

**Company Registration No. 2596548 (England and Wales)**  
**Charity No. 1002705**

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED**  
**(BY GUARANTEE)**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2020**

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

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**LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Board of Trustees</b>	Mr J Greenwell CBE DL, Chairman (resigned April 2020) Professor N Jackson, Chairman (appointed April 2020)	
	Ms J Baker Mr D Bayliss OBE (resigned April 2020) Mr B Cussons Mr D Hobday Mr S Kollamthodi (appointed September 2020) Mr P Read	
<b>Director</b>	Mr S Gooding CB	
<b>Registered office</b>	Royal Automobile Club Foundation for Motoring Limited 89-91 Pall Mall London SW1Y 5HS	
<b>Company registration number</b>	2596548	
<b>Charity number</b>	1002705	
<b>Independent Auditors</b>	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE	
<b>Bankers</b>	National Westminster Bank Plc 208 Piccadilly London W1A 2DG	
<b>Investment Advisors</b>	Barnett Waddingham Cheapside House 138 Cheapside London EC2V 6BW	
<b>Investment Managers</b>	Investec Wealth & Investment 2 Gresham Street London EC2V 7QP	Pictet Asset Management Moor House 120 London Wall London EC2Y 5ET

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**CHAIRMAN'S REPORT  
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While I was pleased to be invited by the Trustees to accept appointment to become Chair of the Foundation's Trustees from April 2020 in the event the timing proved challenging, coming as it did hard on the heels of the first full coronavirus lockdown.

It meant there was no face-to-face opportunity for me to present a formal vote of thanks to Joe Greenwell, who's decision to stand down as Chair created this opportunity. I think it fair to say that Joe did a tremendous job as Chair, in particular to build the essential relationships throughout the automotive and motoring policy worlds on which the current effectiveness of the Foundation rests. Indeed, Joe was instrumental in bringing me on to the Foundation's Public Policy Committee, affording me perspectives that I might otherwise not have seen, and which I hugely valued. He also led the process to appoint our current Director back in 2015 and ensure a smooth handover of the reins. I know that the Foundation team has missed him, and I can only hope that 2021 will give us the opportunity to recognise his time with the Foundation appropriately.

It similarly stalled our plans to say a similarly fond farewell to David Bayliss as a Trustee. David has long provided wise counsel to the Foundation as well as leading analysis and authoring reports. I was pleased that he agreed to stay on our Public Policy Committee, *ex officio*, as, in common with so many others, we moved the Committee's meetings on-line, and we similarly look forward to having the opportunity to thank him properly for all his work later in 2021.

Meantime the work of the Foundation has carried on, and I have been impressed by the way the team was able swiftly to shift into remote working. Some projects slowed as our contacts were variously diverted and affected by the pandemic, but the Foundation's voice has continued to be heard in the media, at on-line conferences and workshops, and in the many advisory boards and groups in which the Foundation participates, always with the aims of informing the debate on the basis of evidence and analysis, and promoting the case for more extensive interrogation of data.

There are many aspects of the work of the Foundation in 2020 that I could choose to highlight, but I shall reference just three. First, the creative way the team developed an alternative to the annual 'Data, driven' conference, usually hosted in Pall Mall but this year run as a 'pick-and-mix' of twelve short recorded sessions, reflecting interesting developments in the generation, analysis and presentation of motoring-related data. Second, the report published toward the end of the year documenting one of the team's experiences in tackling the wonderfully scenic North Coast 500 route around Scotland's coast by electric car – a new form of report for the Foundation, and one which genuinely brought the challenges and opportunities of electric motoring to life. And third, the regular updating of data series tracking aspects of motoring and roads performance from the price of fuel, through the take-up of electric cars, on to the analysis of motoring offences and from there to the condition of the nation's highway bridges, in each case building a rich picture that allows trends to be traced and projections to be postulated.

The Foundation owes its ability to carry on its work to the generosity of the Royal Automobile Club, whose donation of an endowment in 1998 guarantees the Foundation's independence. I'd like to record my thanks to my colleague Trustees Ben Cussons, Peter Read and Jo Baker for their work on our investment sub-committee to safeguard the Foundation's future financial security, which looked anything but sound as the slide in confidence of Spring 2020 swept across the world's financial markets, but subsequently entered far calmer and more promising waters as markets recovered and confidence in the development and application of a covid vaccine grew. Relations between the Foundation and the Club remain strong.

Thanks are also due to Dave Hobday from the RAC Motoring Services company, who's support for the work of the Foundation has been unstinting and who has helped foster a strong spirit of co-operation between the Foundation team and his company. This is also the moment for me to thank Sujith Kollamthodi, Ricardo's

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Sustainable Transport Practice Director, for agreeing to join us as a Trustee in September, and bring his wealth of experience on environmental issues to bear.

And that strikes me as a good note on which to end my report – the Government's decision to bring forward the date from which pure petrol and diesel powered cars can no longer be sold was a hugely significant move, but in its way was just one of many that mean the worlds of motoring and travel are changing, and changing rapidly, in some aspects accelerated by our experiences through successive covid-related lockdowns – so there's much work to be done, and I look forward to the Foundation continuing to play its part in making sure that work is as well-grounded and well-informed as possible.



Professor Neville Jackson  
Chairman

.... 28 April 2021

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**REPORT OF THE TRUSTEES  
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The Trustees (who are directors for the purposes of Company law) are pleased to present their annual Trustees' report together with the financial statements of the RAC Foundation for the year ended 31 December 2020. The legal and administrative information on page 1 forms part of this report.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

**Objectives and activities**

The objective of the Foundation is to promote for the public benefit research into the environmental, economic, mobility and safety issues relating to the use of motor vehicles. In practice this means the Foundation seeks to illuminate, inform and influence the debate about roads and road use, taking the perspective of the responsible motorist, with a particular focus on affordable, safe and sustainable mobility.

**The Foundation's activities:**

- Researching/analysing – the Foundation commissions and disseminates research and analysis from a variety of experts in the academic and consultancy worlds; the staff of the Foundation also conduct research and analysis directly. Material is published on the Foundation's website alongside a limited run of hard-copy documents and disseminated through a variety of media. The annual research programme is reviewed by the Trustees for consistency with the Foundation's charitable purposes. In addition to disseminating the Foundation's own work, we also increasingly aim to help other relevant research material come to the notice of those developing transport policy;
- Commenting/reacting – the Foundation seeks to engage with the issues of the day, insofar as they relate to motoring and road use, in particular drawing on the back catalogue of Foundation research and the expertise and knowledge of Foundation staff to offer an informed perspective. This can involve briefing journalists and appearing in the media, including specialist journals, through to giving evidence e.g. to parliamentary committees; and
- Engaging/debating – the Foundation seeks to make contact and engage with a wide range of organisations active in the development of transport policy and the delivery of transport services at a national and a local level, including the Department for Transport, the Treasury, the Department for the Environment, Farming and Rural Affairs, the Ministry of Housing, Communities and Local Government, Highways England, and with professional bodies and associations such as the Association of Directors of Environment, Economy, Planning and Transport and the Chartered Institute of Highways and Transport. Foundation staff are encouraged to accept invitations to present material at conferences and workshops, join stakeholder groups and sounding boards, and to host and facilitate workshops.

Our ambition is to explore, inform and promote policies that will get people where they need to be, when they need to be there, in safety, affordably, with minimum environmental impact.

In reviewing our objectives and research programme the Trustees confirm that they have regard to the Charity Commission's guidance on public benefit and consider each year how the Foundation meets its public benefit objectives.

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**Achievements and performance**

Twelve months ago, we reported that 2019 had been a challenging year. It would be fair to say that 2020 has been more so, for reasons that will be well understood. Happily, despite the jittery global financial markets of Spring 2020, the Foundation did not need to draw on the Government's furlough scheme, and at year end, as reported below, the endowment is looking reasonably healthy, while Foundation activity was bolstered by the grant support received both from the Department of Transport and from Highways England to explore the business case for a fresh approach to investigating road collisions.

Since the end of March 2020, the Foundation team has been working from home, meeting together in person only once, when government rules allowed. However, despite the difficulties, we are pleased with the way the Foundation managed to continue operating: participating on-line in events and meetings; carrying out and co-ordinating research; contributing to the road transport debate through the press and directly with ministers, civil servants and other stakeholders; turning one of our flagship annual events into an online seminar and thinking creatively about new formats of report, such as the 'Electrifying Journey' one of our colleagues documented of the highs and lows of completing the North Coast 500 route in Scotland in an electric car.

Importantly, the Foundation staff reached the end of the year in as good physical and mental health as could be hoped, given the strictures of Covid-19 and the national response to it. Where required the Foundation spent on the technology needed to support remote working and benefitted from previous investment in, and accommodation of, flexible employment which had already resulted in staff splitting their time between their homes and the office at 89-91 Pall Mall. Huge thanks are due to the IT support team in the Royal Automobile Club for their efforts to keep us connected.

That said, some of our external contractors did suffer from the health and financial impacts of the disease – which meant some projects slowed from their original timescales - though apparently, and thankfully, not to their long-term detriment. Also, as noted below in the Financial Review, as the world's financial markets tumbled when the coronavirus pandemic resulted in widespread lockdowns and travel restrictions, the Trustees decided that the Foundation should take on no new financial commitments until markets stabilised and the future health of the endowment could be assured. Consequently we saw through the projects already underway, and issued no new commissions, save for those forming part of the Road Collision Investigation Project, which is separately grant funded.

In terms of output 2020 was busy from the start, with publications including a report on how in-car technology rather than retesting might help older drivers stay mobile for longer, and a study from one of our recently-appointed in-house analysts highlighting the huge variation in the cost of 'filling up' an electric car depending on where and when it is recharged. Both pieces attracted considerable press interest, which helps in bringing our findings to the attention of those wrestling with future policy options.

Before the first lockdown we also published our now annual study of the state of the nation's road bridges, shining a spotlight not just on their physical standard but also the money required to bring such infrastructure back up to scratch. Pleasingly we received responses to our inquiries from nearly every one of Britain's 200-plus local highways authorities because our work was seen to be carried out in a constructive manner, not in a way which pitted driver against council. Once again the results of the study were widely reported in the national, local and specialist press, and stand as one of the few independent tests of the state of our nation's road network – a canary-in-the-coalmine indicator of the perils should maintenance funding be further constrained.

By the time the pandemic really hit we had also commented on: the confirmation that E10 petrol would be introduced in 2021 (the basis for our reaction here being previous work we had done to assess the number of cars in the vehicle parc which were incompatible with the fuel); the Budget in which fuel duty was frozen yet again; proposals to amend VED to best encourage the take up of electric vehicles; a record number of people being sent

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on speed awareness courses; and growing concern about the safety of Smart motorways, something which would become a recurring theme during the year.

As Covid-19 came to dominate not just the front pages but the media more generally we were consciously spare with what we put out, well aware that the national attention was not on motoring policy as previously thought of, but on traffic as an indicator of compliance with the lockdown and on road transport and its ability to keep the economy alive. However, as journalists realised that other stories helped make a change, if not exactly light relief, from the pandemic then we had material to feed into those editorial gaps, not least unique in-house analysis, based on MOT data, of how far new cars typically travel each year. The average is 10,377 miles but is as little as 7,490 miles for petrol cars and as much as 12,496 for diesels. For electrics it is 9,435 miles. Important numbers for those trying to assess the likely fuel consumption of the parc as it changes, of concern both for carbon and for the Treasury as fuel duty income starts to ebb away.

As a vocal and longstanding proponent of tighter regulation of the private parking industry we commented more than once on the number of tickets firms were issuing to drivers, including during the start of the pandemic, when hundreds of thousands of tickets were issued even whilst the bulk of the population were isolating at home. However, as with the bridges study mentioned above, our stance is to be a critical friend – to be constructive, hence the Foundation is proactively working with the industry to make things better and at the Ministry of Housing's behest is helping with the job of drafting a new ministerially-sanctioned code of practice to which parking companies must adhere.

In the Summer we were pleased to promote the work of Transport for New Homes – on whose steering board we sit – highlighting the risk of making residents of a new generation of so-called 'garden' towns and villages car dependent. The Foundation has a track record of highlighting the downsides of building in car dependency, whilst noting the benefits that cars still bring. The key, in achieving net zero carbon and improved air quality is in part to be found in technology and in part in enabling people to choose the right mode for the right trip, whether that be a zero-tailpipe emission car, an electric micro-scooter, or a hydrogen-fuelled bus.

Moving towards the end of the year, three things in particular stand out.

First there was Andy Graham's Driven by Information report. So much of the focus on connected and autonomous vehicles has been the prospect of driverless motoring, with the nearer term benefits available from connectivity playing something of a Cinderella role in the background, so much so that little attention had been paid to the steps that would need to be taken to realise them. This piece of research takes four 'use-cases' and maps out in detail the full process that would need to be in place to make them a practical reality, identifies the gaps that emerge, and advocates potential solutions and work-arounds to ensure that data not only flows seamlessly between devices – cars, cameras, phones, sat navs, traffic signals etc ... but allows for that data to be harvested, marshalled and put to beneficial effect.

Second, there was our Data Driven event. In a normal year this would be an in-person seminar where we bring together some of the smartest minds with an interest in the transport data field to share and discuss how the wealth of transport-related information now being generated can be best used to inform development of the policies that will ultimately make our journeys, greener and more reliable. Because of the restrictions on gatherings which were in place we turned the event into an online showcase, recording interviews and presentations with a host of experts and then making them available on our website. Of particular note was the presentation by Dr Robin Lovelace, associate professor of transport data science at the University of Leeds, explaining how the statistical programming language 'R' can be used to build the evidence base from which better road safety policies can be shaped, and introducing the beginner's guide he authored for us which itself is novel in that it contains code that can simply be blocked and copied by those new to the software.

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And third, we prepared for publication our annual analysis of English council parking income and profit. What made this year's work notable was that we completed it in a matter of seconds because we employed an automated script (program) that we had been preparing through the year to take the published government data and turn it into a report complete with tables and commentary. This automation is a natural extension of the work we have previously done to produce interactive and self-updating charts in the data section of our website.

Sadly we were not able to co-host our annual Winter Reception, which we have run jointly with RAC Motoring Services and the Royal Automobile Club for many years. This is usually our opportunity to thank the many people we have worked with throughout the year. We volunteer our thanks to them, nonetheless, and hope that we're able to see them in person in 2021.

For us at the Foundation, as with everyone else in the country, 2020 turned out to be a year of unprecedented upheaval, but it also turned out to be a year where we continued to produce a stream of innovative, well evidenced and, we believe, useful material. We are only too well aware that our ability to do so owes much to the financial stability we enjoy thanks to our endowment, and in writing this report our thoughts are with those for whom, professionally and personally, the year was far, far harder.

**Future plans**

Through 2020 we have learnt a great deal about how to conduct business remotely, through e-mail and a variety of on-line conferencing sites. This looks set to be an ongoing feature of life for some time to come as the world comes to terms with the existence of the coronavirus (as it has with influenza). While we hope that it will be possible to convene and host in-person events to promote informed debate and facilitate the wider dissemination of research findings, we will also explore the scope for hosting sessions on-line, whilst recognising that this is a crowded field, and many people feel they are already experiencing more than enough screen time.

We will continue to seek out fresh data sets and opportunities to make the most of our internal analytical capability and hope that financial markets continue to recover to the point where we might commission fresh external research. 2021 will also be a year where we plan to make substantial progress in pulling together the strands of the Road Collision Investigation Project.

We will continue to seek opportunities for joint working with other organisations to reach a broader audience, including professional institutions, member organisations and the higher education sector, having added membership of the Electric Vehicle Energy Task Force and the nascent Highways Sector Council to the list of forums we attend. We will continue to invest in the professional development of the Foundation staff, in particular through various on-line training opportunities and conferences.

**Financial Review**

The work of the Foundation is very largely funded from the return achieved on the investment of the original charitable endowment gifted by the Royal Automobile Club in 1998. This covers the salaries of the Foundation's permanent staff, accommodation and office expenses, and provides a core budget for commissioned research and publications. The Foundation supplements this from time-to-time through joint working with other bodies and, specifically for the Road Collision Investigation Project, with a grant from the Department for Transport, and for the Road Traffic Injury Analytics project with a grant from the FIA, both made in 2018. Further grant funding for the Road Collision Investigation Project came in from Highways England in 2020. The Foundation does not raise money from the public or from its Trustees.

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Consequent on the dramatic fall in global financial markets in the spring of 2020 the Trustees took the prudent decision to place an embargo on the Foundation entering into new financial commitments, and to rein back on in-year spending where possible (largely achieved as a result of our inability to host or attend in-person events).

In the Statement of Financial Activities on page 17, income from half the investment portfolio is received in the form of dividends and interest (£432,834). The rest of the investment portfolio is held in an accumulation fund where dividends etc. are reinvested. Cash withdrawn from this fund is realised through the disposal of units in the accumulation fund and is represented on the Statement of Financial Activities on page 14 as the transfer of £334,000 from the Expendable endowment to the Unrestricted reserves.

The net gain on investments in the year was £806,856 contributing to a total net movement of funds in the year of £165,055.

**Expendable endowment fund**

This represents the original donation in 1998 at the time the Foundation was established in its current corporate form, as adjusted for subsequent movements in investment values, investment management costs and any expenditure of the endowment. The fund can be retained as capital or disbursed at the Trustees' discretion for any purpose within the Foundation's objects, and at year-end 2020 was valued at £29,756,867, a gain of £322,677 over the year.

Taking one year with another, despite the turbulence in investment markets in 2020 and some continued uncertainty looking ahead, the Trustees are nevertheless content that the value of the expendable endowment is being satisfactorily maintained so as to ensure the long-term viability of the Foundation without the need to seek further charitable donations.

**Restricted income fund**

This represents funds given for particular purposes within the Foundation's objects and stands at £121,120 (2019: £119,638) at the year end.

**Unrestricted income fund**

This represents accumulated unspent income and can be used at the Trustees' discretion for any purpose within the Foundation's objects and stands at £4,093,978 at year end.

**Reserves and Investment policy**

The Trustees' policy is to maintain in the long term the real value of the expendable endowment fund and also to generate sufficient income to cover proposed (budgeted) expenditure in-year.

In 2017 the Trustees, on advice from the Investment Sub-Committee, re-invested the expendable endowment equally between two investment managers: Pictet and Investec Wealth. The aim, in selecting new investment management, was to spread risk in an uncertain investment climate, and to adopt a modest increase in risk appetite in order to achieve a higher return, and thus fund increased Foundation activity.

The Investment Sub-Committee monitors the fund managers' investment performance through the year and reports to the full Trustee meeting which in turn reviews the value of the endowment and the spend profile of the Foundation budget at the regular Trustee meetings.

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The Trustees closely monitored the actions of the two fund managers and drew advice from Barnett Waddingham on their performance relative to the broader market through the turbulence of 2020. On balance they were satisfied that the combined investment performance of the two fund managers was sufficient to support a sustained operating budget for the Foundation through the year.

Rather than earmark a discrete reserve, the Trustees continue to take the view that short term risks to the Foundation budget can be managed by authorising an exceptional drawdown from the expendable endowment. The Foundation's fund managers previously confirmed that they regard this as a manageable approach, consistent with the Trustees' stated investment objectives.

It is possible that the impact of coronavirus may necessitate further action by the Trustees depending on the impact it has on the value of the endowment and income earned in 2021, which in turn will be affected by the pace of economic recovery once the various lockdown measures applied around the world are relaxed.

#### **Structure, governance and management**

##### **Governing document**

The Royal Automobile Club Foundation for Motoring Limited is a company limited by guarantee, governed by its Memorandum and Articles of Association, incorporated 28 March 1991 as amended 30 March 1999, 31 July 2000 and 27 January 2005. It is registered as a charity with the Charity Commission.

##### **Appointment of Trustees**

The Articles of Association prescribe that there shall be a minimum of five Trustees. The Trustees are then collectively responsible for the appointment and reappointment of trustees. Up to four trustee positions may be filled by nominees of the Royal Automobile Club (2) and RAC Motoring Services (2), subject to the approval of the Trustees. The Trustees may nominate one of their number to serve as Chair. The Trustees meet three times a year (April, July and November). While the Articles of Association allow for decisions to be taken on the basis of a majority vote in a quorate meeting, in practice all Trustees' decisions have been unanimous.

At their April 2020 meeting the Trustees welcomed Professor Neville Jackson as Chair of trustees taking the place of Joe Greenwell, who was standing down – Professor Jackson having been duly elected at the November 2019 meeting. At the September meeting the Trustees voted to appoint Sujith Kollamthodi to serve as a Trustee and succeed David Bayliss who stood down as a trustee in April 2020.

With the approval of the Trustees, as cleared with the Charity Commission, the Chairman receives £30,000 fees per annum for advisory services. Also with the approval of Trustees, David Bayliss undertook remunerated research work for the Foundation, invoiced by the day at an agreed daily rate, totalling £5,250 in 2020.

The Foundation's pay policy for staff is approved as part of the annual budget setting process in November each year. The Trustees separately consider and decide the Director's remuneration and bonus entitlement.

The Investment Sub-Committee comprises Ben Cussons (Chair), Jo Baker and Peter Read, with the Foundation's director as secretary, and is advised by Barnett Waddingham.

The Trustees are assisted in the discharge of their duties by a 'Public Policy Committee' (PPC) – comprising the Trustees and members who the Trustees have appointed in recognition of the perspectives and expertise they can offer on motoring and road policy. PPC members receive no remuneration. The PPC meets four times a year.

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A system is in place to alert Trustees of the Foundation to their legal responsibilities and to ensure that they are eligible to act in such capacity. New Trustees are briefed on their roles as Trustees and asked to sign various proformas to draw their attention to their duty to comply with charity and company law and to act in the interests of the Foundation even when this may conflict with personal or other interests. Induction sessions are held to inform Trustees of the scope, objects and activities of the Foundation.

**Office administration**

The Foundation contracts with the Royal Automobile Club for the provision of office accommodation, IT support, payroll management and BACS. The Club also affords the Foundation the equivalent of corporate membership, through which the Foundation is able to book the Club's conference and catering facilities, which are then recharged at the Club's standard rates.

**Risk Management**

The Trustees reviewed the Foundation risk register which the Director updated and presented to each of the Trustee meetings through 2020. The register highlights five key risks and associated mitigations (reputational risk e.g. arising from challenge to the accuracy of Foundation output); staff turnover; financial viability; interruption of service e.g. IT system failure; and relevance of Foundation output.

The Foundation opened an on-line business banking account in May 2020 in order to be able to work wholly remotely, and put in place appropriate 'dual approval' arrangements for authorising payments either from the on-line bank or through the Club finance team.

Looking ahead, business continuity risk looms large as a result of coronavirus. The Foundation team is relatively well-placed to work remotely, and the analytical interrogation of data is well-suited to remote working, but there are challenges, including the fact that the team is small and the fixed-term contract of one of the analytical team ends in the Autumn of 2021.

**Related parties and co-operation with other organisations**

The Foundation maintains a register of potential conflicts of interest of the Trustees. No funds were held by the Foundation as a custodian trustee on behalf of others.

The Foundation has worked in partnership with various other bodies to run events during the year, including Highways UK and PA Consulting.

Despite the historical association between the Royal Automobile Club, the RAC Motoring Services Company and the Foundation – and the fact that the three seek to co-operate with each other (e.g. in sharing data and providing input to the Club's Motoring Committee) the Trustees do not consider either the Royal Automobile Club or the RAC Motoring Services business to constitute 'related parties' for accounting purposes.

**Trustees' Responsibilities Statement**

The Foundation Trustees (who are also the directors of the Royal Automobile Club Foundation for Motoring Limited for the purposes of company law) are responsible for preparing a Report of the Trustees and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Statement as to disclosure to our auditors**

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

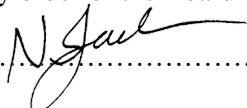
- there is no relevant information of which the charitable company's auditor is unaware, and
- the Trustees have each taken all steps that they are obliged to take as a trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Auditors**

A resolution to reappoint Saffery Champness LLP as auditors to the Foundation will be proposed at the Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board of Trustees

  
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**Neville Jackson  
Chairman**

...28 April.....2021

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

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**Opinion**

We have audited the financial statements of Royal Automobile Club Foundation for Motoring Limited for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, 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 Financial Reporting Standard 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 charitable company's state of affairs as at 31 December 2020 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; and
- have been prepared in accordance with the Companies Act 2006.

**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 charitable company 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 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 charitable company'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.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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 course of 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 this gives rise to a material misstatement in the financial

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

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statements themselves. 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.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees, which includes the Directors' Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees, which includes the Directors' Report, has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Report of the Trustees and the Strategic Report.

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on pages 10 and 11, the Trustees (who are also directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative to do so.

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

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**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with management and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

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A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Liz Hazell (Senior Statutory Auditor)  
For and on behalf of Saffery Champness LLP  
Chartered Accountants  
Statutory Auditors  
71 Queen Victoria Street  
London  
EC4V 4BE

Date: 17 May 2021.

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (incorporating the income and expenditure account)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted Funds £	Restricted Funds £	Expendable Endowment £	2020 Total £	2019 Total £
<b>Income from</b>						
Investments	2	432,834	-	-	432,834	571,122
Grants		2,091	136,776	-	138,867	-
<b>Total Income</b>		434,925	136,776	-	571,701	571,122
<b>Expenditure on:</b>						
Raising funds		-	-	150,179	150,179	154,595
Charitable activities	3	928,029	135,294	-	1,063,323	1,283,542
<b>Total Expenditure</b>		928,029	135,294	150,179	1,213,502	1,438,137
Net gain on investments	8	-	-	806,856	806,856	3,134,952
<b>Net (deficit)/income for the year</b>		(493,104)	1,482	656,677	165,055	2,267,937
Transfers between funds	11	334,000	-	(334,000)	-	-
<b>Net movement in funds</b>		(159,104)	1,482	322,677	165,055	2,267,937
<b>Reconciliation of funds:</b>						
Total funds brought forward		4,253,082	119,638	29,434,190	33,806,910	31,538,973
<b>Total funds carried forward</b>		4,093,978	121,120	29,756,867	33,971,965	33,806,910

The Statement of Financial Activities includes all gains and losses recognised in the year.  
All incoming resources derive from continuing activities.

The notes on pages 19 to 29 form part of these financial statements.

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

**BALANCE SHEET  
31 DECEMBER 2020**

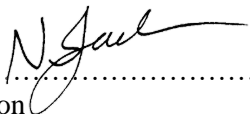
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		<b>2020</b>	<b>2019</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Fixed Assets</b>			
Tangible fixed assets	<b>7</b>	328	3,323
Investments	<b>8</b>	<u>33,922,706</u>	<u>33,752,868</u>
		33,923,034	33,756,191
<b>Current Assets</b>			
Debtors	<b>9</b>	33,797	33,018
Cash at bank and in hand		<u>369,236</u>	<u>331,103</u>
		403,033	364,121
<b>Creditors:</b> Amounts falling due within one year	<b>10</b>	<u>(354,102)</u>	<u>(313,402)</u>
Net current assets		48,931	50,719
<b>Net Assets</b>		<u><u>33,971,965</u></u>	<u><u>33,806,910</u></u>
<b>Funds</b>			
Unrestricted funds	<b>11</b>	4,093,978	4,253,082
Restricted funds	<b>12</b>	121,120	119,638
Expendable endowment funds	<b>13</b>	<u>29,756,867</u>	<u>29,434,190</u>
		<u><u>33,971,965</u></u>	<u><u>33,806,910</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The notes on pages 19 to 29 form part of these financial statements.

The financial statements were approved by the Trustees on *28 April* 2021

  
.....  
N Jackson  
Chairman

  
.....  
B Cussons  
Trustee

Company Registration No. 2596548 (England and Wales)

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Net cash used in operating activities</b>	<b>17</b>	(1,031,719)	(1,448,759)
<u>Cash flows from investing activities</u>			
Purchases of investments		(2,675,514)	(2,518,577)
Proceeds from disposal of investments		3,036,081	2,595,423
Change in investment cash		(57,549)	18,778
Investment income received		432,834	571,122
Withdrawal from endowment		334,000	600,000
<b>Net cash from investing activities</b>		<u>1,069,852</u>	<u>1,266,746</u>
Net increase in cash & cash equivalents		38,133	(182,013)
Cash and cash equivalents at the beginning of the year		331,103	513,116
<b>Cash and cash equivalents at end of the year</b>	<b>17,18</b>	<u><u>369,236</u></u>	<u><u>331,103</u></u>

The notes on pages 19 to 29 form part of these financial statements.

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1. Accounting convention**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The Foundation constitutes a public benefit entity as defined by FRS 102.

The Foundation's operational and functional currency is pounds sterling.

Based on the value of the expendable endowment funds, the Trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern.

**1.1. Income**

Investment income is accounted for on a receivable basis.

Grants are recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

**1.2. Expenditure**

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of VAT which cannot be recovered. Costs of raising funds comprise those costs directly attributable to managing the investment portfolio and raising investment income. Other direct, support and governance costs are allocated to charitable activities as they are incurred.

**1.3. Tangible fixed assets and depreciation**

Items purchased are capitalised when they cost over £1,000 and have ongoing value to the Foundation.

Depreciation is provided at the following rates to write off the cost of each asset over its expected useful life:

Office equipment - 3 to 10 years

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1.4. Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Foundation does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the Foundation is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

**1.5. Realised gains and losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**1.6. Funds**

*Expendable endowment fund (see note 13)*

This represents the original donation in 1998 at the time the Foundation was set up, as adjusted for subsequent movements in investment values, investment management costs and any expenditure of the endowment. This fund can be retained as capital or used at the Trustees' discretion for any purpose within the Foundation's objects.

*Unrestricted income fund*

This represents accumulated unspent income and can be used at the Trustees' discretion for any purpose within the Foundation's objects.

*Restricted income fund*

This represents grant income received for specific projects.

**1.7. Pensions**

Retirement benefits to employees are funded by contributions from both the Foundation and employees, administered through the Royal Automobile Club pension scheme; a multi-employer scheme. Contributions to the scheme are on a defined contribution basis, and are charged to the Statement of Financial Activities in the year in which they are incurred.

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1.8. Financial instruments**

The Foundation has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially in the accounts at transaction price, including any transaction costs. At the end of each accounting period, basic financial instruments are recognised at amortised cost. For debt instruments this is calculated using the effective interest rate method.

**1.9. Critical estimate and judgements and key sources of estimation uncertainty**

In the application of the Foundation's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The Trustees consider that there are no areas of estimation uncertainty, and no critical estimates were required to prepare the financial statements.

<b>2. Investment income</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Dividends and interest receivable on fixed asset investments	432,551	570,559
Bank interest receivable	283	563
	<u>432,834</u>	<u>571,122</u>
<b>3. Charitable activities</b>	<b>Total</b>	<b>Total</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Staff Costs	539,226	465,167
Direct Costs	276,927	549,990
Support Costs	241,020	262,235
Governance costs (note 4)	6,150	6,150
	<u>1,063,323</u>	<u>1,283,542</u>
<b>4. Governance costs</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Audit fees	<u>6,150</u>	<u>6,150</u>

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>5. Staff costs and advisor fees</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	470,613	397,056
Social security costs	53,179	45,024
Employer's pension costs	15,434	23,087
	<u>539,226</u>	<u>465,167</u>
Number of employees with total remuneration between:	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
£60,000 - £69,999	-	1
£70,000 - £79,999	2	-
£160,000 - £169,999	-	1
£180,000 - £189,999	1	-
	<u>1</u>	<u>-</u>

Contributions of £13,060 (2019: £7,357) were made to the group personal pension scheme on behalf of the highest paid employees.

The following trustees have been paid these amounts in respect of specialist advisor fees:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
David Bayliss	5,250	12,600
Joe Greenwell	9,000	36,000
Neville Jackson	22,500	-

At 31 December 2020 there was £7,500 owing to Neville Jackson in respect of the above (2019: £18,000 owed to Joe Greenwell).

No expenses were either reimbursed to, or paid directly on behalf of Trustees during the year (2019: no expenses).

The key management personnel of the Foundation comprise the Trustees and the Director. The total employment benefits of the key management personnel, including any relevant pension contributions, but excluding payments made to specialist advisors noted above, were £209,522 (2019: £188,862).

**Staff numbers**

The average number of full-time equivalent employees during the year was made up as follows:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
Director	1	1
Campaigns and research	6	6
	<u>7</u>	<u>7</u>

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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<b>6. Net movement in funds for the year</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation	2,995	4,560
Auditors' remuneration - for audit	6,150	6,150
	<u>6,150</u>	<u>6,150</u>
<b>7. Tangible fixed assets</b>		<b>Office equipment</b>
		<b>£</b>
<b>Cost</b>		
At 1 January and 31 December 2020		33,698
<b>Depreciation</b>		
Brought forward 1 January 2020		30,375
Charge for year		2,995
Carried forward 31 December 2020		<u>33,370</u>
<b>Net book value</b>		
as at 31 December 2020		<u>328</u>
as at 31 December 2019		<u>3,323</u>

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
(BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>8. Investments</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Managed and unitised funds</b>		
Market value at 1 January	33,562,730	31,313,540
Additions at cost	2,675,514	2,518,577
Disposals	(3,036,081)	(2,595,423)
Investment (loss)/gains	806,856	3,134,952
Withdrawal from endowment portfolio	(334,000)	(600,000)
Market value at 31 December	<u>33,675,019</u>	<u>33,562,730</u>
Investment cash	247,687	190,138
Total Investments as at 31 December	<u>33,922,706</u>	<u>33,752,868</u>
Historical cost	<u>29,578,643</u>	<u>30,639,013</u>

All investments are carried at their fair value. The basis of fair value for quoted investments is equivalent to the market value, using the bid price.

	<b>2020</b>		<b>2019</b>	
	<b>Cost</b>	<b>Market</b>	<b>Cost</b>	<b>Market</b>
	<b>£</b>	<b>Value</b>	<b>£</b>	<b>Value</b>
		<b>£</b>		<b>£</b>
<b>Fixed Interest</b>				
United Kingdom	2,347,269	2,368,052	2,313,342	2,290,331
Overseas	306,981	314,505	402,620	382,680
<b>Equities</b>				
United Kingdom	4,486,895	4,952,196	5,230,713	6,075,983
Continental Europe	672,591	973,050	710,564	862,935
North America	2,663,519	3,579,795	2,494,377	3,126,329
Japan	348,530	392,640	497,633	526,758
Far East	577,849	893,362	577,849	651,965
Global	493,189	569,727	326,501	416,198
Emerging Economies	288,753	352,578	294,140	327,600
<b>Property</b>	1,222,455	1,253,485	1,434,142	1,540,650
<b>Alternatives</b>	15,922,925	18,025,629	16,166,994	17,361,301
<b>Cash</b>	247,687	247,687	190,138	190,138
<b>Total</b>	<u>29,578,643</u>	<u>33,922,706</u>	<u>30,639,013</u>	<u>33,752,868</u>

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

<b>9. Debtors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Interest and dividends receivable	23,957	24,099
Prepayments	9,840	8,919
	<u>33,797</u>	<u>33,018</u>

<b>10. Creditors</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Accruals and other creditors	354,102	313,402
	<u>354,102</u>	<u>313,402</u>

<b>11. Unrestricted Funds</b>					<b>2020</b>
	<b>2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfer</b>	<b>2020</b>
	<b>Opening</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>Closing</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted Funds	<u>4,253,082</u>	<u>434,925</u>	<u>(928,029)</u>	<u>334,000</u>	<u>4,093,978</u>
					<b>2019</b>
	<b>Opening</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfer</b>	<b>Closing</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unrestricted Funds	<u>4,005,140</u>	<u>571,122</u>	<u>(923,180)</u>	<u>600,000</u>	<u>4,253,082</u>

The transfer from the expendable endowment funds represents monies drawn down from an accumulating investment fund held as part of the Foundation's investment portfolio.

**ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Restricted Funds	2020				2020
	Opening £	Income £	Expenditure £	Transfer £	Closing £
Road Collision fund	119,638	125,000	(123,518)	-	121,120
Pre-driver Theatre and Workshop fund	-	11,776	(11,776)	-	-
	<u>119,638</u>	<u>136,776</u>	<u>(135,294)</u>	<u>-</u>	<u>121,120</u>
	2019				2019
	Opening £	Income £	Expenditure £	Transfer £	Closing £
Road Collision fund	<u>480,000</u>	<u>-</u>	<u>(360,362)</u>	<u>-</u>	<u>119,638</u>

The Road Collision fund represents money received to explore the business case for improving the investigation of road crashes, in particular working with volunteer police forces to revisit the material available in police records.

13. Expendable Endowment Funds	2020				2020
	Opening £	Income £	Expenditure £	Transfer £	Closing £
	<u>29,434,190</u>	<u>806,856</u>	<u>(150,179)</u>	<u>(334,000)</u>	<u>29,756,867</u>
	2019				2019
	Opening £	Income £	Expenditure £	Transfer £	Closing £
	<u>27,053,833</u>	<u>3,134,952</u>	<u>(194,595)</u>	<u>(600,000)</u>	<u>29,434,190</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**14. Analysis of net assets between funds**

<b>2020</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total £</b>
Tangible fixed assets	328	-	-	328
Investments	4,165,839	-	29,756,867	33,922,706
Current assets	281,913	121,120	-	403,033
Liabilities	(354,102)	-	-	(354,102)
Balance at 31 December 2020	<u>4,093,978</u>	<u>121,120</u>	<u>29,756,867</u>	<u>33,971,965</u>

**Analysis of net assets between funds**

<b>2019</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Endowment Funds £</b>	<b>Total £</b>
Tangible fixed assets	3,322	-	-	3,323
Investments	4,318,678	-	29,434,190	33,752,868
Current assets	244,483	119,638	-	364,121
Liabilities	(313,402)	-	-	(313,402)
Balance at 31 December 2019	<u>4,253,082</u>	<u>119,638</u>	<u>29,434,190</u>	<u>33,806,910</u>

**15. Related parties**

There were no related party transactions except those transactions with the Trustees in note 5 above.

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**16. Limitation of liability**

Every member (being the Trustees of the Foundation) guarantees £1 in the event of the Foundation being wound up while they are a member and for the year after they cease to be a member.

**17. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2020</b>	<b>2019</b>
	£	£
Net movement in funds	165,055	2,267,937
Add back depreciation charge	2,995	4,560
Deduct investment income	(432,834)	(571,122)
Loss/(gain) on investments	(806,856)	(3,134,952)
(Increase)/decrease in debtors	(779)	(7,062)
Increase/(decrease) in creditors	40,700	(8,120)
Net cash used in operating activities	<u>(1,031,719)</u>	<u>(1,448,759)</u>

**18. Analysis of cash and cash equivalents**

	<b>2020</b>	<b>2019</b>
	£	£
Cash at bank and in hand	<u>369,236</u>	<u>331,103</u>
	<u>369,236</u>	<u>331,103</u>

**19. Analysis of changes in net debt**

	<b>At 1 January 2020</b>	<b>Cashflows</b>	<b>At 31 December 2020</b>
	£	£	£
Cash at bank and in hand	<u>331,103</u>	<u>38,133</u>	<u>369,236</u>
	<u>331,103</u>	<u>38,133</u>	<u>369,236</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. Comparative statement of financial activities**

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Expendable Endowment £</b>	<b>2019 Total £</b>
<b>Income from</b>				
Investments	571,122	-	-	571,122
<b>Total Income</b>	571,122	-	-	571,122
<b>Expenditure on:</b>				
Raising funds	-	-	154,595	154,595
Charitable activities	923,180	360,362	-	1,283,542
<b>Total Expenditure</b>	923,180	360,362	154,595	1,438,137
Net gains on investments	-	-	3,134,952	3,134,952
<b>Net (loss)/income for the year</b>	(352,058)	(360,362)	2,980,357	2,267,937
Transfers between funds	600,000	-	(600,000)	-
<b>Net movement in funds</b>	247,942	(360,362)	2,380,357	2,267,937