

**Abbreviated Unaudited Accounts
for the Year Ended 31 March 2016
for
Norton Motorcycles (UK) Limited**

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for the Year Ended 31 March 2016**

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Norton Motorcycles (UK) Limited

**Company Information
for the Year Ended 31 March 2016**

DIRECTORS:

S J Garner
S P Skinner

REGISTERED OFFICE:

Donington Hall
Castle Donington
Derbyshire
DE74 2SG

REGISTERED NUMBER:

06718623 (England and Wales)

ACCOUNTANTS:

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

Norton Motorcycles (UK) Limited (Registered number: 06718623)

**Abbreviated Balance Sheet
31 March 2016**

	Notes	2016 £	£	2015 £	£
FIXED ASSETS					
Intangible assets	2		3,305,942		3,336,591
Tangible assets	3		1,390,550		977,670
Investments	4		1,798,767		1,808,587
			6,495,259		6,122,848
CURRENT ASSETS					
Stocks		1,328,807		1,702,127	
Debtors		2,911,878		3,856,253	
Cash at bank and in hand		15,210		195,964	
		4,255,895		5,754,344	
CREDITORS					
Amounts falling due within one year		2,005,271		2,811,811	
NET CURRENT ASSETS			2,250,624		2,942,533
TOTAL ASSETS LESS CURRENT LIABILITIES			8,745,883		9,065,381
CREDITORS					
Amounts falling due after more than one year	5		7,585,801		8,259,687
NET ASSETS			1,160,082		805,694
CAPITAL AND RESERVES					
Called up share capital	6		1		1
Revaluation reserve			42,661		-
Profit and loss account			1,117,420		805,693
SHAREHOLDERS' FUNDS			1,160,082		805,694

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2016 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss 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 company.
- (b)

Abbreviated Balance Sheet - continued
31 March 2016

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 30 December 2016 and were signed on its behalf by:

S J Garner - Director

**Notes to the Abbreviated Accounts
for the Year Ended 31 March 2016**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Preparation of consolidated financial statements

The financial statements contain information about Norton Motorcycles (UK) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Turnover

Turnover represents net invoiced sales relating to the principle activities and other related activities excluding value added tax.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of two businesses in 2013, is being amortised evenly over its estimated useful life of ten years.

Tangible fixed assets

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

Demonstrations	- 10% on cost
Tooling	- 10% on cost
Plant and machinery	- 10% & 25% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 20% on cost
Office & computer equipment	- 15% on cost

Tooling expenditure is depreciated once the asset has been brought into operational use.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date.

Development

Development expenditure is capitalised where the project is technically, commercially and financially viable. The expenditure is deferred and amortised over the period the company is expected to benefit.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date unless settled at a contracted rate. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2016

1. ACCOUNTING POLICIES - continued

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Grants related to purchase of assets are treated as deferred income and allocated to the profit and loss over the useful lives of the related assets while grants relating to expenses are treated as other income in the profit and loss in the year of receipt.

2. INTANGIBLE FIXED ASSETS

	Total £
COST	
At 1 April 2015	3,468,521
Additions	102,320
At 31 March 2016	<u>3,570,841</u>
AMORTISATION	
At 1 April 2015	131,930
Amortisation for year	132,969
At 31 March 2016	<u>264,899</u>
NET BOOK VALUE	
At 31 March 2016	<u>3,305,942</u>
At 31 March 2015	<u>3,336,591</u>

3. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 April 2015	1,365,791
Additions	563,250
At 31 March 2016	<u>1,929,041</u>
DEPRECIATION	
At 1 April 2015	388,121
Charge for year	150,370
At 31 March 2016	<u>538,491</u>
NET BOOK VALUE	
At 31 March 2016	<u>1,390,550</u>
At 31 March 2015	<u>977,670</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2016

4. **FIXED ASSET INVESTMENTS**

	Investments other than loans £
COST OR VALUATION	
At 1 April 2015	1,823,563
Revaluations	42,661
At 31 March 2016	<u>1,866,224</u>
PROVISIONS	
At 1 April 2015	64,976
Impairments	2,481
At 31 March 2016	<u>67,457</u>
NET BOOK VALUE	
At 31 March 2016	<u>1,798,767</u>
At 31 March 2015	<u>1,758,587</u>

Investments (neither listed nor unlisted) were as follows:

	2016 £	2015 £
Other assets	<u>-</u>	<u>50,000</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Norton America LLC

Country of incorporation: USA (State of Minnesota)

Nature of business: Sale of motorcycles

	% holding	2016 £	2015 £
Class of shares:			
Investment capital	100.00		
Aggregate capital and reserves		<u>2,535,270</u>	<u>2,535,270</u>

Spondon Engineering Limited (Company number 06999582)

Nature of business: Engineering

	% holding	31/8/15 £	31/8/14 £
Class of shares:			
Ordinary A shares	100.00		
Ordinary B shares	100.00		
Aggregate capital and reserves		<u>63,911</u>	<u>69,696</u>
(Loss)/profit for the year		<u>(5,785)</u>	<u>23,762</u>

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2016

4. **FIXED ASSET INVESTMENTS - continued**

Associated company

Spondon Developments Limited (company number 02446090)

Nature of business: Non-trading company

Class of shares:	% holding	31/8/15	31/8/14
Ordinary	50.00	£	£
Aggregate capital and reserves		447,487	452,548
(Loss)/profit for the year		(4,961)	247,130

5. **CREDITORS**

Creditors include an amount of £ 590,039 (2015 - £ 1,000,000) for which security has been given.

They also include the following debts falling due in more than five years:

	2016 £	2015 £
Repayable otherwise than by instalments	590,039	1,101,360

6. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
1	Ordinary	£1	1	1

7. **ULTIMATE PARENT COMPANY**

The immediate and ultimate parent company is Norton Motorcycle Holdings Limited which owns 100% of the issued share capital of Norton Motorcycles (UK) Limited.

8. **DEVELOPMENT COSTS**

The Directors are of the opinion that in order to give a true and fair view of the company's financial position, all development costs need to be capitalised. This may constitute a departure from SSAP 13 which requires that certain costs should be written off in the year of expenditure. Aggregate development costs could be overstated if the future economic value of these assets is not fully realised.

**Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Norton Motorcycles (UK) Limited**

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements, from which the unaudited abbreviated accounts (set out on pages two to seven) have been prepared.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Norton Motorcycles (UK) Limited for the year ended 31 March 2016 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Norton Motorcycles (UK) Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Norton Motorcycles (UK) Limited and state those matters that we have agreed to state to the Board of Directors of Norton Motorcycles (UK) Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Norton Motorcycles (UK) Limited Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Norton Motorcycles (UK) Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Norton Motorcycles (UK) Limited. You consider that Norton Motorcycles (UK) Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Norton Motorcycles (UK) Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

We draw your attention to note 17 in the financial statements which discloses and explains the possible departure from SSAP 13.

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

30 December 2016

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.