

THE BRDC MOTOR SPORT CHARITY
(Registered Charity No. 1084173)

ANNUAL REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED TO 31 DECEMBER 2022



**MOTOR SPORT
CHARITY**

THE BRDC MOTOR SPORT CHARITY
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CONTENTS

	Page
Annual Report of the Trustees	1 - 5
Report of the Independent Examiner	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Accounts	9 - 12

THE BRDC MOTOR SPORT CHARITY
ANNUAL REPORT OF THE TRUSTEES
FOR THE YEAR ENDED TO 31 DECEMBER 2022

The trustees submit their report and independently examined financial statements of the BRDC Motor Sport Charity ("the Fund" or "the Charity") for the year ended to 31 December 2022. These have been prepared in accordance with the accounting policies set out in Note 1 and comply with the Charity's trust deed and applicable law. The comparatives are for the twelve month period to 31 December 2021.

1. REFERENCE AND ADMINISTRATIVE DETAILS

The BRDC Motor Sport Charity, registered charity number 1084173, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, London, EC4A 3AQ.

The names of the trustees who served throughout the year and continue to serve at the date of this report's approval are:

David Pender Richards CBE (retired 28 September 2022)
Christopher Jan Andrew Bliss (Treasurer)
Ian Harrower
Dario Franchitti (appointed 26 April 2022)

Independent Examiner:

Christopher Hawley FCA, Rawlinson & Hunter LLP, Eighth Floor, 6 New Street Square, London, EC4A 3AQ

Principal Bankers:

Bank of Scotland Plc, 33 Old Broad Street, London, EC2N 1HZ

Solicitors:

Stone King, 16 St John's Lane, London, EC1M 4BS

Accountants:

Rawlinson & Hunter LLP, Eighth Floor, 6 New Street Square, London, EC4A 3AQ

Investment Managers:

Cazenove Capital, 1 London Wall, London, EC2Y 5AU

Facilitator:

Ms Jenny Brown, 94 Bull Lane, Wombourne, South Staffordshire, WV5 9BZ

THE BRDC MOTOR SPORT CHARITY
ANNUAL REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED TO 31 DECEMBER 2022

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Fund was established by a Deed dated 16 November 2000 and is an unincorporated charitable trust bound by the proper law of England and Wales. Initially formed to support BRDC Members, funding was provided by generous benefactors, but the objectives have now broadened as set out in section 3.

All trustees are resident in the United Kingdom and meet on a regular basis. They are all members of the British Racing Drivers' Club.

The number of trustees shall be a minimum of three at any one time and new trustees shall be appointed by resolution of existing trustees.

The Facilitator assists the trustees with the assessment of possible beneficiaries and the associated administration. Applications received from individuals are reviewed and assessed by the Facilitator, who will then make recommendations to the trustees. If approved, the trustees decide on the level of support and whether the support will be provided by way of a one-off donation or a series of donations. The Facilitator is fully qualified and has a wealth of experience in dealing with individuals such as those approaching the fund for assistance. In many cases the Facilitator can provide assistance to individuals to ensure they are receiving all benefits due to them, therefore improving the individual's circumstances without unnecessarily defraying the Charity's funds.

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The trustees are responsible for keeping proper accounting records that 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, where relevant the Charities Act 2022, the Charity (Accounts and Reports) Regulations 2015 and 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 BRDC MOTOR SPORT CHARITY
ANNUAL REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED TO 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

In accordance with trust law, as charity trustees, we certify that:

- in so far as we are aware, there is no relevant information of which the Charity's Independent Examiner is unaware; and
- we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the Charity's Independent Examiner is aware of that information.

Internal Controls

The trustees have overall responsibility for ensuring that the Charity has appropriate systems of internal controls. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements follow best practice. They are also responsible for the Charity safeguarding its assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

Induction and Training

Training of the trustees is undertaken on an informal basis. All trustees are kept informed at meetings of their duties and obligations under the law, in addition to their proper conduct.

3. OBJECTIVES AND ACTIVITIES

The Objects of the Charity ("Objects") are the relief of need by reason of youth, age, ill-health, disability or financial hardship for the public benefit among persons involved in the participation, promotion or administration of motorsport, whether or not for remuneration, and their families and dependants.

For the purposes of the Objects, persons involved in the participation, promotion or administration of motorsport shall include, but shall not be limited to, competitors, marshals, officers, employees at motorsport venues and those involved in the design, construction, testing, repair and supply of parts for vehicles intended for competition use.

Grant Making Policy

The Charity has established to provide grants for purposes that are exclusively charitable under the law of England and Wales. The Charity intends to put in place sound grant arrangements so that it can properly select appropriate grantees and impose prudent terms on grants.

Fundraising

The trustees have referred to the Code of Fundraising Practice ("the Code") which were developed on 7 July 2016 by the fundraising community through the work of the Institute of Fundraising and Public Fundraising Association, and the Guidance on Charities and Fundraising issued by the Charity Commission ("CC20") and the Charities (Protection and Social Investment) Act 2016 ("the Act"). As the Charity is engaged in public fundraising activities it needs to ensure that it remains compliant with the guidance listed in the new code, CC20 and the Act.

THE BRDC MOTOR SPORT CHARITY
ANNUAL REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED TO 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES (continued)

Statement of Public Benefit

The trustees are aware of the Charity Commission guidance on Public Benefit and confirm that they have complied with the duty in Section 4 of The Charities Act 2011, where relevant the Charities Act 2022, to have due regard to it. They consider the information which follows in this annual report about the Charity's aims, activities and achievements in the areas of interest that the Charity supports and demonstrates the benefit to its beneficiaries and through them to the public, that arise from those activities.

4. ACHIEVEMENT AND PERFORMANCE

Investments

The assets of the Charity consist principally of investments and cash and these are reported on the Balance Sheet and in the supporting notes at their market value at 31 December 2022. The trustees have invested £789,492 with Cazenove Capital in the Cazenove Charity Multi-Asset (Accumulation) Fund and at 31 December 2022 the value of this investment was £944,367. Unrealised losses for the period were £101,924 (2021 - £62,097 gain). Partial sales of the investment during the period realised a gain of £475 (2021 - £235).

The trustees review the investment policy at their regular trustee meetings.

Charitable Activities

During the period the Charity pledged charitable donations totalling £37,930 to thirteen individuals (2021: £16,946 to eight individuals).

5. FINANCIAL REVIEW

Total charitable activities for the period ended 31 December 2022 totalled £47,404 (2021 - £31,543) and included charitable donations, legal fees, insurance and costs of the facilitator totalling £7,727 (2021 - £6,902). The grants were made in line with the policies set out in part 3 of this report, Objectives and Activities.

Incoming Resources totalled £62,904 (2021 - £65,270). The trustees would like to express their gratitude to those individuals and organisations that have donated to the Charity.

Reserves Policy

The trustees have examined the Charity's requirement for resources in light of the main risks to the organisation and have no outstanding commitments or cash demands which are not adequately covered by existing resources. The net assets of the Charity are regarded as free reserves and the funds at 31 December 2022 will be retained to make grants in accordance with the Charity's charitable objects and any policies. The trustees consider that the freely expendable funds are appropriate and adequate taking into account plans for grants to be awarded in the future and have at present therefore not designated any specific reserves. However, the trustees will keep this under constant review. In future years a specific reserves policy may be required.

The total Unrestricted Reserves at 31 December 2022 were £992,923 (2021 - £1,081,753)

THE BRDC MOTOR SPORT CHARITY
ANNUAL REPORT OF THE TRUSTEES (continued)
FOR THE YEAR ENDED TO 31 DECEMBER 2022

FINANCIAL REVIEW (continued)

Risk Management

A risk assessment has been undertaken which comprises:

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

This continuing process will identify risk areas to which the Charity is vulnerable and highlight any necessary safeguards that will need to be put in place. No major risks were identified at the date of these accounts.

The trustees have signed fit and proper declarations in line with HMRC guidance.

6. PLANS FOR THE FUTURE

The trustees do not propose to deviate from the current objectives and activities of the Charity as set out in part 3 of this report, Objectives and Activities.

Prior to the preparation of these financial statements David Richards CBE resigned from his role as Chairman of the Charity on 28 September 2022. The Trustees would like express their gratitude for David's 22 years of service to the Charity.

**Approved by the trustees on
and signed on their behalf by:**

CHRISTOPHER BLISS

21/4/2023

THE BRDC MOTOR SPORT CHARITY**REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES**

I report to the charity trustees on my examination of the accounts of the BRDC Motor Sport Charity for the year ended 31 December 2022 which comprise the Statement of Financial Activities, Balance Sheet and the related notes.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act') and where relevant, the Charities Act 2022 ("the Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent Examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

CHRISTOPHER HAWLEY**3/5/2023**

Christopher Hawley FCA

Rawlinson & Hunter
Eighth Floor
6 New Street Square
London
EC4A 3AQ

THE BRDC MOTOR SPORT CHARITY
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED TO 31 DECEMBER 2022

	Page	Unrestricted Funds Total 31.12.2022 £	Total 31.12.2021 £
Income from:			
Investments (note 2)	10	38,759	35,749
Donations and legacies (note 3)	10	24,145	29,521
Total income		<u>62,904</u>	<u>65,270</u>
Expenditure on:			
Charitable activities (note 4)	10	47,404	31,543
Raising funds (note 6)	10	2,881	2,909
Total expenditure		<u>50,285</u>	<u>34,452</u>
Net income before net gains on investment assets		12,619	30,818
Net (losses) / gains on investment assets (note 7)	11	(101,449)	62,332
Net (expenditure) / income		<u>(88,830)</u>	<u>93,150</u>
Reconciliation of funds:			
Total funds brought forward at 1 January 2022		1,081,753	988,603
Total funds carried forward at 31 December 2022		<u><u>£ 992,923</u></u>	<u><u>£1,081,753</u></u>

There were no recognised gains or losses other than those included in the statement of financial activities.

All amounts relate to continuing operations.

THE BRDC MOTOR SPORT CHARITY
(Registered Charity No. 1084173)

BALANCE SHEET

AT 31 DECEMBER 2022

	Page	31.12.2022 £	31.12.2021 £
Fixed Assets			
Investments and cash at market value (note 7)	11	944,396	1,010,764
Current Assets			
Cash at bank (note 9)	11	59,392	66,041
Debtor (note 8)	11	1,008	-
Prepayment		117	100
Loan (note 11)	12	-	10,000
		<hr/> 60,517	<hr/> 76,141
Current Liabilities			
Creditors: amounts falling due within one year (note 10)	11	(11,990)	(5,152)
Net Current Assets		<hr/> 48,527	<hr/> 70,989
Total assets less current liabilities		<hr/> £ 992,923	<hr/> £1,081,753
Total Charity Funds		<hr/> £ 992,923	<hr/> £1,081,753

Approved by the trustees on
and signed on their behalf by:

CHRISTOPHER BLISS

21/4/2023

THE BRDC MOTOR SPORT CHARITY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED TO 31 DECEMBER 2022

1. ACCOUNTING POLICIES

These financial statements have been prepared on a going concern basis under the historical cost convention, modified to include the revaluation of investments. The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) ("Charities SORP FRS 102") issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011, and where relevant the Charities Act 2022. The Trust constitutes a public benefit entity as defined by Charities SORP FRS 102. The principal accounting policies adopted are as follows:

The Charity has applied FRS 102 Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 section 1A.

Fixed asset investments

Investments are included at closing mid-market value at the Balance Sheet date. Realised gains and losses on investments are recognised as they arise and any gain or loss on revaluation is taken to the Statement of Financial Activities (SOFA). The determination of any gains and losses is calculated by reference to the value of such assets at the beginning of the accounting period.

Income recognition

Investment income is derived from dividends receivable from investments and is accounted for in the period in which the Fund is entitled to receipt.

Voluntary donations and interest from deposit accounts are included when received.

Expenditure recognition

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Charitable activities comprise grants and donations made during the period together with grant support costs and governance costs and are expended through the SOFA when the offer is conveyed to the recipient. The trustees have made the decision not to discount grants committed for future periods.

Status of funds

The entire resources of the Fund are unrestricted and the trustees have complete discretion for their use in pursuance of its objectives.

Taxation

The Charity is not subject to any taxes on its charitable activities.

Going Concern

The Financial Statements have been prepared on a going concern basis. The Foundation's expenditure requirements are within control of the trustees and therefore the pandemic has not had a negative impact on the Foundation's financial sustainability and the trustees consider the adoption of the going concern basis in preparing the financial statements to be appropriate.

THE BRDC MOTOR SPORT CHARITY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED TO 31 DECEMBER 2022

	Page	31.12.2022 £	31.12.2021 £
2. INCOME FROM INVESTMENTS			
Income from UK quoted equities		38,007	35,744
Deposit interest		752	5
Total investment income	7	£ 38,759	£ 35,749
3. INCOME FROM DONATIONS AND LEGACIES			
Donations received		23,137	9,291
Gift Aid Reclaim		1,008	-
Legacy received		-	20,230
	7	£ 24,145	£ 29,521
4. CHARITABLE ACTIVITIES			
Charitable grants to individuals		37,930	16,946
Support cost			
Facilitator fees		7,727	6,902
Governance costs			
Legal fees		1,360	7,450
Insurance		387	245
Total charitable activities	7	£ 47,404	£ 31,543
5. DONATED SERVICES			
Rawlinson & Hunter have donated their technical and advisory services in preparing the financial statements and other charity administration. The value of these services has been estimated at £13,500 plus VAT for the period ended 31 December 2022 (2021 - £14,700 plus VAT).			
6. EXPENDITURE OF RAISING FUNDS			
Investment management fees	7	£ 2,881	£ 2,909

THE BRDC MOTOR SPORT CHARITY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED TO 31 DECEMBER 2022

	Page	31.12.2022 £	31.12.2021 £
7. FIXED ASSET INVESTMENTS			
Schroder Unit Trusts – Cazenove Charity Multi-Asset		944,367	1,010,735
Cash held as part of the investment portfolio		29	29
	8	<u>£ 944,396</u>	<u>£ 1,010,764</u>
Quoted investments			
Market value at 1 January 2022		1,010,735	955,502
Additions at book cost		38,006	35,744
Sale proceeds		(2,925)	(42,843)
Net realised gains on sales		475	235
Net unrealised (losses) / gains on revaluation		(101,924)	62,097
Market value at 31 December 2022		<u>£ 944,367</u>	<u>£ 1,010,735</u>
Historical cost at 31 December 2022		<u>£ 825,048</u>	<u>£ 789,492</u>
Net gains on investment assets			
Net realised gains on sales		475	235
Net unrealised gain (losses) / gains on revaluation		(101,924)	62,097
Total net (losses) / gains on investment assets	7	<u>£ (101,449)</u>	<u>£ 62,332</u>
8. DEBTOR			
Gift Aid reclaim	8	<u>£ 1,008</u>	<u>£ -</u>
9. CASH AT BANK			
Coutts & Co.		52,678	59,327
Bank of Scotland		6,714	6,714
	8	<u>£ 59,392</u>	<u>£ 66,041</u>
10. CREDITORS - Amounts falling due within one year			
Donation commitment due		9,450	3,160
Facilitator fees		1,335	1,235
Investment management fees		714	757
Legal fees		491	-
	8	<u>£ 11,990</u>	<u>£ 5,152</u>

THE BRDC MOTOR SPORT CHARITY
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED TO 31 DECEMBER 2022

	Page	31.12.2022	31.12.2021
		£	£
11. LOAN			
Interest free loan granted to a beneficiary	8	£ -	£ 10,000
		<u> </u>	<u> </u>

The Trustees resolved to waive their entitlement to the repayment of the loan totalling £10,000 during the year. The loan has been converted to an outright grant awarded to the beneficiary.

12. TRANSACTIONS WITH TRUSTEES AND CONNECTED PERSONS

No trustee received any remuneration or refund of expenses during the period ended 31 December 2022. There were no employees during the period and the ultimate controlling party is the board of trustees.