

BRAUNSTONE MOTOR PROJECT LIMITED
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED
31ST MARCH 2004

Registered Charity Number : 1047121

Registered Company Number : 2866958



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BRAUNSTONE MOTOR PROJECT LIMITED

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BRAUNSTONE MOTOR PROJECT LIMITED

COMPANY INFORMATION

DIRECTORS	Mrs J. Setchfield Mr A. Russell Mr S. Hall Mr C. Tipper Mr M. Cooke
SECRETARY	Mr R. Bindloss
COMPANY NUMBER	2866958
CHARITY NUMBER	1047121
REGISTERED OFFICE	9 Cantrell Road Braunstone Leicester LE3 1SD
BANKERS	HSBC Plc 11 Hinckley Road Leicester LE3 0LG
AUDITORS	HLB AV Audit plc Stoughton House Harborough Road Oadby Leicester LE2 4LP

BRAUNSTONE MOTOR PROJECT LIMITED

REPORT OF THE DIRECTORS

31ST MARCH 2004

The directors present their Annual Report, together with the Accounts for the year ended 31st March 2004. The financial statements have been prepared in accordance with the accounting policies set out on page 8 and comply with the company's memorandum and articles of association, applicable law and the requirements of the Statement of Recommended Practice 'Accounting and Reporting' by Charities issued in October 2000.

OBJECTS

The Braunstone Motor Project is a non-profit making organisation, operating motor vehicle and other youth training, employment search and recreational facilities based in the Braunstone area 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 produces detailed reports including full analyses of the number and categories of the users of its facilities.

REVIEW OF ACTIVITIES AND ACHIEVEMENTS IN THE YEAR

The main activities in the year have been as follows:

Mech-Start, a course designed to provide young unemployed people with a head start into the Automotive job market by giving them relevant hands-on skills and other qualifications that will help them gain employment. Participants attend the course, in groups of 4-6 trainees, for 2½ days per week for a 10-week period. By the end of the course, all the trainees will have attained relevant qualifications. One half-day per week is spent at Loughborough Technical College training within the workshops and acquiring the hands-on practical skills training that is required to work in modern garages. A second half-day is spent at the Braunstone Resource Training centre, constructing CV's, practising interview techniques, taking a first aid course, completing theory training for the D.o.T. Vehicle Test and contacting potential employers. Further half-days cover driving lessons and/or leisure activities, plus work on motorcycle and light horticultural equipment as well as customer/reception training at the Project's Cantrell Road Workshop, where a community Tool Hire Service is run.

Learn-Tech, a 10-week course aimed at 15-18 year old students who are disillusioned with current restraints in education and gain little from their involvement in a standard classroom scenario. The course is structured to include a number of different hands-on learning experiences and life skills. These experiences encourage students to see and understand the relevance of basic numeracy and literacy skills. Sessions include woodwork, metal work, basic mechanics, Childcare, Art and Design and basis I.T. skills. "Declarations of Competence" are given by tutors in each area of work and are collated along with photographic evidence at the end of the course in a National Record of Achievement file, presented to the student at the end of their course and available to prospective employers. During this financial year, the Project was one of six taking part in a national pilot programme linking Key Skills to the Youth Achievement Award Scheme.

On Two Wheels, an initiative of Youth Clubs UK supported by the Department of Transport, Kawasaki Motorcycles and RAC, is a nationally recognised course for young people below the legal required age for road vehicle usage. Participants gain information and an understanding of a variety of issues surrounding motorcycle ownership and get first hand experience of basic mechanics/maintenance as well as riding skills. The course is designed to be a foundation for sensible road use, though not a substitute for a Compulsory Basic Training ("CBT"). The main aim is to demonstrate that good driving practice is about an individual's state of mind when in control of a motor vehicle and that there are also matters such as cost, necessary maintenance, safety and individual needs - important issues not normally considered during a CBT. In addition to having a chance to use a motorcycle in a safe controlled environment, "On Two Wheels" asks individuals to think about and talk about some of the many issues associated with driving, owning a motor vehicle and vehicle crime.

REPORT OF THE DIRECTORS CONTINUED

31ST MARCH 2004

REVIEW OF ACTIVITIES AND ACHIEVEMENTS IN THE YEAR continued

Buggy Riding is offered as a fun youth activity, at our custom build track at Strettons Outdoor Pursuits Centre or as a mobile activity around schools and youth clubs.

CBT for on-road motorcycle use - the first part of a full motorcycle test can be taken with the Project's qualified Approved Motorcycle Instructor (AMI). The CBT takes approximately six hours and comprises of 4 hours off-road training and 2 hours on-road training, supervised at all times by the AMI.

Lads'n'Dads Project - in conjunction with the Braunstone Community Association's Men's Health Programme, this project addresses key issues around men's health. One issue is the need for bringing young males closer to their father figures, not necessarily the natural father - it can be a stepfather, uncle, grandfather or other male family member. There is a recognised need for such activities, not only to bring lads and dads together but also help build leadership, confidence and self-esteem through having fun, which can easily be transferred into the family unit. Activities offered included off-road motorcycling, mini robot building, detailed modelling of cars, planes and engines, Outdoor Pursuits (buggy riding, canoeing, bell-boating, abseiling and cycling), building and flying stunt kites and motorcycle mechanics.

FUNDING

The principal source of core finance in the year was in the form of grants received from the Braunstone Community Association, and the DfEE. Funding for training courses was also received via Leicester City Council's Single Regeneration Budgets, the Employment Support Services in Braunstone and the Learning Skills Council.

Additionally the Project generates a level of income itself through charges to certain categories of users of its courses and facilities, and from the restoration of classic motorcycles as part of its training programmes.

In the decade since its inception, the Project has also received grant funding from the European Social Fund (via Loughborough Technical College), "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 and Housing Departments
Braunstone Parish Team
Turning Point Women's Centre
Juvenile Offenders Resources Team, Leicester
Leicester & Leicestershire Careers and Guidance Services
Education Action Zone
Student Support Services

BRAUNSTONE MOTOR PROJECT LIMITED

REPORT OF THE DIRECTORS CONTINUED

31ST MARCH 2004

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 AND RESERVES POLICY

The activities for the year to 31st March 2004 show a deficit of income over expenditure of £3,907 (2003: deficit of £14,291). There were realised losses on investments of £1,876 (2003: unrealised gains of £1,900), leaving a balance of accumulated funds carried forward at that date of £35,401 (2003: £41,184). Expenditure has been reduced during the year to match the reduced level of continuing grant income. Free reserves stand at a surplus of £19,236 (2003: £12,538) at the year end. Included within restricted funds are deficit balances totalling £3,488. These will be rectified by either future income streams or transfers from unrestricted funds.

The policy of the project is to build free reserves to a level equivalent to three months operating expenses, subject to the constraints imposed by the short-term funding on which it is generally dependant.

FUTURE DEVELOPMENTS

The funding received from the Braunstone Community Association, which runs through to 2006 has provided the Project with a solid medium term basis on which to develop its activities. In the coming year it aims to consolidate its facilities and services, particularly in the provision of job-oriented mechanics and life skills courses for young people from Braunstone and other areas of the city and county of Leicester where social and economic difficulties are in evidence.

FIXED ASSETS

Details of movements in fixed assets are shown in note 9 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.

BRAUNSTONE MOTOR PROJECT LIMITED

REPORT OF THE DIRECTORS CONTINUED

31ST MARCH 2004

DIRECTORS AND OFFICERS

The directors who served during the year were:

Mrs J. Setchfield
Mr A. Russell
Mr S. Hall
Mr C. Tipper
Mr M. Cooke (appointed 26 November 2003)

The appointment of directors is governed by the Articles of Association. All the directors of the company are trustees of the charity.

The directors have no interests in shares or contracts of the company, except Mrs J. Setchfield who is also a director of Braunstone Resource Training Centre Limited (as shown in note 19).

The directors meet on a six weekly basis.

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

RISK MANAGEMENT

It is the policy of the Project to conduct its activities in ways that minimise any risk to its assets and the users of those assets. Additionally, the Project carries insurance to cover liabilities to its employees and third parties. Activities are not undertaken where no such insurance is available. Insurance to cover damage to or loss of the Project's assets is taken out provided it is available at commercially acceptable rates.

AUDITORS

In accordance with section 385 of the Companies Act 1985, a resolution that HLB AV Audit plc be re-appointed as auditors will be put to the Annual General Meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required by law to prepare accounts 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 accounts 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) prepare the accounts 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 accounts 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.

BRAUNSTONE MOTOR PROJECT LIMITED

REPORT OF THE DIRECTORS CONTINUED

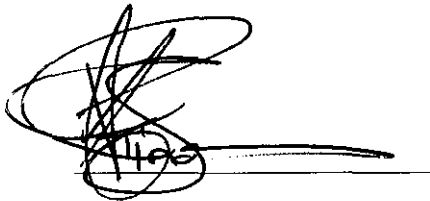
31ST MARCH 2004

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 1 September 2004 and signed on its behalf.

A handwritten signature in black ink, appearing to be 'R. Bindloss', written over a horizontal line.

Mr R. Bindloss
Company Secretary

BRAUNSTONE MOTOR PROJECT LIMITED

INDEPENDENT AUDITORS' REPORT

**To the members of
Braunstone Motor Project Limited**

We have audited the accounts on pages 6 to 13 for the year ended 31st March 2004. These accounts have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and the accounting policies set out herein.

This report is made solely to the company's members, as a body, in accordance with section 385 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have found.

Respective Responsibilities of directors and auditors

As described in the statement of directors' responsibilities on page 3 the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the accounts, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31st March 2004 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 Companies Act 1985.

Stoughton House
Harborough Road
Oadby
Leicester

Dated : 22 September 2004


HLB AV AUDIT PLC
REGISTERED AUDITOR

BRAUNSTONE MOTOR PROJECT LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**

FOR THE YEAR ENDED 31ST MARCH 2004

	Notes	Restricted Funds £	Unrestricted Funds £	2004 Total Funds £	2003 Total Funds £
INCOMING RESOURCES:					
Donations		-	5,000	5,000	2,500
Activities in furtherance of the charity's objects:					
Grants and training funding	3	211,290	-	211,290	285,847
Activities and courses		-	65,811	65,811	41,873
Activities for generating income:					
Bank interest received		-	296	296	479
Gifts in kind	8	-	-	-	2,000
Total incoming resources		211,290	71,107	282,397	332,699
RESOURCES EXPENDED:					
Charitable expenditure:					
Costs of activities in furtherance of the charity's objects:					
Project activity costs	4	161,582	52,358	213,940	256,625
Support costs	5	48,591	2,551	51,142	66,168
Management and administration	6	1,676	19,546	21,222	24,197
Total resources expended		211,849	74,455	286,304	346,990
NET RESOURCES EXPENDED		(559)	(3,348)	(3,907)	(14,291)
Net (losses)/gains on investment assets	10	-	(1,876)	(1,876)	1,900
Net movement in funds		(559)	(5,224)	(5,783)	(12,391)
Accumulated Funds brought forward		10,622	30,562	41,184	53,575
Accumulated Funds carried forward	17	10,063	25,338	35,401	41,184

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

The notes on pages 8 to 13 form part of these accounts.

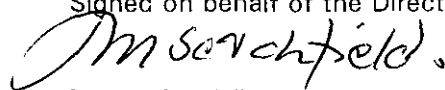
BRAUNSTONE MOTOR PROJECT LIMITED

BALANCE SHEET - 31ST MARCH 2004

	<u>NOTES</u>	<u>2004</u> £	<u>2003</u> £
<u>FIXED ASSETS</u>			
Tangible assets	9	29,391	27,168
Investments	10	7,250	13,250
		<u>36,641</u>	<u>40,418</u>
<u>CURRENT ASSETS</u>			
Debtors	11	17,780	4,122
Cash at bank and in hand		14,605	15,876
		<u>32,385</u>	<u>19,998</u>
<u>CREDITORS</u>			
Amounts falling due within one year	12	(20,035)	(10,610)
<u>NET CURRENT ASSETS</u>		<u>12,350</u>	<u>9,388</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		48,991	49,806
<u>CREDITORS</u>			
Amounts falling due after more than one year	13	(13,590)	(8,622)
		<u>35,401</u>	<u>41,184</u>
<u>CAPITAL AND RESERVES</u>			
Unrestricted funds	17	25,338	30,562
Restricted funds	17	10,063	10,622
		<u>35,401</u>	<u>41,184</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 1 September 2004.



Mrs J. Setchfield
Director

The attached notes form part of these accounts.

BRAUNSTONE MOTOR PROJECT LIMITED

NOTES TO THE ACCOUNTS - 31ST MARCH 2004

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 with the exception of investments which are included at market value. The accounts have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in October 2000 and applicable accounting standards.

1.2 Fixed Assets and Depreciation

Fixed assets costing more than £100 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. Previously vehicles and other equipment purchased from specific training grants were charged as expenditure in the year of purchase but from 1st April 2001 these purchases are capitalised and depreciated on a straight line basis at the rate of 25% per annum.

1.3 Investments

Investments are restored motorbikes. The motorbikes are either bought in poor condition or donated and refurbished as part of the charitable activities by users of the 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. These investments are shown at the directors' estimated market value. Any gains or losses on revaluation are taken to the Statement of Financial Activities.

1.4 Incoming resources

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

1.5 Resources expended

All expenditure is accounted for on an accruals basis.
Projects activity costs relate directly to the activities and projects of the company. Support costs are not directly related to the individual projects. This includes occupancy and running costs. Management and administration expenditure includes all expenditure incurred in the administration of the company including office costs, admin staff salaries and audit and accountancy fees.

1.6 Value Added Tax

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

1.7 Fund Accounting

Unrestricted funds are to be used for the core activities of the company at the directors' discretion. Restricted funds are for various projects as detailed in Note 16, which are to be used in accordance with the restrictions placed by the donor. The costs of running these projects have been allocated to the individual restricted fund to which it relates.

BRAUNSTONE MOTOR PROJECT LIMITED

NOTES TO THE ACCOUNTS - 31ST MARCH 2004 CONTINUED

ACCOUNTING POLICIES continued

1.8 Gifts In Kind

Motorbikes donated in varying states of disrepair are included as gifts in kind in the statement of financial activities at the directors' estimated value once restoration is complete. The motorbikes are then included within investments and revalued at the directors' estimated market value.

1.9 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 company. 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.

1.10 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.

2. <u>OPERATING SURPLUS</u>	<u>2004</u>	<u>2003</u>
	£	£
This is stated after charging depreciation of		
Depreciation of tangible assets	7,083	9,581
Auditor's remuneration	1,880	1,880
Operating lease rentals	14,100	16,332
	<hr/>	<hr/>
3. <u>GRANTS AND TRAINING FUNDING</u>	<u>2004</u>	<u>2003</u>
	£	£
Braunstone Community Association	145,511	139,920
Community fund - Lottery	12,500	17,734
Leicester City Council - SRB4	6,000	25,314
Leicester City Council - Employment Support Services	4,993	15,693
Department for Education and Employment	40,956	32,876
European Social Fund/Learning Skills Council	1,330	54,310
	<hr/>	<hr/>
	211,290	285,847
	<hr/>	<hr/>
4. <u>PROJECT ACTIVITY COSTS</u>	<u>2004</u>	<u>2003</u>
	£	£
Salaries	172,891	194,338
Vehicle running, maintenance and travel costs	23,342	26,537
Tools and consumables	5,035	7,518
Equipment and vehicle purchases	1,103	2,464
External courses, licenses and training	5,274	16,693
Depreciation	6,295	9,075
	<hr/>	<hr/>
	213,940	256,625
	<hr/>	<hr/>

BRAUNSTONE MOTOR PROJECT LIMITED

NOTES TO THE ACCOUNTS - 31ST MARCH 2004 CONTINUED

5.	<u>SUPPORT COSTS</u>	<u>2004</u>	<u>2003</u>
		£	£
	Occupancy costs	33,861	40,833
	Crèche facilities	14,100	17,895
	Miscellaneous expenditure	1,060	4,485
	Hire purchase interest	1,333	2,449
	Depreciation	788	506
		<hr/>	<hr/>
		51,142	66,168

6.	<u>MANAGEMENT AND ADMINISTRATION</u>	<u>2004</u>	<u>2003</u>
		£	£
	Salaries	15,545	16,066
	Office costs	3,723	5,857
	Audit and accountancy	1,880	1,880
	Bank interest and charges	74	394
		<hr/>	<hr/>
		21,222	24,197

7. **STAFF COSTS**

The average number of staff employed was 12 (2003: 14). Staff salary costs comprised:

	<u>2004</u>	<u>2003</u>
	£	£
Wages and salaries	174,212	194,999
Social security contributions	14,224	15,405
	<hr/>	<hr/>
	188,436	210,404

No employee earned more than £50,000 in the year.

The directors received no emoluments or reimbursed expenses.

8. **GIFTS IN KIND**

During the year fixed assets were donated to the charity with an estimated value of £NIL (2003 : £2,000).

Motorbikes for investment purposes are donated to the charity in varying states of disrepair. They are not included within the accounts until restoration is completed in accordance with the investment accounting policy.

At the year end fixed assets were donated but not restored with value of £2,500 (2003: £2,500).

BRAUNSTONE MOTOR PROJECT LIMITED

NOTES TO THE ACCOUNTS - 31ST MARCH 2004 CONTINUED

9. FIXED ASSETS	<u>Motor Vehicles</u>	<u>Office Equipment</u>	<u>Plant and Tools</u>	<u>Total</u>
	£	£	£	£
Cost:				
At 1st April 2003	24,875	3,977	20,314	49,166
Additions	17,155	3,151	-	20,306
Disposals	(15,500)	-	-	(15,500)
Balance at 31st March 2004	26,530	7,128	20,314	53,972
Depreciation:				
At 1st April 2003	8,457	2,246	11,295	21,998
Charge for the year	3,326	788	2,969	7,083
On disposals	(4,500)	-	-	(4,500)
Balance at 31st March 2004	7,283	3,034	14,264	24,581
Net book value at 31st March 2004	19,247	4,094	6,050	29,391
Net book value at 31st March 2003	16,418	1,731	9,019	27,168

Motor vehicles and plant and tools are used in the project activities. Office equipment is used in the support of the company. Included in the above net book values are assets held under finance leases as follows:-

	<u>Motor Vehicles</u>
	£
Net book values	
At 31 March 2004	16,798
At 31 March 2003	11,625
Depreciation charge for the year	
At 31 March 2004	357
At 31 March 2003	3,875

10. INVESTMENTS	<u>2004</u>	<u>2003</u>
	£	£
Classic Motorbikes at 1st April 2003	13,250	12,250
Disposal proceeds of investments	(4,124)	(900)
Realised loss on disposal of investments	(1,876)	(1,100)
Unrealised gain on investments	-	3,000
Classic Motorbikes at 31st March 2004	7,250	13,250

The historical cost of the above investments is £250 (2003: £2,500)

The motorbikes are valued at the directors' estimated market value.

BRAUNSTONE MOTOR PROJECT LIMITED

NOTES TO THE ACCOUNTS - 31ST MARCH 2004 CONTINUED

11. DEBTORS	2004	2003
	£	£
Accrued income	5,270	4,122
Other debtors	12,510	-
	<hr/>	<hr/>
	17,780	4,122
	<hr/>	<hr/>

12. CREDITORS - Amounts falling due within one year	2004	2003
	£	£
Taxation and social security	3,954	3,129
Other creditors	1,350	1,350
Accruals	3,299	2,885
Hire purchase	1,682	3,246
Deferred income	9,750	-
	<hr/>	<hr/>
	20,035	10,610
	<hr/>	<hr/>

Hire purchase creditor amounting to £1,682 (2003 : £3,246) are secured.

13. CREDITORS - Amounts falling due after one year	2004	2003
	£	£
Hire purchase	13,590	8,622
	<hr/>	<hr/>

Hire purchaser creditors amounting to £13,590 (2003 : £8,622) are secured.

14. BORROWINGS	2004	2003
	£	£
Hire purchase creditors:		
Falling due within 1 year	1,682	3,246
Falling due between 1 and 2 years	2,277	8,622
Falling due between 2 and 5 years	11,313	-
	<hr/>	<hr/>
	15,272	11,868
	<hr/>	<hr/>

15. OPERATING LEASES

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

	2004	2003
	Land & Buildings	Land & Buildings
	£	£
Leases expiring within 1 year	11,632	1,880
Leases expiring within 2 to 5 years	2,468	14,452
	<hr/>	<hr/>

BRAUNSTONE MOTOR PROJECT LIMITED

NOTES TO THE ACCOUNTS - 31ST MARCH 2004 CONTINUED

16. <u>RESTRICTED FUNDS</u>	<u>At 1 April</u>	<u>Income</u>	<u>Expenditure</u>	<u>At 31 March</u>
	<u>2003</u>			<u>2004</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Community fund - Lottery	-	12,500	(8,374)	4,126
ESF/LSC	683	1,330	(3,666)	(1,653)
DfEE	(1,259)	40,956	(40,745)	(1,048)
Employment Support Services	3,161	4,993	(5,406)	2,748
SRB4	(592)	6,000	(6,195)	(787)
Braunstone Community Assoc.	8,629	145,511	(147,463)	6,677
	<hr/>	<hr/>	<hr/>	<hr/>
	10,622	211,290	(211,849)	10,063
	<hr/>	<hr/>	<hr/>	<hr/>

The Braunstone Community Association Fund includes net book value of capital items purchased to be written off over the expected asset life of 4 years.

The ESF/LSC, DfEE and the SRB4 funds are in deficit at the year end. These will be rectified by either future income streams or transfers from unrestricted reserves.

The Community Fund supports a project for local young people to compile a history of Braunstone. ESF/LSC funding is for introduction into apprenticeship courses. DfEE and SRB4 fund the provision of motor vehicle training and life skills courses. Employment Support Services funding was in respect of employment search services for local residents. The Braunstone Community Association provides core funding for the staffing and other running costs of the Project's motor workshops.

17. <u>ANALYSIS OF FUND BALANCES</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total</u>
<u>BETWEEN NET ASSETS</u>	<u>£</u>	<u>£</u>	<u>£</u>
Tangible fixed assets	20,526	8,865	29,391
Investments	7,250	-	7,250
Net current assets	11,152	1,198	12,350
Long term liabilities	(13,590)	-	(13,590)
	<hr/>	<hr/>	<hr/>
	25,338	10,063	35,401
	<hr/>	<hr/>	<hr/>

18. 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.

19. RELATED PARTY TRANSACTIONS

During the year rent of £NIL (2003: £2,820) and crèche and other running costs, net of management charges, were paid to Braunstone Resource Training Centre Limited of which Mr R. Bindloss (company secretary and project manager) and Mrs J. Setchfield (director) are both directors. Braunstone Resource Training Centre Limited is a company limited by guarantee with no share capital.

At the year end Braunstone Resource Training Centre Limited owed the company £NIL (2003: £1,725).

BRAUNSTONE MOTOR PROJECT LIMITEDCASH FLOW STATEMENT

	<u>2004</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
Grants and training funding	211,290	285,847
Activities and courses	65,811	41,873
Donations	5,000	2,500
Bank interest received	296	479
	<hr/>	<hr/>
Total receipts	282,397	330,699
Revenue expenditure	(a) (279,221)	(337,409)
Capital expenditure:		
Hire purchase payments	(2,751)	(2,591)
Fixed asset purchases	(3,151)	(1,375)
Add proceeds of disposals	4,124	900
Working capital movements:		
Debtors	(13,658)	9,565
Creditors	10,989	(325)
	<hr/>	<hr/>
Net cash flow	(1,271)	(536)
Opening cash balance	15,876	16,412
	<hr/>	<hr/>
Closing cash balance	14,605	15,876
	<hr/>	<hr/>

This statement does not form part of the statutory accounts of the company and is not prepared in the format set out in Financial Reporting Standard 1.

(a) Total expenditure	286,304	346,990
Less depreciation	(7,083)	(9,581)
	<hr/>	<hr/>
	279,221	337,409
	<hr/>	<hr/>

BRAUNSTONE MOTOR PROJECT LIMITED
RESTRICTED FUNDS
YEAR ENDED 31ST MARCH 2004

	Community Fund - Lottery	DfEE Learn-Tech	LSC Apprenticeship	LCC ESSIB	SRB4 BOES	E&T Key Skills	BCA Legal Buzz	ECIF	2004 Total	2003 Total
	£	£	£	£	£	£	£	£	£	£
INCOME	12,500	40,956	1,330	-	6,000	2,300	145,511	2,693	211,290	285,847
EXPENDITURE										
Salaries	4,896	23,978	2,542	-	4,974	1,505	94,008	1,850	133,753	194,338
Travel, vehicle and group costs	-	9,874	373	-	-	-	1,050	843	12,140	10,974
Tools and consumables	-	-	68	-	-	-	4,967	-	5,035	7,518
Equipment and vehicle purchase	-	-	-	-	-	-	1,103	-	1,103	2,464
Depreciation	-	313	683	231	-	-	3,277	-	4,504	3,394
External courses, licences and training	-	-	-	-	-	-	5,273	-	5,273	15,812
Crèche facilities	-	-	-	-	-	-	14,100	-	14,100	17,895
Occupancy and office costs	3,478	6,580	-	-	1,221	-	23,685	-	34,964	43,729
Miscellaneous costs	-	-	-	-	-	977	-	-	977	1,943
	8,374	40,745	3,666	231	6,195	2,482	147,463	2,693	211,849	298,067
Surplus/Deficit	4,126	211	(2,336)	(231)	(195)	(182)	(1,952)	-	(559)	(12,220)
Transfers	-	-	-	-	-	-	-	-	-	(864)
Balance brought forward	-	(1,259)	683	3,161	(592)	-	8,629	-	10,622	23,706
Balance carried forward	4,126	(1,048)	(1,653)	2,930	(787)	(182)	6,677	-	10,063	10,622
Net book value of assets	-	-	-	-	-	-	8,865	-	8,865	10,769