Staff salary costs comprised:

| | <u>2000</u> £ | <u>1999</u> £ |
|-------------------------------|------------------|------------------|
| Wages and salaries | 77,405 | 45,694 |
| Social security contributions | 5,737 | 3,966 |
| | <u>83,142</u> | <u>49,660</u> |

The directors received no emoluments.

7. FIXED ASSETS

| | Motor Vehicles | Office Equipment | Plant | Tools | Total |
|--------------------------------------|-------------------|---------------------|------------|--------------|---------------|
| Cost: | | | | | |
| At 1st April 1999 | 17,473 | 1,622 | 4,524 | 7,589 | 31,208 |
| Additions | 543 | - | - | - | 543 |
| Disposals | (2,291) | - | (3,674) | - | (5,965) |
| | <u>15,725</u> | <u>1,622</u> | <u>850</u> | <u>7,589</u> | <u>25,786</u> |
| Balance at 1st April 2000 | 15,725 | 1,622 | 850 | 7,589 | 25,786 |
| Depreciation: | | | | | |
| At 31st March 1999 | 3,923 | 786 | 4,524 | 7,589 | 16,822 |
| Charge for the year | 3,931 | 307 | - | - | 4,238 |
| On disposals | (2,291) | - | (3,674) | - | (5,965) |
| | <u>5,563</u> | <u>1,093</u> | <u>850</u> | <u>7,589</u> | <u>15,095</u> |
| Balance at 31st March 2000 | 5,563 | 1,093 | 850 | 7,589 | 15,095 |
| Net book value at 31st March 2000 | <u>10,162</u> | <u>529</u> | <u>-</u> | <u>-</u> | <u>10,691</u> |
| Net book value at 31st March 1999 | <u>13,550</u> | <u>836</u> | <u>-</u> | <u>-</u> | <u>14,386</u> |

All the assets of the company are used in the direct charitable objectives. Included in the above net book values are assets held under finance leases as follows:-

| | <u>2000</u> £ | <u>1999</u> £ |
|----------------|------------------|------------------|
| Motor Vehicles | <u>8,249</u> | <u>11,160</u> |

BRAUNSTONE MOTOR PROJECT LIMITED

NOTES TO THE ACCOUNTS - 31ST MARCH 2000

| | | | |
|----|--------------------|-------------------|-------------------|
| 8. | <u>INVESTMENTS</u> | <u>2000</u> | <u>1999</u> |
| | | £ | £ |
| | Classic Motorbikes | 5,000 | - |
| | | <u> </u> | <u> </u> |

These investments are shown at the directors estimated market value.

The motorbikes are bought in poor condition and refurbished as part of the charitable activities by users of Project. These costs are written off at the time of expense and a valuation is not recognised until the motorbikes are in a condition for display in museums.

| | | | |
|---|------------------------|-------------------|-------------------|
| 9 | <u>DEBTORS</u> | <u>2000</u> | <u>1999</u> |
| | | £ | £ |
| | Activities and courses | 1,195 | 260 |
| | Other | - | 42 |
| | | <u> </u> | <u> </u> |
| | | 1,195 | 302 |
| | | <u> </u> | <u> </u> |

| | | | |
|-----|--|-------------------|-------------------|
| 10. | <u>CREDITORS</u> - Amounts falling due within one year | <u>2000</u> | <u>1999</u> |
| | | £ | £ |
| | Taxation and social security | - | 1,448 |
| | Other creditors | 1,000 | - |
| | Accruals | 2,789 | - |
| | Hire purchase | 2,618 | 2,553 |
| | | <u> </u> | <u> </u> |
| | | 6,407 | 4,001 |
| | | <u> </u> | <u> </u> |

| | | | |
|-----|---|-------------------|-------------------|
| 11. | <u>CREDITORS</u> - Amounts falling due after one year | <u>2000</u> | <u>1999</u> |
| | | £ | £ |
| | Hire purchase | 6,256 | 8,180 |
| | | <u> </u> | <u> </u> |

Of creditors falling due within and after one year £8,874 (1999 £10,773) are secured.

| | | | |
|-----|-----------------------------------|-------------------|-------------------|
| 12. | <u>BORROWINGS</u> | <u>2000</u> | <u>1999</u> |
| | | £ | £ |
| | Hire purchase creditors: | | |
| | Falling due within 1 year | 2,618 | 2,553 |
| | Falling due between 1 and 2 years | 6,256 | 2,553 |
| | Falling due between 2 and 5 years | - | 5,627 |
| | | <u> </u> | <u> </u> |
| | | 8,874 | 10,773 |
| | | <u> </u> | <u> </u> |

BRAUNSTONE MOTOR PROJECT LIMITED

NOTES TO THE ACCOUNTS - 31ST MARCH 2000

13. OPERATING LEASES

Amounts falling due within one year under non-cancellable operating leases are as follows:-

| | <u>2000</u> Land & Buildings £ | <u>1999</u> Land & Buildings £ |
|-------------------------------------|---|---|
| Leases expiring within 2 to 5 years | 4,700 | - |

14. RESTRICTED FUNDS

| | Balance 1/4/00 £ | Income £ | Expenditure £ | Balance 31/3/00 £ |
|--------------------------------|------------------------|-------------|------------------|-------------------------|
| National Lottery Charity Board | - | 60,117 | 60,117 | - |
| SRB2 | - | 10,500 | 10,500 | - |
| DFEE | - | 42,620 | 42,620 | - |
| ESF | - | 3,856 | 3,856 | - |
| SRB4 - 1st Gear | - | 4,016 | 4,016 | - |
| SRB4 - BOES | - | 9,515 | 9,515 | - |
| | - | 130,624 | 130,624 | - |

**15. ANALYSIS OF FUND BALANCES
BETWEEN NET ASSETS**

| | Unrestricted £ | Restricted £ | Total £ |
|-----------------------|-------------------|-----------------|------------|
| Tangible Fixed Assets | 10,691 | - | 10,691 |
| Investments | 5,000 | - | 5,000 |
| Net Current Assets | 219 | - | 219 |
| Long Term Liabilities | (6,256) | - | (6,256) |
| | 9,654 | - | 9,654 |

16. MOVEMENT ON RESERVES

| | Unrestricted £ | Restricted £ | Total £ |
|-------------------------|-------------------|-----------------|------------|
| Balance Brought Forward | 4,665 | - | 4,665 |
| Deficit for the year | (11) | - | (11) |
| Unrealised gains | 5,000 | - | 5,000 |
| Balance Carried Forward | 9,654 | - | 9,654 |

17. SHARE CAPITAL AND RESERVES

The company has no share capital and is limited by guarantee of £1.

The company's accumulated funds are available for future use in furtherance of the objects of the company.