

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 2022**

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

**CONTENTS**

---

	<b>Page</b>
Legal and administrative information	1
Chairman's Report	2
Report of the Trustees	4
Independent auditors' report	13
Statement of financial activities	17
Balance sheet	18
Statement of cash flows	19
Notes to the financial statements	20

---

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

### LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Board of Trustees</b>	Professor N Jackson, Chairman Ms J Baker Mr B Cussons Mr D Hobday Mr S Kollamthodi Mr P Maley
<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  Cazenove Capital 1 London Wall Place London EC2Y 5AU

**CHAIRMAN'S REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

As we emerged from the covid-related challenges of 2021 various factors well outside the Foundation's control impacted on our activities in 2022, including the global ramifications of the war in the Ukraine, the domestic impact on the political environment of the Prime Minister's resignation in the Summer, and industrial action on the railway which led to various events having to be rescheduled. Nevertheless, the Foundation team has been as busy as ever, with a number of significant initiatives to report, two in particular warranting mention here.

First, the team completed one of the largest and most significant projects in the Foundation's history exploring the case for creating an accident investigation branch for roads. With the benefit of substantial funding from the Department for Transport and Highways England (now National Highways) this four-year project comprised a detailed examination revealing the positive business case for augmenting existing collision investigation processes with a unit whose role would be to take a fresh, heavily data-driven approach. We were delighted that our publication of these findings in the project's final report in June came alongside a Government commitment to create a new Road Safety Investigation Branch, following which the Foundation team has continued to support the DfT on implementation.

Second, one of the biggest policy challenges we face as a nation, on transport policy and beyond, is that of decarbonisation. The Government's Transport Decarbonisation Plan sets out a wide range of measures aimed at cutting the carbon footprint across all the various modes of transport, which for road transport includes the headline policy to end the sale of new, purely fossil-fuelled cars and vans in 2030, but below the headlines much detail remains to be worked-through, not least about the carbon-reduction trajectory motoring needs to achieve in order to play its part in the overall picture. To that end 2022 saw the Foundation start work on a major piece of analysis to assess the possible trajectories that the decarbonisation of motoring might take against that implicit in the Climate Change Committee's projections, and, in particular, to identify the factors likely to have the greatest impact on success.

While the report on the conclusions from this analysis was not published until 2023, the rationale for inclusion here is to highlight the way the Foundation conducted the work, openly, through an extensive series of discussions with key stakeholders, to test and repeatedly refine the base numbers and the plausibility of the assumptions needed to inform the modelling. I believe this open-book, no-surprises approach sets a welcome precedent for future Foundation analytical projects.

Alongside the bigger projects the Foundation continued its mission to inform the debate about motoring with data on fuel prices, road condition, parking management, and motoring taxes, through presentations at conferences and workshops, evidence submitted to Parliamentary Committees and through participation in working groups and project boards. On the staffing front we were pleased to welcome Dr Tim Chatterton to the team and I am also pleased to congratulate the Director on becoming a visiting professor at the University of the West of England's Transport and Society unit, which reflects well on him and on the Foundation.

The Foundation owes a huge debt of gratitude to my fellow Trustees for their active engagement and encouragement throughout the year. I am particularly grateful to Ben Cussons, Jo Baker and Peter Read for their work on our Investment Sub-Committee, tasked with ensuring that despite the economic uncertainties of the year gone by the Royal Automobile Club's generous endowment continues to generate the returns that fund the Foundation's activities, with particular thanks to Peter who stood down as a Trustee in 2022 and a warm welcome to Paul Maley who joined us as a Trustee in the Autumn. I would also like to thank the members of our advisory Public Policy Committee, who not only bring their own knowledge and experience to the table but also provide access to a valuable network of contacts.

CHAIRMAN'S REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022

---

As 2023 gets underway the policy environment for motoring continues to pose many challenges, including the pressing needs to cut vehicle emissions, improve safety, and manage through difficult economic circumstances, and I look forward to the Foundation continuing to play its part, working collaboratively and continuing to be an informed and constructive participant in the debate.

Professor Neville Jackson  
Chairman



---

2<sup>nd</sup> June 2023

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

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

---

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 2022. 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, sometimes 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, the Foundation also seeks to bring other relevant research material to the notice of those involved in the development of 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 involves briefing journalists and appearing in the media, including specialist journals, and 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 Department for Levelling Up, Housing and Communities, and National Highways, with professional bodies and associations such as the Association of Directors of Economy, Environment, Planning and Transport and the Chartered Institute of Highways and Transport, and trade associations including the Society of Motor Manufacturers and Traders and the British Vehicle Rental and Leasing Association. 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 for the Foundation to explore, inform and promote policies that will get people and goods where they need to be, when they need to be there, in safety, affordably, with minimum environmental impact.

**REPORT OF THE TRUSTEES (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

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.

**Achievements and performance**

The big news for the Foundation in 2022, and hard evidence of the Foundation's activity having impact for the public benefit, was the Government's announcement of its intention to create an accident investigation branch for roads – to be called the Road Safety Investigation Branch - which was made alongside the publication of our report documenting our Road Collision Investigation Project<sup>1</sup> findings. This result doesn't just represent the product of our four-year project – important as that has been in setting out the business case for action - the Foundation's interest in the subject can be tracked back to an earlier report of 2009<sup>2</sup> reflecting the fact that sustained interest in an issue is sometimes needed to secure the right result. The Foundation's offer to continue helping DfT with the work to set up the new branch was well received and has resulted in an agreement for the DfT to fund a day a week of Research Director Liz Box's time to work on implementation.

On the staffing front we were pleased to welcome Dr Tim Chatterton as a new recruit to the Foundation analytical team in July. Tim joins us with a considerable background in research and data analytics, and with a particular interest in air quality and environmental issues. We also said a fond farewell to Peter Read as one of the Club-nominated trustees and welcomed Paul Maley, a member of the Club's Motoring Committee with a keen interest in motoring issues.

The Foundation maintained the output of key data series, including the annual highway bridge condition survey, undertaken in partnership with the Association of Directors of Economy, Environment, Planning and Transport, fuel prices, local authority parking income, the take-up of plug-in vehicles and the roll-out of local authority clean air zones.

As covid restrictions eased and the 'in-person' world continued to re-emerge so the Foundation team were busy participating in an array of conferences, workshops and seminars including, to give a flavour of the variety, the TRL Kerbside Management taskforce, the ITT Hub (at Farnborough), the Transport Technology Forum annual conference (in Liverpool), the National Highways Research & Innovation Advisory Panel (hosted at the Insurance Industry's Thatcham research centre), Traffex/Parqex (at the NEC), the REASON (road safety for autonomy) forum (in Oxford), the PACTS Road User Behaviour Working Party (in London), the Sub-National Transport Bodies Conference (Birmingham), the Automotive Fellowships International conference (Luton Hoo), the Road Transport Expo (near Coventry) and MOVE at the Excel centre as well as playing host to Young Driver Focus at the Royal Automobile Club in Pall Mall. Participation in these events is valuable for spreading awareness of Foundation output, for staying abreast of the latest thinking and for making fresh connections, and in line with our public interest purpose to promote well-informed public policy development.

Unfortunately not all planned in-person events went ahead, with the Foundation's annual 'Data, driven' conference having to be postponed due to industrial action by rail staff. Happily, though, we were 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 our opportunity to thank the many people we have worked with throughout the previous 12 months and this year to hear the emerging findings from some work the Foundation commissioned from IPSOS MORI about young people's attitudes towards motoring which will be published in 2023.

---

<sup>1</sup> <https://www.racfoundation.org/collaborations/road-collision-investigation-project>

<sup>2</sup> <https://www.racfoundation.org/wp-content/uploads/transport-safety-elliott-050509-report.pdf>

---

**REPORT OF THE TRUSTEES (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

In addition to set-piece conferences, members of the Foundation team are often invited to join working groups and standing committees, which in 2022 included the Electric Vehicle Energy Task Force, the Transport Technology Forum, DfT's Road Safety Programme Board, the Road Safety Trust's Road Safety Champions meetings and the Centre for Connected and Autonomous Vehicles' AV-Drive Working Group.

January saw the publication of a Foundation technical note<sup>3</sup> – a predominantly analytical report – looking at the likely rate at which the Treasury's fuel duty income from fossil-fuelled cars would fall away as the move toward zero-tailpipe emissions picks up. The note, largely the work of Foundation analyst Doreen Lam, suggested that the Chancellor could face losing almost a third of the revenue he gets from fuel duty from cars before the end of the decade because of the move to green motoring, but that this problem might near-term be cushioned by the collapse in the sale of new diesel cars and the resulting temporary rise in the revenue received from petrol cars. This trajectory matters because it is a material factor in determining when Treasury ministers will need to decide what to do if they are determined to bolster their income from motoring - the answer being quite uncomfortably soon – as the Foundation Director explained in evidence to the Transport Select Committee.

Back in February we welcomed the publication by the Department for Levelling Up, Housing and Communities of a new, single Code of Practice for the management of private parking, an issue that the Foundation has been pursuing for some years. The Foundation had considerable input to the coverage of the proposed Code and so we were disappointed when legal challenges to proposed caps on the level of parking charges and on the charging of an administration fee for cases transferred to debt management agencies led the Department to withdraw the Code in June pending further work to analyse the regulatory impact of the proposed package on the private parking sector. This work was still in progress at the end of 2022, but we hope to see substantial progress to put a much-needed regulatory framework in place during 2023.

It was also disappointing that the Aston University project we had jointly funded with the Rees Jeffreys Road Fund to explore the neurological factors impacting the capability and safety of older drivers continued to be dogged with problems – covid restrictions having delayed the planned trials and subsequently many of their volunteers have not got on well in the virtual environment resulting in a much reduced output from that originally envisaged.

On a more positive note, another project the Foundation funded jointly with the Rees Jeffreys Road Fund saw the TRL exploring the social and economic consequences of progressive licensing as a way of helping young drivers develop their driving skills safely having passed their test. Young drivers are disproportionately likely to be involved in a crash, with pre-Covid data showing that almost a quarter (24%) of those killed or seriously injured on Britain's roads were in a collision involving a young driver (aged 17-24 years old) even though this age group makes up only about 7% of the total driving population. Drawing on international evidence the report, Supporting New Drivers in Great Britain<sup>4</sup>, showed that a 'graduated' approach, with appropriate exemptions and allowances, could give young drivers the most valuable mobility benefits they sought whilst reducing collisions and trauma from collisions involving young drivers by some 20-40% - valuable evidence for policy-makers considering where next to go to make our roads safer.

And to close on a lighter note, to illustrate the real-world implications of the skyrocketing costs of petrol and diesel fuel in the Summer, and to coincide with the start of the new Premier League season the Foundation published in-house analysis of how fuel prices were limiting the horizons of football fans by increasing the cost

---

<sup>3</sup> <https://www.racfoundation.org/research/economy/fuel-duty-decline-a-technical-note>

<sup>4</sup> <https://www.racfoundation.org/research/safety/supporting-new-drivers-in-great-britain>

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

### REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

---

of driving to away matches. The issue for many households being not only about the effect of soaring fuel prices on the journeys they have to make also on those trips people want to make that are also being curtailed because of cost.

#### **Future plans**

The Foundation's working practices were changed to accommodate the restrictions resulting from the covid pandemic, with the team predominantly working remotely. This model continued through 2022 and looks set to be the model henceforward - much of the Foundation's in-house activity can be undertaken on-line, and while face-to-face meetings have re-started many meetings are now routinely held on-line. Consequently the Foundation is reviewing the implications for its London office space and in 2023 is looking to take advantage of the remodelling and refurbishment of 83 Pall Mall to downsize its footprint and so reduce its rent and service charges, subject to agreement with the Royal Automobile Club as its landlord. The Foundation will continue to invest in the professional development of the Foundation staff, in particular through various on-line training opportunities and conferences.

As in previous years, the Foundation will continue to seek out fresh data sets, opportunities for joint working with other organisations to reach a broader audience, including professional institutions, member organisations and the higher education sector, and the scope to make the most of its internal analytical capabilities. Similarly we expect no let-up in interest in issues such as carbon reduction, the promotion of improved air quality, the desire to improve road safety and, as the vehicle parc moves away from fossil fuels, debate about what, if anything, should take the place of fuel duty income for the Treasury, with potentially growing interest in roads spending as a result of challenging economic circumstances and construction cost inflation.

2023 will see the publication of the Foundation's analysis of the carbon-reduction trajectory needed from car traffic and the development of a 'Green Fleet Index' to track progress, which we expect to follow through with further analysis, alongside work looking at young people's attitudes toward motoring, driver distraction (in particular in the context of highly but not fully automated vehicles), and the potential for connected vehicle services. We also hope to be involved in making significant progress on the plans to establish a Road Safety Investigation Branch, and on the implementation of a regulatory framework for private parking management.

#### **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 grants from the Department for Transport (2018) and National Highways (2020 and 2021).

The Foundation does not raise money from the public or from its Trustees.

In the Statement of Financial Activities on page 17, income from half the investment portfolio is received in the form of dividends and interest (£454,702). 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 17 as the transfer of £486,000 from the Expendable endowment to the Unrestricted reserves.

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

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

---

The net loss on investments in the year was £3,382,631 contributing to a total net deficit movement in funds in the year of £3,896,919.

#### **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 2022 was valued at £28,621,883, a deficit of £3,980,848 over the year.

Taking one year with another, despite the ongoing turbulence in investment markets in 2022 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 £20,000 (2021: £84,147) at the year end.

This balance represents funds given for particular purposes within the Foundation's objects – specifically the grants of £480,000 from the DfT and £300,000 from Highways England to fund the Road Collision Investigation Project. That project having concluded in 2022 the Foundation returned balances to the DfT and Highways England. The DfT subsequently awarded a grant of £20,000 in respect of the time Liz Box was planning to spend working on the establishment of the Road Safety Investigation Branch (equating roughly to one day per working week for one full year).

#### **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 £4,338,223 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.

Following the decision in 2017 to re-invest the expendable endowment equally between two new investment managers - Pictet and Investec Wealth – the Investment Sub-Committee conducted a market testing exercise in 2022 as a result of which the Trustees decided to transfer the Investec holding to the Cazenove Responsible Multi-Asset Fund, with the continued aim of spreading risk in an uncertain investment climate by investing with managers with different, complementary, investment strategies, but also attracted by the fact that the Cazenove fund is designed specifically to cater for charities seeking sustainable long term returns with particular regard to the integration of environmental, social and governance considerations. The transfer, with some holdings having to be sold for the cash to be re-invested, was largely but not wholly completed by the end of 2022.

The Investment Sub-Committee monitored the fund managers' investment performance through the year, drawing on advice from Barnett Waddingham on their performance relative to the broader market, and reports

---

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

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

---

to the full Trustee meeting on the current valuation and prospects for the future value of the endowment, and hence the affordability of the Foundation's budget, at the regular Trustee meetings.

The Trustees were on balance satisfied that the investment performance of the endowment was sufficient to support a sustained operating budget for the Foundation through the year and for the planned expenditure in 2023.

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 investment managers and fund managers have previously confirmed that they regard this as a manageable approach, consistent with the Trustees' stated investment objectives.

#### **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.

During 2022 there were changes to the Trustee Board. Peter Read stood down as a Trustee on 28 November 2022. Paul Maley was appointed on 28 November 2022.

With the approval of the Trustees, as cleared with the Charity Commission, the Chairman receives £30,000 fees per annum for advisory services.

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 one other Trustee (Peter Read and subsequently Paul Maley), 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.

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

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

### **REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

---

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 routinely as part of the review of the Director's report which is updated and presented to each of the Trustee meetings through the year. 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 Trustees also keep under review whether additional risks merit inclusion in the review.

Through 2022 the resourcing risk created by the departure of an analyst in 2021 and the failure of the resulting recruitment exercise was resolved with the successful appointment of a successor, Dr Tim Chatterton, in the Summer. Looking ahead, recruitment and business continuity risk continue to loom largest with the departure of analyst Doreen Lam at the start of 2023 (a recruitment exercise is underway at the time of writing), and the reliance of the Foundation on IT support for extensive remote, largely home-based, working.

#### **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.

#### **Fundraising**

The Trustees take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their activities. The Charity does not actively raise funds or solicit donations directly from the general public. The Charity does not work directly with commercial sponsors in relation to fundraising. The Trustees are not aware of any complaints made in respect of fundraising during or subsequent to the period of this Report.

**REPORT OF THE TRUSTEES (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**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).

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.

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

**REPORT OF THE TRUSTEES (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

---

**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

A handwritten signature in black ink, appearing to read 'N. Jackson', written over a thin horizontal line.

**Neville Jackson**

**Chairman**

2<sup>nd</sup> June 2023

## **Opinion**

We have audited the financial statements of Royal Automobile Club Foundation for Motoring Limited for the year ended 31 December 2022 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 2022 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

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 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 page 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

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.

**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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

---

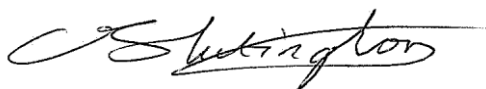
partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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.

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.



Cara Turtington (Senior Statutory Auditor)  
For and on behalf of Saffery Champness LLP  
Chartered Accountants  
Statutory Auditors

71 Queen Victoria Street  
London  
EC4V 4BE

Date: 6 June 2023

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 2022

	Note	Unrestricted Funds £	Restricted Funds £	Expendable Endowment £	2022 Total £	2021 Total £
<b>Income from</b>						
Investments	2	454,702	-	-	454,702	443,085
Grants		-	26,970	-	26,970	136,776
<b>Total Income</b>		454,702	26,970	-	481,672	579,861
<b>Expenditure on:</b>						
Raising funds		-	-	130,217	130,217	162,001
Charitable activities	3	810,646	55,097	-	865,743	988,665
<b>Total Expenditure</b>		810,646	55,097	130,217	995,960	1,150,666
Net (loss)/gain on investments	8	-	-	(3,382,631)	(3,382,631)	3,475,865
<b>Net (deficit)/ income for the year</b>		(355,944)	(28,127)	(3,512,848)	(3,896,919)	2,905,060
Transfers between funds	11	504,020	(36,020)	(468,000)	-	-
<b>Net movement in funds</b>		148,076	(64,127)	(3,980,848)	(3,896,919)	2,905,060
<b>Reconciliation of funds:</b>						
Total funds brought forward		4,190,147	84,147	32,602,731	36,877,025	33,971,965
<b>Total funds carried forward</b>		4,338,223	20,000	28,621,883	32,980,106	36,877,025

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 20 to 30 form part of these financial statements.

ROYAL AUTOMOBILE CLUB FOUNDATION FOR MOTORING LIMITED (BY GUARANTEE)

BALANCE SHEET  
31 DECEMBER 2022

	Note	2022 £	2021 £
<b>Fixed Assets</b>			
Tangible fixed assets	7	-	-
Investments	8	<u>32,742,757</u>	<u>36,743,077</u>
		32,742,757	36,743,077
<b>Current Assets</b>			
Debtors	9	31,822	35,094
Cash at bank and in hand		<u>590,667</u>	<u>387,227</u>
		622,489	422,321
<b>Creditors:</b> Amounts falling due within one year	10	<u>(385,140)</u>	<u>(288,373)</u>
Net current assets		237,349	133,948
<b>Net Assets</b>		<u><u>32,980,106</u></u>	<u><u>36,877,025</u></u>
<b>Funds</b>			
Unrestricted funds	11	4,338,223	4,190,147
Restricted funds	12	20,000	84,147
Expendable endowment funds	13	<u>28,621,883</u>	<u>32,602,731</u>
		<u><u>32,980,106</u></u>	<u><u>36,877,025</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 20 to 30 form part of these financial statements.

The financial statements were approved by the Trustees on 2nd June 2023



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 2022

	Note	2022 £	2021 £
<b>Net cash used in operating activities</b>	<b>17</b>	(797,175)	(994,052)
<u>Cash flows from investing activities</u>			
Purchases of investments		(16,599,511)	(2,597,388)
Proceeds from disposal of investments		16,316,930	2,801,840
Investment income received		468,109	443,085
Withdrawal from endowment		468,000	468,000
<b>Net cash from investing activities</b>		<u>653,528</u>	<u>1,115,537</u>
Net (decrease)/increase in cash & cash equivalents		(143,647)	121,485
Cash and cash equivalents at the beginning of the year		738,405	616,920
<b>Cash and cash equivalents at end of the year</b>	<b>17,18</b>	<u><u>594,758</u></u>	<u><u>738,405</u></u>

The notes on pages 20 to 30 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

---

**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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

---

**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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

**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 effects 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>2022</b>	<b>2021</b>
	£	£
Dividends and interest receivable on fixed asset investments	453,891	443,061
Bank interest receivable	811	24
	<u>454,702</u>	<u>443,085</u>

<b>3. Charitable activities</b>	<b>Total</b>	<b>Total</b>
	<b>2022</b>	<b>2021</b>
	£	£
Staff Costs	535,182	552,007
Direct Costs	61,697	216,046
Support Costs	259,564	212,837
Governance costs (note 4)	9,300	7,775
	<u>865,743</u>	<u>988,665</u>

<b>4. Governance costs</b>	<b>Total</b>	<b>Total</b>
	<b>2022</b>	<b>2021</b>
	£	£
Audit fees	9,300	7,775
	<u>9,300</u>	<u>7,775</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Staff costs and advisor fees	2022	2021
	£	£
Wages and salaries	457,471	476,196
Social security costs	52,163	51,102
Employer's pension costs	25,548	24,709
	<u>535,182</u>	<u>552,007</u>
Number of employees with total remuneration between:	2022	2021
	Number	Number
£70,000 - £79,999	-	2
£80,000 - £89,999	2	
£170,000 - £179,999	1	-
£190,000-£199,999	-	1
	<u>-</u>	<u>1</u>

Contributions of £16,324 (2021: £15,813) 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:

	2022	2021
	£	£
Neville Jackson	30,000	30,000

At 31 December 2022 there were no amounts owing in respect of the above adviser's fees (2021: no amounts owed to Neville Jackson).

No expenses were either reimbursed to or paid directly on behalf of Trustees during the year (2021: no expenses).

The key management personnel of the Foundation comprise the Trustees and the Director. The total cost to the Charity of the key management personnel, including any relevant pension contributions, but excluding payments made to specialist advisors noted above, were £200,613 (2021: £218,615).

**Staff numbers**

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

	2022	2021
	Number	Number
Director	1	1
Campaigns and research	6	6
	<u>7</u>	<u>7</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

<b>6.</b>	<b>Net movement in funds for the year</b>	<b>2022</b>	<b>2021</b>
		£	£
	This is stated after charging:		
	Depreciation	-	328
	Auditors' remuneration - for audit	9,300	7,775
	Auditors' remuneration - for other services	4,100	5,575
		<u>4,100</u>	<u>5,575</u>
<b>7.</b>	<b>Tangible fixed assets</b>		<b>Office equipment</b>
			<b>£</b>
	<b>Cost</b>		
	At 1 January and 31 December 2022		33,698
	<b>Depreciation</b>		
	Brought forward 1 January 2022		33,698
	Charge for year		-
	Carried forward 31 December 2022		<u>33,698</u>
	<b>Net book value</b>		
	as at 31 December 2022		<u>-</u>
	as at 31 December 2021		<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Investments	2022	2021
	£	£
<b>Managed and unitised funds</b>		
Market value at 1 January	36,391,899	33,675,022
Additions at cost	16,599,511	2,597,388
Disposals	(16,316,930)	(2,801,840)
Investment (loss)/gains	(3,382,631)	3,475,865
Withdrawal from endowment portfolio	(468,000)	(468,000)
Investment managers fees	(85,183)	(86,536)
Market value at 31 December	<u>32,738,666</u>	<u>36,391,899</u>
Investment cash	4,091	351,178
Total Investments as at 31 December	<u>32,742,757</u>	<u>36,743,077</u>
Historical cost	<u>31,626,541</u>	<u>29,378,746</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.

	2022		2021	
	Cost £	Market Value £	Cost £	Market Value £
<b>Fixed Interest</b>				
United Kingdom	-	-	2,231,486	2,152,821
Overseas	-	-	361,500	386,648
<b>Equities</b>				
United Kingdom	-	-	4,107,221	5,231,397
Continental Europe	-	-	672,485	1,132,995
North America	-	-	3,001,531	4,472,882
Japan	-	-	346,831	401,445
Far East	-	-	577,849	902,491
Global	-	-	385,915	497,916
Emerging Economies	-	-	288,693	331,449
Money Market Instruments	-	-	200,000	200,000
<b>Multi-asset funds</b>	15,901,331	15,658,976	-	-
<b>Property</b>	1,112,198	1,104,207	1,255,211	1,405,699
<b>Alternatives</b>	14,608,921	15,975,483	15,598,846	19,276,156
<b>Cash</b>	4,091	4,091	351,178	351,178
<b>Total</b>	<u>31,626,541</u>	<u>32,742,757</u>	<u>29,378,746</u>	<u>36,743,077</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Debtors

	2022	2021
	£	£
Interest and dividends receivable	-	22,742
Prepayments	31,822	12,352
	<u>31,822</u>	<u>35,094</u>

10. Creditors

	2022	2021
	£	£
Accruals and other creditors	385,140	288,373
	<u>385,140</u>	<u>288,373</u>

11. Unrestricted Funds

	2022				2022
	Opening	Income	Expenditure	Transfer	Closing
	£	£	£	£	£
Unrestricted Funds	<u>4,190,147</u>	<u>454,702</u>	<u>(810,646)</u>	<u>504,020</u>	<u>4,338,223</u>
	2021				2021
	Opening	Income	Expenditure	Transfer	Closing
	£	£	£	£	£
Unrestricted Funds	<u>4,093,978</u>	<u>443,085</u>	<u>(814,916)</u>	<u>468,000</u>	<u>4,190,147</u>

The transfers into the unrestricted funds represent two specific transactions:

- £480,000 from the expendable endowment funds represents monies drawn down from an accumulating investment fund held as part of the Foundation's investment portfolio
- £36,020 from the restricted fund represents restricted spend from the period from 2019-2021 which was incorrectly captured as unrestricted expenditure in the financial statements in these periods. The transfer from restricted funds reimburses the unrestricted fund and correctly brings the balance of restricted funds for the Road Collision Fund to £nil at 31 December 2022 in line with the accounting returned to the funders.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

12. Restricted Funds

	<b>2022</b>				<b>2022</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>
Road Collision fund	84,147	6,970	(55,097)	(36,020)	-
Road Safety Investigation Branch	-	20,000	-	-	20,000
	<u>84,147</u>	<u>26,970</u>	<u>(55,097)</u>	<u>(36,020)</u>	<u>20,000</u>
	<b>2021</b>				<b>2021</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>
Road Collision fund	121,120	125,000	(161,973)	-	84,147
Pre-driver Theatre and Workshop fund	-	11,776	(11,776)	-	-
	<u>121,120</u>	<u>136,776</u>	<u>(173,749)</u>	<u>-</u>	<u>84,147</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. This project was completed during the year.

The Road Safety Investigation Branch fund is for the Foundation to provide support and input to the work involved in creating a Road Safety Investigation Branch of the Department of Transport, specifically advising on the data, staff capabilities and prioritisation approaches that the new body is likely to require to fulfil its proposed statutory functions.

13. Expendable Endowment Funds

	<b>2022</b>				<b>2022</b>
	<b>Opening</b>	<b>Expenditure</b>	<b>Gains</b>	<b>Transfer</b>	<b>Closing</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<u>32,602,731</u>	<u>(130,217)</u>	<u>(3,382,631)</u>	<u>(468,000)</u>	<u>28,621,883</u>
	<b>2021</b>				<b>2021</b>
	<b>Opening</b>	<b>Expenditure</b>	<b>Gains</b>	<b>Transfer</b>	<b>Closing</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<u>29,756,867</u>	<u>(162,001)</u>	<u>3,475,865</u>	<u>(468,000)</u>	<u>32,602,731</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

14. Analysis of net assets between funds

2022	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Tangible fixed assets	-	-	-	-
Investments	-	-	32,742,757	32,742,757
Current assets	4,720,863	20,000	(4,120,874)	622,489
Liabilities	(385,140)	-	-	(385,140)
Balance at 31 December 2022	<u>4,338,223</u>	<u>20,000</u>	<u>28,621,883</u>	<u>32,980,106</u>

Analysis of net assets between funds

2021	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Tangible fixed assets	-	-	-	-
Investments	-	-	36,743,077	36,743,077
Current assets	4,478,520	84,147	(4,140,346)	422,321
Liabilities	(228,373)	-	-	(288,373)
Balance at 31 December 2021	<u>4,190,147</u>	<u>84,147</u>	<u>32,602,731</u>	<u>36,877,025</u>

15. Related parties

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

**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>2022</b>	<b>2021</b>
	£	£
Net movement in funds	(3,896,919)	2,905,060
Add back depreciation charge	-	328
Add back Pictet investment manager fee	85,183	86,536
Deduct investment income	(468,109)	(443,085)
Loss/(gain) on investments	3,382,631	(3,475,865)
Decrease/(increase) in debtors	3,272	(1,297)
Increase/(decrease) in creditors	96,797	(65,729)
Net cash used in operating activities	<u>(797,175)</u>	<u>(994,052)</u>

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

	<b>2022</b>	<b>2021</b>
	£	£
Cash at bank and in hand	590,667	387,227
Cash with investment manager	4,091	351,178
	<u>594,758</u>	<u>738,405</u>

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

	<b>At 1 January</b>		<b>At 31 December</b>
	<b>2022</b>	<b>Cashflows</b>	<b>2022</b>
	£	£	£
Cash at bank and in hand	387,227	203,440	590,667
Cash with investment manager	351,178	(347,087)	4,091
	<u>738,405</u>	<u>(143,647)</u>	<u>594,758</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

20. Comparative statement of financial activities

	Unrestricted Funds £	Restricted Funds £	Expendable Endowment £	2021 Total £
<b>Income from</b>				
Investments	443,085	-	-	443,085
Grants	-	136,776	-	136,776
<b>Total Income</b>	443,085	136,776	-	579,861
<b>Expenditure on:</b>				
Raising funds	-	-	162,001	162,001
Charitable activities	814,916	173,749	-	988,665
<b>Total Expenditure</b>	814,916	173,749	162,001	1,150,666
Net gains on investments	-	-	3,475,865	3,475,865
<b>Net (loss)/income for the year</b>	(371,831)	(36,973)	3,313,864	2,905,060
Transfers between funds	468,000	-	(468,000)	-
<b>Net movement in funds</b>	96,169	(36,973)	2,845,864	2,905,060