

Chartered Accountants

Ballard|Dale|Syree|Watson

for practical solutions



S164772

Ballard Dale Syree Watson LLP

Oakmoore Court
Kingswood Road
Hampton Lovett
Droitwich Spa
Worcestershire
WR9 0QH

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD
1 DECEMBER 2006 TO 31 JULY 2007
FOR
MOTOV8**

THURSDAY



A49 *AW55SYY4* 406
17/04/2008
COMPANIES HOUSE

Tel 01905 794504 Fax 01905 795281 Email mail@ballardsca.com Web www.ballardsca.com

Ballard Dale Syree Watson LLP is a limited liability partnership registered in England with registered no OC302548

Members: G W Ballard D B Dale E H Peters J A Syree M A Watson Consultants M J Bolton J A Randall

Registered to carry out audit work and regulated for a range of investment business activities by the Institute of Chartered Accountants in England & Wales

MOTOV8

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 DECEMBER 2006 TO 31 JULY 2007**

	Page
Report of the Trustees	1 to 2
Accountants' Report	3
Statement of Financial Activities	4
Balance Sheet	5 to 6
Notes to the Financial Statements	7 to 9
Detailed Statement of Financial Activities	10

MOTOV8

REPORT OF THE TRUSTEES FOR THE PERIOD 1 DECEMBER 2006 TO 31 JULY 2007

The trustees who are also directors of the charity for the purposes of the Companies Act 1985, present their report with the financial statements of the charity for the period 1 December 2006 to 31 July 2007. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

5164772 (England and Wales)

Registered Charity number

1105012

Registered office

Unit 2
Mill Works
Gregory's Mill Street
Worcester
Worcestershire
WR3 8BA

Trustees

Mrs K D Badger
P Cawley
Reverend M Badger
A M Nicholls

Company Secretary

Reverend M Badger

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 1985.

Recruitment and appointment of new trustees

Charity trustees are elected by existing trustees on the basis of nominations received and previous involvement in the activities of the charity.

Induction and training of new trustees

New trustees are inducted into the workings of the charity, including policies and procedures, during organised induction visits. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisational structure

The Charity trustees are legally responsible for the management and control of the charity. The Board of Trustees meets at least quarterly. The Board delegates executive powers to the Managing Director for the day to day running of the charity's activities.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The consideration of risk is delegated to the Managing Director, risks identified are assessed and controls established throughout the year. A review of risk management procedures is undertaken on an annual basis.

MOTOV8

REPORT OF THE TRUSTEES FOR THE PERIOD 1 DECEMBER 2006 TO 31 JULY 2007

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity are to advance education, reduce crime and anti-social behaviour, and to set up, run, supervise and co-operate in the operation of programmes for the education of young persons, particularly those who may have come into contact with the criminal justice system and/or who may be in danger of exclusion or have been excluded from school, with a view to facilitating their physical, mental and spiritual development and the development of their potential capabilities so that they may play a full role as individuals and members of society

Significant activities

The charity offers approved programmes of study in vehicle fitting, key skills and cycle maintenance. Learners are referred by the LEA Inclusion Programme, Secondary Schools, PRUs and Connexions e2e. Sheltered work placements are offered through a social enterprise refurbishing unwanted bicycles.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The increase in revenue during this period was mainly due to an increase in referrals via the LA inclusion programme (pre 16). Despite the outcome targets for these learners being set at a higher level than previously required, the company achieved 100% of our LA targets.

We have also seen an increase in e2e referral (post 16) and achieved 105% of the required target outcomes for this group.

This period has been both positive and successful with the company being able to offer a broader curriculum to an increased number of learners. We have also made significant organisational improvements with regard to the development of policies and procedures achieving the DCFS, Sound Systems accreditation.

Fundraising

During this period the company realised growth in revenue and was able to budget for a decrease in the amount of grant aid received. Within the stated financial period we have undergone a period of staged and carefully managed growth based on an increase in generated income from learner referrals.

This increase in revenue has enabled an increase in staffing levels with the introduction of a new member of staff responsible for cycle maintenance tuition. This area of business has achieved financial self-sufficiency during the period.

FINANCIAL REVIEW

Reserves policy

It is a policy of the trustees to designate sufficient funds to enable the charity to sustain operations for a period of 9 months should income-generating activities be curtailed; the trustees consider that the required level of these designated reserves is £120,000 and this amount is included in the General Fund reserves at 31 July 2007 of £147,779.

ON BEHALF OF THE BOARD


Trustee

Date 11/4/08

**REPORT OF THE ACCOUNTANTS TO THE TRUSTEES OF
MOTOV8**

We report on the financial statements for the period 31 July 2007 set out on pages four to nine

Respective responsibilities of trustees and reporting accountants

As described on pages five to six the charitable company's trustees are responsible for the preparation of the financial statements, and considers that the charitable company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

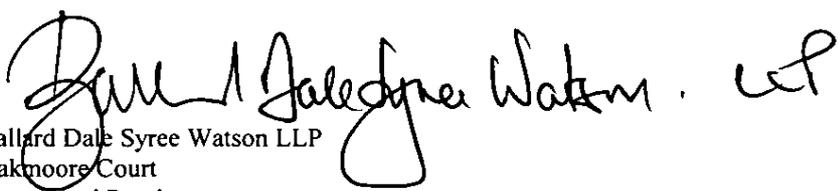
Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the charitable company, and making such limited enquires of the officers of the charitable company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion

- (a) the financial statements are in agreement with the accounting records kept by the charitable company under Section 221 of the Companies Act 1985,
- (b) having regard only to, and on the basis of, the information contained in those accounting records
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in Section 249C(6) of the Act, and
 - (ii) the charitable company satisfied the conditions for exemption from an audit of the financial statements for the year specified in Section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in Section 249B(1)


Ballard Dale Syree Watson LLP
Oakmoore Court
Kingswood Road
Hampton Lovett
Droitwich
Worcestershire
WR9 0QH

Date

18/4/08

MOTOV8

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD 1 DECEMBER 2006 TO 31 JULY 2007**

	Notes	Unrestricted funds £	Restricted funds £	Period 1.12.06 to 31.7.07 Total funds £	Year Ended 30 11 06 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income		5,175	-	5,175	37,784
Investment income	2	3,305	-	3,305	4,622
Incoming resources from charitable activities					
Training		187,465	-	187,465	162,419
Total incoming resources		<u>195,945</u>	<u>-</u>	<u>195,945</u>	<u>204,825</u>
RESOURCES EXPENDED					
Charitable activities					
Training		154,964	6,335	161,299	155,343
Governance costs		1,699	-	1,699	1,560
Total resources expended		<u>156,663</u>	<u>6,335</u>	<u>162,998</u>	<u>156,903</u>
NET INCOMING/(OUTGOING) RESOURCES					
		39,282	(6,335)	32,947	47,922
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>108,497</u>	<u>56,855</u>	<u>165,352</u>	<u>117,430</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>147,779</u></u>	<u><u>50,520</u></u>	<u><u>198,299</u></u>	<u><u>165,352</u></u>

The notes form part of these financial statements

MOTOV8

**BALANCE SHEET
AT 31 JULY 2007**

	Notes	Unrestricted funds £	Restricted funds £	2007 Total funds £	2006 Total funds £
FIXED ASSETS					
Tangible assets	6	-	17,893	17,893	16,080
CURRENT ASSETS					
Debtors amounts falling due within one year	7	35,996	-	35,996	36,750
Cash at bank and in hand		143,483	32,627	176,110	147,046
		<u>179,479</u>	<u>32,627</u>	<u>212,106</u>	<u>183,796</u>
CREDITORS					
Amounts falling due within one year	8	(31,700)	-	(31,700)	(34,524)
NET CURRENT ASSETS		<u>147,779</u>	<u>32,627</u>	<u>180,406</u>	<u>149,272</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>147,779</u>	<u>50,520</u>	<u>198,299</u>	<u>165,352</u>
NET ASSETS		<u>147,779</u>	<u>50,520</u>	<u>198,299</u>	<u>165,352</u>
FUNDS					
Unrestricted funds	9			147,779	108,497
Restricted funds				50,520	56,855
TOTAL FUNDS				<u>198,299</u>	<u>165,352</u>

The notes form part of these financial statements

MOTOV8

BALANCE SHEET - CONTINUED
AT 31 JULY 2007

The charitable company is entitled to exemption from audit under Section 249A(2) of the Companies Act 1985 for the period ended 31 July 2007

The trustees have not required the charitable company to obtain an audit of its financial statements for the period ended 31 July 2007 in accordance with Section 249B(2) of the Companies Act 1985

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the charitable company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007)

The financial statements were approved by the Board of Trustees on 11/4/08 and were signed on its behalf by


Trustee

MOTOV8

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 DECEMBER 2006 TO 31 JULY 2007

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2007), the Companies Act 1985 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

Tangible fixed assets

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

Plant and machinery	-25% on cost
Fixtures and fittings	-25% on cost
Computer equipment	-25% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities

Fund accounting

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

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

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

2. INVESTMENT INCOME

	Period 1.12.06 to 31.7.07 £	Year Ended 30 11 06 £
Bank interest	<u>3,305</u>	<u>4,622</u>

3. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting)

	Period 1 12.06 to 31 7.07 £	Year Ended 30 11 06 £
Depreciation - owned assets	<u>6,335</u>	<u>7,466</u>

MOTOV8

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 1 DECEMBER 2006 TO 31 JULY 2007**

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 July 2007 nor for the year ended 30 November 2006

Trustees' Expenses

There were no trustees' expenses paid for the period ended 31 July 2007 nor for the year ended 30 November 2006

5. STAFF COSTS

	Period 1.12.06 to 31.7.07 £	Year Ended 30 11 06 £
Wages and salaries	<u>97,642</u>	<u>100,756</u>

6. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 December 2006	12,849	1,119	15,896	29,864
Additions	<u>4,724</u>	<u>2,486</u>	<u>938</u>	<u>8,148</u>
At 31 July 2007	<u>17,573</u>	<u>3,605</u>	<u>16,834</u>	<u>38,012</u>
 DEPRECIATION				
At 1 December 2006	5,884	280	7,620	13,784
Charge for year	<u>2,928</u>	<u>601</u>	<u>2,806</u>	<u>6,335</u>
At 31 July 2007	<u>8,812</u>	<u>881</u>	<u>10,426</u>	<u>20,119</u>
 NET BOOK VALUE				
At 31 July 2007	<u>8,761</u>	<u>2,724</u>	<u>6,408</u>	<u>17,893</u>
At 30 November 2006	<u>6,965</u>	<u>839</u>	<u>8,276</u>	<u>16,080</u>

7. DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Debtors and prepayments	<u>35,996</u>	<u>36,750</u>

MOTOV8

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE PERIOD 1 DECEMBER 2006 TO 31 JULY 2007

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006
	£	£
Social security and other taxes	-	3,554
Other creditors	30,000	30,000
Accrued expenses	1,700	970
	<u>31,700</u>	<u>34,524</u>

9. MOVEMENT IN FUNDS

	At 1 12 06	Net movement in funds	At 31.7 07
	£	£	£
Unrestricted funds			
General fund	108,497	39,282	147,779
Restricted funds			
Capital Reserve	56,855	(6,335)	50,520
TOTAL FUNDS	<u>165,352</u>	<u>32,947</u>	<u>198,299</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	195,945	(156,663)	39,282
Restricted funds			
Capital Reserve	-	(6,335)	(6,335)
TOTAL FUNDS	<u>195,945</u>	<u>(162,998)</u>	<u>32,947</u>

10. DESIGNATED FUND

It is a policy of the trustees to designate sufficient funds to enable the charity to sustain operations for a period of 9 months should income generating activities be curtailed, the trustees consider that the required level of these designated reserves is £120,000 and this amount is included in the General Fund reserves, leaving £27,799 as "free" reserves

11. RESTRICTED FUND

The Capital Reserve Restricted Fund comprises a loan from the Dragon Fund, the net book value of fixed assets and the balance of cash received for the purchase of fixed assets

MOTOV8

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD 1 DECEMBER 2006 TO 31 JULY 2007

	Period 1.12 06 to 31 7 07 £	Year Ended 30 11 06 £
INCOMING RESOURCES		
Voluntary income		
Grants	5,175	37,784
Investment income		
Bank interest	3,305	4,622
Incoming resources from charitable activities		
Tuition fees	176,343	159,515
Bike sales	11,122	2,904
	<u>187,465</u>	<u>162,419</u>
Total incoming resources	195,945	204,825
RESOURCES EXPENDED		
Charitable activities		
Wages and salaries	97,642	100,756
Rent	14,884	18,064
Insurance	3,261	3,730
Utilities	1,780	3,587
Telephone	767	1,930
Office expenses	5,568	5,595
Workshop expenses	21,549	8,824
Sundries	2,507	1,524
Travel expenses	1,234	1,165
Training costs	4,375	2,702
Advertising	1,397	-
Depreciation of tangible fixed assets	6,335	7,466
	<u>161,299</u>	<u>155,343</u>
Governance costs		
Accountancy	1,699	829
Other legal and professional	-	731
	<u>1,699</u>	<u>1,560</u>
Total resources expended	162,998	156,903
Net income/(expenditure)	<u>32,947</u>	<u>47,922</u>

This page does not form part of the statutory financial statements