

GRAND PRIX TRUST
(Registered Charity No. 327454)

TRUSTEES' ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020



GRAND PRIX TRUST
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
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GRAND PRIX TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and independently audited consolidated financial statements of The Grand Prix Trust (“the trust” or “the charity”) for the year ended 31 December 2020. These have been prepared in accordance with the accounting policies set out on in Note 1 and comply with the charity’s trust deed and applicable law.

1. REFERENCE AND ADMINISTRATIVE DETAILS

The Grand Prix Trust, registered charity number 327454, is based and administered in the United Kingdom. The registered address is Eighth Floor, 6 New Street Square, New Fetter Lane, London, EC4A 3AQ.

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

James Allen	Peter Hamlyn
Christopher Bliss	Sir Patrick Head
Ross Brawn	Michael Jakeman
Martin Brundle (Chairman)	Mark Smith
Karin Fink	Jonathan Wheatley

Trust Administrator : Arlene Bansal

Client Co-ordinator: Sally Oliver

Independent Auditor:
Bowker Orford
15-19 Cavendish Place, London, W1G 0DD

Accountants:
Rawlinson & Hunter LLP
Eighth Floor, 6 New Street Square, New Fetter Lane, London EC4A 3AQ

Investment Managers and Custodians:
Close Brothers Asset Management Ltd
Eighth Floor, 10 Exchange Square, Primrose Street, London EC2A 2BY

Principal Bankers:
Bank of Scotland plc
33 Old Broad Street, London EC2N 1HZ

Coutts & Co.
The Composite Office, Level 1, Thanet Grange, Westcliff on Sea, Essex SS0 0EJ

Solicitors:
Stone King LLP
Boundary House, 91 Charterhouse Street, London EC1M 6HR

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2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Grand Prix Trust was established by a Deed dated 12 February 1987 and is an unincorporated charitable trust bound by the proper laws of England and Wales. The original settlor was Sir Jackie Stewart OBE.

The entire resources of the charity have been unrestricted throughout the year. The trustees have complete discretion for the use of the funds in pursuance of the charity's objectives.

The trustees' investment powers are unrestricted.

The power of appointing new and additional trustees vests in the trustees. Any number of additional trustees may be appointed irrespective of the number of trustees in office.

Induction and training

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

Trustees' Responsibilities Statement

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Auditor

Insofar as the trustees are aware:

- there is no relevant audit information of which the charity's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

GRAND PRIX TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Internal Controls

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

The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Control processes implemented by the trustees include:

- Identification and management of risk.
- Committees have been established to cover the important functions of the charity. Two such committees and the trustees involved are:
 - i) The Investment Sub-committee consisting of Christopher Bliss, Mark Smith and Sir Patrick Head.
 - ii) The Appeals and Awards committee consisting of Martin Brundle, Patrick Head and Michael Jakeman. Sally Oliver also attends.

3. OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The objects of the charity are to apply capital and income for such charitable purposes, charitable institutions or charitable foundations, in such countries and in such manner as the trustees in their absolute discretion think fit. The trustees consider donations at the Appeals and Awards Committee meetings and also at the biannual trustees meetings.

Statement of Public Benefit

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

Grant Making Policy

The trustees' grant making policy has been to generally consider making donations by way of direct funding to individuals and also by way of grants to charitable organisations. The Appeals and Awards Committee make awards on a majority decision basis and report back to the other trustees at the biannual trustee meetings. From time to time, the Committee will approach all of the trustees on decisions regarding significant awards, at their discretion.

As referred to in section 2 of the Trustees' Report, the trustees continue to monitor the requirements of potential beneficiaries and with the expert guidance of Sally Oliver, the trustees' retained client co-ordinator, the trust provides advice and guidance to beneficiaries, as well as providing financial support.

GRAND PRIX TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

4. ACHIEVEMENTS AND PERFORMANCE

Investments

The assets of the charity consist principally of investments and cash and these are collectively recorded on the Balance Sheet and supporting notes at their market value on that date. Any increase or decrease over cost on the restatement of these values is recorded in the Statement of Financial Activities.

The trust owns 100% of the issued share capital of 200 ordinary shares of £1 each in Grand Prix Trading Limited, a company registered in England and Wales, the results of which are incorporated in the consolidated financial statements on pages 12, 13 and 15.

The investment objective of the charity is to achieve a balance of capital growth and income consistent with a portfolio invested in a prudent manner with a maximum equity exposure of 75%. Members of the Investment Sub-committee meet regularly to review the performance of the portfolio and report their findings at the main trustees' meeting.

Investments

The investment managers, Close Brothers Asset Management, work with the trustees towards an agreed investment policy. Their period end summary report is detailed as follows:-

<i>Asset Allocation and Strategy</i>		2020	2020	See
		£	%	Notes
Cash		193,781	6.98	
Multi Asset		64,705	2.33	
Property		51,057	1.84	
Commodities		105,652	3.81	
Alternatives		208,814	7.52	
Fixed Interest	UK Government	229,845	8.28	
	Other	200,794	7.23	1
		1,054,648	37.99	
Equities	UK	431,999	15.56	2
	North America	478,033	17.22	
	Europe	311,615	11.22	
	Japan	32,160	1.16	
	Asia Pacific	273,883	9.87	
	Emerging Markets	36,563	1.31	
	Global	157,222	5.67	
		1,721,475	62.01	
Total		2,776,123	100.00	

GRAND PRIX TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

ACHIEVEMENTS AND PERFORMANCE (continued)

Asset allocation notes:

1. Non UK Government bonds held are AAA rated by S&P and Aaa by Moody's.
2. UK Smaller and Mid Cap exposure is primarily and substantially in the form of investment in either unit or investment trusts.

Post period end

Since the end of the financial period under review the Investment Sub-committee has made no changes to the current investment mandate.

The investment policy is reviewed on a regular basis at the meetings of the Investment Sub-committee.

Annual Review – provided by Close Brothers Asset Management

The fund produced returns of 1.0% in the calendar year 2020 (after fees). This was an underperformance vs the ARC Balanced peer group that returned 4.8% over the same period. The underperformance was in part due to the de-risking of the portfolio in March 2020 following a conversation with the Trustees around concerns of unforeseen liabilities the Charity would possibly have to meet and hence a request for higher cash/liquidity. The fund continues to outperform the ARC Balanced peer group over the rolling 3yr and 5yr periods.

Our global diversification helped protect the portfolio from the worst of the sell-off in asset prices in the latter part of Q1 2020. Exposure to US large capitalisation names as well as leading global giants in the Swiss market with exposure to healthcare, consumer staples and technology helped insulate the portfolio from the adverse effects of the global lockdown. Our minimal exposure to conventional fixed interest is driven by continuing low Government Bond yields with many maturities and regions providing negative real returns. We continue to favour equities due to better growth opportunities for multinational companies around the world.

The portfolio remains well-diversified with 30% in non-equity assets and a continued international bias within the equity allocation (18% UK vs 48% overseas at the time of writing). Within the UK, we have continued to avoid companies overexposed to the UK domestic economy and have stuck with large-cap multinationals that derive the majority of their revenue overseas. At the margin, we have more recently added to cyclically orientated areas that are likely to benefit from the economic recovery.

Overall the portfolio yields 2%, which we would expect to rise as a handful of holdings look to reinstate their dividends. Bond yields continuing to be sat at historically low levels, with the UK 10 gilt currently yielding 0.8%.

Financial markets underwent a dramatic sell-off from early March 2020, following the Covid-19 pandemic. Markets rallied from their lows at the end of March as the magnitude of the monetary and fiscal support became apparent. US stocks climbed more than 40 per cent from a mid-March low, with the broader US index finished up over 15% in 2020. The UK market also recovered from its March lows, but remained the laggard compared to its global peers, down close to 12% over the year.

GRAND PRIX TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

5. FINANCIAL REVIEW

Incoming Resources and Resources Expended

Incoming Resources

Incoming resources totalled £163,808 (2019 - £289,331) and has decreased from 2019 due to a reduction in the amount of voluntary income received in the year due to the Covid-19 pandemic. The income for the year was received from the trust's investment portfolio, cash deposits and various donations.

Costs of Raising Funds

The costs of raising funds totalled £26,145 (2019 - £82,785) and includes investment management fees, tax credits on investment income, bank charges and the fees incurred in relation to online fundraising. This figure has decreased following the cancellation of fundraising events usually hosted as a result of the Covid-19 pandemic.

Investment management fees totalled £21,751 (2019 - £22,387). Close Asset Management charge an annual client management charge of 0.75% plus VAT on the value of funds under management at quarterly intervals.

Charitable Activities

Charitable activities for 2020 totalled £117,141 (2019 - £205,427) and include donations made and governance costs. The latter comprising of charity administration fees, case advisor fees, and audit fees.

In accordance with usual practice, the trustees met their objectives for the public benefit by making donations of £41,375 (2019 - £117,797) to individuals and charitable causes.

Payments to the Charity Administrator, including related expenses, totalled £34,465 (2019 - £47,300) whose duties include supporting the fundraising, general management and governance of the charity.

Client co-ordinator fees totalled £33,433 (2019 - £34,271). The case advisor acts in an advisory capacity to the trustees to identify prospective beneficiaries and ways to assist them.

Insurance premiums were £1,734 (2019 - £1,631) and relate to the renewal of the trustee indemnity insurance policy of the charity.

The audit fee represents a provision of £4,200 (2019 - £4,200) for the audit of these financial statements.

GRAND PRIX TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW (continued)

Reserves Policy

The 21 year accumulation policy expired on 12 February 2008 and therefore any undistributed income is no longer accumulated, with any balance remaining carried forward within the Income Fund, to be distributed at a future date.

Until 12 February 2008, it had been the trustees' policy to build the capital fund to achieve financial stability and to ensure that adequate income would be available for distribution once the accumulation period had expired.

Total charity reserves at 31 December 2020 were £2,906,367 (2019 - £2,900,963) with income reserves of £353,896 (2019 - £333,374).

The trustees are acutely aware of their responsibilities to utilise the resources available to them to further the charity's objectives. A significant number of mechanics, who can potentially benefit from the charity's assistance are approaching their more senior years and as such, the trustees expect to see a steady increase in demand for support in the coming years, which they are confident will utilise the annual incoming resources and any accumulated income. It is due to this anticipated future demand that the trustees continue to raise funds for the charity, with a view to increasing the capital base to somewhere in the region of £3 million.

The trustees communicate on a regular basis and meet formally twice a year to review their investment and distribution policy.

Risk Management

A risk assessment has been undertaken which consists of:

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

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

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

GRAND PRIX TRUST
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

6. PLANS FOR THE FUTURE

In 2016, the trust decided to revise its scope, which included all F1 team employees, trackside or factory based, plus contract staff employed on F1 activities. It was also extended, at the trustees' discretion, to other bodies with personnel that were directly employed in F1, such as photographers or catering staff. This has worked well and has extended the reach and effectiveness of the trust.

This work continues with regard to working with F1 teams, suppliers and employers along with other motorsport events and organisations where we can make aware, meet and interact with potential beneficiaries, and other people who may know of an eligible person who needs help.

The trust has increased its social media presence and also focussed on the important social side, with a view to dramatically increasing our registered members.

The trust has undertaken Regional Member's meetings which have brought great success and continue to grow. These meetings will continue with the intention of expanding to other areas to reach a broader audience.

The trust goes from strength to strength in terms of awareness and effectiveness.

The Covid-19 pandemic has created significant operational and financial pressures on the Charity and their beneficiaries. The charity will continue to provide support to those in need and have introduced new procedures to ease the applications.

The charity received the second of five annual instalments of £100,000 in December 2020 following five 5 year pledge agreement from an individual donor.

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

C J A BLISS

19/10/2021

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
GRAND PRIX TRUST

Opinion

We have audited the financial statements of The Grand Prix Trust (“the trust” or “the charity”) for the year ended 31 December 2020 which comprise the Statement of Financial Activity, Balance Sheet, Cash Flow Statement 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 state of the charity’s affairs as at 31 December 2020 and of its incoming resources and application of resources, 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 requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees’ use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity’s ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees’ Annual Report and Financial Statements, 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.

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
GRAND PRIX TRUST (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 2, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of 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.

REPORT OF THE INDEPENDENT AUDITOR
TO THE TRUSTEES OF
GRAND PRIX TRUST (continued)

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

R PARMAR

19/10/2021

Bowker Orford
15-19 Cavendish Place
London
W1G 0DD

Date:

Bowker Orford is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

GRAND PRIX TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

	Page	Unrestricted Funds Capital Fund £	Income Fund £	Total 2020 £	Total 2019 £
Income from:					
Investments (note 2)	18	-	58,248	58,248	79,753
Donations (note 3)	18	-	105,560	105,560	209,578
Total income		-	163,808	163,808	289,331
Expenditure on:					
Charitable activities (note 5)	19	-	117,141	117,141	205,427
Raising funds (note 6)	19	-	26,145	26,145	82,785
Total expenditure		-	143,286	143,286	288,212
Net income / (expenditure) before net gains / (losses)		-	20,522	20,522	1,119
Net (losses) / gains on investments (note 7)	20	(14,623)	-	(14,623)	339,563
Net unrealised (loss) on investment cash (note 14)	22	(495)	-	(495)	(453)
Net movement in funds		(15,118)	20,522	5,404	340,229
Reconciliation of funds:					
Total funds brought forward at 1 January 2020		2,567,589	333,374	2,900,963	2,560,734
Total funds carried forward at 31 December 2020		£ 2,552,471	£ 353,896	£ 2,906,367	£ 2,900,963

There are no recognised gains or losses other than those included in the Statement of Financial Activities.

All income and expenditure relate to continuing activities.

GRAND PRIX TRUST
CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2020

	Page	2020		2019	
Fixed Assets		£	£	£	£
Investments and cash at market value under management (note 7)	19		2,763,361		2,792,827
Current Assets					
Debtors (note 8)	21	2,763		5,313	
Prepayment		1,099		1,634	
Cash at bank (note 9)	21	158,952		123,475	
			<u>162,814</u>		<u>130,422</u>
Creditors - amounts falling due within one year (note 10)	21	(19,808)		(22,286)	
Net current assets			<u>143,006</u>		<u>108,136</u>
Total assets less current liabilities			<u><u>£2,906,367</u></u>		<u><u>£ 2,900,963</u></u>
Represented by:					
Unrestricted funds					
Capital fund			2,552,471		2,567,589
Income fund			353,896		333,374
Total Charity funds			<u><u>£ 2,906,367</u></u>		<u><u>£ 2,900,963</u></u>

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

C J A BLISS

19/10/2021

GRAND PRIX TRUST
CHARITY BALANCE SHEET
AT 31 DECEMBER 2020

	Page	2020		2019	
		£	£	£	£
Fixed Assets					
Investments and cash at market value under management (note 7)	19		2,763,561		2,793,027
Current Assets					
Debtors (note 8)	21	2,763		5,313	
Prepayment		1,099		1,634	
Cash at bank (note 9)	21	158,101		122,624	
			<u>161,963</u>		<u>129,571</u>
Creditors - amounts falling due within one year (note 10)	21	(19,808)		(22,286)	
Net current assets			<u>142,155</u>		<u>107,285</u>
Total net assets			<u>£ 2,905,716</u>		<u>£ 2,900,312</u>
Represented by:					
Unrestricted funds					
Capital fund			2,551,800		2,566,918
Income fund			353,916		333,394
Total Charity funds			<u>£ 2,905,716</u>		<u>£ 2,900,312</u>

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

C J A BLISS

19/10/2021

GRAND PRIX TRUST
CONSOLIDATED STATEMENT OF CASH FLOWS
AT 31 DECEMBER 2020

	Page	2020 £	2019 £
Net Cash flows from operating activities			
Net incoming resources before gains	12	5,404	340,229
Less investment income and deposit interest		(58,248)	(79,753)
Loss / (gain) on investment assets		14,623	(339,563)
Decrease in debtors and prepayments		3,085	3,680
(Decrease) / increase in creditors		(2,478)	5,279
Loss on revaluation of investment cash	22	495	453
<i>Net cash expended from operating activities</i>		<u>(37,119)</u>	<u>(69,675)</u>
Cash flows from investing activities			
Investment income	18	58,123	79,497
Deposit interest		125	256
Payments to acquire investments	20	(216,584)	(331,592)
Receipts from sales of investments	20	408,471	266,902
<i>Net cash generated from investing activities</i>		<u>250,135</u>	<u>15,063</u>
Net increase / (decrease) in cash and cash equivalents for the year		213,016	(54,612)
Reconciliation of net cash flow to movement in net funds			
Net cash resources at 1 January 2020		127,450	182,515
(Loss) on revaluation of investment cash	22	(495)	(453)
Cash and cash equivalents at 31 December 2020		<u>£ 339,971</u>	<u>£ 127,450</u>
Cash and cash equivalents consist of:			
Cash held with Coutts & Co	21	132,695	99,040
Cash held with Close Brothers	19	193,781	17,150
Cash held with Bank of Scotland	21	13,495	11,260
		<u>£ 339,971</u>	<u>£ 127,450</u>

GRAND PRIX TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and preceding period.

Basis of accounting

The charity constitutes a public benefit as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The trust continues as public benefit entity as defined by FRS 102.

Fixed Asset Investments

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

Investments in subsidiary undertakings are stated at cost.

Incoming resources

Voluntary donations include donations under Gift Aid with the associated tax credits included when receivable. Interest from deposit accounts is included when received.

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

Resources expended

All expenditure is included on an accruals basis, which is where there is a legal or constructive obligation committing the trust to the expenditure.

The costs of generating funds consist of investment management fees, non-reclaimable UK tax credits and bank charges.

Charitable activities comprise grants and donations made during the year, governance costs and expenditure incurred providing grant support and monitoring and are expended through the Statement of Financial Activities when the offer is conveyed to the recipient.

Governance costs relate to the general running of the charity, as opposed to the management functions inherent in generating funds.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value.

Consolidation

The consolidated financial statements comprise those of the trust and its wholly owned subsidiary, Grand Prix Trading Limited.

GRAND PRIX TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

ACCOUNTING POLICIES (continued)

Status of funds

All funds are held on an unrestricted basis. The trustees have complete discretion for the use of the funds in pursuance of the trust's objectives

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised as expenditure.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the entity's cash management.

Provisions

Provisions are recognised when the charity has an obligation at the Balance Sheet date as a result of a past event, it is probable that an outflow of economic benefit will be required in settlement and the amount can be reliably estimated.

Taxation

The charity is not subject to any taxes on its charitable activities. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the level of income and expenditure is sufficient with an income level of reserves for the charity to be able to continue as a going concern.

The Covid-19 pandemic has created significant operational and financial pressures on the charity. Having considered the contingency plans in place, the support to businesses announced by the UK Government and having reviewed updated Cashflow forecasts, the trustees consider the adoption of the going concern basis in preparing these financial statements continues to be appropriate.

Judgements and key sources of estimated uncertainty

In preparing these financial statements, the trustees have to make judgements on how to apply the charity's accounting policies and make estimates about the future. The critical judgement that has been made at arriving at the amounts recognised in the financial statements and the key area of estimation uncertainty that has a significant risk of causing a material adjustment to the carrying value of assets and liabilities in the next financial year, is discussed below:

- Listed investment valuations.

The charity holds listed investments whose valuations are largely expected to be in line with the relevant stock prices listed on the London Stock Exchange.

GRAND PRIX TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. INCOME FROM INVESTMENTS	Page	2020 £	2019 £
Income from UK quoted securities		39,261	59,584
Income from foreign quoted securities		21,030	20,496
Accrued income received		683	-
Adjustment for accrued income		(2,851)	(583)
		<hr/>	<hr/>
		58,123	79,497
Deposit interest from accounts with			
- Coutts & Co		123	241
- Bank of Scotland		2	2
- Close Brothers Asset Management		-	12
HM Revenue & Customs repayment supplement		-	1
		<hr/>	<hr/>
Total Investment Income	12	£ 58,248	£ 79,753
		<hr/> <hr/>	<hr/> <hr/>

3. INCOME FROM DONATIONS

Voluntary donations	12	£ 105,560	£ 209,578
		<hr/> <hr/>	<hr/> <hr/>

4. NET PROFIT FROM TRADING ACTIVITY OF SUBSIDIARY

The charity has a wholly owned trading subsidiary, Grand Prix Trading Limited, which is incorporated in England and Wales. The company organises fundraising events solely for the purpose of raising funds for The Grand Prix Trust. Once a working balance is available, the company donates its taxable profits to The Grand Prix Trust. The company was dormant for the year and also the prior year. Unaudited financial statements are filed with the Registrar of Companies each year.

	2020 £	2019 £
Net assets	£ 851	£ 851
	<hr/> <hr/>	<hr/> <hr/>

GRAND PRIX TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5. CHARITABLE ACTIVITIES	Page	2020 £	2019 £
Charitable donations made to individuals		41,375	117,797
Governance costs			
Administration fees and expenses		33,433	47,300
Client co-ordinator fees		34,399	34,271
Audit fee		4,200	4,200
Legal fees		2,000	228
Insurance premium		1,734	1,631
Total Charitable Activities	12	<u>£ 117,141</u>	<u>£ 205,427</u>

Administration fees represent amounts paid to Arlene Bansal, whose duties include supporting the fundraising, general management and governance of the charity.

Client co-ordinator fees represent amounts paid to Sally Oliver who acted in an advisory capacity to the trustees with regards to identifying prospective beneficiaries and ways to assist these beneficiaries.

6. EXPENDITURE ON RAISING FUNDS

Investment management fees		21,751	22,387
Tax credits on investment income - overseas withholding tax		3,995	4,130
- UK reclaimable		(301)	(354)
Fundraising expenses		426	56,357
Online fundraising fees		274	235
Bank charges (group)		-	30
	12	<u>£ 26,145</u>	<u>£ 82,785</u>

7. FIXED ASSET INVESTMENTS (AT MARKET VALUE)

Held with Close Asset Management Ltd

Quoted investments within the United Kingdom		1,505,353	1,803,431
Quoted investments outside the United Kingdom		1,076,989	985,421
		<u>2,582,342</u>	<u>2,788,852</u>
Cash held as part of the investment portfolio	15	181,019	3,975
	13	2,763,361	2,792,827
Subsidiary undertaking (at cost) - see below		200	200
	14	<u>£ 2,763,561</u>	<u>£ 2,793,027</u>

GRAND PRIX TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Page	2020 £	2019 £
FIXED ASSET INVESTMENTS (AT MARKET VALUE) (continued)			
Net unrealised (loss) / gain on UK investments		(25,546)	173,506
Net unrealised gain on overseas investments		86,610	160,921
		<hr/> 61,064	<hr/> 334,427
Net realised (loss) on UK investments		(64,036)	(1,872)
Net realised (loss) / gain on overseas investments		(11,651)	7,008
		<hr/> (75,687)	<hr/> 5,136
Total net (loss) / gain on Fixed Asset Investments	12	<hr/> <u>£ (14,623)</u>	<hr/> <u>£ 339,563</u>

The charity owns the whole of the issued share capital, 200 ordinary shares of £1 each, of Grand Prix Trading Limited, registered company number 02122266 in England and Wales. The company is dormant with net assets of £851.

There were no material investments representing more than 5% of the value of the total investment portfolio in the year.

Quoted investments:		2020 £	2019 £
Market value at 1 January 2020		2,788,852	2,384,599
Additions at cost	15	216,584	331,592
Disposal proceeds at carrying value	15	(408,471)	(266,902)
Net realised investment (loss) / gain on sales		(75,687)	5,136
Net unrealised investment gain on revaluation		61,064	334,427
Market value at 31 December 2020		<hr/> <u>£ 2,582,342</u>	<hr/> <u>£ 2,788,852</u>
Historical cost at 31 December 2020		<hr/> <u>£ 1,738,507</u>	<hr/> <u>£ 1,921,064</u>

GRAND PRIX TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

8. DEBTORS	Page	Group		Charity	
		2020 £	2019 £	2020 £	2019 £
Accrued income		2,108	4,959	2,108	4,959
HM Revenue & Customs		655	354	655	354
	13/14	<u>£ 2,763</u>	<u>£ 5,313</u>	<u>£ 2,763</u>	<u>£ 5,313</u>
9. CASH AT BANK					
Bank of Scotland Plc					
Sterling deposit account		5,608	5,606	4,757	4,755
Sterling current account		7,887	5,654	7,887	5,654
	15	<u>13,495</u>	<u>11,260</u>	<u>12,644</u>	<u>10,409</u>
Coutts & Co	15	132,695	99,040	132,695	99,040
Close Brothers					
US dollar capital a/c (\$17,421)		12,762	13,175	12,762	13,175
	13/14	<u>£ 158,952</u>	<u>£ 123,475</u>	<u>£ 158,101</u>	<u>£ 122,624</u>
10. CREDITORS - amounts falling due within one year					
Investment management fees		5,697	5,765	5,697	5,765
Future commitments		5,000	2,375	5,000	2,375
Audit fee		4,200	4,200	4,200	4,200
Client co-ordinator		2,921	4,401	2,921	4,401
Trust administrator		1,936	4,957	1,936	4,957
Sundry expenses		54	588	54	588
	13/14	<u>£ 19,808</u>	<u>£ 22,286</u>	<u>£ 19,808</u>	<u>£ 22,286</u>

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

	Page	2020	2019
11. FINANCIAL INSTRUMENTS		£	£
The carry amounts of the charity's financial instruments are as follows:			
<i>Financial assets</i>			
Measured at fair value through SOFA:			
-Fixed asset quoted investments (note 7)	20	2,582,342	2,788,852
-Cash under management (note 7)	19	181,019	3,975
-Cash at bank and in hand (note 9)	21	158,101	122,624
Measured at amortised cost:			
-Accrued income (note 8)	21	2,108	4,959
-Other debtors (note 8)	21	655	354
-Prepayments		1,099	1,634
<i>Financial liabilities</i>			
Measured at amortised cost:			
-Accruals (note 10)	21	19,808	22,286
		<u> </u>	<u> </u>
The income, expenses, net gains and net losses attributable to the charity's financial instruments are summarised as follows:			
<i>Income and expense</i>			
Measured at fair value through SOFA:			
Net (losses) / gains (at fair value)	12	£ (15,118)	£ 339,110
		<u> </u>	<u> </u>
12. FOREIGN EXCHANGE (LOSS)			
Revaluation of Close Brothers US dollar account	12/15	£ (495)	£ (453)
		<u> </u>	<u> </u>

GRAND PRIX TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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15. TRANSACTIONS WITH TRUSTEES AND CONNECTED PERSONS

No trustee received any remuneration or refund of expenses during the year ended 31 December 2020.

No transactions occurred between the trust and the trustees during the year ended 31 December 2020.

The following Trustees' also were directors of Grand Prix Trading Limited during the year ended 31 December 2020:

- Christopher Jan Andrew Bliss;
- Michael Jakeman.

16. ULTIMATE CONTROLLING PARTY

The ultimate controlling party are the trustees of the Grand Prix Trust.

17. DONATED SERVICES

Rawlinson & Hunter have donated their technical and advisory services in preparing the financial statements and other charity administration. The value of these services has been estimated at £24,000 plus VAT for the year ended 31 December 2020 (2019 - £32,000 plus VAT).