

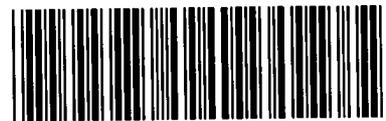
REGISTERED NUMBER: 00257980 (England and Wales)

**Group Strategic Report,
Report of the Directors and**

**Consolidated Financial Statements
for the Year Ended 31 December 2021**

for British Racing Drivers Club Limited(The)

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	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	6
Energy and Carbon Report forming part of the Report of the Directors	8
Report of the Independent Auditors	9
Consolidated Statement of Comprehensive Income	14
Consolidated Balance Sheet	15
Company Balance Sheet	16
Consolidated Statement of Changes in Equity	17
Company Statement of Changes in Equity	18
Consolidated Cash Flow Statement	19
Notes to the Consolidated Cash Flow Statement	20
Notes to the Consolidated Financial Statements	22
Consolidated Detailed Income and Expenditure Account	47

British Racing Drivers Club Limited(The)

**Company Information
for the Year Ended 31 December 2021**

DIRECTORS:	Lord Beaverbrook J A M Grant H M Handkammer G W Shedden P N Walker D Turner P Digby
SECRETARY:	G M Couldrake
REGISTERED OFFICE:	Silverstone Circuit Silverstone Towcester Northamptonshire NN12 8TN
REGISTERED NUMBER:	00257980 (England and Wales)
AUDITORS:	Harris & Co (Accountants) Ltd, Statutory Auditor 2 Pavilion Court 600 Pavilion Drive Northampton NN4 7SL
BANKERS:	HSBC Bank 19 Midsummer Place Milton Keynes MK9 3GB
SOLICITORS:	Howes Percival LLP Oxford House Cliftonville Northampton NN1 5PN

The directors present their strategic report of the company and the group for the year ended 31 December 2021.

REVIEW OF BUSINESS

The group is responsible for the management of the Silverstone venue which hosts several major motorsport events, the most significant being the F1 British Grand Prix. In addition, it hires its many facilities to a broad range of clients and regularly hosts activities for both corporate and retail customers. The venue also operates a substantial conference, banqueting and exhibition space.

The group has continued to implement its plan to diversify its sources of income by developing a broader range of profitable, cash generative and sustainable revenue streams.

The group's business operations were significantly impacted in 2020 by the COVID-19 pandemic and the associated UK Government restrictions on business activities. The group took the decision in March 2020 to immediately close the Silverstone circuit to the public in line with government guidelines.

The closure of the circuit had a significant impact on the financial position of the group in 2020, due in particular to the cancellation or closure to the public of all major events such as the F1 British Grand Prix.

Although COVID-19 restrictions continued to affect the group in the first half of 2021, the return of fans to the F1 British Grand Prix in July and the British MotoGP in August has had a significant positive impact on the group's profitability.

PRINCIPAL RISKS AND UNCERTAINTIES

Revenue

Because of its high fixed cost base, it is important for the group to minimise the risk of revenue falling short of expectations. It therefore remains a strategic priority to grow and diversify revenues from a variety of profitable sources.

In a normal year, the British Grand Prix generates more than half of the group's annual revenue.

In July 2019, a five-year contract was signed with Formula One World Championship Ltd to host the F1 British Grand Prix at Silverstone until 2024. The Board considers that the commercial terms of the new contract, compared to the previous contract, significantly reduce financial risk and improve profitability.

As COVID-19 restrictions prevented public attendance in 2020, special arrangements were agreed with Formula One for the running of the 2020 F1 British Grand Prix and an additional event, the 70th Anniversary Grand Prix. This meant that the full benefits of the new contract were not realised in its first year.

In 2021, the relaxation of COVID-19 restrictions supported a return to public attendance for our F1 fans. With a fantastic championship battle, glorious weather and strong demand from fans to get back to watching live sport, the 2021 F1 British Grand Prix had a sell-out, record crowd.

As a result, the commercial benefits of the new contract are now being fully realised.

Liquidity

Following the onset of the COVID-19 pandemic and the UK Government's restrictions on business activities from March 2020, the group cancelled events open to the public and significantly curtailed its other activities. Although some 70% of ticket holders for the F1 British Grand Prix and British MotoGP agreed to roll over their tickets to 2021, the group provided refunds to many of its customers for cancelled events and this adversely affected the group's cash position in 2020.

The strength of sales for the 2021 public events season, including the F1 British Grand Prix and the British MotoGP, as well as robust forward sales for the 2022 season has meant that the group's liquidity position has strengthened significantly during 2021.

SECTION 172(1) STATEMENT

The directors of The British Racing Drivers' Club Limited consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole during the year ended 31st December 2021.

Members

The directors, as members of the Club, understand that they are accountable to current members and also to future generations of members. Consideration of the long-term success and viability of the Club is therefore an important part of any strategic or commercial decision-making,

The Club has a small permanent staff to ensure that member communications are regular, timely and relevant. In a normal year, the Club hosts events for members to ensure that their views and opinions can be aired and to ensure that the directors have regular contact with the members; due to COVID-19, such activities were necessarily curtailed for much of 2020 and the first half of 2021.

Employees

The British Racing Drivers' Club Limited and Silverstone Circuits Limited communicate with their employees on a regular basis via team updates and newsletters. The majority of staff normally work at the Silverstone site and have close access to at least one Silverstone Circuits Limited board director on a daily basis. Major business developments are communicated promptly to all staff impacted and staff opinions are regularly captured in the day-to-day business. During the current and prior year, many staff were furloughed for several months and others worked mainly from home. Comprehensive arrangements were put in place to minimise risks to employees on their return to normal working.

Customers

It is essential to the long-term success of Silverstone that strong customer relationships are developed and great emphasis is placed on customer feedback and in delighting customers. Customer contact is maintained via a variety of communication channels, including telephone, e-mail, social media and face-to-face. Feedback ratings received on the F1 British Grand Prix continued to be extremely high in 2021, with customer reviews being overwhelmingly positive across all activities and events.

Suppliers and Partners

Strong relationships are enjoyed with key partners and suppliers and a number of multi-year contractual relationships are in place to support the continual delivery of excellent service to customers. The directors and management seek to build commercial relationships that strike a fair balance between all parties involved so that the relationships can be sustained over the longer term.

Local Community

The Silverstone Circuit is one of the country's most famous sporting venues and has a rich history dating back to its use as an airfield in the Second World War. The board of directors take seriously the place that Silverstone has in the local community and ensure that engagement with stakeholders in the local area is timely, especially with respect to activities being held at the circuit.

FUTURE DEVELOPMENTS

The group intends to maintain its principal activity of operating Silverstone as a premier international motor racing venue. It continues to explore and implement opportunities to extend its range of activities and further improve long-term financial performance and sustainability.

As a result of its strong financial performance in 2021, the group has recovered fully from the damaging effects of COVID-19 in 2020. The Board expects the group to deliver another strong performance in 2022, but is mindful that a new British Grand Prix contract will need to be negotiated with Formula One before the current contract ends in 2024.

The group is well supported by its main banking partner and the Board feels that the group is well placed to take advantage of new profitable opportunities as they develop.

ON BEHALF OF THE BOARD:



J A M Grant - Director

22 September 2022

British Racing Drivers Club Limited(The)

Report of the Directors for the Year Ended 31 December 2021

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activities of the group are the operation of a motor racing circuit and a members' club.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2021.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

Lord Beaverbrook
J A M Grant
H M Handkammer
G W Shedden
P N Walker

Other changes in directors holding office are as follows:

N Adams - resigned 23 September 2021
T J Plato - resigned 22 July 2021
D Turner - appointed 22 July 2021
P Digby - appointed 23 September 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the surplus or deficit of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

British Racing Drivers Club Limited(The)

**Report of the Directors
for the Year Ended 31 December 2021**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Harris & Co (Accountants) Ltd, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



J A M Grant - Director

22 September 2022

British Racing Drivers Club Limited(The)

Energy and Carbon Report forming part of the Report of the Directors for the Year Ended 31 December 2021

- Annual quantity of Green House Gas emissions 3,181 tCO₂e/yr
- Annual quantity of emissions from purchase of electricity for own use 1,781 tCO₂e/yr
- Annual quantity energy consumed 14,711 MWh/yr
- 51.69 Tonnes of CO₂e per £000,000's revenue

In line with the Streamlined Energy and Carbon Reporting legislation, the company is required to report its energy consumption and greenhouse gas emissions arising in the UK. All scope 1 & 2 sources of energy and emissions have been disclosed as well as mandatory scope 3 sources of energy and emissions.

The British Racing Drivers Club Limited and Silverstone Circuits Limited engaged an external firm called LG Energy Group to undertake the Streamlined Energy and Carbon Reporting for the financial statements.

Silverstone appointed a Head of Business Sustainability during 2021 to focus on the venue's plans for a sustainable future, environmentally, economically and operationally. Silverstone actively seek ways to minimise their impact on the environment by helping their customers be responsible consumers, giving them information and choices. They encourage the use of HVO Fuels and are looking to install solar panels on site in the next year. Internal generators are also using HVO Fuels and the use of red diesel is decreasing year on year. LED lighting is now used as standard and ESOS surveys will be completed in the next year to look for consumption based savings.

Conversion Factors

All conversion factors and fuel properties used in this disclosure have been taken from the 2021 "UK Government Greenhouse Gas Conversion Factors for Company Reporting" published by the Department for Business, Energy & Industrial Strategy (BEIS) and the Department for Environment, Food & Rural Affairs (DEFRA). All greenhouse gas emissions have been expressed in terms of their carbon dioxide equivalence.

Utilities

Where possible, energy consumption expressed in kilowatt-hours has been taken from suppliers' invoices. The electricity consumption has been checked against the half hourly data and the invoiced figures to confirm the totals reached.

Transport

Diesel, petrol and HVO fuel consumption used in vehicles at site has been given in litres of fuel and converted accordingly.

Other Fuels & Emissions

Gas oil and LPG has been for heating and catering facilities. The kgCO₂e/litre and kgCO₂e/kWh conversion factors have been used to calculate greenhouse gas emissions and underlying energy use.

Maintenance records did not contain any instances of refrigerant leaks during the reference period. No other fugitive emissions have been identified.

**Report of the Independent Auditors to the Members of
forming part of the Report of the Directors
British Racing Drivers Club Limited(The)**

Opinion

We have audited the financial statements of British Racing Drivers Club Limited(The) (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 group's and of the parent company affairs as at 31 December 2021 and of the group's surplus 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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- Enquiring of management regarding the assumptions used in the going concern models;
- Evaluating the group's and parent company's existing access to sources of finance, including undrawn committed bank facilities;
- Reading industry reports and data and other external information to determine if it provided corroborative or contradictory evidence in relation to management's assumptions;
- Comparing forecasted sales to recent historical financial information;
- Testing the underlying data generated to prepare the forecast scenarios and determining whether there was adequate support for the assumptions underlying the forecast; and
- Evaluating the group's and parent company's disclosures on going concern against the requirements of United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006.

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 group's and parent 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 directors with respect to going concern are described in the relevant sections of this report.

**Report of the Independent Auditors to the Members of
forming part of the Report of the Directors
British Racing Drivers Club Limited(The)**

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

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 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page six, the directors 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 directors determine 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 directors are responsible for assessing the group's and the parent 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 directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of
forming part of the Report of the Directors
British Racing Drivers Club Limited(The)**

Auditors' responsibilities for the audit of the financial statements

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 a Report of the Auditors 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.

Identifying and assessing potential risks related to irregularities

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the industry and sector, control environment and business performance including the design of the company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- Enquiring of management and the directors, including obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Discussing among the engagement team and involving relevant internal specialists, including tax, and industry specialists (where relevant) regarding how and where fraud might occur in the financial statements and any potential indicators of fraud; and
- Obtaining an understanding of the legal and regulatory frameworks that the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements, such as provisions of the UK Companies Act, pensions legislation and tax legislation or that had a fundamental effect on the operations of the company; including General Data Protection requirements, anti-bribery and corruption policy.

Audit response to risks identified

As a result of performing the above, we identified various F1 contracts, FIA and Motorsport UK licences as key audit matters related to potential areas where non-compliance with laws and regulations might lead to material misstatements and the sale of the F1 tickets as a key audit matter related to the potential risk of fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

In addition to the above, our procedures to respond to risks identified include the following:

- Review of the financial statement disclosures and testing to support documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Review of the various legal agreements for key clauses that require the company to comply with and then testing compliance with those clauses;
- Enquiring of management, the directors and in-house and external legal counsel where relevant concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Performing testing of the sale of F1 tickets; and
- Reading minutes of meetings of those charged with governance, reviewing internal reports (where relevant) and correspondence.
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

**Report of the Independent Auditors to the Members of
forming part of the Report of the Directors
British Racing Drivers Club Limited(The)**

Audit response to risks identified (continued)

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to an indications of fraud or non-compliance with laws and regulations throughout the audit.

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 Report of the Auditors. Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and access the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report of the Independent Auditors to the Members of
forming part of the Report of the Directors
British Racing Drivers Club Limited(The)**

Use of our report

This report is made solely to the 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 company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Phillip Harris BA FCA (Senior Statutory Auditor)
for and on behalf of Harris & Co (Accountants) Ltd, Statutory Auditor
2 Pavilion Court
600 Pavilion Drive
Northampton
NN4 7SL

22 September 2022

British Racing Drivers Club Limited(The)

Consolidated Statement of Comprehensive Income
for the Year Ended 31 December 2021

		2021	2020
	Notes	£'000	as restated £'000
TURNOVER		62,951	14,666
Cost of sales		<u>(40,572)</u>	<u>(6,587)</u>
GROSS SURPLUS		22,379	8,079
Administrative expenses		<u>(16,064)</u>	<u>(13,473)</u>
OPERATING SURPLUS/(DEFICIT)	4	6,315	(5,394)
Exceptional items	5	<u>1,094</u>	<u>1,421</u>
		7,409	(3,973)
Interest receivable and similar income		139	147
Interest payable and similar expenses	6	<u>83</u>	<u>(97)</u>
SURPLUS/(DEFICIT) BEFORE TAXATION		7,631	(3,923)
Tax on surplus/(deficit)	7	<u>(957)</u>	<u>2,472</u>
SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR		6,674	(1,451)
OTHER COMPREHENSIVE INCOME			
Actuarial loss on pension scheme		(51)	(116)
Income tax relating to other comprehensive income		<u>10</u>	<u>22</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>(41)</u>	<u>(94)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>6,633</u>	<u>(1,545)</u>
Surplus/(deficit) attributable to: Owners of the parent		<u>6,674</u>	<u>(1,451)</u>
Total comprehensive income attributable to: Owners of the parent		<u>6,633</u>	<u>(1,545)</u>

The notes form part of these financial statements

Consolidated Balance Sheet
31 December 2021

	Notes	2021 £'000	2020 as restated £'000
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	28,312	27,888
Investments	12	-	-
		<u>28,312</u>	<u>27,888</u>
CURRENT ASSETS			
Stocks	13	674	370
Debtors	14	4,003	5,244
Cash at bank and in hand		<u>33,764</u>	<u>10,836</u>
		38,441	16,450
CREDITORS			
Amounts falling due within one year	15	<u>(50,925)</u>	<u>(33,401)</u>
NET CURRENT LIABILITIES			
		<u>(12,484)</u>	<u>(16,951)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		15,828	10,937
CREDITORS			
Amounts falling due after more than one year	16	(810)	(2,153)
PROVISIONS FOR LIABILITIES			
	20	-	(100)
PENSION ASSET/(LIABILITY)			
	22	<u>13</u>	<u>(286)</u>
NET ASSETS			
		<u>15,031</u>	<u>8,398</u>
RESERVES			
Revaluation reserve	21	6,275	6,275
Retained earnings	21	<u>8,756</u>	<u>2,123</u>
		<u>15,031</u>	<u>8,398</u>

The financial statements were approved by the Board of Directors and authorised for issue on 22 September 2022 and were signed on its behalf by:



J A M Grant - Director

Company Balance Sheet
31 December 2021

		2021	2020	2020
	Notes	£'000	as restated £'000	£'000
FIXED ASSETS				
Intangible assets	10	-	-	-
Tangible assets	11	26,086	16,857	16,998
Investments	12	<u>1,004</u>	<u>1,004</u>	<u>6,632</u>
		<u>27,090</u>	<u>17,861</u>	<u>23,630</u>
CURRENT ASSETS				
Stocks	13	1	2	3
Debtors	14	2,448	928	211
Cash at bank		<u>47</u>	<u>995</u>	<u>157</u>
		<u>2,496</u>	<u>1,925</u>	<u>371</u>
CREDITORS				
Amounts falling due within one year	15	<u>(19,360)</u>	<u>(11,853)</u>	<u>(12,271)</u>
NET CURRENT LIABILITIES				
		<u>(16,864)</u>	<u>(9,928)</u>	<u>(11,900)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES				
		10,226	7,933	11,730
PROVISIONS FOR LIABILITIES				
	20	-	-	(885)
PENSION ASSET/(LIABILITY)				
	22	<u>13</u>	<u>(286)</u>	<u>(205)</u>
NET ASSETS				
		<u>10,239</u>	<u>7,647</u>	<u>10,640</u>
RESERVES				
Revaluation reserve	21	6,275	3,395	3,395
Retained earnings	21	<u>3,964</u>	<u>4,252</u>	<u>7,245</u>
		<u>10,239</u>	<u>7,647</u>	<u>10,640</u>
Company's (loss)/profit for the financial year				
		<u>(246)</u>	<u>2,729</u>	

The financial statements were approved by the Board of Directors and authorised for issue on 22 September 2022 and were signed on its behalf by:


J A M Grant - Director

British Racing Drivers Club Limited(The)

**Consolidated Statement of Changes in Equity
for the Year Ended 31 December 2021**

	Retained earnings £'000	Revaluation reserve £'000	Total equity £'000
Balance at 1 January 2020	3,668	6,275	9,943
Changes in equity			
Deficit for the year	(1,451)	-	(1,451)
Other comprehensive income	<u>(94)</u>	<u>-</u>	<u>(94)</u>
Total comprehensive income	<u>(1,545)</u>	<u>-</u>	<u>(1,545)</u>
Balance at 31 December 2020	<u>2,123</u>	<u>6,275</u>	<u>8,398</u>
Changes in equity			
Surplus for the year	6,674	-	6,674
Other comprehensive income	<u>(41)</u>	<u>-</u>	<u>(41)</u>
Total comprehensive income	<u>6,633</u>	<u>-</u>	<u>6,633</u>
Balance at 31 December 2021	<u><u>8,756</u></u>	<u><u>6,275</u></u>	<u><u>15,031</u></u>

The notes form part of these financial statements

British Racing Drivers Club Limited(The)

**Company Statement of Changes in Equity
for the Year Ended 31 December 2021**

	Retained earnings £'000	Revaluation reserve £'000	Total equity £'000
Balance at 1 January 2020	1,617	3,395	5,012
Changes in equity			
Surplus for the year	8,357	-	8,357
Other comprehensive income	<u>(94)</u>	<u>-</u>	<u>(94)</u>
Total comprehensive income	<u>8,263</u>	<u>-</u>	<u>8,263</u>
Balance at 31 December 2020	<u>9,880</u>	<u>3,395</u>	<u>13,275</u>
Prior year adjustment	<u>(5,628)</u>	<u>-</u>	<u>(5,628)</u>
As restated	<u>4,252</u>	<u>3,395</u>	<u>7,647</u>
Changes in equity			
Deficit for the year	(246)	-	(246)
Other comprehensive income	<u>(41)</u>	<u>2,880</u>	<u>2,839</u>
Total comprehensive income	<u>(287)</u>	<u>2,880</u>	<u>2,593</u>
Balance at 31 December 2021	<u><u>3,965</u></u>	<u><u>6,275</u></u>	<u><u>10,240</u></u>

The notes form part of these financial statements

British Racing Drivers Club Limited(The)

**Consolidated Cash Flow Statement
for the Year Ended 31 December 2021**

		2021	2020
	Notes	£'000	as restated £'000
Cash flows from operating activities			
Cash generated from operations	1	26,974	(2,355)
Interest paid		<u>172</u>	<u>(3)</u>
Net cash from operating activities		<u>27,146</u>	<u>(2,358)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,010)	(1,095)
Sale of tangible fixed assets		2	-
Interest received		<u>139</u>	<u>147</u>
Net cash from investing activities		<u>(2,869)</u>	<u>(948)</u>
Cash flows from financing activities			
Repayment of other borrowings		(1,169)	(58)
Capital repayments in year		(122)	(172)
Interest paid		<u>(58)</u>	<u>(58)</u>
Net cash from financing activities		<u>(1,349)</u>	<u>(288)</u>
Increase/(decrease) in cash and cash equivalents			
Cash and cash equivalents at beginning of year	2	<u>10,836</u>	<u>14,430</u>
Cash and cash equivalents at end of year	2	<u>33,764</u>	<u>10,836</u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2021

1. RECONCILIATION OF SURPLUS/(DEFICIT) FOR THE FINANCIAL YEAR TO CASH GENERATED FROM OPERATIONS

	2021	2020 as restated
	£'000	£'000
Surplus/(deficit) for the financial year	6,674	(1,451)
Depreciation charges	2,585	2,876
Profit on disposal of fixed assets	(2)	-
Retirement benefits scheme contributions	(351)	(38)
Decrease in provisions	(273)	-
Finance costs	(83)	97
Finance income	(139)	(147)
Taxation	<u>957</u>	<u>(2,472)</u>
	9,368	(1,135)
Increase in stocks	(304)	(77)
Decrease in trade and other debtors	636	793
Increase/(decrease) in trade and other creditors	<u>17,274</u>	<u>(1,936)</u>
Cash generated from operations	<u><u>26,974</u></u>	<u><u>(2,355)</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2021

	31/12/21	1/1/21
	£'000	£'000
Cash and cash equivalents	<u>33,764</u>	<u>10,836</u>

Year ended 31 December 2020

	31/12/20	1/1/20 as restated
	£'000	£'000
Cash and cash equivalents	<u>10,836</u>	<u>14,430</u>

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2021

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/21 £'000	Cash flow £'000	At 31/12/21 £'000
Net cash			
Cash at bank and in hand	<u>10,836</u>	<u>22,928</u>	<u>33,764</u>
	<u>10,836</u>	<u>22,928</u>	<u>33,764</u>
Debt			
Finance leases	(206)	122	(84)
Debts falling due within 1 year	(58)	58	-
Debts falling due after 1 year	<u>(1,169)</u>	<u>1,169</u>	<u>-</u>
	<u>(1,433)</u>	<u>1,349</u>	<u>(84)</u>
Total	<u>9,403</u>	<u>24,277</u>	<u>33,680</u>

1. **STATUTORY INFORMATION**

British Racing Drivers Club Limited(The) is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements were prepared in accordance with applicable United Kingdom Accounting Standards, including FRS 102, and with the Companies Act 2006. These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in pounds sterling and rounded to thousands. The group's functional and presentation currency is the pound sterling.

The financial statements have been prepared on the going concern basis, notwithstanding the net current liabilities of £12.5m as at 31 December 2021. The group relies on cash received from advanced ticket sales to fund its operations; for accounting purposes, the associated revenue is deferred and held as a liability which amounted to £37.0m at 31 December 2021.

The Board maintains a risk register to identify material risks to the group and forecasts forward its financial performance on an ongoing basis. In the opinion of the Board, therefore, it remains appropriate to prepare the financial statements on a going concern basis.

2. ACCOUNTING POLICIES - continued

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December each year.

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities, and contingent liabilities is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

As permitted by Section 408 of the Companies Act 2006, a profit and loss account, dealing with the results of the holding company only, has not been presented.

2. ACCOUNTING POLICIES - continued

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Revenue is recognised to the extent that the group obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received and receivable, excluding discounts, rebates, VAT and other sales taxes. The following criteria must also be met before revenue is recognised:

Sales of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on completion of the service of provision of the facility.

Rendering of services

Revenue for the provision of event and conferencing services is recognised at the point at which the event takes place. Revenue from the provision of experience services is recognised at the point of delivering the experience.

Commissions

Sales commission is recognised over the period in which the service is provided.

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Goodwill
Amortisation method and rate	5 years straight line basis

Impairment of assets

At each reporting date non-financial assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land & buildings	-	No depreciation and straight line over 3 to 20 years
Track works	-	Straight line over 8 to 12 years
Plant & machinery	-	Straight line over 3 to 20 years
Furniture & equipment	-	Straight line over 3 to 20 years
Motor vehicles	-	Straight line over 3 to 10 years

Heritage assets

The British Racing Drivers' Club holds a collection of motor-sport memorabilia for the purpose of fostering and promoting public interest. This is initially held in the balance sheet at historical cost where purchased, or if donated, at the market value at the date of donation. The assets are periodically revalued to reflect fair value.

No depreciation is charged on the collection as it is considered to have an indeterminate useful life.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

The cost comprises direct materials. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Taxation

The tax expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to surplus or deficit on a straight line basis over the period of the lease.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Defined benefit pension obligation

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

2. ACCOUNTING POLICIES - continued

Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation at the reporting date.

Investments

Investments in equity instruments are measured initially at cost, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition, investments that can be measured reliably, are measured at fair value with changes recognition in profit or loss. Other investments are measured at cost less impairment in profit or loss.

Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Alternative performance measures

The directors use Adjusted EBITDA as the preferred business performance measure as it best represents the underlying trading performance of the business by excluding depreciation (which is a function of historical capital expenditure) and non-recurring exceptional items. Exceptional items are costs or income which either arise from the normal operation of the business but are outside the normal value range expected or relate to items that do not occur in the normal course of business.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021**

2. ACCOUNTING POLICIES - continued

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity, Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3. EMPLOYEES AND DIRECTORS

	2021	2020 as restated
	£'000	£'000
Wages and salaries	6,215	4,214
Social security costs	610	475
Other pension costs	<u>222</u>	<u>181</u>
	<u>7,047</u>	<u>4,870</u>

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

	2021	2020 as restated
Administrative, operational, management	<u>126</u>	<u>143</u>

	2021	2020 as restated
	£	£
Directors' remuneration	524,025	296,000
Directors' pension contributions to money purchase schemes	<u>32,935</u>	<u>29,600</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

3. EMPLOYEES AND DIRECTORS - continued

Information regarding the highest paid director is as follows:

	2021	2020 as restated
	£	£
Emoluments etc	224,025	149,350
Pension contributions to money purchase schemes	<u>14,935</u>	<u>14,934</u>

Company

No director received any emoluments from the company during the year under review (2020 - £nil).

4. OPERATING SURPLUS/(DEFICIT)

The operating surplus (2020 - operating deficit) is stated after charging/(crediting):

	2021	2020 as restated
	£'000	£'000
Hire of plant and machinery	281	213
Other operating leases	306	3
Depreciation - owned assets	2,586	2,877
Profit on disposal of fixed assets	(2)	-
Auditors' remuneration	18	20
Taxation compliance services	5	11
Foreign exchange differences	<u>17</u>	<u>(49)</u>

5. EXCEPTIONAL ITEMS

	2021	2020 as restated
	£'000	£'000
Exceptional items	<u>1,094</u>	<u>1,421</u>

The exceptional items in the period relate to £600,000 (2021 - £1,551,000) realised profits on the long lease of land for development by a third party. In the current year, there was also a release of bad debt provision relating to Silverstone Heritage Limited of £494,000.

A £130,000 provision was made in the prior year against monies owed from Silverstone Heritage Limited.

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020 as restated
	£'000	£'000
Loan interest	(115)	58
Interest payable	1	3
Hire purchase interest	<u>31</u>	<u>36</u>
	<u>(83)</u>	<u>97</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

7. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the surplus for the year was as follows:

	2021	2020 as restated
	£'000	£'000
Current tax:		
UK corporation tax	360	(237)
(Over)/under provision of tax	<u>(18)</u>	<u>-</u>
Total current tax	342	(237)
Deferred tax	<u>615</u>	<u>(2,235)</u>
Tax on surplus/(deficit)	<u>957</u>	<u>(2,472)</u>

UK corporation tax was charged at 19% in 2020.

Tax on items charged to equity

	2021	2020 as restated
	£'000	£'000
Deferred tax related to items recognised as items of other comprehensive income	<u>(10)</u>	<u>(22)</u>

Reconciliation of total tax charge/(credit) included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2021	2020 as restated
	£'000	£'000
Surplus/(deficit) before tax	<u>7,631</u>	<u>(3,923)</u>
Surplus/(deficit) multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,450	(745)
Effects of:		
Expenses not deductible for tax purposes	81	70
Income not taxable for tax purposes	(60)	(63)
Capital allowances in excess of depreciation	(439)	-
Depreciation in excess of capital allowances	-	105
Deferred tax movement	606	(2,256)
Losses carried forward	-	479
Losses brought forward utilised	(606)	(77)
Deferred tax on pension	10	22
Pension contribution adjustment	(67)	(7)
Over provision from prior year	<u>(18)</u>	<u>-</u>
Total tax charge/(credit)	<u>957</u>	<u>(2,472)</u>

7. TAXATION - continued

Tax effects relating to effects of other comprehensive income

	Gross £'000	2021 Tax £'000	Net £'000
Actuarial loss on pension scheme	<u>(51)</u>	<u>10</u>	<u>(41)</u>

	Gross £'000	2020 Tax £'000	Net £'000
Actuarial loss on pension scheme	<u>(116)</u>	<u>22</u>	<u>(94)</u>

8. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

9. PRIOR YEAR ADJUSTMENT

In the prior year, the company's investments in subsidiary undertakings were stated as £6,632,000. An error with this balance has been identified whereby in 2015 the balance was not amended for the reduction in issued share capital performed by the company's subsidiary, Silverstone Circuits Limited. The balance has therefore been correctly re-stated as £1,006,000. The prior year adjustment has had no effect on the consolidated balance sheet.

10. INTANGIBLE FIXED ASSETS

Group	Goodwill £'000
COST	
At 1 January 2021 and 31 December 2021	<u>388</u>
AMORTISATION	
At 1 January 2021 and 31 December 2021	<u>388</u>
NET BOOK VALUE	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>-</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

11. TANGIBLE FIXED ASSETS

Group	Land & buildings £'000	Track works £'000	Plant & machinery £'000	
COST				
At 1 January 2021	21,579	18,400	4,826	
Additions	849	68	403	
Disposals	<u>173</u>	<u>(173)</u>	<u>-</u>	
At 31 December 2021	<u>22,601</u>	<u>18,295</u>	<u>5,229</u>	
DEPRECIATION				
At 1 January 2021	1,216	13,025	4,298	
Charge for year	355	1,542	168	
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>	
At 31 December 2021	<u>1,571</u>	<u>14,567</u>	<u>4,466</u>	
NET BOOK VALUE				
At 31 December 2021	<u>21,030</u>	<u>3,728</u>	<u>763</u>	
At 31 December 2020	<u>20,363</u>	<u>5,375</u>	<u>528</u>	
	Furniture & equipment £'000	Motor vehicles £'000	Heritage assets £'000	Totals £'000
COST				
At 1 January 2021	13,389	1,664	418	60,276
Additions	1,010	680	-	3,010
Disposals	<u>-</u>	<u>(3)</u>	<u>-</u>	<u>(3)</u>
At 31 December 2021	<u>14,399</u>	<u>2,341</u>	<u>418</u>	<u>63,283</u>
DEPRECIATION				
At 1 January 2021	12,331	1,518	-	32,388
Charge for year	461	60	-	2,586
Eliminated on disposal	<u>-</u>	<u>(3)</u>	<u>-</u>	<u>(3)</u>
At 31 December 2021	<u>12,792</u>	<u>1,575</u>	<u>-</u>	<u>34,971</u>
NET BOOK VALUE				
At 31 December 2021	<u>1,607</u>	<u>766</u>	<u>418</u>	<u>28,312</u>
At 31 December 2020	<u>1,058</u>	<u>146</u>	<u>418</u>	<u>27,888</u>

11. TANGIBLE FIXED ASSETS - continued

Group

Included within the net book value of land and buildings above is £20,856,000 (2020 - £20,363,000) in respect of freehold land and buildings, and *Enil* (2020 - *Enil*) in respect of leasehold land and buildings.

Heritage assets

Heritage assets of £418,000 (2020 - £418,000), included within tangible fixed assets, comprise of motor-sport memorabilia for the purpose of fostering and promoting public interest. The assets are revalued every five years and were last revalued in 2017.

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

Plant and machinery	£87,000	(2020 - £121,000)
Motor vehicles	£0	(2020 - £150,000)
Fixtures and fittings	£30,000	(2020 - £60,000)

Revaluation

The fair value of the group's circuit assets, included within land and buildings, was revalued on 31 December 2017 by an independent valuer, on an existing use basis, utilising the net present value of forecast future income and cash flows expected to be generated by these assets. This resulted in an increase in the carrying value of £6,000,000 in 2017. Had this class of asset been measured on a historical cost basis, the carrying amount would have been £14,856,000 (2020 - £14,037,000).

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

11. TANGIBLE FIXED ASSETS - continued

Company	Land & buildings £'000	Track works £'000	Plant & machinery £'000	
COST OR VALUATION				
At 1 January 2021	16,947	-	86	
Additions	207	-	-	
Disposals	-	-	-	
Reclassification/transfer	<u>10,044</u>	<u>13,954</u>	<u>149</u>	
At 31 December 2021	<u>27,198</u>	<u>13,954</u>	<u>235</u>	
DEPRECIATION				
At 1 January 2021	606	-	77	
Charge for year	113	-	11	
Eliminated on disposal	-	-	-	
Reclassification/transfer	<u>2,380</u>	<u>12,905</u>	<u>40</u>	
At 31 December 2021	<u>3,099</u>	<u>12,905</u>	<u>128</u>	
NET BOOK VALUE				
At 31 December 2021	<u>24,099</u>	<u>1,049</u>	<u>107</u>	
At 31 December 2020	<u>16,341</u>	<u>-</u>	<u>9</u>	
	Furniture & equipment £'000	Motor vehicles £'000	Heritage assets £'000	Totals £'000
COST OR VALUATION				
At 1 January 2021	689	3	418	18,143
Additions	149	-	-	356
Disposals	-	(3)	-	(3)
Reclassification/transfer	<u>224</u>	<u>-</u>	<u>-</u>	<u>24,371</u>
At 31 December 2021	<u>1,062</u>	<u>-</u>	<u>418</u>	<u>42,867</u>
DEPRECIATION				
At 1 January 2021	600	3	-	1,286
Charge for year	27	-	-	151
Eliminated on disposal	-	(3)	-	(3)
Reclassification/transfer	<u>22</u>	<u>-</u>	<u>-</u>	<u>15,347</u>
At 31 December 2021	<u>649</u>	<u>-</u>	<u>-</u>	<u>16,781</u>
NET BOOK VALUE				
At 31 December 2021	<u>413</u>	<u>-</u>	<u>418</u>	<u>26,086</u>
At 31 December 2020	<u>89</u>	<u>-</u>	<u>418</u>	<u>16,857</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

11. TANGIBLE FIXED ASSETS - continued

Company

Cost or valuation at 31 December 2021 is represented by:

	Land & buildings £'000	Track works £'000	Plant & machinery £'000
Valuation in 2017	3,120	-	-
Cost	<u>24,078</u>	<u>13,954</u>	<u>235</u>
	<u>27,198</u>	<u>13,954</u>	<u>235</u>

	Furniture & equipment £'000	Heritage assets £'000	Totals £'000
Valuation in 2017	-	-	3,120
Cost	<u>1,062</u>	<u>418</u>	<u>39,747</u>
	<u>1,062</u>	<u>418</u>	<u>42,867</u>

12. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £'000
COST	
At 1 January 2021	9,012
Reversal of impairments	<u>(8,008)</u>
At 31 December 2021	<u>1,004</u>
PROVISIONS	
At 1 January 2021	8,008
Reversal of impairments	<u>(8,008)</u>
At 31 December 2021	<u>-</u>
NET BOOK VALUE	
At 31 December 2021	<u>1,004</u>
At 31 December 2020	<u>1,004</u>

12. **FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Silverstone Circuits Limited

Registered office: Silverstone Circuit, Towcester, Northamptonshire, England

Nature of business: Motor racing and hospitality

Class of shares:	%
Ordinary	holding 100.00

In addition, the company holds 100% investments in the following dormant subsidiaries:

- BRDC Race Limited;
- Silverstone Estates Limited;
- Silverstone Club Limited;
- Silverstone Grand Prix Limited;
- Silverstone Leisurewear Limited;
- Silverstone Racing School Limited;
- The BRDC Limited; and
- Silverstone College of Motorsport Limited

All of the group's subsidiaries have their registered office address at Silverstone Circuit, Silverstone, Towcester, Northamptonshire, NN12 8TN.

13. **STOCKS**

	Group		Company	
	2021	2020 as restated	2021	2020 as restated
	£'000	£'000	£'000	£'000
Engineering stock, fuel and merchandise	673	368	-	-
Finished goods	<u>1</u>	<u>2</u>	<u>1</u>	<u>2</u>
	<u>674</u>	<u>370</u>	<u>1</u>	<u>2</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020 as restated	2021	2020 as restated
	£'000	£'000	£'000	£'000
Trade debtors	2,085	3,285	241	38
Other debtors	285	-	51	-
VAT	-	-	1,807	-
Deferred tax asset	716	1,321	289	848
Prepayments	886	561	48	38
Accrued income	31	77	12	4
	<u>4,003</u>	<u>5,244</u>	<u>2,448</u>	<u>928</u>

Deferred tax asset	Group		Company	
	2021	2020 as restated	2021	2020 as restated
	£'000	£'000	£'000	£'000
Deferred tax	<u>716</u>	<u>1,321</u>	<u>289</u>	<u>848</u>

14. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

Group

Trade debtors are stated after provisions for impairment of £351,539 (2020 - £89,000).

Company

Amounts owed by related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand. Trade debtors are stated after provisions for impairment of £11,680 (2020 - £nil).

Details of non-current trade and other debtors

Group

A loan of £300,000 was made to Silverstone Heritage Limited in 2017 with an interest rate of Bank of England base rate plus 1%. The loan is repayable if Silverstone Heritage Limited reaches a specified annual profit before tax level or by 31 December 2022, whichever is earlier.

A loan of £1,500,000 was made to Silverstone Heritage Limited in 2019. The loan is repaid in four equal quarterly instalments of £375,000, with the first repayment made in October 2021. The loan bears interest at the Bank of England base rate plus 5.5%.

During 2020 a further £570,000 was lent to Silverstone Heritage Limited with an interest rate of Bank of England base rate plus 5.5%. This loan is repayable by 30 December 2022.

A doubtful debt provision is in place against all amounts due from Silverstone Heritage Limited.

Company

A loan of £1,500,000 was made to Silverstone Heritage Limited in 2019. The loan is repaid in four equal quarterly instalments of £375,000, with the first repayment made in October 2021. The loan bears interest at the Bank of England base rate plus 5.5% p.a.

A doubtful debt provision is in place against all amounts due from Silverstone Heritage Limited.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020 as restated	2021	2020 as restated
	£'000	£'000	£'000	£'000
Other loans (see note 17)	-	58	-	-
Hire purchase contracts (see note 18)	74	122	-	-
Trade creditors	4,294	3,650	254	238
Amounts owed to group undertakings	-	-	18,306	10,698
Tax	360	18	-	-
Social security and other taxes	165	114	2	3
Defined contribution pension scheme	49	28	-	-
VAT	4,642	2,236	-	293
Deferred income	36,215	23,317	315	219
Accrued expenses	<u>5,126</u>	<u>3,858</u>	<u>483</u>	<u>402</u>
	<u>50,925</u>	<u>33,401</u>	<u>19,360</u>	<u>11,853</u>

Amounts due to related parties are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2021	2020 as restated
	£'000	£'000
Other loans (see note 17)	-	1,169
Hire purchase contracts (see note 18)	10	84
Deferred income	<u>800</u>	<u>900</u>
	<u>810</u>	<u>2,153</u>

17. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2021	2020 as restated
	£'000	£'000
Amounts falling due within one year or on demand:		
Northamptonshire Council Loan	<u>-</u>	<u>58</u>
Amounts falling due between two and five years:		
Northamptonshire Council Loan	<u>-</u>	<u>1,169</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

17. LOANS - continued

A loan from Northamptonshire County Council (2020 carrying amount - £1,314,000), denominated in £ with a nominal interest rate of Bank of England base rate plus 1% was repaid in the current year.

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2021	2020
		as restated
	£'000	£'000
Net obligations repayable:		
Within one year	74	122
Between one and five years	<u>10</u>	<u>84</u>
	<u>84</u>	<u>206</u>

Group

	Non-cancellable operating leases	
	2021	2020
		as restated
	£'000	£'000
Within one year	79	213
Between one and five years	<u>95</u>	<u>254</u>
	<u>174</u>	<u>467</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £146,000 (2020 - £235,000).

19. SECURED DEBTS

Bank overdraft

A full fixed and floating charge is in place in favour of HSBC UK Bank PLC. At the start of the prior period, a full fixed and floating charge was in place in favour of Lloyds Bank PLC. During the prior year, this charge was released so that the group's new banking partner, HSBC, could take a full fixed and floating charge over the assets of the company.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

20. PROVISIONS FOR LIABILITIES

	Group	
	2021	2020 as restated
	£'000	£'000
Other provisions	<u>-</u>	<u>100</u>
Aggregate amounts	<u>-</u>	<u>100</u>
Group		
	Deferred tax	Legal costs
	£'000	£'000
Balance at 1 January 2021	(1,321)	100
Charge/(credit) to Statement of Comprehensive Income during year	<u>605</u>	<u>(100)</u>
Balance at 31 December 2021	<u>(716)</u>	<u>-</u>
Company		
		Deferred tax
		£'000
Balance at 1 January 2021		(848)
Charge to Income Statement during year		<u>559</u>
Balance at 31 December 2021		<u>(289)</u>

The balance sheet provision excluding deferred tax at the prior year-end was in place to cover any legal costs associated with the conclusion of legal proceedings involving the company's former catering partner.

21. RESERVES

Group	Retained earnings £'000	Revaluation reserve £'000	Totals £'000
At 1 January 2021	2,123	6,275	8,398
Surplus for the year	6,674		6,674
Other comprehensive income	<u>(41)</u>	<u>-</u>	<u>(41)</u>
At 31 December 2021	<u>8,756</u>	<u>6,275</u>	<u>15,031</u>

21. RESERVES - continued

Company

	Retained earnings £'000	Revaluation reserve £'000	Totals £'000
At 1 January 2021	9,879	3,395	13,274
Prior year adjustment	<u>(5,628)</u>		<u>(5,628)</u>
	4,251		7,646
Deficit for the year	(246)		(246)
Other comprehensive income	<u>(41)</u>	<u>2,880</u>	<u>2,839</u>
At 31 December 2021	<u>3,964</u>	<u>6,275</u>	<u>10,239</u>

Revaluation reserve

The revaluation reserve is used to record increases in the fair value of land and buildings and decreases to the extent that such decrease relates to the same asset previously recognised in equity.

Retained earnings

The retained earnings reserve includes all current and prior period retained profit and losses.

In accordance with the company's Articles of Association, a proportion of the retained earnings reserve is available for distribution to life, full or associate members, who have reached 65 years of age, have been members of the club for 20 years and have not waived their right to receive a distribution.

22. EMPLOYEE BENEFIT OBLIGATIONS

British Racing Drivers' Club Limited Pension and Life Assurance Scheme

The company operates a final salary defined benefit scheme for its employees. Any purely defined contribution assets and liabilities in this Scheme have been excluded. The Scheme commenced on 1 February 1975 and closed to the future accrual of defined benefits on 1 February 1994.

Pension benefits are based on historic length of service and final salary. The Scheme is managed by a group of trustees and operates within the standard UK regulatory framework for employer-sponsored pension schemes. Funding rates are agreed between the pension trustees and the company, based on a prudent assessment of the scheme liabilities. There have been no changes to employee numbers or salary since the last actuarial valuation.

The scheme actuary has estimated the average duration of the past service liabilities to be approximately 15 years.

The date of the most recent comprehensive valuation was 1 February 2021. Under the regulations, a funding valuation is required to take place every three years. If the valuation shows that the pension scheme is in deficit, contributions to eliminate the deficit will be payable over an agreed period.

The results of the 1 February 2021 actuarial valuation resulted in a funding deficit of £493,000, with a funding level of 84%.

In December 2021, the company made a one-off contribution to the pension scheme of £313,000 in order to reduce the deficit.

Under the Schedule of Contributions agreed as part of the actuarial valuation as at 1 February 2021, the company will pay £38,000 per annum for the foreseeable future.

Based on the current Schedule of Contributions, it is expected that the company's contributions to the Scheme over the accounting year to 31 December 2022 will be £38,000.

The total cost relating to defined benefit schemes for the year recognised in profit or loss was £1,000 (2020 - £3,000).

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2021	2020 as restated
	£'000	£'000
Present value of funded obligations	(2,984)	(3,064)
Fair value of plan assets	<u>2,997</u>	<u>2,778</u>
	13	(286)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Surplus/(Deficit)	<u>13</u>	<u>(286)</u>
Net asset/(liability)	<u>13</u>	<u>(286)</u>

22. EMPLOYEE BENEFIT OBLIGATIONS - continued

Return on scheme assets in 2021 was (£14,000) (2020 - £191,000).

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

The amounts recognised in surplus or deficit are as follows:

	Defined benefit pension plans	
	2021	2020 as restated
	£'000	£'000
Current service cost	-	-
Net interest from net defined benefit asset/liability	36	54
Past service cost	-	-
	<u>36</u>	<u>54</u>
Actual return on plan assets	<u>-</u>	<u>-</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2021	2020 as restated
	£'000	£'000
Opening defined benefit obligation	3,064	2,945
Interest cost	36	54
Remeasurement	2	256
Benefits paid	<u>(118)</u>	<u>(191)</u>
	<u>2,984</u>	<u>3,064</u>

22. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020 as restated
	£'000	£'000
Opening fair value of scheme assets	2,778	2,740
Interest income	35	51
Remeasurement	(49)	140
Contributions by employer	351	38
Benefits paid	<u>(118)</u>	<u>(191)</u>
	<u>2,997</u>	<u>2,778</u>

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2021	2020 as restated
	£'000	£'000
Actuarial gains/(losses)	<u>(51)</u>	<u>(116)</u>
	<u>(51)</u>	<u>(116)</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020 as restated
	£'000	£'000
Annuities	113	110
Cash and cash equivalents	319	20
Target return funds	1,309	1,355
Diversified alternatives	450	366
Liability driven investments	<u>806</u>	<u>927</u>
	<u>2,997</u>	<u>2,778</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2021	2020 as restated
Discount rate	1.80%	1.20%
RPI inflation rate	4.05%	3.10%
CPI inflation rate	3.05%	2.10%
Future pension increases - accrued post 1992	5.00%	5.00%

22. EMPLOYEE BENEFIT OBLIGATIONS - continued

Defined contribution scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £189,000 (2020 - £151,000).

Contributions totalling £49,000 (2020 - £25,000) were payable to the scheme at the end of the year and are included in creditors.

23. CONTINGENT LIABILITIES

The company has provided a guarantee to HSBC for any borrowings by Silverstone Circuits Limited under the terms of a debenture dated 22 June 2020.

24. RELATED PARTY DISCLOSURES

During the year, total compensation of £557,000 (2020 - £326,000) was paid to key management, which includes the members of the Executive Leadership Team.