

REGISTERED COMPANY NUMBER: 04789584 (England and Wales)
REGISTERED CHARITY NUMBER: 1187235

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 August 2020
for
Boat Building Academy Limited

Ward Goodman
4 Cedar Park
Cobham Road
Ferndown Industrial Estate
Wimborne
Dorset
BH21 7SF

Boat Building Academy Limited

**Contents of the Financial Statements
for the Year Ended 31 August 2020**

	Page
Report of the Trustees	1 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13 to 21

Boat Building Academy Limited

Report of the Trustees for the Year Ended 31 August 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

To teach men and women to build boats and design and make furniture of the highest quality to accepted industry standards using traditional and modern methods and materials, thus enabling our students to fully realise their potential

The charity's objects ('Objects') are specifically restricted to the following, for the public benefit:

- a. to advance the education of the public in the art, craft and science of boat building, fine woodworking and related skills; and
- b. to educate people through the provision of sailing or sailing related activities and other training to develop their physical, mental and social capabilities.

Significant activities

The principal activity of the Boat Building Academy (BBA) is to train students on an intensive, practical course over both a 40-week ('the long course') or a 12-week course to a level where they have the potential to gain immediate employment in the marine or furniture making industries.

The majority of the younger graduates (those seeking to enter the industry rather than those in retirement) are successful in finding work, and employers approach the BBA directly to seek skilled workers. A number of the former students have returned after working in the industry and now teach at the Academy, including the Principal.

2 - 5 day short courses complement these longer courses, providing training in boat building, woodworking skills and related subjects. In the last ten years the business has doubled its turnover and achieved international pre-eminence as a training establishment.

As a fee-paying college, the BBA offers bursaries to support impoverished men and women who would benefit from the training.

The second object 'to educate people through the provision of sailing or sailing related activities and other training to develop their physical, mental and social capabilities' is in its infancy. The BBA does not currently undertake sail training activities, but has been developing relationships with several sail training organisations and charities including Adventure Under Sail (AUS) and the Tectona Trust.

The relationship with AUS has started with staff staying aboard and sailing on Training Ship Pelican of London. Staff/student exchange visits are planned, and BBA tutors will attend shore based events on the Pelican to brief and informally teach the boat crew on various traditional boat maintenance techniques. These plans were cut short due to Covid but will continue as soon as possible. Some students from the BBA have sailed on the Pelican's Ocean Science voyages and undertaken work placements.

The BBA has a long history with TS Pelican: Chair of trustees - Tim Gedge - project managed the refit in 2007 using a team of BBA graduates and one of the graduates crossed the Atlantic serving as her ship's carpenter.

Boat Building Academy Limited

Report of the Trustees for the Year Ended 31 August 2020

OBJECTIVES AND ACTIVITIES

Main activities undertaken for the public benefit

The BBA has recently employed a fundraiser to lead on increasing our bursary fund as well as capital funding and Covid mitigation. One element of this work is engaging the Dorset Local Enterprise Partnership. The submission to the Dorset Local Enterprise Partnership (LEP) is aimed at making a contribution towards the discussion about the proposed Dorset Investment Prospectus; part of the LEP's response to the economic impacts of Covid-19 and the priorities within the Dorset Local Industrial Strategy (LIS).

The BBA is an important business within Lyme Regis, Dorset and the South West and in addition to connecting with the LEP, aspires to further establish its relationship with the local community and beyond:

- Relationship development through the Dorset Coast Forum
- Open days for locals, potential students, and all friends of the academy. The first was being organised for April this year. Unfortunately, this was postponed due to Covid 19 but will go ahead as soon as possible
- Twice a year student boat launches - these usually draw a crowd of several hundred and are an important part of the Lyme Regis calendar
- Planned short courses and evening classes for the local community
- A programme of lectures open to all
- A programme of school and college visits

The trustees have had due regard to the Charity Commission guidance on public benefit.

The Boat Building Academy Bursary scheme

In order to provide training to all people regardless of their financial position we have a scheme whereby potential students can apply for a bursary to cover up to 50% of the course fee. This is applicable to the 40-week and 12-week courses and is aimed specifically at impoverished people or in the words of the Charity Commission - 'the poor'.

The BBA currently holds a bursary fund to support 1 student on each of the next three 40-week and three 12-week courses with the aspiration to support two students on each boat building and furniture making course from 2022.

The BBA bursary scheme has been developed by trustees specifically with public benefit in mind. The trustees have developed a rigorous approach to selecting deserving students for bursaries. A key player in this process has been Gail McGarva who has significant experience with both sides of bursary programmes including QEST and the Arts Council.

The application process is open to students who have been offered a place at the BBA through the usual application process. They will complete a bursary application form before a given deadline. Those who meet the criteria will be invited to spend a day at the BBA where they will be interviewed by 2 trustees and will work with staff to assess their approach to work. The original plan was for applicants to spend 2-5 days in the workshops but this is difficult with Covid restrictions. It might be that 1 day is rigorous enough anyway; this will be decided by trustees.

Boat Building Academy Limited

Report of the Trustees for the Year Ended 31 August 2020

OBJECTIVES AND ACTIVITIES

Contribution made by volunteers

The BBA has recently established a 'Friends manager' who will organise a group of volunteers and a sub-committee to:

- assist the BBA in maintaining its service for the public benefit
- help with the activities around fundraising
- assist with the communication to the wider community and industry regarding the Company's activities and future plans
- assist with funding and resourcing for special projects as well as for bursaries
- provide ongoing education to its members including improving the understanding of the Company's activities
- contribute to the BBA's future strategy and direction
- help with day to day activities when required
- assist in expanding the support of the BBA from the wider community and industry
- assist with future career guidance of BBA students and graduates
- establish a business mentoring service for graduates
- establish relationships with other educational bodies (including local schools and colleges etc) and potential feeder establishments for new students

The organisation will constitute people with the following backgrounds:

- Boat building and furniture making graduates of the BBA
- BBA short course students
- BBA staff as well as former staff
- Key relationships from the BBA suppliers
- Potential donors
- Key industry contacts including trade bodies such as:
 - Wooden Boatbuilders Trade Association
 - Worshipful Company of Shipwrights
 - British Marine
- Current and future advisers

Boat Building Academy Limited

Report of the Trustees for the Year Ended 31 August 2020

STRATEGIC REPORT

Achievement and performance

Charitable activities

In December 2017 an economic assessment of the Academy and its contribution to the local economy was carried out by the Policy & Research Unit, Dorset County Council. At that time the report concluded that"the presence of the Boat Building Academy with the associated spending of students and their visitors, supports about 32 FTE jobs currently and contributes £1.16 million Gross Value Added to the local economy." As part of this review of the Academy's work, Dorset Council has undertaken to update this assessment, and the results are awaited.

To date, the BBA has trained 536 40-week boat building students and 167 12-week furniture makers. There have also been 1821 places on short courses (some students doing more than one course)

The boat building students who started in August 2019 had their training interrupted due to the Covid 19 lockdown but returned after 4 months to complete their course. As part of the training students build several boats per course and as usual the boats were built to an exemplary professional standard and launched in Lyme Regis harbour on 1 October. The launch on this occasion was a toned-down affair to reflect Covid restrictions.

Covid 19 has not curtailed interest or enquiries about courses at the BBA. A full course of 18 students started the current 40-week course on 12 October and there are already 17 hopefuls lined up for March 2021. The 12-week courses are set to be fully booked next year. Short courses are also looking healthy with regular enquiries and bookings.

The last course fee increases were in January and February 2019. They stand at:

40-week boat building	£15,850
12-week Furniture	£5,850
12-week Advanced Furniture Making	£5,950
2-day short courses	£275
5-day short courses	£675 - £950

The next increase has been delayed until August 2021 due to the unstable financial situation caused by Covid 19

Financial review

Reserves policy

The BBA will always hold a diminishing figure to reflect the cost of running a course - if the academy had to close, adequate funds (variable dependent on student numbers) are held in order to either repay a percentage of the fees for the unused part of the course or to fulfil the commitment to the students - rent, materials, tutor cost etc.

In addition, the BBA aims to hold a significant reserve in order to secure the business during periods of financial difficulty. Student numbers have been strong over the last few years with reserves increasing annually. Year ending August 2019, the reserve stood at £114,807.

Results for the year ended 31 August 2020, show a net loss of £22,322 (2019 Profit of £83,882). At the year end reserves stand at £92,485, of which £10,000 is restricted funds and £20,000 is designated for Bursaries. This leaves £62,485 in general unrestricted funds which, less the NBV of tangible fixed assets at the year end, leaves a total of £58,255 in free reserves.

Boat Building Academy Limited

Report of the Trustees for the Year Ended 31 August 2020

STRATEGIC REPORT

Financial review

The impact of Covid 19 on the BBA

In accordance with government requirements, on 20 March 2020, the BBA had to close and stop teaching its students, in the middle of the boat building course it was delivering, with staff being furloughed. It was able to restart at a much-reduced level on 13 July 2020 in accordance with government guidelines and restrictions.

However, in view of the need to comply with Covid 19 social distancing restrictions and having regard to the close working environment involved in a boat building workshop, it was only possible to restart with 50% of the number of students that should have been on site completing their course. This has also involved students being organised into separate groups, in different areas of the building, to help avoid the possibility of infection spreading throughout the students and staff, should any Covid cases arise.

There is only one dedicated classroom, as the majority of the space is taken up by the two workshops, communal spaces such as kitchen and dining area and on the first floor, residential, student accommodation. In addition, in view of the need for students to 'spread out' within the spaces available, it has also not been possible to deliver the financially beneficial short courses, that help support the business. The result of these Covid impacts is that the LRBBA has lost £275,000 in reduced income and other unexpected costs to be able to operate under Covid restrictions.

The delay caused by the shutdown also meant that new students had not been able to start the next session of the boat building course at the expected time, which is the main source of income for the Academy. There is therefore an urgent need to create more workshop space and works are in hand to convert some of the first floor student living accommodation into classroom space, expand an existing mezzanine workshop over the main boat building area and undertake other re-organisation of spaces at ground floor level. The Academy is planning to take advantage of a government guaranteed loan scheme to assist in funding this work and is also applying to charitable trusts for support.

Future plans

The trustees are committed to:

- continuing their current strategies of maintaining and improving the status of the BBA as a world-leader in the fields of boat building and furniture making by investing to provide the highest quality training to our students
- continuing fundraising initiatives to provide bursaries to more applicants
- remaining at the current site while maintaining and improving the buildings and facilities for the benefit of the training and student experience
- Developing and expanding workshop space to allow training to continue in light of social distancing requirements
- establishing the BBA as an important landmark in the local area as well as the larger business and charity community
- using professional advisors where necessary
- to constantly hold public benefit as the main driver in decision making
- through rigorous discussion and challenging of ideas, policies and processes
- fostering relationships with complimentary organisations both locally and further afield

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee incorporated 6 June 2003 and registered as a charity 7 January 2020. The company has Companies Act 2006 Articles and therefore does not have a Memorandum of Association. It is governed under its Articles of Association.

Recruitment and appointment of new trustees

The directors/trustees may by board resolution:

1. appoint a person who is willing to act to be a director; and
2. appoint the Principal to be a director, if they consider that it would be in the best interests of the charity for them to do so.

A director retiring may offer himself or herself for re-election and for a period not exceeding five years. There is no limit on the number of terms of office.

Boat Building Academy Limited

Report of the Trustees for the Year Ended 31 August 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The trustees are responsible for the overall management and control of the Boat Building Academy and meet formally twice a year. Policies are implemented by the Principal who is also a trustee. The Chair, Treasurer and Principal speak by phone or email regularly - usually on a weekly basis with other trustees included as appropriate. The Principal provides a report to the Board every two months detailing activities, financials, problems, opportunities, Covid 19 and any other issues arising.

The Principal is paid a salary and there is provision in the BBA articles of association to allow this. All other trustees give their time freely. While no remuneration or expenses were paid in the year, reasonable expenses are available to trustees.

The Principal undertakes the key leadership role; overseeing educational, pastoral and administrative functions in consultation with the training manager, tutors and the office manager. The day to day administration of the BBA is undertaken within the policies and procedures approved by the trustees which provide for only significant expenditure decisions and major capital projects to be referred to the Trustees for prior approval. The Principal oversees the recruitment of all staff.

Induction and training of new trustees

New trustees are issued with an induction pack containing:

- Latest annual report and accounts
- The most recent Principal's report
- The most recent board and committee minutes
- Copies of the BBA's key policies and procedures
- Copies of the Commission's key pieces of guidance - particularly CC3 and the public benefit guidance

Four of the current trustees are graduates of the BBA Boat Building or Furniture Making courses and are therefore well-versed with the approach and ethos. Those trustees who are new to the BBA have a guided tour of the facilities and meet all the staff as part of their induction.

All trustees are invited to BBA events such as boat launches, furniture exhibitions and open days to give them a better understanding of the culture and purpose.

The Principal attended an online trustee training course run by lawyers - Farrers and accountants - Haysmacintyre. This, or other local trustee training courses are available to all trustees.

Key management remuneration

The Trustees including the Principal consider that they are the key management personnel. The Trustees give of their time freely. The pay and remuneration of the Principal and all other staff is set by the Trustees and is kept under annual review.

A number of criteria are used in setting pay:

- Nature of the role and responsibilities
- Competitor salaries in the region
- The sector average salary for comparable positions
- Trends in pay in recent years

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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04789584 (England and Wales)

Registered Charity number

1187235

Boat Building Academy Limited

**Report of the Trustees
for the Year Ended 31 August 2020**

Registered office

Lyme Regis Marine Centre
Monmouth Beach
Lyme Regis
Dorset
DT7 3JN

Trustees

M J Convey (resigned 11.5.2020)
T J H Gedge
R H Aylott (appointed 2.3.2020)
J Lloyd-Davies (appointed 1.9.2019)
W M Reed (appointed 2.3.2020)
Ms B R Bathurst (appointed 11.5.2020)
R T Martin (appointed 11.5.2020)
Ms G H McGarva (appointed 11.5.2020)

Company Secretary

Independent Examiner

Ward Goodman
4 Cedar Park
Cobham Road
Ferndown Industrial Estate
Wimborne
Dorset
BH21 7SF

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on
..... and signed on the board's behalf by:

.....
W M Reed - Trustee

**Independent Examiner's Report to the Trustees of
Boat Building Academy Limited**

Independent examiner's report to the trustees of Boat Building Academy Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

I M Rodd BSc FCA FCCA
ICAEW
Ward Goodman
4 Cedar Park
Cobham Road
Ferndown Industrial Estate
Wimborne
Dorset
BH21 7SF

Date:

Boat Building Academy Limited

**Statement of Financial Activities
for the Year Ended 31 August 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	111,171	15,000	126,171	-
Other trading activities	4	545,970	-	545,970	836,769
Investment income	5	<u>1,153</u>	<u>-</u>	<u>1,153</u>	<u>639</u>
Total		658,294	15,000	673,294	837,408
EXPENDITURE ON					
Raising funds	6	415,308	-	415,308	342,400
Charitable activities	7				
Charitable Activities		275,142	5,166	280,308	411,126
Total		<u>690,450</u>	<u>5,166</u>	<u>695,616</u>	<u>753,526</u>
NET INCOME/(EXPENDITURE)		(32,156)	9,834	(22,322)	83,882
Transfers between funds	17	<u>(166)</u>	<u>166</u>	<u>-</u>	<u>-</u>
Net movement in funds		(32,322)	10,000	(22,322)	83,882
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>114,807</u>	<u>-</u>	<u>114,807</u>	<u>30,925</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>82,485</u></u>	<u><u>10,000</u></u>	<u><u>92,485</u></u>	<u><u>114,807</u></u>

The notes form part of these financial statements

Boat Building Academy Limited

**Balance Sheet
31 August 2020**

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	13	4,230	-	4,230	6,131
CURRENT ASSETS					
Stocks	14	36,821	-	36,821	41,805
Debtors	15	38,385	-	38,385	19,475
Cash at bank		<u>268,807</u>	<u>10,000</u>	<u>278,807</u>	<u>519,259</u>
		344,013	10,000	354,013	580,539
CREDITORS					
Amounts falling due within one year	16	(265,758)	-	(265,758)	(471,863)
NET CURRENT ASSETS		<u>78,255</u>	<u>10,000</u>	<u>88,255</u>	<u>108,676</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>82,485</u>	<u>10,000</u>	<u>92,485</u>	<u>114,807</u>
NET ASSETS		<u>82,485</u>	<u>10,000</u>	<u>92,485</u>	<u>114,807</u>
FUNDS	17				
Unrestricted funds				82,485	114,807
Restricted funds				<u>10,000</u>	-
TOTAL FUNDS				<u>92,485</u>	<u>114,807</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that 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 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 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 charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
J Lloyd-Davies - Trustee

The notes form part of these financial statements

Boat Building Academy Limited

**Cash Flow Statement
for the Year Ended 31 August 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(239,767)</u>	<u>154,076</u>
Net cash (used in)/provided by operating activities		<u>(239,767)</u>	<u>154,076</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,838)	(9,013)
Interest received		<u>1,153</u>	<u>639</u>
Net cash used in investing activities		<u>(685)</u>	<u>(8,374)</u>
Change in cash and cash equivalents in the reporting period		(240,452)	145,702
Cash and cash equivalents at the beginning of the reporting period		<u>519,259</u>	<u>373,557</u>
Cash and cash equivalents at the end of the reporting period		<u><u>278,807</u></u>	<u><u>519,259</u></u>

The notes form part of these financial statements

Boat Building Academy Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 August 2020**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(22,322)	83,882
Adjustments for:		
Depreciation charges	3,739	6,198
Interest received	(1,153)	(639)
Decrease/(increase) in stocks	4,984	(3,277)
(Increase)/decrease in debtors	(18,910)	31,607
(Decrease)/increase in creditors	<u>(206,105)</u>	<u>36,305</u>
Net cash (used in)/provided by operations	<u>(239,767)</u>	<u>154,076</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.19 £	Cash flow £	At 31.8.20 £
Net cash			
Cash at bank	<u>519,259</u>	<u>(240,452)</u>	<u>278,807</u>
	<u>519,259</u>	<u>(240,452)</u>	<u>278,807</u>
Total	<u>519,259</u>	<u>(240,452)</u>	<u>278,807</u>

The notes form part of these financial statements

Boat Building Academy Limited

Notes to the Financial Statements for the Year Ended 31 August 2020

1. LEGAL FORM

The Charity (registration number 1187235) is a public benefit entity, limited by guarantee, incorporated in England and Wales (company number 04789584), and consequently does not have share capital.

The address of its registered office is: Lyme Regis Marine Centre, Monmouth Beach, Lyme Regis, Dorset DT7 3JN

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

On 7th January 2020, Boat Building Academy Limited (company number 04789584) registered as a Charitable company (Charity registration number 1187235). The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: 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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Government grants

Government grants include money received as part of the Covid-19 Job Retention Scheme. Income is recognised in the same period in which the related payroll expenditure is recorded.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

Freehold property	- 20% on cost
Plant and machinery	- Straight line over 3 years
Fixtures and fittings	- Straight line over 3 years

Stocks

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

Stock is valued on a "First in, first out" basis.

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.

Boat Building Academy Limited

Notes to the Financial Statements - continued for the Year Ended 31 August 2020

2. ACCOUNTING POLICIES - continued

Fund accounting

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

3. DONATIONS AND LEGACIES

	2020 £	2019 £
Gifts	16,192	-
Legacies	8,000	-
Grants	<u>101,979</u>	<u>-</u>
	<u>126,171</u>	<u>-</u>

Grants received, included in the above, are as follows:

	2020 £	2019 £
Job Retention Scheme	94,479	-
Other	<u>7,500</u>	<u>-</u>
	<u>101,979</u>	<u>-</u>

Boat Building Academy Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

4. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Course income	374,788	614,661
Materials	23,935	36,347
Woodworking skills	87,908	88,405
Wood	23,076	37,228
Accommodation	32,098	55,842
Washing machine money	791	1,857
Miscellaneous	<u>3,374</u>	<u>2,429</u>
	<u>545,970</u>	<u>836,769</u>

5. INVESTMENT INCOME

	2020	2019
	£	£
Interest receivable - trading	<u>1,153</u>	<u>639</u>

6. RAISING FUNDS

Other trading activities

	2020	2019
	£	£
Opening stock	41,805	38,528
Closing stock	(36,821)	(41,805)
Staff costs	405,550	336,049
Bad debts	1,035	3,430
Depreciation	<u>3,739</u>	<u>6,198</u>
	<u>415,308</u>	<u>342,400</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Charitable Activities	<u>248,953</u>	<u>31,355</u>	<u>280,308</u>

Boat Building Academy Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

8. SUPPORT COSTS

	Management £	Finance £	Information technology £	Human resources £	Totals £
Charitable Activities	<u>27,570</u>	<u>854</u>	<u>2,184</u>	<u>747</u>	<u>31,355</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020 £	2019 £
Depreciation - owned assets	3,739	6,198
Independent examination	1,980	-
Accounts preparation fees	540	1,400

10. TRUSTEES' REMUNERATION AND BENEFITS

William Reed, Director & Trustee, received remuneration totalling £20,000 (2019: £nil) in salary from his appointment as director in March 2020 to the year end of 31 August 2020. Employer pension contributions totalling £506 (2019: £nil) were made over the same period.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2020 nor for the year ended 31 August 2019.

11. STAFF COSTS

	2020 £	2019 £
Wages and salaries	368,298	305,468
Social security costs	29,822	25,034
Other pension costs	<u>7,430</u>	<u>5,547</u>
	<u>405,550</u>	<u>336,049</u>

The average monthly number of employees during the year was as follows:

	2020	2019
Head count	<u>14</u>	<u>15</u>

No employees received emoluments in excess of £60,000.

Boat Building Academy Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Other trading activities	836,769	-	836,769
Investment income	<u>639</u>	<u>-</u>	<u>639</u>
Total	837,408	-	837,408
EXPENDITURE ON			
Raising funds	342,400	-	342,400
Charitable activities			
Charitable Activities	<u>411,126</u>	<u>-</u>	<u>411,126</u>
Total	<u>753,526</u>	<u>-</u>	<u>753,526</u>
NET INCOME	83,882	-	83,882
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>30,925</u>	<u>-</u>	<u>30,925</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>114,807</u></u>	<u><u>-</u></u>	<u><u>114,807</u></u>

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 September 2019	10,912	72,819	-	83,731
Additions	<u>-</u>	<u>1,430</u>	<u>408</u>	<u>1,838</u>
At 31 August 2020	<u>10,912</u>	<u>74,249</u>	<u>408</u>	<u>85,569</u>
DEPRECIATION				
At 1 September 2019	10,912	66,688	-	77,600
Charge for year	<u>-</u>	<u>3,603</u>	<u>136</u>	<u>3,739</u>
At 31 August 2020	<u>10,912</u>	<u>70,291</u>	<u>136</u>	<u>81,339</u>
NET BOOK VALUE				
At 31 August 2020	<u><u>-</u></u>	<u><u>3,958</u></u>	<u><u>272</u></u>	<u><u>4,230</u></u>
At 31 August 2019	<u><u>-</u></u>	<u><u>6,131</u></u>	<u><u>-</u></u>	<u><u>6,131</u></u>

Boat Building Academy Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

14. STOCKS

	2020	2019
	£	£
Stocks	<u>36,821</u>	<u>41,805</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Service charges due	12,736	9,924
Other debtors	18,307	-
Prepayments	<u>7,342</u>	<u>9,551</u>
	<u>38,385</u>	<u>19,475</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	6,408	16,668
Social security and other taxes	8,559	8,256
Other creditors	7,030	41,743
Service charges paid in arrear	51,909	57,441
Accruals and deferred income	<u>191,852</u>	<u>347,755</u>
	<u>265,758</u>	<u>471,863</u>

Income is deferred for courses that run over a period of weeks and have not yet been completed. The income is released monthly over the duration of the course.

17. MOVEMENT IN FUNDS

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Unrestricted funds				
General fund	114,807	(32,156)	(20,166)	62,485
Bursary (Designated)	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
	114,807	(32,156)	(166)	82,485
Restricted funds				
Computer	-	(166)	166	-
Bursary	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
	<u>-</u>	<u>9,834</u>	<u>166</u>	<u>10,000</u>
TOTAL FUNDS	<u>114,807</u>	<u>(22,322)</u>	<u>-</u>	<u>92,485</u>

Boat Building Academy Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	658,294	(690,450)	(32,156)
Restricted funds			
Computer	5,000	(5,166)	(166)
Bursary	<u>10,000</u>	<u>-</u>	<u>10,000</u>
	<u>15,000</u>	<u>(5,166)</u>	<u>9,834</u>
TOTAL FUNDS	<u><u>673,294</u></u>	<u><u>(695,616)</u></u>	<u><u>(22,322)</u></u>

Comparatives for movement in funds

	At 1.9.18 £	Net movement in funds £	At 31.8.19 £
Unrestricted funds			
General fund	30,925	83,882	114,807
	<u>30,925</u>	<u>83,882</u>	<u>114,807</u>
TOTAL FUNDS	<u><u>30,925</u></u>	<u><u>83,882</u></u>	<u><u>114,807</u></u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	837,408	(753,526)	83,882
	<u>837,408</u>	<u>(753,526)</u>	<u>83,882</u>
TOTAL FUNDS	<u><u>837,408</u></u>	<u><u>(753,526)</u></u>	<u><u>83,882</u></u>

Boat Building Academy Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

17. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.18 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Unrestricted funds				
General fund	30,925	51,726	(20,166)	62,485
Bursary (Designated)	<u>-</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>
	30,925	51,726	(166)	82,485
Restricted funds				
Computer	-	(166)	166	-
Bursary	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>10,000</u>
	<u>-</u>	<u>9,834</u>	<u>166</u>	<u>10,000</u>
TOTAL FUNDS	<u>30,925</u>	<u>61,560</u>	<u>-</u>	<u>92,485</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,495,702	(1,443,976)	51,726
Restricted funds			
Computer	5,000	(5,166)	(166)
Bursary	<u>10,000</u>	<u>-</u>	<u>10,000</u>
	<u>15,000</u>	<u>(5,166)</u>	<u>9,834</u>
TOTAL FUNDS	<u>1,510,702</u>	<u>(1,449,142)</u>	<u>61,560</u>

Purposes for restricted funds

Computer fund - Restricted for the purchase of new laptops for use by the charity.

Bursary fund - Restricted funds to be awarded as student bursaries.

Boat Building Academy Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2020**

18. RELATED PARTY DISCLOSURES

Commander Timothy Gedge, Director & Trustee, received payments totalling £56,500 for the year ended 31 August 2020 (2019:£60,000) for rental of the building.