

The British Motorcycle Charitable Trust
Financial Statements
31 December 2021

LINDLEY & CO

Chartered Certified Accountants & statutory auditor
17 Millbrook Drive
Shenstone
Lichfield
Staffs
WS14 0JL

The British Motorcycle Charitable Trust

Financial Statements

Year ended 31 December 2021

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The British Motorcycle Charitable Trust

Trustees' Annual Report

Year ended 31 December 2021

The trustees present their report and the financial statements of the charity for the year ended 31 December 2021.

Reference and administrative details

Registered charity name The British Motorcycle Charitable Trust

Charity registration number 509420

Principal office Holly Cottage
Main Street
Bishampton
Pershore
Worcestershire
WR10 2NH

The trustees

I N Walden OBE
T P V Barnes (Chairman)
J F R Handley
M Jackson
J N Jeffery
J E Kidson
P J Wellings
M Penn

Auditor Lindley & Co
Chartered Certified Accountants & statutory auditor
17 Millbrook Drive
Shenstone
Lichfield
Staffs
WS14 0JL

Bankers HSBC (Midland)
PO Box 68
130 New Street
Birmingham
B2 4JU

Structure, governance and management

Governing Document

The British Motorcycle Charitable Trust is a Charitable Incorporated Organisation governed by its trust deed dated 4th June 2021. It is registered as a charity (number 509420) with the Charity Commission and was formed in 1979.

The British Motorcycle Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Structure, governance and management *(continued)*

Organisation

The board of trustees administers the charity. The board meets quarterly and there is a sub-committee covering investment policy. The day to day operations of the charity are managed by Andrew Bufton of Matchless Management Services. New trustees must be appointed by the existing trustees, taking into account the area of specialist skill needed, and are made aware of their legal obligations under charity law and the trust deed.

Risk Management

The trustees have a risk management strategy which identifies the major risks to which the charity is exposed and the steps required to mitigate these risks which include insurance cover and legal and professional advice being taken where necessary to protect the assets of the charity.

Related Parties

The charity has a close working relationship with the Charity Commission which is available to provide advice and guidance to the trustees on a wide variety of matters. It also maintains close links with transport museums, particularly those within the affiliation scheme.

Objectives and activities

The charity's objects continue to be the advancement of the education of the public to preserve and promote interest of such road vehicles and their associated equipment and accessories as are of scientific or historical interest. Fulfilment of the charity's objectives includes a scheme of affiliation with transport museums around the country which associate members of the charity may visit freely and expand their knowledge of the British motorcycle industry. The trustees have paid due regard to Charity Commission guidance on public benefit in deciding which activities the charity should undertake.

Impact of Coronavirus

With the vaccination programme in place museums were allowed to reopen midway through the year, and it was eventually safe for face-to-face meetings to resume. The trustee board meeting and AGM, held at the Haynes International Motor Museum in October 2021, was the charity's first in-person meeting since March 2020.

Achievements and performance

As an educational charity the trust's Aims and Activities are:

- a. The acquisition and display of motorcycles for long term loans to museums,
- b. Providing support by way of grant aid and advice to museums to ensure better, more informative displays, and
- c. Operating a membership scheme to make such museums accessible to the public.

The British Motorcycle Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Financial review

Financial Statement

The financial year saw an improving result over the previous year and the charity's investment values increased even though some funds were withdrawn for purchases agreed by the trustees. The significant increase in membership income over previous years supported administration costs which enabled the trust to use its investments to further its charitable objectives. The investment strategies which have proven successful are to be continued in 2022 as agreed by the trustees.

Conversion to CIO

The process of converting the trust to a Charitable Incorporated Organisation was completed on 4th June 2021. The trust's original Charity Registration Number was retained, and a new constitution adopted. Since conversion, annual reports and statements are filed exclusively with the Charity Commission as they are no longer required by Companies House.

Acquisition and Display of Motorcycles

Several rare and significant motorcycles were considered for acquisition during the year, and two were eventually purchased - a 1987 Silk 250 cc prototype racing machine, and a 1991 Norton 588 cc Rotary Classic. The Silk was placed on long term loan at the Internal Fire Museum in Ceredigion, and it was decided that for the time being the Norton should be maintained in road-going condition and used to promote the charity at various motorcycle gatherings and shows around the country.

With Covid restrictions being eased, it was finally possible to move the 1914 AJS TT machine to its intended home at the Manx Museum in Douglas, IoM. Two of the charity's motorcycles considered surplus to requirements by the Black Country Living Museum, an AJS S3 and Sunbeam Model 10, were relocated to the Internal Fire Museum.

Support for Museums

No grants were made to museums during the year. Sadly, the trust's plans to assist with the establishment of the proposed Redditch Cycle and Motorcycle Museum came to nothing when the project was abandoned by its proponents.

Promotion of the Trust

The informative BMCT website was continually updated during the year and is the main source of membership applications to the trust. The Facebook page now has more than 3,000 likes and continues as a useful means of getting news items and announcements out to the public domain while they are still topical.

The BMCT Museums Guide leaflet gives important information about affiliated museums and the charity itself, and is distributed to museums, members, and at shows and events attended.

Newsletters. BMCT News is the charity's quarterly members' newsletter edited and published by Andy Bufton at Matchless Management Services. Print copies are distributed to members, and the newsletter is also distributed electronically to clubs, museums, and other contacts in the motorcycle preservation world.

The British Motorcycle Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

Financial review *(continued)*

Membership

During the year 596 new associate members joined, bringing the number of active members at year end to 1,911, an increase of 30% over 2020. Undoubtedly the relaxing of Covid restrictions accounts for a large proportion of the increase, but there are also signs that the benefits of the trust's membership scheme are being more widely shared among the motorcycle enthusiast community

Plans for future periods

Negotiations to affiliate the trust with the Royal Engineers Museum in Gillingham were delayed due to Covid, but it is anticipated that the process will be completed in 2022, with the trust's 1914 Blackburne being transferred there on long term loan. The sustainability of the present membership scheme will be reviewed in 2022 in conjunction with our affiliated museum partners. The trustees also plan to conduct a review of the trust's heritage asset valuations by the end of 2022.

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The British Motorcycle Charitable Trust

Trustees' Annual Report *(continued)*

Year ended 31 December 2021

The trustees' annual report was approved on 4 October 2022 and signed on behalf of the board of trustees by:

T P V Barnes (Chairman)
Trustee

The British Motorcycle Charitable Trust

Independent Auditor's Report to the Members of The British Motorcycle Charitable Trust

Year ended 31 December 2021

Opinion

We have audited the financial statements of The British Motorcycle Charitable Trust (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102-the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 18 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

The British Motorcycle Charitable Trust

Independent Auditor's Report to the Members of The British Motorcycle Charitable Trust *(continued)*

Year ended 31 December 2021

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

The British Motorcycle Charitable Trust

Independent Auditor's Report to the Members of The British Motorcycle Charitable Trust *(continued)*

Year ended 31 December 2021

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- Enquiry of trustees being those charged with governance, and review of minutes of trustees meetings for evidence of any actual or potential claims or litigation;
- Enquiry of trustees in compliance functions and review of minutes of trustees meetings to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and trustees report and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of trustees override of controls, including testing of all journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

The British Motorcycle Charitable Trust

Independent Auditor's Report to the Members of The British Motorcycle Charitable Trust *(continued)*

Year ended 31 December 2021

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Sandra Kay Lindley (Senior Statutory Auditor)

For and on behalf of
Lindley & Co
Chartered Certified Accountants & statutory auditor
17 Millbrook Drive
Shenstone
Lichfield
Staffs
WS14 0JL

4 October 2022

The British Motorcycle Charitable Trust

Statement of Financial Activities

Year ended 31 December 2021

| | | 2021 | | 2020 |
|---|------|--------------------|------------------|------------------|
| | | Unrestricted funds | Total funds | Total funds |
| | Note | £ | £ | £ |
| Income and endowments | | | | |
| Donations and legacies | 4 | 37,512 | 37,512 | 28,129 |
| Investment income | 5 | 6,182 | 6,182 | 6,991 |
| Total income | | <u>43,694</u> | <u>43,694</u> | <u>35,120</u> |
| Expenditure | | | | |
| Expenditure on charitable activities | 6,7 | 53,011 | 53,011 | 54,549 |
| Total expenditure | | <u>53,011</u> | <u>53,011</u> | <u>54,549</u> |
| Net expenditure | | <u>(9,317)</u> | <u>(9,317)</u> | <u>(19,429)</u> |
| Other recognised gains and losses | | | | |
| Change in fair value of fixed asset investments | | 98,580 | 98,580 | 45,874 |
| Net movement in funds | | 89,263 | 89,263 | 26,445 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 1,310,030 | 1,310,030 | 1,283,585 |
| Total funds carried forward | | <u>1,399,293</u> | <u>1,399,293</u> | <u>1,310,030</u> |

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

The notes on pages 12 to 20 form part of these financial statements.

The British Motorcycle Charitable Trust

Statement of Financial Position

31 December 2021

| | Note | 2021 £ | 2020 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Heritage assets | 12 | 510,560 | 486,560 |
| Investments | 13 | 848,606 | 804,323 |
| | | <u>1,359,166</u> | <u>1,290,883</u> |
| Current assets | | | |
| Cash at bank and in hand | | 42,227 | 21,247 |
| Creditors: amounts falling due within one year | 14 | <u>2,100</u> | <u>2,100</u> |
| Net current assets | | <u>40,127</u> | <u>19,147</u> |
| Total assets less current liabilities | | <u>1,399,293</u> | <u>1,310,030</u> |
| Funds of the charity | | | |
| Unrestricted funds | | 1,399,293 | 1,310,030 |
| Total charity funds | 15 | <u>1,399,293</u> | <u>1,310,030</u> |

These financial statements were approved by the board of trustees and authorised for issue on 4 October 2022, and are signed on behalf of the board by:

T P V Barnes (Chairman)
Trustee

The notes on pages 12 to 20 form part of these financial statements.

The British Motorcycle Charitable Trust

Notes to the Financial Statements

Year ended 31 December 2021

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is a Charitable Incorporated Association. The address of the principal office is Holly Cottage, Main Street, Bishampton, Pershore, Worcestershire, WR10 2NH.

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 Charities Act 2011.

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 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.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Consolidation

The charity is not required to prepare consolidated accounts in accordance with the Charities Act 2011.

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. 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.

The British Motorcycle Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

The trustees continue to invest in UK listed investments based on the favourable position to date. They continue to regularly monitor this performance, with the assistance of investment managers, to ensure action can be taken if adverse performance is indicated.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Heritage assets included in the accounts of £510,560 have not been depreciated on the basis that their residual value is materially higher than cost. A valuation exercise was undertaken by the trustees with professional assistance in April 2017 and is reviewed annually by the trustees, who are of the opinion there has been no significant fall in the valuation since the last formal valuation exercise. Due to the nature of the exhibits, a certain amount of assumptions and estimation are inherent in carrying out this valuation. However the results of the revaluation and supporting evidence indicate that the realisable value of the assets is significantly higher than the carrying value in the accounts.

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.

Incoming resources

All income is 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.

The British Motorcycle Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Incoming resources *(continued)*

- income from donated goods is measured at the fair value of the goods unless this is impracticable 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.

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.

Heritage assets

Heritage assets measured under the cost model are recognised initially recorded at acquisition cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Heritage assets measured under the revaluation model are recorded at fair value less any accumulated impairment losses.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

The British Motorcycle Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

3. Accounting policies *(continued)*

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

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. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

The British Motorcycle Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

4. Donations and legacies

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|----------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Donations | | | | |
| Donations | 151 | 151 | 100 | 100 |
| Subscriptions | | | | |
| Subscriptions | 37,361 | 37,361 | 28,029 | 28,029 |
| | <u>37,512</u> | <u>37,512</u> | <u>28,129</u> | <u>28,129</u> |

5. Investment income

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|--------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Income from listed investments | 6,182 | 6,182 | 6,981 | 6,981 |
| Bank interest receivable | – | – | 10 | 10 |
| | <u>6,182</u> | <u>6,182</u> | <u>6,991</u> | <u>6,991</u> |

6. Expenditure on charitable activities by fund type

| | Unrestricted Funds £ | Total Funds 2021 £ | Unrestricted Funds £ | Total Funds 2020 £ |
|---------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Support costs | <u>53,011</u> | <u>53,011</u> | <u>54,549</u> | <u>54,549</u> |

7. Expenditure on charitable activities by activity type

| | Support costs £ | Total funds 2021 £ | Total fund 2020 £ |
|------------------|--------------------|-----------------------------------|-------------------------|
| Governance costs | <u>53,011</u> | <u>53,011</u> | <u>54,549</u> |

8. Analysis of support costs

| | Analysis of support costs activity 1 £ | Total 2021 £ | Total 2020 £ |
|---------------------------------|---|-------------------------|-----------------|
| General office | 6,713 | 6,713 | 8,185 |
| Insurance | 2,945 | 2,945 | 2,456 |
| Curatorial | – | – | 3,252 |
| Administration costs | 39,098 | 39,098 | 36,631 |
| Audit | 2,100 | 2,100 | 2,100 |
| Trustees' meetings and expenses | 2,155 | 2,155 | 1,925 |
| | <u>53,011</u> | <u>53,011</u> | <u>54,549</u> |

The British Motorcycle Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

9. Auditors remuneration

| | 2021 | 2020 |
|--|--------------|--------------|
| | £ | £ |
| Fees payable for the audit of the financial statements | <u>2,100</u> | <u>2,100</u> |

10. Staff costs

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

| 2021 | 2020 |
|------|------|
| £ | £ |

The average head count of employees during the year was Nil (2020: Nil). The average number of full-time equivalent employees during the year is analysed as follows:

| | 2021 | 2020 |
|--------------------|----------|----------|
| | No. | No. |
| Number of trustees | <u>8</u> | <u>8</u> |

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

11. Trustee remuneration and expenses

- no remuneration or other benefits from employment with the charity or a related entity were received by the trustees; or
- During the year 7 trustees received £1,380 (2020 5 trustees received £1,109) for reimbursed expenses.

12. Heritage assets

Heritage assets held are a collection of British motorcycles and scooters acquired for their scientific and historical interest. All exhibits are preserved in their original condition and many are displayed at affiliated museums. A register is maintained by the Trust of all heritage assets, which include details of specification and location.

| | Exhibits £ |
|--|----------------|
| Cost or valuation | |
| At 1 January 2021 | 486,560 |
| Additions | <u>24,000</u> |
| At 31 December 2021 | <u>510,560</u> |
| Accumulated depreciation | |
| At 1 January 2021 and 31 December 2021 | <u>—</u> |
| Carrying amount | |
| At 31 December 2021 | <u>510,560</u> |
| At 31 December 2020 | <u>486,560</u> |

Heritage assets recognised at valuation

Heritage assets are valued in the accounts at historical cost. As the Trustees are of the opinion that their realisable value is significantly higher than cost, no depreciation has been provided.

The British Motorcycle Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

12. Heritage assets *(continued)*

Summary of transactions

| | 2021 £ | 2020 £ | 2019 £ | 2018 £ | 2017 £ |
|--|---------------|---------------|--------------|--------------|---------------|
| Included in the statement of financial position | | | | | |
| Purchases | 24,000 | 57,380 | 2,500 | 2,540 | 34,664 |
| Total additions | <u>24,000</u> | <u>57,380</u> | <u>2,500</u> | <u>2,540</u> | <u>34,664</u> |

13. Investments

| | Listed investments £ | Other investments £ | Total £ |
|--|----------------------------|---------------------------|----------------|
| Cost or valuation | | | |
| At 1 January 2021 | 804,321 | 2 | 804,323 |
| Additions | 40,453 | – | 40,453 |
| Disposals | (94,750) | – | (94,750) |
| Other movements | 98,580 | – | 98,580 |
| At 31 December 2021 | <u>848,604</u> | <u>2</u> | <u>848,606</u> |
| Impairment | | | |
| At 1 January 2021 and 31 December 2021 | | – | – |
| Carrying amount | | | |
| At 31 December 2021 | <u>848,604</u> | <u>2</u> | <u>848,606</u> |
| At 31 December 2020 | <u>804,321</u> | <u>2</u> | <u>804,323</u> |

All investments shown above are held at valuation.

Financial assets held at fair value

Fixed asset investments are valued at market value at the balance sheet date.

The Trust holds 100% of the Ordinary share capital of BMCT Services Limited, a dormant company incorporated in England and Wales.

14. Creditors: amounts falling due within one year

| | | |
|-----------------|--------------|--------------|
| | 2021 £ | 2020 £ |
| Other creditors | <u>2,100</u> | <u>2,100</u> |

The British Motorcycle Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

15. Analysis of charitable funds

Unrestricted funds

| | At 1 Jan 2021 £ | Income £ | Expenditure £ | Transfers £ | Gains and losses £ | At 31 Dec 2021 £ |
|------------------------|-----------------------|---------------|------------------|----------------|--------------------------|------------------------|
| General funds | 685,968 | 43,694 | (53,011) | 24,000 | 98,580 | 799,231 |
| Exhibit fund | 124,062 | – | – | (24,000) | – | 100,062 |
| Administration fund | 500,000 | – | – | – | – | 500,000 |
| | <u>1,310,030</u> | <u>43,694</u> | <u>(53,011)</u> | <u>–</u> | <u>98,580</u> | <u>1,399,293</u> |

| | At 1 Jan 2020 £ | Income £ | Expenditure £ | Transfers £ | Gains and losses £ | At 31 Dec 2020 £ |
|------------------------|-----------------------|---------------|------------------|----------------|--------------------------|------------------------|
| General funds | 602,143 | 35,120 | (54,549) | 57,380 | 45,874 | 685,968 |
| Exhibit fund | 181,442 | – | – | (57,380) | – | 124,062 |
| Administration fund | 500,000 | – | – | – | – | 500,000 |
| | <u>1,283,585</u> | <u>35,120</u> | <u>(54,549)</u> | <u>–</u> | <u>45,874</u> | <u>1,310,030</u> |

The exhibit fund is a designated fund, which is unrestricted, set aside for the purpose of acquiring historical British vehicles and also to make grants to others in the restoration and exhibition of vehicles.

The administration fund is a designated fund, which is unrestricted, and set aside to cover all management expenses.

The British Motorcycle Charitable Trust

Notes to the Financial Statements *(continued)*

Year ended 31 December 2021

16. Analysis of net assets between funds

| | Unrestricted Funds £ | Total Funds 2021 £ |
|----------------------------|----------------------------|--------------------------|
| Heritage assets | 510,560 | 510,560 |
| Investments | 848,606 | 848,606 |
| Current assets | 42,227 | 42,227 |
| Creditors less than 1 year | (2,100) | (2,100) |
| Net assets | <u>1,399,293</u> | <u>1,399,293</u> |

| | Unrestricted Funds £ | Total Funds 2020 £ |
|----------------------------|----------------------------|--------------------------|
| Heritage assets | 486,560 | 486,560 |
| Investments | 804,323 | 804,323 |
| Current assets | 21,247 | 21,247 |
| Creditors less than 1 year | (2,100) | (2,100) |
| Net assets | <u>1,310,030</u> | <u>1,310,030</u> |

17. Related parties

During the year the Trust paid 3rd party agent fees of £910 (2020 £805) to Halcyon Independent Financial Advisors, a company in which one of the trustees has a 50% interest.

18. Ethical standards

In common with many businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.