



**FOUNDATION**

For the Automobile and Society

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**FINANCIAL STATEMENTS**  
**2014**

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**Company number 4219306**

**Charity number 1088670**

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# Legal and Administrative Details

Charity registration number:  
1088670

Company registration number:  
4219306

Registered and principal office:  
60 Trafalgar Square, London, WC2N 5DS

## Trustees:

Ms M Amoni  
Mr M D Angle (Treasurer)  
Mr N Craw  
Mr J Dawson  
Mr C Gérondeau  
Mr B Gibbons  
Mr A Gow  
Mr E Jarrett (Company Secretary)  
Mr T Keown (Chairman)  
Mr A Lagman (appointed 4 December 2014)  
Mr C Macaya (retired 4 December 2014)  
Mr M Mosley (retired 4 December 2014)  
M Nadal (appointed 4 December 2014)  
Mr B Perko (retired 4 December 2014)  
The Rt Hon. The Lord Robertson of Port Ellen  
KT (appointed 4 December 2014)  
Mr G Stoker  
Mr J Todt (ex officio, FIA President)  
Mr T Yashiro

## Director General:

Mr S Billingsley (appointed 1 February 2014)

## Website:

[www.fiafoundation.org](http://www.fiafoundation.org)

## Social Media:

<https://twitter.com/FIAFdn>

<https://twitter.com/GlobalFuelEcon>

<https://www.facebook.com/makeroadssafe>

## Advisors:

### Bankers:

Barclays Bank Plc, Education and Charities Team, Corporate Banking, PO Box 858 Wytham Court, 11 West Way, Oxford, OX2 0YP

BlackRock – Institutional Cash Series  
JP Morgan House, International Financial Services Centre, Dublin 1, Ireland.

### Solicitors:

Herbert Smith, Exchange House, Primrose Street, London, EC2A 2HS

Eversheds LLP, One Wood Street  
London, EC2V 7WS

Sidley Austin LLP, Neo Building, Rue Montoyer 51, Montoyerstraat, B-1000 Brussels, Belgium

### Auditor:

Grant Thornton UK LLP, 3140 Rowan Place, John Smith Drive, Oxford Business Park South, Oxford, OX4 2WB

### Investment Custodians (to 30 May 2014)

JPMorgan Chase Bank, 125 London Wall, London, EC2Y 5AJ

### Investment managers

#### Custodians (from 30 May 2014)

Credit Suisse (UK) Limited, 5 Cabot Square, London, E14 4QR (from 30 May 2014)

Investec Wealth & Investment Limited  
2 Gresham Street, London, EC2V 7QN

Morgan Stanley and Co. International,  
25 Cabot Square, London, E14 4QA  
(to 30 May 2014)

Sarasin and Partners LLP, Juxon House,  
100 St Paul's Churchyard, London,  
EC4M 8BU

# Highlights 2014

## Activities

The FIA Foundation for the Automobile and Society (The Foundation) works to prevent road traffic injury in the context of a world in which more than 1.2 million people are killed and many millions more disabled on roads every year. We advocate for increased international and country level response to this epidemic and support programmes designed to reduce the toll of human suffering. As the international community seeks to combat climate change, and as global motorisation rapidly rises, we host and coordinate the world's leading vehicle fuel efficiency initiative and work with the UN Environment Programme to encourage walking and cycling as alternative modes. Our support for cutting-edge motor sport safety research and training contributes to keeping thousands of participants and spectators safe.

During 2014 the Foundation's funding programme and initiatives have:

- Played a significant role in securing road safety targets in the zero draft of the UN's post-2015 'Sustainable Development Goals'
- Secured recognition for and engagement with our 'Global Fuel Economy Initiative' at the Brisbane G20 Summit and the 2014 UN Climate Summit
- Achieved passage of a new Road Traffic Law in Cambodia, and established a road safety partnership in the country with the US development agency, USAID
- Launched the first ever independent car crash tests in India, forcing car makers to announce safety improvements in response
- Enabled a safe road infrastructure assessment team to be established in China's Transport Ministry, influencing billions of dollars of road investment
- Supported medical and technical research in motor sport, and assisted more than 50 national sporting associations to improve their safety procedures, training and equipment.

## Financial Review

Expenditure:

Unrestricted funds	Restricted funds	Total
<b>€12,857,000</b>	<b>€10,768,000</b>	<b>€23,625,000</b>
(2013: €11,741,000)	(2013: €12,264,000)	(2013: €24,005,000)

Grants Awarded:

Unrestricted funds	Restricted funds	Total
Value of grants awarded	Value of grants awarded	Value of grants awarded
<b>€6,654,000</b>	<b>€9,588,000</b>	<b>€16,242,000</b>
(2013: €6,596,000)	(2013: €11,066,000)	(2013: €17,622,000)
Number of Awards	Number of Awards	Number of Awards
<b>24</b>	<b>60</b>	<b>84</b>
(2013: 20)	(2013: 124)	(2013: 144)

# Highlights 2014

## Designated fund expenditure:

The Foundation manages, supports and develops its own road safety and environmental programmes.

Total expenditure	Number of projects
<b>€1,711,000</b>	<b>14</b>
(2013: €1,145,000)	(2013: 12)

## Investment Performance:

Unrestricted funds	Restricted funds	Total
Value of investment assets	Value of investment assets	Value of investment assets
<b>€375,626,000</b>	<b>€ nil</b>	<b>€375,626,000</b>
(2013: €338,074,000)	(2013: €10,218,000)	(2013: €348,292,000)
Investment income	Investment income	Investment income
<b>€9,030,000</b>	<b>€50,000</b>	<b>€9,080,000</b>
(2013: €7,735,000)	(2013: €260,000)	(2013: €7,995,000)

Restricted funds related to the Motor Sport Safety Development Fund (see details below).

## The Motor Sport Safety Development Fund

In 2008, The Fédération Internationale de l'Automobile (FIA) World Motor Sport Council agreed to establish a Motor Sport Safety Development Fund through which the McLaren Mercedes fine could be used to promote safety in motor sport working with the FIA's member network of ASNs (sporting associations) worldwide.

The financial highlights of the fund since inception, in 2008, are:

Donation	Value of grants awarded	Number of grant recipients
<b>€38,667,000</b>	<b>€38,229,000</b>	<b>136</b>
(\$60 million)		

The Fund was always intended to have a finite life and will be fully distributed in 2015.

# Chairman's Statement

During 2014 the Foundation continued to play an influential role in developing and leading global policy on road safety and sustainable mobility. We promoted a holistic vision for 'Safe, Clean, Fair and Green' mobility for all, drawing together strategies for road safety, fuel economy and air quality.

The Foundation was at the forefront of a coalition pressing for safe and sustainable transport to be included in the Post-2015 Sustainable Development Goals (SDGs), making submissions to the policy process at the United Nations and leading engagement with Governments in the 'Open Working Group' established to design the draft SDGs.

Alongside this, the Foundation coordinated campaigning aimed at the UN's 'MY World' initiative, the global public survey for the post-2015 agenda. Results from 'MY World' had a significant influence on the policymaking process. In well-orchestrated campaigning with partners, the Foundation encouraged organisations and the public to vote for 'better roads and transport' as a priority in the post-2015 agenda. This campaigning was a good example of effective collaboration between the Foundation and the Fédération Internationale de l'Automobile's (FIA) global network of automobile clubs – many of which are also members of the Foundation.

The result of this sustained advocacy was the inclusion of a stand-alone target to halve road traffic fatalities and injuries within the SDGs, in the proposed Health Goal, backed up by the inclusion of safe and sustainable transport in the Cities Goal. In his recommendations for the SDGs, UN Secretary General Ban Ki-moon also called for action on road safety to be included as a health priority. This represented a major success for the Foundation's campaigning efforts. This result means that road safety is well positioned for the final rounds of Intergovernmental negotiations on the SDGs at the UN in 2015.

There were significant successes in promoting this vision with both fuel economy and road safety included in major UN reports, as part of the process of consultation and negotiation towards the development goals.

A particular strength of the Foundation is that our overall strategy is closely connected to the real-world interventions that we support through our grants programme, demonstrating to policy-makers that practical and cost-effective solutions exist. Our major partners - the FIA, International Road Assessment Programme (iRAP) and the Global New Car Assessment Programme (Global NCAP) - are delivering projects in more than 80 countries to support the Global Plan of the Decade of Action for Road Safety. Indeed these initiatives were also highlighted by the Foundation as providing a key means of achieving Post-2015 objectives on road safety. Other NGO partners such as the Asia Injury Prevention Foundation, the Eastern Alliance for Safe and Sustainable Transport and the Fundacion Gonzalo Rodriguez have had a major influence in their regions of operation, working locally and nationally to bring about road safety reforms.

This year, the Global Fuel Economy Initiative (GFEI) also achieved notable success in ensuring that fuel economy is included as an energy priority in the SDGs. Alongside this, the GFEI achieved a position of some considerable prominence in global policy fora on sustainable energy and climate change. The GFEI was featured at the UN Secretary General's high profile Climate Summit in September, and was recognised by the G20 2014 Summit in Brisbane as a leading fuel efficiency programme. The GFEI is also an 'accelerator' initiative in the UN's climate process and has received widespread recognition for its engagement with many developing countries.

Our environmental work is based on carefully constructed partnerships, with the Foundation playing its role as part of a larger team. It is an approach taken across all our areas of activity, including our support

# Chairman's Statement

for motor sport safety. This reflects the Foundation's core principle that the challenges we face are best solved by organisations with different talents working together and sharing credit for success.

We have a particularly important partnership with the FIA, the original source of our funding. As we are an independent charity it has to be an arms-length relationship, but we share a common membership as well as important strategic objectives for road safety, environmental improvement and safe motor sport. Working through the FIA, the Foundation is supporting road safety and motor sport safety projects by many national automobile and sporting clubs around the world. Our member clubs are also active in promoting other programmes we support including iRAP, GFEI and the regional independent vehicle crash tests supported by Global NCAP. I value the contribution made by the FIA President and three other senior FIA nominees on our Trustee Board.

Since the end of the year covered by this report the UN Secretary General Ban Ki-moon has appointed FIA President Jean Todt as his Special Envoy for Road Safety. We are delighted to congratulate Mr Todt on this important role which provides the opportunity to further advance the momentum for improved safety for all road users around the world, and the Foundation looks forward to working closely with the new Envoy, and all road safety stakeholders, to deliver on the promise of the Sustainable Development Goals.

At the end of 2014 three long serving members of the Trustee board retired. Max Mosley, Carlos Macaya and Boris Perko all played a seminal role in the creation and the development of the Foundation. Our collective debt to these three individuals is immense, and I would also like to record my personal thanks to them for the support they have given me since I became Chairman. At our AGM in Doha three new Trustees were elected to take their place: Gus Lagman, Miguel Nadal and Lord Robertson of Port Ellen. Together, they bring a wealth of experience in the fields in which we operate, and I am confident that they will make a significant contribution to the good governance and success of our endeavours in the years ahead.

On February 1<sup>st</sup> 2014 we appointed Saul Billingsley as Director General of the Foundation, in succession to David Ward. Saul has quickly established himself in that position, and is already recognised as an authoritative voice on all of our charitable objectives around the world. He leads a dedicated and talented team, and my thanks go to him and all the staff for their enthusiasm and hard work throughout the year.



**Tim Keown**  
Chairman,  
FIA Foundation for the Automobile and Society  
30 June 2015

# Trustees Report: Strategic Report

The Trustees present their report on the activities and results for the year ended 31 December 2014. This report will outline some of the highlights of the year including the progress made against objectives, the new challenges being undertaken and the goals being set for the future to achieve the aims of the FIA Foundation for the Automobile and Society (the Foundation).

## Review of Activities

Progress on main activities and projects undertaken during the reporting period are detailed below. Further details are available from the Foundation secretariat.

In 2014 the Foundation has continued to support and develop road safety and environmental programmes that are making a real and measurable impact. A particular focus has been advocacy with the objective of ensuring that safe and sustainable mobility is included in the new global Sustainable Development Goals. The Foundation continues to concentrate the majority of its resources on multi-year co-operation with a few key strategic partners and programmes and has continued to strengthen and build upon its governance and evaluation process.

### Road safety partnerships

Our major road safety partners (with whom we have five year €1 million annual grant agreements) are the FIA's 'Action for Road Safety' initiative, the International Road Assessment Programme (iRAP), and the Global New Car Assessment Programme (Global NCAP). Other road safety partners are the Fundacion Gonzalo Rodriguez, the Asian Injury Prevention Foundation, and the Eastern Alliance for Safe and Sustainable Transport. The Foundation is also a donor to the World Bank's Global Road Safety Facility and a leading member of the United Nation's Road Safety Collaboration. In addition we are continuing our work to raise additional resources through the Road Safety Fund which aims particularly to assist non-governmental organisations active in road traffic injury prevention.

All these partnerships are closely aligned with the Global Plan of the UN Decade of Action for Road Safety 2011-2020 and its five pillars promoting management capacity, safer roads, safer vehicles, safer road users and post-crash response. In its advocacy for global road safety, the Foundation has continued to support the Commission for Global Road Safety chaired by Lord Robertson of Port Ellen and the Make Roads Safe campaign.

### FIA 'Action for Road Safety'

The Fédération Internationale de l'Automobile (FIA) 'Action for Road Safety' initiative is enabling automobile clubs across the world to contribute road safety programmes and much needed national campaigning to support the United Nations Decade of Action for Road Safety. With support from the Foundation, many FIA member clubs have been able to develop road safety pilot projects, often in collaboration with police enforcement authorities. With strategic coordination from the FIA's global mobility team, clubs also campaigned for 'better roads and transport' in the UN's 'MY World' global public survey during 2014, an activity that promoted the inclusion of road safety within the Post-2015 goals. The FIA also established new partnerships with the International Federation of the Red Cross to work on first aid awareness and training, and with the International Transport Forum, a think tank hosted at the OECD, to develop road safety indicators.

### iRAP

The International Road Assessment Programme is now active in more than 80 countries and its focus on the need for a minimum three-star safety rating on all roads is beginning to be accepted within the major development banks. The Foundation's long term commitment has continued to enable iRAP to



# Trustees Report:

## Strategic Report

expand its work, maximising its impact by working with multiple donors including Bloomberg Philanthropies via the Global Road Safety Facility and several development banks. Large scale road improvement projects in India and the establishment of a RAP team within the Transport Ministry in China, for example, are resulting in measurable changes to road networks.

### Global NCAP

The Foundation's support for the Global New Car Assessment Programme has enabled independent crash tests to become established in Latin America and Asia, for the first time providing consumers in rapidly motorising regions with accessible safety information. In 2014 Global NCAP also had a major impact in India following the publication of the country's first independent car crash tests, with the Government spurred to establish its own testing programme and some manufacturers withdrawing models that tested badly for safety. Global NCAP seeks to place knowledge about road safety in the hands of the public and policymakers, by allowing for informed choices by consumers based on comparative crash test results and by supporting governments with technical advice on implementation of UN safety regulations.

### Asia Injury Prevention (AIP) Foundation

The Foundation's regional partner AIP Foundation established a new motorcycle helmet safety initiative in Cambodia co-funded by the US Agency for International Development (USAID) and the US Centers for Disease Control, and co-funded by the FIA Foundation. Our funding support for road safety advocacy in the country also helped to result in the passage of a new Road Traffic Law, which includes significant safety measures. AIP Foundation led a coalition which, over three years, promoted the legislation.

### Commission for Global Road Safety

The support provided for the Commission for Global Road Safety and the Make Roads Safe campaign in 2014 was focused on advocacy calling for road safety to be included in the new global development goals which will replace the Millennium Development Goals when they expire in 2015. The activities of the Make Roads Safe campaign were managed by the Foundation secretariat.

Make Roads Safe promoted the vote for 'better roads and transport' in the UN's 'MY World' global public survey which successfully mobilised key stakeholders, automobile clubs, NGOs and members of the public worldwide to campaign for road safety to become a development priority in the new global agenda. The Make Roads Safe campaign also held a Decade of Action Policy Forum in Melbourne, Australia. The Forum brought together governments, institutions, NGOs and FIA automobile clubs from across the Asia-Pacific region and issued a strong call for road safety to be included in the SDGs.

### The Road Safety Fund

The Road Safety Fund has been established by the World Health Organization and the Foundation as an international fundraising arm of the UN Decade of Action for Road Safety. All management costs of the Fund are provided as a charitable activity by the Foundation. A range of interventions and programmes financed by donors including Allianz, Johnson & Johnson and UPS Foundation were supported through the Fund in 2014.

### Environmental partnerships

The major environmental partnerships and initiatives of the Foundation are the Global Fuel Economy Initiative (GFEI) and the Partnership for Clean Fuels and Vehicles (PCFV). In the GFEI the Foundation is a partner with the UN Environment Programme, the International Transport Forum and the International Energy Agency and is providing both intellectual leadership and technical support to more than forty governments seeking to reduce vehicle fuel consumption and to combat climate change. The GFEI

# Trustees Report: Strategic Report

achieved notable breakthroughs. In the post-2015 process, GFEI has ensured that fuel economy is included as an energy priority in the draft SDGs. It is an 'accelerator' initiative in the UN's climate process and has been recognised by the G20 as a leading fuel efficiency programme.

The Foundation is an active member of the Partnership for Clean Fuels and Vehicles, the UN-led partnership which was responsible for successfully eliminating leaded petrol with major global health and social benefits. Further progress has been made on the PCFV's new campaign to reduce sulphur content in fuel, which has a severe impact on air quality.

## Motor sport safety and sustainability

The Foundation continues its partnership with the FIA Institute for Motor Sport Safety & Sustainability, to which it is the major donor. Medical advances, technical development and comprehensive training at all levels are core parts of the Institute's mission to ensure safety and sustainability of motorsport.

The Institute has developed a range of initiatives over the year, which include: improved medical training in motorsport; the launch of a 'beta' version of the FIA Accident Database which brings together information from motor racing accidents worldwide into one searchable system; and further advances in the Institute's environmental accreditation programme during the year.

Early in the year, a specialist training course for 20 extrication teams from around the world was convened at the Le Mans circuit. Other training events were held through the year including in Germany, Singapore and Mexico. These events culminated in the Medicine in Motor Sport Summit in Doha, Qatar, in December which included sessions on electric and hybrid safety.

The Institute's Sustainability Programme was also active in 2014. In 2014, the UK Motor Sport Association became the first National Sporting Authority (ASN) to achieve accreditation in the sustainability programme. Apex Circuit design became the first supplier to the motor sport industry to achieve accreditation. Both were awarded Progress Towards Excellence, the second level.

In 2014, the Institute launched an online Carbon Management portal to help motor sport stakeholders further reduce and manage their emissions. The portal enables teams, circuits, National Sporting Authorities and other stakeholders to calculate, manage and compensate for unavoidable emissions, whilst also achieving carbon neutrality as part of a wider set of environmental actions.

## The Motor Sport Safety Development Fund

The Fédération Internationale de l'Automobile (FIA) World Motor Sport Council agreed in 2008 to establish a Motor Sport Safety Development Fund ('the Fund') through which the €38,667,000 (\$60 million) it received from a McLaren Mercedes fine could be used to promote safety in motor sport working with its ASNs worldwide.

The fund was always intended to have a finite life and monies were invested in a fixed income portfolio over a 6 year period. These investments have now matured and the Fund will be fully distributed in 2015, as originally intended.

The Fund activities are split into three main areas, all of which fall under the Institute's Education Programme:

- Officials Safety Training Programme (OSTP)
- Young Driver Safety Programme (YDSP)
- Sustainability Programme (SP)

# Trustees Report: Strategic Report

Progress was made in each of the three areas with ASNs from a range of countries receiving funds for initiatives to develop the grass roots of motorsport. Projects included safety training for officials and young drivers alongside a range of projects to develop environmental best practice.

## 2015 Objectives

The Foundation will support its key strategic programme partners in 2015 so that they can continue to develop and meet their objectives. Assisting partners in effective evaluation, maximising dissemination of results, and securing new financial and technical partnerships to ensure sustainability of programmes is a priority.

Our major advocacy activity will be to build upon progress made in influencing the policy process as Governments at the United Nations enter the final negotiations on the Sustainable Development Goals (SDGs) and then launch the SDGs in September 2015. In 2015, the Millennium Development Goals (MDGs) will reach their target year. The MDGs have shaped international priorities and global development financing decisions for more than a decade and the SDGs will replace them in shaping global development to 2030.

The Foundation, working with our road safety and environmental partnerships, will press for road safety and sustainable transport to be included in these 'Post-2015' global development goals.

Key activities and advocacy campaigns will be focused on:

- Substantive engagement with the Governments negotiating the SDGs at the UN. The Foundation will plan to convene a session at the UN to focus on road safety in the SDGs. This will be a key opportunity for advocacy and communications on the issue, and direct engagement with Governments.
- Global campaigns and advocacy activities with partners and outreach to new potential stakeholders. Primarily, this will be undertaken through the '#SaveKidsLives' campaign which will have the 3<sup>rd</sup> UN Global Road Safety Week in May 2015 as its first focal point. The campaign has children at the forefront of activities and will call for road safety to be included in the SDGs, particularly as road traffic injury is a leading killer of children and young people. The Foundation has been at the core of the design of the campaign along with partners in the UN Road Safety Collaboration.
- Ensuring a strong outcome to the 2<sup>nd</sup> Global High Level Conference on Road Safety, to be hosted by the Government of Brazil in November 2015;
- Establishing new international partnerships to scale up road safety programmes in the context of the SDGs;
- Ensuring inclusion of the Global Fuel Economy Initiative (GFEI) in targets and workstreams arising from the SDG process, the Turkey G20 and the UN Framework Convention on Climate Change Summit in Paris in December 2015.

# Trustees Report: Strategic Report

## Financial Review

### Summary of results

	<b>2014</b>	2013	Percentage Change
	<b>€000's</b>	€000's	
<b>Incoming Resources:</b>			
Unrestricted funds	<b>9,030</b>	7,735	16.7%
Restricted funds	<b>581</b>	1,185	-51.0%
	<b>9,611</b>	8,920	7.7%
<b>Resources Expended:</b>			
Unrestricted funds	<b>12,857</b>	11,741	9.5%
Restricted funds	<b>10,768</b>	12,264	-12.2%
	<b>23,625</b>	24,005	-1.5%
<b>Recognised gains/(losses) on investment assets</b>			
Unrestricted funds	<b>4,418</b>	7,795	-43.3%
Restricted funds	<b>(31)</b>	(107)	-71.0%
	<b>4,387</b>	7,688	-42.9%
<b>Unrealised gains/(losses) on investment assets</b>			
Unrestricted funds	<b>32,497</b>	33,535	-3.1%
Restricted funds	<b>-</b>	(269)	-100%
	<b>32,497</b>	33,266	-2.3%

## Incoming Resources

The Foundation's unrestricted activities are primarily funded by the returns achieved by the investment portfolio. The results for the year are pleasing with income increasing by 16.7% during the year. This is due to the asset allocation decisions of our investment managers, with a focus on investment in high quality assets with strong historical performance and good dividend yields.

Restricted investment income has fallen from €260,000 in 2013 to €50,000 in 2014. Restricted investments related to the Motor Sport Safety Development Fund which was invested in a fixed income portfolio over a 6 year period. All investments have now matured and the investment mandate was withdrawn on 2 June 2014.

Donations have significantly reduced for the Road Safety Fund in 2014, falling to €485,000 in 2014 compared to €924,000 in 2013. However, €365,000 of donations were given directly to NGO's by corporate partners. These donations were originally facilitated by the Road Safety Fund.

The Foundation entered into a project cooperation agreement with the United Nations Environment Programme during the year. The project "Stabilising Greenhouse Gas Emissions from Road Transport

# Trustees Report: Strategic Report

Through Doubling of Global Vehicle Fuel Economy: Regional Implementation of Global Fuel Economy” will remain in force until April 2019. The first tranche of income, €44,000, was received during the year.

## Expenditure and Charitable Activities

The Foundation is primarily a grant making organisation, although it does manage its own advocacy and research programmes.

### Grants Awarded

The total allocated to grants and internally managed projects was €18,322,000 (2013: €19,702,000).

This was split as follows:

Allocation	2014 €000's	2013 €000's	Percentage Change
Grants awarded	16,242	18,491	-12.2%
Transfers to designated reserves to fund internally managed projects	2,080	1,211	71.8%
<b>Total</b>	<b>18,322</b>	<b>19,702</b>	<b>-7.0%</b>

The split of grants (by numbers of recipients and amount) is shown below:

Category	2014					2013		
	No.	Grants Awarded €000's	Write back ^	Net grants awarded	Percent- age of grants awarded	No.	Net grants awarded €000's	Percent- age of grants awarded
<b>Unrestricted Funds:</b>								
Safety, environment and mobility	19	4,740	(109)	4,631	69.6%	16	4,551	69.0%
Motor sport safety	1	2,000	-	2,000	30.1%	1	2,000	30.3%
Memberships and affiliations	4	36	(13)	23	0.3%	3	45	0.7%
	<b>24</b>	<b>6,776</b>	<b>(122)</b>	<b>6,654</b>	<b>100.0%</b>	20	6,596	100.0%
<b>Restricted Funds:</b>								
Safety, environment and mobility	17	1,660	-	1,660	17.3%	27	1,886	17.0%
Motor sport safety	43	8,513	(585)	7,928	82.7%	97	9,180	83.0%
	<b>60</b>	<b>10,173</b>	<b>(585)</b>	<b>9,588</b>	<b>100.0%</b>	124	11,066	100.0%
<b>Total Grants Awarded</b>	<b>84</b>	<b>16,949</b>	<b>(707)</b>	<b>16,242</b>		144	17,622	

^ The write back represents underutilised grants awarded in prior years.

# Trustees Report: Strategic Report

Grant funding is at similar levels to the prior year.

61 organisations benefitted from grants awarded during the year. Grants are disclosed, by recipient, in note 6.

As part of our commitment to the Road Safety Fund €1,050,000 (2013: €1,168,000) was transferred from unrestricted reserves to restricted reserves. The funds were used to pay the Foundation funded grants awarded by the Road Safety Fund as disclosed in note 6.

## Designated funds

The Foundation continues to manage, support and develop road safety and environmental programmes. Funds are designated by the Trustee for specific purposes to meet the Foundation's objectives.

Allocations and expenditure on designated funds were as follows:

	Number of projects	Balance brought forward €000's	Designations €000's	Changes in designation in year	Expenditure €000's	Balance carried forward €000's
Safety, environment and mobility	9	439	1,280	18	(948)	789
Representational activities and external communications	5	33	800	6	(763)	76
<b>Total</b>	<b>14</b>	<b>472</b>	<b>2,080</b>	<b>24</b>	<b>(1,711)</b>	<b>865</b>

Designations, by project, are disclosed in note 17. The balance carried forward on designated funds will be utilised during the forthcoming year. €24,000 (2013: €nil) was reallocated from general funds to the Environmental Policy and Research Programme within designated funds. This transfer represented underutilised environmental grants awarded from prior periods.

## Other costs and overheads

The Foundation monitors and reviews support and indirect costs on a quarterly basis to ensure they are in line with expectations and budgets. Costs incurred in 2014 were in line with the budgets set.

Governance costs including Trustees' expenses, directors' insurance and allocated support costs were €829,000 (2013: €730,000) which represent 6.4% (2013: 6.2%) of total unrestricted expenditure costs.

## Grant making and monitoring policy for unrestricted funds

The Foundation invites applications for grants from organisations which it considers to be appropriate strategic partners. As the result of a Strategic Review conducted in 2011 the Foundation no longer accepts unsolicited applications. Applications are considered by the Programmes Committee which makes recommendations to the Board of Trustees.

The Foundation has developed Activity Evaluation Criteria to evaluate the grant recipients' performance on an annual basis, and to guide the Foundation's future funding decisions and priorities. Evaluations are undertaken annually. The Activity Evaluation Criteria are as follows:

# Trustees Report:

## Strategic Report

- **Resource mobilisation:** assessing the additional financial resources mobilised both directly and indirectly as a consequence of the Foundation's financial support to the activity;
- **Partnership mobilisation:** assessing the number of additional stakeholders, communities or sectors that become involved, or influenced by, the activity;
- **Innovation effects:** assessing those characteristics of the activity that develop new applications, experience, policies, research, or technologies that can be applied elsewhere;
- **Sustainability:** assessing the capacity of the activity to become financially and operationally self-sufficient over the medium and long term, or which generate lasting effects after its completion; and
- **Impact effects:** assessing both direct and indirect impacts of the project in terms of end results such as fatality/injury reductions rates, seat belt usage, reduced vehicle emission, increased public awareness, or similar metrics and measurable outcomes.

The aim of the evaluation is to assist our annual and multi-annual grants beneficiaries to meet their activity goals and our charitable objectives. An independent expert, Ms K McMahon, supports the Foundation with this process. The Foundation may suspend payment of all or part of any annual grant instalment if the recipient fails to receive a satisfactory evaluation on an annual basis. During the 2014 evaluations all multi-year recipients received a satisfactory evaluation and hence the next year of funding will be made available in 2015.

### Grant making policy for the Motor Sport Safety Development Fund

A Management Committee, made up of Mr N Crow, Mr C Gracia, Mr M Mosley, Mr M Schumacher and Mr J Todt exists to consider applications.

Due to their expertise in the area of motorsport, day to day running of the Motor Sport Safety Development Fund is carried out by the FIA Institute for Motor Sport Safety and Sustainability (The Institute).

All funding applications are submitted via the Institute's secure funding portal during a four-week period in September each year. ASNs are able to submit up to two applications under the three safety programmes during each funding cycle. Funding applications are required to meet a range of funding criteria, and in particular need to demonstrate an alignment, or an intention to align, to the relevant best practice frameworks. It was intended from the start that the Motor Sport Safety Development Fund would be fully expended over 5 to 6 years and this objective will be met by the end of 2015.

The Institute is responsible for assessing the applications and making recommendations to the Fund Management Committee. The Fund Management Committee meets in November or December each year to consider the recommendations. For the applications that are approved, each recipient is required to enter into a grant agreement with the Institute. Upon the successful execution of the agreement and the fulfilment of any grant conditions, the recipient is paid the first 40% of the grant. The recipients are then required periodically to report progress, and upon the approval of these reports, subsequent grant payments are made. Each year, a small number of recipient projects are selected for a detailed audit and evaluation.

For the 2014 grant year, funding was available under the Officials Safety Training Programme (€125,000 funding cap), Young Driver Safety Programme (€100,000 funding cap) and Sustainability Programme (€50,000 funding cap).

# Trustees Report: Strategic Report

It was agreed that the priority for the 2014 applications round should be to target those ASNs that had not yet received any funding. Funding criteria continued to reflect this aim, with those ASNs who had already received €250,000 or above in previous funding rounds no longer eligible to apply for funding, with the exception of the Sustainability Programme, which was opened up to all ASNs, to encourage take up. ASNs that had received €75,000 or less in grant funding to date were able to apply for up to two grants per annum. ASNs that had received more than €75,000 but less than €250,000 to date were able to apply for one grant per annum.

Funding relief for low and middle income countries was maintained at 80% and 70% respectively to try and assist those ASNs who find it difficult to contribute to project costs. Furthermore, upon request, the FIA Institute agreed to consider reclassification of ASNs from high and middle-income countries where the economic situation of the ASN does not match that of the country.

## Grant making policy for the Road Safety Fund

Grants are made by the Secretariat, with approval from the co-Chairmen and the Expert Advisory Committee of the Fund, which includes one Foundation Trustee. The Committee meets at least once a year. All Fund activities are reported to the main Programmes Committee of the Foundation.

Grants are split between the small grants programme, directed grants and Foundation funded grants. Donations received with no donor imposed conditions are allocated to the small grants programme. The directed grants programme receives donations which have donor imposed restrictions. In these cases the donors request that the funds are directed to named recipients for specific purposes. These two categories of grant must meet the same Activity Evaluation Criteria as grants from unrestricted funds and be consistent with the objectives of the Global Plan for the Decade of Action for Road Safety. Foundation funded grants follow the Foundation grant making policy, above

## Reserves Policy and Management

The long term objective of the Trustees is to “preserve the capital base in real terms for as long as is practicable whilst meeting the needs of the beneficiaries at a sustainable level”.

To achieve the objective of preserving the capital base the Foundation aims to ensure that the level of unrestricted reserves is equal to the expected growth of the original donation from the FIA once the Consumer Price Index (CPI) for Europe is applied. The value of the original donation after CPI is applied was €381 million. At the year end the gap between the two values was €14 million. Since the year end this gap has been eradicated and reserves are now positive compared to the value of the original donation after CPI has been applied.

The Foundation has reviewed the annual level of expenditure and anticipates that current expenditure levels of approximately €12 million per year in total (a drawdown of approximately 3% of total investment assets), rising by inflation is not excessive and will enable it to continue to meet the needs of beneficiaries for the foreseeable future.

The investment policy described below has been formulated as a result of the aim of the reserves policy. Therefore, the majority of the reserves have been invested in assets which are used to generate incoming resources to fund grants, internally managed projects and support costs. The expected return is 3%.



# Trustees Report: Strategic Report

The Foundation also holds a proportion of its reserves in cash. Since June 2006 the investment managers have been set an annual withdrawal target which increases by the Consumer Price Index for Europe annually. The managers are able to manage the portfolio on a total return basis and may, therefore, draw down capital to meet the income target, but they must also meet a capital growth target. With this approach, volatility in short term income should not impact on expenditure. The policy should also ensure that the Foundation is able to continue in its current manner should unforeseen events arise.

The Trustees have agreed to hold cash balances of a minimum of €9 million, which equates to approximately one year's programmes expenditure. The cash can be held by either the Foundation or by the Investment managers. This policy facilitates cash flow and helps prevent a forced sale of assets during periods of poor investment returns.

At the end of each year the Foundation assesses the level of unrestricted cash balances held (cash at bank and as part as of the investment portfolio) and outstanding commitments to determine the amount which will be requested from the portfolio during the following year. Unrestricted cash balances held were as follows:

<b>Unrestricted Cash balances</b>	<b>2014 €000's</b>	2013 €000's
Cash at Bank	<b>8,256</b>	13,609
Cash held as part of the investment portfolio	<b>17,677</b>	11,109
<b>Total</b>	<b>25,933</b>	24,718

Cash balances held at the year end comply with the reserves policy of holding a minimum of €9 million.

At 31 December 2014 reserves were as follows:

<b>Reserves</b>	<b>2014 €000's</b>	2013 €000's	Percentage increase/ (decrease)
Unrestricted Funds			
- General funds	<b>326,337</b>	316,224	3.1%
- Revaluation reserve	<b>63,647</b>	42,115	51.1%
- Designated Funds	<b>865</b>	472	83.3%
	<b>390,849</b>	358,811	8.9%
Restricted Funds	<b>688</b>	9,856	-93.0%
<b>Total</b>	<b>391,537</b>	368,667	6.2%

Restricted funds are expected to decrease further during 2014. At the year-end €386,000 (2013: €9,442,000) of restricted funds related to the Motor Sport Safety Development Fund. It is anticipated that the fund will be fully drawn down by 2015, as originally intended.

# Trustees Report: Strategic Report

## Investment Policy and Performance

The performance of the investment portfolio is critical for the continued success of the Foundation and its ability to continue to fund grants.

### Investment policy

The Foundation has the power to deposit or invest funds not immediately required for its purposes in, or upon, such investments, securities or property as the Trustees may think fit. The Trustees have the power to delegate the management of investments to a financial expert but must review the performance of the investments regularly.

The principle objective of the investment policy is to seek total return in the long term to provide for real increases in annual expenditure while preserving the charity's capital base in real terms. This is to balance the needs of both current and future beneficiaries and therefore the assets are invested for long term returns rather than to maximise short term income.

The Foundation's policy is that all investments are externally managed by investment managers appointed by the Board of Trustees.

The current investment managers of the Foundation are Investec Wealth and Investment Limited (Investec), Credit Suisse (UK) Limited (Credit Suisse) and Sarasin and Partners LLP (Sarasin).

Credit Suisse (UK) Limited and Credit Suisse Securities (Europe) Limited (Credit Suisse) announced their purchase of Morgan Stanley in March 2013. Management of the Foundation's assets moved to Credit Suisse on 30 May 2014. The Morgan Stanley team who managed the Foundation's assets transferred to Credit Suisse.

In March 2014 the Board of Trustees undertook a review of custodial arrangements following a number of operational difficulties. On 2 April 2014, the Board terminated the custodial agreement with JP Morgan and elected to pass custody to the investment managers. Custodial services are provided by all of our managers as part of the management fee already paid, and this change will realise a saving of approximately €100,000 per annum and has eliminated the operational difficulties. The transfer of custodial services was completed for Investec and Sarasin on 16 May 2014, and for Credit Suisse on 30 May 2014. The Trustees have reviewed the investment risk following the change in custodial arrangements. They believe there is no increased risk to the Foundation as a result of the change.

The investment policy adopted by the Investment Committee and Board of Trustees has been incorporated into the Statement of Investment Principles, which has been distributed to each investment manager. A review of investment policy was undertaken in 2014. Following this review, investment strategy will be reviewed by the Investment Committee and the Board of Trustees annually.

With effect from 2 March 2015, the Foundation's investment policy was altered and investment directly or indirectly in tobacco companies or related businesses is prohibited.

Investment managers have discretion to make all asset allocation decisions in order to achieve the following investment objective, as stated in the Statement of Investment Principles:

# Trustees Report: Strategic Report

*“The Trustees’ investment objective is to produce an annual income of the order of €10 million per annum, net of management charges and any irrecoverable tax, whilst maintaining the capital value of the fund in real terms over the long term. By “in real terms” it is meant that the capital value of the fund needs to increase broadly in line with the Consumer Price Index (CPI) for Europe.”*

The requested draw down from investment managers for the year ending 31 December 2015 has been set at €12.6 million. This will be used to fund the remaining grant payments and overheads for 2015, with €6 million being retained to fund the first grant payments of 2016.

Following exceptional returns from the portfolio the Board also agreed to draw down an additional €10 million from the portfolio in March 2015. This withdrawal will be used to extend the grant making programme during the period 2015 to 2018.

Performance of the managers is assessed by comparing the portfolio returns of each manager on a rolling basis. The results are reviewed by the Investment Committee on a quarterly basis.

Investment manager fees are calculated as a fixed percentage of the value of the portfolio. Fee rates range between 0.3 and 0.4 basis points. Fee levels are closely monitored on a quarterly basis by the members of the Investment Committee.

Investment managers are permitted to use derivatives to ameliorate the risk associated with holding shares in different currencies, and as a stop loss on equity positions within agreed limits. The managers have discretion regarding the level of derivatives that can be used but they must comply with HM Revenue and Customs guidelines. Currently derivatives are utilised by one manager and take the form of forward currency contracts or options.

## Investment performance

The performance of each manager is assessed against the targets laid down in the Statement of Investment Principles, on a total returns basis. During the year all managers met the cash withdrawal and growth targets.

A summary of the performance of investment assets is provided below:

	2014			2013		
	Unres- tricted funds € 000's	Restricted Funds € 000's	Total 2014 € 000's	Unres- tricted funds € 000's	Restricted Funds € 000's	Total € 000's
Value of investment assets	<b>375,626</b>	-	<b>375,626</b>	338,074	10,218	348,292
Realised gains on investment assets	<b>4,418</b>	<b>(31)</b>	<b>4,387</b>	7,795	(107)	7,688
Unrealised gains/(losses) on investment assets	<b>32,497</b>	-	<b>32,497</b>	33,535	(269)	33,266
Withdrawals during the year	<b>6,000</b>	<b>10,247</b>	<b>16,247</b>	10,580	10,751	21,331
Percentage increase/ (decrease) in value of assets (after withdrawals)	<b>11.1%</b>	<b>(100%)</b>	<b>7.8%</b>	11.6%	(51.2)%	7.5%

# Trustees Report: Strategic Report

	2014			2013		
	Unres- tricted funds € 000's	Restricted Funds € 000's	Total 2014 € 000's	Unres- tricted funds € 000's	Restricted Funds € 000's	Total € 000's
Investment income	9,030	50	9,080	7,735	260	7,995
Income yield	2.3%	2.5%	2.3%	2.3%	2.5%	2.3%
Accrued income due	794	-	794	519	15	534
Investment manager fees	1,588	2	1,590	1,347	12	1,359
Fee levels charged	0.4%	0.3%	0.4%	0.4%	0.3%	0.4%

The increase in the Foundation's unrestricted investment assets of 11.1%, after cash withdrawals, was in line with general market increases and was a positive and pleasing result. Both income and fee levels are in line with the expectations.

All asset allocation decisions are taken by our investment managers. Diversification is by asset class, investment manager and investment style.

Restricted fund investments related to the Motor Sport Safety Development Fund. The original donation, received in 2008, of €38,667,000 was invested in fixed income products on a 6 year timescale. The last holding matured during May 2014. The Motor Sport Safety Development Fund investment mandate was withdrawn from Sarasin on 2 June 2014. All cash balances have been transferred to the Foundation for distribution to grant recipients. It is expected that the fund will be fully distributed by 2015, as originally intended.

At 31 December 2014, the asset allocation of our investments was:

Investment	2014		2013	
	Amount €000's	Percentage	Amount €000's	Percentage
Listed equity investments	274,344	73.1%	257,873	74.0%
Fixed and variable interest stocks	56,407	15.0%	47,288	13.6%
Alternative investments	8,288	2.2%	7,574	2.2%
Property funds	10,152	2.7%	9,176	2.6%
Investment Properties	8,758	2.3%	7,694	2.2%
Cash	17,677	4.7%	18,687	5.4%
Total	375,626	100.0%	348,292	100.0%

The Foundation has significant exposure to foreign currency due to its globally diversified portfolio. Currency hedging facilities are utilised by Sarasin where investments are not held in Euro. The unrealised loss on forward contracts at the year end was €661,000 (2013: unrealised gain €701,000). Sarasin also used options during a period to protect the portfolio. The market valuation of options at the year end was €2,000 (2013: €54,000). This level of derivatives is representative of their use during the year.

# Trustees Report: Strategic Report

The global allocation of our investments was:

Region	2014		2013	
	Amount €000's	Percentage	Amount €000's	Percentage
Europe	160,468	42.7%	148,848	42.7%
UK	55,820	14.9%	53,269	15.3%
North America	134,779	35.9%	120,894	34.7%
Asia, Pacific and other countries	24,559	6.5%	25,281	7.3%
<b>Total</b>	<b>375,626</b>	<b>100.0%</b>	<b>348,292</b>	<b>100.0%</b>

A desk-top valuation of the Investment Property was undertaken by Montagu Evans, Chartered Surveyors as at 31 December 2014. Investment properties are included in note 13. The resulting unrealised gain for the year of following this valuation was €1,064,000 (2013: €14,000).

## Restricted Funds

The Foundation managed four restricted funds during the year. The donations and other incoming resources received or generated for expenditure are restricted for the specified purposes as laid down by the donor.

At the end of the year the balances on each fund were as follows:

Restricted fund	2014 €000's	2013 €000's	Percentage change
The Global Fuel Economy Initiative – Regional Implementation	20	-	100.0%
Make Roads Safe Hellas	-	3	-100.0%
Road Safety Fund	282	411	-31.4%
Motor Sport Safety Development Fund	386	9,442	-95.9%
<b>Total</b>	<b>688</b>	<b>9,856</b>	<b>-93.0%</b>

The purpose and restriction of the funds is provided below. An analysis of incoming and outgoing resources is provided in note 18 to the financial statements.

### The Global Fuel Economy Initiative – Regional Implementation

Execution of the project “Stabilising Greenhouse Gas Emissions from Road Transport Through Doubling of Global Vehicle Fuel Economy: Regional Implementation of Global Fuel Economy”. The main object is to support the development of national fuel economy policies in 20 countries. The programme will lead to reduced vehicle fleet CO2 emissions in these 20 countries in line with the Global Fuel Economy Initiative’s target of a 50% improvement of the overall global fleet fuel economy by 2050. This agreement will remain in force until April 2019.

### Make Roads Safe Hellas

To fund a Make Roads Safe Hellas Campaign in Greece. The fund was fully distributed in the year.

# Trustees Report: Strategic Report

## Road Safety Fund

The fund was created as a new global fund for road safety to support the implementation of the United Nations' Decade of Action for Road Safety 2011-2020. The Foundation directs or facilitates funds from a range of donors – companies, governments, philanthropies and the public – to support road injury prevention programmes in countries and communities working to defeat the growing epidemic of road death and injury. The Fund was active in 2014 and will continue to distribute funds, in accordance with donor requests, in 2015.

## Motor Sport Safety Development Fund

The Fédération Internationale de l'Automobile (FIA) World Motor Sport Council agreed in 2008 to establish a Motor Sport Safety Development Fund ('the Fund') through which the €38,667,000 (\$60 million) it received from a McLaren Mercedes fine could be used to promote safety in motor sport working with its ASNs worldwide.

The Fund will be fully distributed in 2015, as originally intended.

## Internal Control and Risk Management

The Trustees are responsible for the Foundation's systems of internal control and effectiveness. No system of internal control can provide absolute assurance against material misstatement or loss. However, the Foundation's system is designed to provide the Board of Trustees with reasonable assurance that there are proper procedures in place and they are operating effectively.

The key elements of the internal control system are:

- **Delegation:** there is a clear organisational structure with documented lines of authority and responsibility for control;
- **Reporting:** the Board of Trustees approves and reviews annual budgets and expenditure targets and monitors actual and forecast expenditure and investment reports on a regular basis. The Trustees may, and do, commission internal audit reports from time to time; and
- **Risk management:** the potential risks arising from the Foundation's activities have been documented in a comprehensive risk register. This was reviewed and updated significantly to follow best practice and provision of the UK Bribery Act 2010.

The risk management process follows three main requirements or sources of guidance: the Charity Commission's 'Hallmarks of an Effective Charity'; the Statement of Recommended Practice (SORP 2005) for Accounting and Reporting by Charities; and to fully implement the Foundation's anti-bribery policy it is necessary to carry out an anti-bribery and corruption risk assessment. The Foundation developed an anti-fraud policy statement and response plan and continued to carry out its annual risk assessment and partner evaluation process.

The Foundation's risk management matrix is now divided into four major risks areas: financial; operational; reputational; and bribery and corruption, which are assessed annually and provided with a 'traffic light' monitoring system, red indicating a significant risk to the Foundation which should be continually monitored by management; amber a medium level risk which should be monitored by management on a periodic basis e.g. quarterly; and green a low risk which should reassessed on an annual basis.

# Trustees Report: Strategic Report

Under the four major risk areas above the major risks comprise:

- **Financial:** investment policy; fraud/error; budgetary control; capacity/use of resources; and taxation;
- **Operational:** loss of staff; loss of Trustees; health, safety and environment; disaster recovery and planning; suppliers; illegal activity;
- **Reputational:** non-compliance with UK charity/company law; beneficiary relationships; and stakeholders' perceptions; and
- **Bribery and Corruption:** country risk; sector risk; transaction risk; activity opportunity risk; activity partner risk; and internal risk.

The Board of Trustees and the Audit Committee review the major risks to which the Foundation is exposed on an annual basis and can confirm that all reasonable measures are being taken and systems have been established to control or mitigate the effect of these risks on the achievement of the charity's objectives.

Principle risks assessed as medium or higher level risks are as follows:

Risk	Measure in place to mitigate the risks
<b>Financial - investment policy</b> <ul style="list-style-type: none"> <li>- financial loss through inappropriate/speculative investment or lack of diversity</li> <li>- lack of investment advice/strategy.</li> <li>- market risk and counter party risk</li> </ul>	<ul style="list-style-type: none"> <li>- agreed Statement of Investment Principles reviewed periodically.</li> <li>- an adequate reserves policy.</li> <li>- the use of reputable fund managers.</li> <li>- investment experience within the Board of Trustees.</li> <li>- regular monitoring of the fund managers by the Investment Committee</li> </ul>
<b>Financial - credit risk</b> <ul style="list-style-type: none"> <li>- investments and bank balances and credit risk is primarily attributable to bank balances.</li> </ul>	<ul style="list-style-type: none"> <li>- reviews the level of balances held with each institution and reviews credit ratings.</li> </ul>
<b>Financial - market risk</b> <ul style="list-style-type: none"> <li>- Investments are subject to market movements.</li> </ul>	<ul style="list-style-type: none"> <li>- investment through diversification across a broad range of asset classes, geographies, investment managers and investment strategies.</li> <li>- the use of derivatives in the form of forward exchange contracts and options is permitted with the approval of the Investment Committee to assist with managing these risks. Derivatives are not used for speculative purposes.</li> </ul>
<b>Financial - currency risk</b> <ul style="list-style-type: none"> <li>- exposure to translation and transaction foreign exchange risk from non Euro denominated assets.</li> </ul>	<ul style="list-style-type: none"> <li>- management by use of forward exchange contracts to hedge these exposures.</li> </ul>

# Trustees Report: Strategic Report

Risk	Measure in place to mitigate the risks
<p><b>Financial - liquidity risk</b></p> <ul style="list-style-type: none"> <li>- to ensure sufficient liquidity is available to meet foreseeable needs.</li> </ul>	<ul style="list-style-type: none"> <li>- aim to hold cash deposits of approximately €9 million to ensure volatility in short term income should not impact on expenditure and to ensure that the Foundation is able to continue in its current manner should unforeseen events arise.</li> </ul>
<p><b>Reputational - beneficiary relationships</b></p> <ul style="list-style-type: none"> <li>- impact on Foundation's reputation.</li> <li>- complaints from grant beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>- thorough due diligence and approval process for grants.</li> <li>- payment by instalments and potential for suspension or demand for remedial measures.</li> <li>- a grant evaluation process including reporting requirements, annual meeting with key beneficiaries.</li> <li>- an independent audit of a sample of grant awards will be implemented.</li> </ul>

## Bribery and Corruption

Country risk: The Foundation's main partners are from the following countries: United Kingdom; USA; Vietnam; France; Tanzania and Uruguay. The Foundation uses the Transparency International Corruption Perceptions Index (TICPI) for an indication of the corruption risk in a particular territory. The higher the score, the "cleaner" the country. A score of below 50 indicates that public institutions in that country need to be more transparent and powerful officials more accountable. The decision to continue operations in a particular territory is one of management. Enhanced procedures and controls must be adopted when undertaking activities in the higher risk jurisdictions. All of the countries listed above have a score greater than 71, except for Vietnam and Tanzania, which both have scores of 31 (2014 scores). Given our robust anti-bribery and corruption and anti-fraud policies and Fraud Response Plan and the fact that we only work with known partners with an interest in protecting consumers and public safety, the Foundation is comfortable with these scores.

In all of the bribery and corruption risk areas (sector; transaction, activity opportunity; activity partner; and internal), the Foundation has in place policies and procedures to ensure it is as well protected as it can be. Such policies and procedures include a Compliance Officer; the need for all partners to acknowledge our anti-bribery and corruption and anti-fraud policies; training for all employees who may face demand for facilitation payments; gifts and hospitality rules.



# Trustees Report:

## Structure, governance & management

### Charity Status

The FIA Foundation for the Automobile and Society is registered in England and Wales as a charity, number 1088670, and as a company limited by guarantee, number 4219306. The liability of the Trustees is limited to a sum not exceeding £10. The Foundation is governed by its Articles of Association. The directors of the Foundation are its Trustees for the purposes of charity law. The terms of the charity's Articles of Association exclude the power to raise funds by the means of taxable trading, where such trading falls outside its charitable objects.

### Charity Objects

The objects of the Foundation are the promotion of public safety and public health, the protection and preservation of human life and the conservation, protection and improvement of the physical and natural environment in particular by:

- promoting research, disseminating the results of research and providing information on matters of public interest which may include road safety, automobile technology, the protection and preservation of human life and public health, transport and public mobility and the protection of the environment; and
- promoting improvement in the safety of motor sport, and of drivers, passengers, pedestrians and other road users.

The Foundation is primarily a grant making organisation although it does manage some projects internally. The grant making policy is included in the Strategic Report.

Grants are made under the following categories:

#### Safety, environment and mobility

This is the work carried out to fulfil our first object of “promoting research, disseminating the results of research and providing information on matters of public interest which may include road safety, automobile technology, the protection and preservation of human life and public health, transport and public mobility and the protection of the environment”. Our work in representational activities (see below) also fulfils this objective.

#### Motor sport safety

This is the work carried out to fulfil our second objective of “promoting improvement in the safety of motor sport”. Our research, memberships and affiliations expenditure (see below) also fulfil this objective.

#### Memberships and affiliations

As described above these are research, memberships and affiliations to achieve our objectives.

#### Representational activities and external communications

As described above these are internally managed projects to achieve our first objective.

# Trustees Report:

## Structure, governance & management

### Trustees

The Foundation's Trustees play a critical role in ensuring that the Foundation meets its objects of promoting road safety, sustainable mobility and motor sport safety. Their duties are set out in the Foundation's Articles of Association and are reinforced by the current Trustees' Code of Conduct. The principal involvement of Trustees is through participation in the Board and its subsidiary bodies, namely the Executive; Programmes; Investment; and Audit Committees.

#### Induction and training of new Trustees

When a new Trustee is appointed, they receive the Foundation Governance handbook – Key Policies and Documents as induction which includes following documents:

- the Foundation's Articles of Association;
- the Foundation's Internal Regulations;
- the Foundation's Anti-Bribery and Corruption policy;
- the Foundation's Anti-Fraud policy and Fraud Response Plan
- the Foundation's Conflict of Interest policy;
- the Code of Conduct for Trustees;
- a note on the Foundation's relationship with the FIA;
- the Strategic Review issued in 2011;
- a copy of the Memorandum of Understanding between the Foundation and the FIA;
- the Foundation's travel and expenses policy for Trustees; and
- a list of the members of the Board of Trustees, the Executive; Programmes; Investment; and Audit Committees and their contact details.

They are also sent a copy of the Trustees' Liability Insurance. Trustees also receive and are expected to have read the Charity Commission's publications: "CC3: The Essential Trustee: What you need to know", "A Guide to Conflicts of Interests" and "A Guide to Corporate Foundations" as well as the Ministry of Justice Guidance on the UK Bribery Act 2010.

All Trustees must sign a Trustee declaration, declaring themselves fit and eligible to serve as a Trustee of the Foundation and complete and update, on an annual basis if necessary, a register of interests.

As the majority of our Trustees hail from our member organisations, they are generally already aware of the Foundation's activities and familiar with the Foundation's senior staff members. They are also all present or past senior executives of major organisations and thus comfortable with what is and is not expected of them in their role as Trustees. Training is therefore handled on an ad hoc basis and will be arranged for any Trustee if they request it.

#### Conflicts of interest

The Foundation has a policy on conflicts of interest which applies to Trustees, employees and members of the Foundation's decision-making committees. When a Trustee has a material interest in any grant, investment or other matter being considered by the Foundation, that Trustee does not participate in the decision on that grant or other matter. The same principle applies to staff and members of committees who are able to influence the charity's funding decisions.

# Trustees Report:

## Structure, governance & management

### Committees and meetings

The Board of Trustees meets three times a year. There are also four additional Trustee sub committees (the Executive Committee; the Programmes Committee; the Investment Committee; and the Audit Committee) which ordinarily meet a minimum of once a year.

The terms of reference for each committee are:

#### Executive Committee:

- to review questions of governance or any other matter referred to it by the Chairman or by the Board;
- to recommend the specification for the role of Trustee, to oversee the process of Trustee selection, and to review Trustee applications; and
- to support the Director General in the management of the Foundation's Human Resources, to oversee the general terms and conditions of staff employment, and to approve general salary levels and specifically the remuneration of the Director General.

#### The Programmes Committee:

- to review and propose the annual programme priorities, activities and expenditure of the Foundation for approval by the Board;
- to consider and recommend for Board approval future projects and programmes to be supported by the Foundation; and
- to apply the agreed evaluation criteria to the Foundation's projects and programmes.

#### The Investment Committee:

- to propose and recommend to the Board the investment strategy and the Statement of Investment Principles to be adopted in managing the Foundation's investment assets, including property and cash reserves;
- to select and, with the approval of the Board, to appoint independent fund managers to manage parts of those assets on a discretionary basis, to an agreed set of objectives and benchmarks;
- to monitor closely and report regularly to the Board the relative performance and charges of the individual fund managers, and of the fund as a whole, and
- to assist and support the Finance Director when required in all routine aspects of the management of the Foundation's financial resources.

#### The Audit Committee:

- to supervise and monitor on behalf of the Board the annual audit of the Foundation's Annual Financial Statements,
- to meet the Foundation's auditors on the completion of the annual audit, and to approve on behalf of the Board the Audit Findings Document;
- to advise the Board on the appointment of the Foundation's auditors and their fees; and
- to review annually the Foundation's policies to minimise risk across its activities, including its internal controls and its obligations under the UK Bribery Act.

### Trustees and Committee membership

Under the Articles of Association, the Board of Trustees must maintain a minimum membership of nine and a maximum membership of 15. This figure includes at least two directors independent from any member of the charity, the President of the FIA *ex officio*, and three directors nominated by the FIA. The independent directors and all non FIA nominated Trustees are elected by an ordinary resolution by

# Trustees Report:

## Structure, governance & management

members at the Annual General Meeting (AGM). One third (or the nearest one third) of these Trustees must retire at each AGM.

The Rt Hon. The Lord Robertson of Port Ellen KT, and Messrs. A Lagman and M Nadal were appointed as Trustees during the AGM held on 4 December 2014. Messrs. C Macaya, M Mosley, and B Perko retired from the Board during this meeting.

Ms M Amoni, and Messrs A Gow, T Keown and Y Takayoshi are due to retire at the forthcoming AGM. Ms M Amoni, and Messrs Gow and Takayoshi have all served one term and are therefore eligible to offer themselves for re-election. Mr T Keown has been a trustee since 2004 and has therefore served more than two terms. He will retire at the meeting.

The Trustees who served throughout the year are shown below:

	Year of Appointment	Committee			
		Executive	Programmes	Investment	Audit
Ms M Amoni ^	2013		✓		
Mr M D Angle (Treasurer) ^	2010	✓		II	✓
Mr N Crow #	2011				
Mr J Dawson	2001	✓	II	✓♦	
Mr C Gérondeau	2001		✓		
Mr B Gibbons #	2011				
Mr A Gow	2013				
Mr E Jarrett (Company Secretary)	2011	✓			II
Mr T Keown (Chairman)	2004	II	∩	∩	∩
Mr A Lagman	2014				
Mr C Macaya	2001				
Mr M Mosley	2001		✓	✓	
Mr M Nadal	2014				
Mr B Perko	2008			✓	
Mr G Stoker #	2011				
The Rt Hon. The Lord Robertson of Port Ellen KT	2014				
Mr J Todt ( <i>ex officio</i> , FIA President)	2008				
Mr T Yashiro	2013				

^ Independent Trustee,  
 II Chairman,  
 ♦ From 1 January 2015

# FIA nominee Trustees,  
 ∩ *Ex officio* member,

✓ Member,

The Programmes Committee is now held on the day before the Spring Board of Trustees meeting, so it is normal practice for all Trustees to attend this meeting.

During the Board Meeting on 2 April 2014, it was agreed that one FIA nominated Trustee will be invited to join the Executive Committee.

# Trustees Report:

## Structure, governance & management

At the October 2014 Board of Trustees meeting, it was agreed to undertake a fundamental review of the Foundation's Articles of Association. A working group was set up with the following terms of reference:

- to examine the current Articles of Association for any errors of transcription;
- to review the Articles to ensure they are relevant and effective in meeting the following criteria: the charitable status of the Foundation; the interests of its membership; the global environment in which the Foundation operates; the requisite suitability and experience of trustees; the need for transparency in the trustee selection process; the Foundation's current working practices and objectives, and the Foundation's relationship with the FIA.

Proposals will be agreed by the Board of Trustees in 2015 and amended Articles of Association presented to the Annual General Meeting for discussion and approval in December 2015.

### Trustees responsibilities for the financial statements

The Trustees (who are also directors of the Foundation for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees 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 Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as each of the Trustees is aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

# Trustees Report:

## Structure, governance & management

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

## Other Matters

### Public Benefit Reporting

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy.

### The Strategic Report

The Trustees confirm that in approving these financial statements they are also approving the Strategic Report, which is contained within the Trustee's Report, in their capacity as Trustees and Directors of the Foundation.

### Going Concern

The Trustees have reviewed the Foundation's financial position, taking account of the levels of reserves and cash, the 2015 Budget and longer term plans, together with its system of financial and risk management. As a result the Trustees believe that the Foundation has adequate resources to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual Financial Statements.

### Social Media

The Foundation utilises social media as a core part of its communications activities. Twitter and Facebook are the primary channels. They have enabled the Foundation to communicate and engage with organisations and individuals in order to meet both advocacy and programmatic objectives. Through social media, the Foundation has been able to target its communications effectively and also connect with a wider audience. Social media has been particularly important in efforts to engage with a wide range of organisations and individuals influential in the post-2015 SDG process. Communications on social media are managed with appropriate diligence and care. They are controlled by the Director of Communications and Director General to ensure that the Foundation's objectives are met and risks managed.

Links to our sites are:

Twitter: <https://twitter.com/FIAFdn>

Twitter (GFEI): <https://twitter.com/GlobalFuelEcon>

Facebook: <https://www.facebook.com/makeroadssafe>

### Changes in fixed assets

The movements in fixed assets are set out in notes 12 and 13 to the financial statements.

### Related party transactions

The charity has designated some of the income generated by the investment portfolio for internally managed projects. These are listed in note 17. Grants made to organisations which are members of the charity are disclosed in note 6. All other related party transactions are disclosed in note 24.

# Trustees Report: Structure, governance & management

## Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed to have been reappointed for the next financial year in accordance with section 487 (2) of the Companies Act 2006.

On behalf of the Trustees

A handwritten signature in black ink, appearing to read 'Tim Keown'. The signature is written in a cursive style with a large, sweeping initial 'T'.

**Tim Keown**  
Chairman  
30 June 2015

# Report of the Independent Auditor to the Members of the FIA Foundation for the Automobile and Society

## Independent auditor's report to the members of The FIA Foundation for the Automobile and Society

We have audited the financial statements of the FIA Foundation for the Automobile and Society for the year ended 31 December 2014 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

## Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities for the Financial Statements set out on page 27, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

## Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

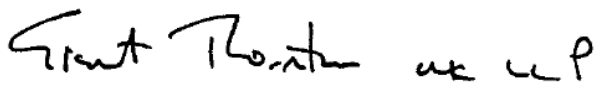


# Report of the Independent Auditor to the Members of the FIA Foundation for the Automobile and Society

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

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

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



## **Mahmood Ramji**

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Oxford

30 June 2015

# Statement of Financial Activities

For the year ended 31 December 2014 (incorporating an income and expenditure account and a statement of recognised gains and losses)

	Note	Unrestricted Funds 2014 €000's	Restricted Funds 2014 €000's	Total 2014 €000's	Total 2013 €000's
<b>Incoming resources</b>					
Voluntary income	2	-	485	485	924
Investment income	3	9,030	50	9,080	7,995
Charitable activities	4	-	46	46	1
<b>Total Incoming resources</b>		<b>9,030</b>	<b>581</b>	<b>9,611</b>	<b>8,920</b>
<b>Resources expended</b>					
Cost of generating funds:					
- Costs of managing investments	5	1,849	2	1,851	1,553
Charitable activities:					
- Safety, environment and mobility	5	6,822	1,694	8,516	8,411
- Motor sport safety	5	2,018	9,072	11,090	12,378
- Memberships and affiliations	5	135	-	135	150
- Representational activities and external communications	5	1,204	-	1,204	783
Governance costs:	5	829	-	829	730
<b>Total resources expended</b>	<b>5</b>	<b>12,857</b>	<b>10,768</b>	<b>23,625</b>	<b>24,005</b>
Net outgoing resources before transfers		(3,827)	(10,187)	(14,014)	(15,085)
Transfers between funds	16-17	(1,050)	1,050	-	-
Net outgoing resources before other recognised gains/(losses)		(4,877)	(9,137)	(14,014)	(15,085)
<b>Other recognised gains and losses:</b>					
Gains/(losses) on investment assets		4,418	(31)	4,387	7,688
Net outgoing resources for the year		(459)	(9,168)	(9,627)	(7,397)
<b>Unrealised gains and losses:</b>					
Gains on investment assets		32,497	-	32,497	33,266
<b>Net movement in funds</b>		<b>32,038</b>	<b>(9,168)</b>	<b>22,870</b>	<b>25,869</b>
<b>Reconciliation of funds:</b>					
Balance at 1 January 2014	16-18	358,811	9,856	368,667	342,798
<b>Balance at 31 December 2014</b>	<b>16-18</b>	<b>390,849</b>	<b>688</b>	<b>391,537</b>	<b>368,667</b>

All amounts relate to continuing operations.

Information up to and including net outgoing resources for the year represents the information required by the Companies Act 2006. It excludes unrealised gains on investments in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" as revised in 2005.

The notes to the accounts form an integral part of the financial statements.

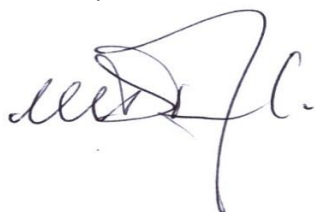
# Balance Sheet

As at 31 December 2014

	Note	2014 €000's	2013 €000's
<b>Fixed assets</b>			
Tangible assets	12	3,858	3,913
Investments	13	375,626	348,292
		<b>379,484</b>	352,205
<b>Current assets</b>			
Debtors	14	5,028	5,051
Cash at bank and in hand		13,702	18,067
		<b>18,730</b>	23,118
<b>Liabilities</b>			
Creditors: amounts falling due within one year	15	(6,677)	(6,656)
<b>Net current assets</b>		<b>12,053</b>	16,462
<b>Total assets less current liabilities</b>		<b>391,537</b>	368,667
<b>Net assets</b>		<b>391,537</b>	368,667
<b>Funds</b>			
Unrestricted funds:			
- General funds	16	326,337	316,224
- Revaluation reserve	16	63,647	42,115
- Designated funds	16	865	472
		<b>390,849</b>	358,811
Restricted funds	18	688	9,856
<b>Total charity funds</b>		<b>391,537</b>	368,667

The notes to the accounts form an integral part of the financial statements.

The financial statements were approved by the Board of Trustees on 30 June 2015 and signed on their behalf by:



**Martin D Angle**

Treasurer

Company Number: 4219306

# Cash Flow Statement

For the year ended 31 December 2014

	2014 €000's	2013 €000's
<b>Net cash outflow from operating activities</b>	<b>(13,846)</b>	(11,825)
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(69)	(21)
Purchase of fixed asset investments	<b>(123,424)</b>	(158,238)
Expenses related to the sale of fixed asset investments	-	(31)
Proceeds from sale of tangible fixed assets	-	1
Proceeds from sale of fixed asset investments	<b>135,885</b>	155,709
<b>Net cash inflow/(outflow) from investing activities</b>	<b>12,392</b>	(2,580)
<b>Decrease in cash</b>	<b>(1,454)</b>	(14,405)

## Reconciliation of changes in resources to net cash outflow from operating activities

	2014 €000's	2013 €000's
Net outgoing resources	<b>(14,014)</b>	(15,085)
Depreciation	<b>118</b>	117
Loss on disposal of assets	<b>6</b>	1
Decrease in debtors	<b>23</b>	972
Increase in creditors	<b>21</b>	2,170
Net cash outflow from operating activities	<b>(13,846)</b>	(11,825)

## Reconciliation of net cash flow to movement in net funds

	2014 €000's	2013 €000's
Decrease in cash in the period	<b>(1,454)</b>	(14,405)
Effects of realised foreign exchange gains	-	30
Effects of unrealised foreign exchange gains	<b>(3,921)</b>	2,852
Movement in net funds	<b>(5,375)</b>	(11,523)
Net funds at 1 January 2014	<b>36,754</b>	48,277
Net funds at 31 December 2014	<b>31,379</b>	36,754

## Analysis of changes in net funds

	At 1 January 2014 €'000's	Cash flows €'000's	Exchange movement €'000's	At 31 December 2014 €'000's
Cash at bank	18,067	(4,365)	-	<b>13,702</b>
Cash held as part of the investment portfolio	18,687	2,911	(3,921)	<b>17,677</b>
	36,754	(1,454)	(3,921)	<b>31,379</b>

# Notes to the Accounts

## 1 Principal accounting policies

### Accounting convention

The financial statements have been prepared under the historical cost convention except for investments which have been valued at market value, as detailed below. They comply with the Statement of Recommended Practice "Accounting and Reporting by Charities" ("the SORP") as revised in 2005, together with the reporting requirements of the Companies Act 2006 and applicable accounting standards except for non-depreciation of investment properties.

The functional and presentational currency of the Foundation is the Euro. This is the currency of the primary economic environment in which the Foundation operates.

### Investment properties

The investment property is held for long-term investment and is included in the balance sheet at the open market value. The surplus or deficit on annual revaluation of the property is transferred to the revaluation reserve. Depreciation is not provided in respect of the freehold investment property. This is in accordance with SSAP 19 which, unlike the Companies Act 2006, does not require depreciation of investment properties. The investment property is held for its investment potential and not for use by the charity and so its current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view. The Trustees consider that this departure does not result in a significant difference in the carrying value of the property as stated in note 13.

The principal accounting policies for the charitable company are set out below:

### Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Foundation is legally entitled to the income and the amount can be quantified with reasonable certainty. More specific details relating to each category of income are shown below.

<b>Grants</b>	Grant income is recognised when the charity has met the conditions of receipt and is entitled to the funds.
<b>Voluntary Income</b>	All monetary donations are included in full when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until any precondition is met.
<b>Investment income</b>	Investment income, including associated tax recoveries, but with the exception of income receivable in respect of fixed interest securities, is recognised when receivable. Income receivable in respect of fixed interest securities is recognised on the accruals basis.
<b>Rental income</b>	Rental income is recognised when receivable, on a straight line basis.

# Notes to the Accounts

## Resources expended

Expenditure is accounted for on an accruals basis.

Resources expended comprise:

<b>Costs of generating funds: Cost of managing investments</b>	This includes investment manager fees, staff salaries and other costs directly attributable to the management of the investment portfolio.
<b>Costs of charitable activities</b>	The charitable activities flow from the Charity's vision and purpose, which are highlighted in the Trustees' Report. The primary charitable activities as disclosed in the SOFA are as follows: Safety, environment and mobility; Motor sport safety; Memberships and affiliations; and Representational activities.

The costs of charitable activities include grants made to external organisations and direct expenditure. The accounting treatment for these are as follows:

<b>Grants payable</b>	Grants payable are recognised in the financial statements in the year in which they are approved and such approval has been communicated to the recipients, except to the extent that it is subject to conditions that enable the Foundation to revoke the award.
<b>Direct costs</b>	This is expenditure made from designated reserves relating to internally managed projects. Details of costs can be found in note 7.
<b>Support and indirect costs</b>	These are shared and indirect costs associated with the main activities of the Foundation. Details of costs can be found in note 8.
<b>Allocation of support and indirect costs</b>	Costs which relate directly to an employee are allocated against the activities they undertake. Support and indirect costs are apportioned on the basis of the number of full time equivalent staff.
<b>Governance costs</b>	Governance costs include external audit and legal advice on governance matters, directors and officers insurance, Trustees' expenses and an apportionment of shared and indirect costs.
<b>Irrecoverable VAT</b>	The irrecoverable VAT element is included in the expense category to which it relates.

## Fund accounting

The Foundation holds the following funds:

<b>Restricted funds</b>	Donations and other incoming resources received or generated for expenditure for specified purposes as laid down by the donor (see note 18).
<b>General funds (unrestricted funds)</b>	Donations and other incoming resources received or generated for expenditure on the general objectives of the charity.
<b>Designated funds</b>	General funds which have been designated for specific purposes by the Trustees.

On occasion the Programmes Committee will recommend the transfer of monies between funds where grants have been underutilised by recipients. The transfer of these monies is subsequently approved by the Board of Trustees.

# Notes to the Accounts

## Tangible fixed assets and depreciation

Tangible fixed assets are capitalised at cost where their acquisition value is greater than €750, and are stated at cost net of depreciation.

Depreciation is calculated to write down the cost of all tangible fixed assets excluding investment properties by equal annual instalments over their estimated useful economic lives, calculated on a monthly basis. The rates applicable are:

Freehold properties	2%
Fixtures and fittings	20%
Computer equipment	33 1/3%

## Investments

The Foundation holds both property and listed investments as part of the investment portfolio. The accounting treatment for these are as follows:

<b>Property</b>	Investment Property includes one property that that is in mixed functional and investment use. Areas of the building occupied by third-party tenants are deemed to be in investment use and are included at their estimated market value in the native currency at the balance sheet date, translated at the rate ruling at the year end. A valuation of the building is pro-rated according to floor space occupied by third-party tenants. The Investment Property is formally valued at least every five years by professional valuers and are reviewed annually to ensure the most recent formal valuation is still reasonable.
<b>Listed Investments</b>	Listed investments are valued at their market value in their native currency at the end of the financial year and are translated at the rate ruling at this date. Cash held as part of an investment portfolio, as a monetary asset, is translated at the closing rate. Net gains and losses arising on revaluations and disposals during the period are included in the SOFA. Realised gains and losses arise on the sale of investments and represent the difference between the valuation at the beginning of the financial year and the proceeds from the sale of the investment. Unrealised gains and losses consist of the movement in the market value of investments on an annual basis.
<b>Derivatives</b>	Investment managers are permitted to use derivatives to ameliorate the risk associated with holding shares in different currencies, and as a stop loss on equity positions within agreed limits. The managers have discretion regarding the level of derivatives that can be used but they must comply with HM Revenue and Customs guidelines. Currently derivatives take the form of forward currency contracts or options. The accounting treatment for derivatives follows that of listed investments.
<b>Revaluation reserve</b>	The excess of market valuations over the cost of investments is included within the revaluation reserve.

# Notes to the Accounts

## Cash and liquid assets

The Trustees consider both cash held within its own bank accounts and balances held by our Investment Managers when considering the liquidity of the Foundation.

## Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Non-monetary assets and liabilities in foreign currencies are translated at the rates ruling at the date of acquisition, or average rate if not materially different. Exchange differences are dealt with in the SOFA. Exchange gains and losses are allocated to the appropriate income or expenditure category. The exchange rates ruling at the balance sheet date were as follows:

Currency		2014
Sterling	€1:£	€1:£0.778878
US Dollar	€1:\$	€1:\$1.213580

## Taxation

The activities of the Charity fall within the exemptions conferred by section 505 and 506 of the Income and Corporation Taxes Act 1988. Consequently, no corporation tax is provided for in the financial statements.

## Retirement benefits

### Defined contribution scheme

The pension costs charged against the SOFA are the contributions payable to the schemes in respect of the accounting period.

## Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight line basis over the lease term.

## Liabilities

Liabilities are recognised when there is a legal and constructive obligation committing the charity to the expenditure.



# Notes to the Accounts

## 2 Voluntary income

The Foundation received the following:

	<b>Year ended 31 December 2014 €000's</b>	Year ended 31 December 2013 €000's
<b>Safety, environment and mobility (restricted funds):</b>		
<b>Make Roads Safe Hellas</b>		
Mr M Mosley	-	4
<b>Road Safety Fund</b>		
Allianz	104	104
Blacklane Gmbh	2	-
DENSO	116	108
Mr T Ellis	1	-
Iveco	-	11
Johnson and Johnson	114	246
Liberty	18	19
Nexco	-	11
Robert Bosch Gmbh	-	109
United Parcel Services (UPS)	108	110
United Way World Wide	-	112
Underwriters	-	54
Vinci	10	23
Worley Parsons	10	-
Sundry Donations	2	13
<b>Total donations to restricted funds</b>	<b>485</b>	<b>920</b>
<b>Total donations</b>	<b>485</b>	<b>924</b>

# Notes to the Accounts

## 3 Investment income

Investment income comprises income from:

	<b>Year ended 31 December 2014 €000's</b>	Year ended 31 December 2013 €000's
Listed equity investments	6,345	5,749
Fixed and variable interest stocks	1,679	1,278
Interest on cash held at brokers	432	303
Investment properties	618	634
Bank deposits and financial markets	6	31
	<b>9,080</b>	<b>7,995</b>

The above investment income is derived from assets held within the UK, except for the income from listed securities which are held both within and outside the UK.

## 4 Income from charitable activities

	<b>Year ended 31 December 2014 €000's</b>	Year ended 31 December 2013 €000's
<b>Safety, environment and mobility:</b>		
<b>Contributions to the Road Safety Fund</b>		
Sale of Decade of Actions Tags	2	1
<b>Contribution to The Global Fuel Economy Initiative – Regional Implementation</b>		
United Nations Environment Programme	44	-
<b>Total income</b>	<b>46</b>	<b>1</b>

# Notes to the Accounts

## 5 Resources expended

	Grants €'000's	Direct expenditure €'000's	Support and indirect costs €'000's	2014 €'000's	2013 €'000's
Costs of managing investments	-	-	1,851	<b>1,851</b>	1,553
Safety, environment and mobility	6,291	976	1,249	<b>8,516</b>	8,411
Motor sport safety	9,928	1,118	44	<b>11,090</b>	12,378
Memberships and affiliations	23	-	112	<b>135</b>	150
Representational activities and external communications	-	763	441	<b>1,204</b>	783
Governance costs	-	-	829	<b>829</b>	730
	<b>16,242</b>	<b>2,857</b>	<b>4,526</b>	<b>23,625</b>	<b>24,005</b>

See note 6 for details of grant funding.

See note 7 for details of direct expenditure.

See note 8 for support and indirect cost allocations.

## 6 Grants

Grant expenditure during the year was as follows:

	Grants €'000's	Write back under utilised grants €'000's	2014 €'000's	2013 €'000's
Safety, environment and mobility	6,400	(109)	<b>6,291</b>	6,437
Motor sport safety	10,513	(585)	<b>9,928</b>	11,180
Memberships and affiliations	36	(13)	<b>23</b>	45
	<b>16,949</b>	<b>(707)</b>	<b>16,242</b>	<b>17,662</b>

Detailed descriptions of each grant are provided below.

Each grant recipient received one grant, although this may have been payable in more than one tranche. All grants were made to institutions and were restricted to the purpose for which the grant was approved.

# Notes to the Accounts

Grants Awarded:

	Amount Awarded €'000's
<b>Recipient and project</b>	
<b>Safety, environment and mobility</b>	
<b>Unrestricted funds - Major Partners:</b>	
Fédération Internationale de l'Automobile (FIA)* + - FIA Road Safety Programme	1,000
Fédération Internationale de l'Automobile (FIA)* + - FIA Capacity Building Programme	500
GlobalNCAP + - Global New Car Assessment Programme	600
International Road Assessment Programme (iRAP)* + - International Road Assessment Programme	900
<b>Unrestricted funds - Other Multi-year Partners:</b>	
Asia Injury Prevention Foundation (AIPF) - Global Helmet Vaccine Initiative	210
Association pour le Développement de la Recherche sur le Cerveau et la Moelle Epinière (ADREC) - Institute for Brain and Spinal Cord Disorders	325
Eastern Alliance for Safety and Sustainable Transport (EASST) - Promoting Safe and Sustainable Transport in Eastern Europe	193
Gonzalo Rodriguez Memorial Foundation* - Regional Child Road Safety Vaccine	90
Make Roads Safe - Commission for Global Road Safety	350
World Bank - Global Road Safety Facility	125
<b>Unrestricted funds - Other Road Safety and Environment Programmes:</b>	
China Automotive Technology and Research Centre - Automotive Safety Tour	30
Federacion Ibero-Americana - Ibero-American Federation of Traffic Victims Meeting	12
Fédération Internationale de l'Automobile (FIA), Region 1* + - Fuel Economy Testing of European Cars	28
Gonzalo Rodriguez Memorial Foundation* - Regional Child Road Safety Vaccine	34
Riders for Health - Skills for Life	30
Save the Children - SHIFT: Shared Helmet Initiative for the Future of Thailand	50
The Guardian - Global Development Reporting on Road Safety	65
United Nations Environment Programme - Partnership for Cleaner Fuels	48
United Nations Environment Programme - Share the Road	150
<b>Safety, environment and mobility - grants awarded from unrestricted funds</b>	<b>4,740</b>
<b>Restricted funds - Road Safety Fund</b>	
<b>Discretionary Grants Programme:</b>	
Global Alliance of NGO's for Road Safety - Implementation of the NGO Alliance Strategic Plan 2014-16	69
Stitching PAO - Delft International Road Safety Course for Low and Middle Income Countries	14
Youth for Road Safety - #SaveKidsLives and the Right to Safe and Sustainable Transport	21
<b>Directed Grants Programme:</b>	
Asia Injury Prevention Foundation (AIPF) - Helmets for Kids (Parts 1 and 2)	109
Asia Injury Prevention Foundation (AIPF) - Helmets for Kids, Thailand	39
Asia Injury Prevention Foundation (AIPF) - UN Road Safety Week	1
Childsafe - Safe Schools, South Africa	37
Fleet Forum Association - Development of Advanced Fleet Excellence Training and e-Learning Basic Fleet Excellence Training	109

**Amount**

# Notes to the Accounts

Recipient and project	Awarded €'000's
<b>Safety, environment and mobility (cont'd)</b>	
<b>Directed Grants Programme:</b>	
Global Alliance of NGO's for Road Safety - Support for Implementation of Pilot Campaigns for UN Road Safety Weeks Official Campaign #SaveKidsLives	2
GlobalNCAP + - Emerging Markets Automobile Safety Conference	109
International Road Assessment Programme (iRAP)* - Safe Schools, South Africa	30
Kwasukasukera (Sesame) - Safe Schools, South Africa	70
<b>Foundation Funded Grants:</b>	
Asia Injury Prevention Foundation (AIPF) - Global Helmet Vaccine Initiative	140
Childsafe - Safe Schools, South Africa	50
Gonzalo Rodriguez Memorial Foundation* - Regional Child Road Safety Vaccine	60
GlobalNCAP + - Global New Car Assessment Programme	400
International Road Assessment Programme (iRAP)* + - International Road Assessment Programme	400
<b>Safety, environment and mobility - grants awarded from restricted funds</b>	<b>1,660</b>
Grants awarded from unrestricted funds	4,740
Grants awarded from restricted funds	1,660
<b>Total safety, environment and mobility grants</b>	<b>6,400</b>
<b>Motor sport safety</b>	
<b>Unrestricted funds - Major Partners</b>	
FIA Institute for Motor Sport Safety + - Motor Sport Safety	2,000
<b>Motor sport safety – grants awarded from unrestricted funds</b>	<b>2,000</b>
<b>Restricted funds - Motor Sport Safety Development Fund</b>	
<b>Officials Skills Safety Training Programme (OSTP)</b>	
Bosnia and Herzegovina Automobile Club (BIHAMK)*	59
Botswana Motor Sport	75
Automobile and Touring Club of Egypt (ATCE)*	81
Ethiopian Motor Association (EMA)*	20
Guyana Motor Racing and Sports Club (GMR&SC)	21
Motorcycle and Automobile Federation of the Islamic Republic of Iran (MAFIRI)	125
Automotorsport Federation of the Republic of Kazakhstan*	125
Confederation of African Countries in Motorsport (CACMS)*	40
Malta Motorsport Federation*	7
Nepal Auto Sports Association (NASA)	93
Automobile Sports Club of Nigeria (ASCN)	81
Automobile Association of the Philippines (AAP)*	125
Rwanda Automobile Club	92
Real Federacion Espanola de Automovilismo (RFEDA)*	44
Zimbabwe Motor Sport Federation (ZMSF)*	23
<b>Officials Skills Safety Training Programme (OSTP) Grants</b>	<b>1,011</b>

**Amount  
Awarded**

# Notes to the Accounts

Recipient and project	€'000's
<b>Restricted funds - Motor Sport Safety Development Fund (cont'd)</b>	
<b>Young Driver Safety Scholarship Programme (YDSP)</b>	
Automobile Federation of Armenia (FAA)*	36
Club Automobile du Burundi (CAB)	75
Chinese Taipei Motor Sports Association (CTMSA)*	55
Federacion de Automovilismo y Kartismo de Cuba (FAKC)	56
Dansk Automobile Sports Union (DASU)*	20
Federacion Dominicana Automovillismo, INC	43
Estonian Autosport Union (EASU)*	38
Automovil Club de Guatemala	65
Automobile and Touring Club of Israel (MEMSI)*	100
Jamaica Millennium Motoring Club (JMMC)*	55
Latvijas Automobilu Federacija (LAF)*	100
Automobile Et Touring Club Du Liban (ATCL)*	70
The Lithuanian Automobile Sport Federation (LASF)*	65
Malta Motorsport Federation*	11
Federation Royale Marocaine de Sports Automobile (FRMSA)*	79
Oman Automobile Association (OAA)*	81
Federacao Portuguesa de Automobilismo E Karting (FPAK)*	38
Automobile Clubul Roman (ACR)	70
Rwanda Automobile Club	77
Sudanese Automobile and Touring Club (SATC)	97
Automobile Competition Committee for the United States FIA, INC (ACCUS)* + - Third Party Recipient: Road Racers Driving Club	98
<b>Young Driver Safety Scholarship Programme (YDSP) Grants</b>	<b>1,329</b>
<b>Special Projects:</b>	
Fédération Internationale de l'Automobile (FIA) * + - FIA Combined Sporting Events – Medical, Safety and Women in Motorsport	1,219
Fédération Internationale de l'Automobile (FIA) * + - ASN Grant Programme	2,148
FIA Institute for Motor Sport Safety + - Medical Training Programme	242
FIA Institute for Motor Sport Safety + - Research and Support	1,000
FIA Institute for Motor Sport Safety + - Sustainability Programme	296
FIA Institute for Motor Sport Safety + - Young Driver Excellence Academy	1,235
NACAM Rally Championship, Tracking System - via Organizacion Mexicana Del Deporte Automovilistico Internacional (OMADI)	33
Special Projects Grants	6,173
<b>Motor Sport Safety - grants awarded from restricted funds</b>	<b>8,513</b>
Grants awarded from unrestricted funds	2,000
Grants awarded from restricted funds	8,513
<b>Total Motor Sport Safety Grants</b>	<b>10,513</b>
	<b>Amount Awarded</b>
<b>Recipient and project</b>	<b>€'000's</b>

## Notes to the Accounts

<b>Memberships and affiliations - Unrestricted funds</b>	
Clinton Global Initiative (CGI)	<b>12</b>
Global Road Safety Partnership (GRSP)	<b>4</b>
International Road Traffic and Accident Database (IRTAD)	<b>15</b>
BOND - NGO's Working in Overseas Development	<b>5</b>
<b>Total memberships and affiliations expenditure</b>	<b>36</b>
<b>Total Grants Awarded:</b>	
Grants awarded from unrestricted funds	<b>6,776</b>
Grants awarded from restricted funds	<b>10,173</b>
<b>Total Grants Awarded</b>	<b>16,949</b>

\* FIA Foundation for the Automobile and Society member organisation

+ Other related party

# Notes to the Accounts

## 7 Direct expenditure

Expenditure was as follows:

	Year ended 31 December 2014 €000's	Year ended 31 December 2013 €000's
<b>Safety, environment and mobility</b>		
<b>Designated funds</b>		
Ambassadors/Mandela Campaign	93	97
Decade of Action Advocacy - Road Safety and Environment, Post 2015	238	275
Department for Trade (DFT) - UK/Brazil Workshop	30	-
Environmental Policy and Research Programme	223	240
Global Fuel Economy Initiative (GFEI)	113	-
African Union: Road Safety Co-ordination project	-	44
Global Road Safety Week Preparation	100	-
Road Scholarship Programme	151	138
	<b>948</b>	<b>794</b>
<b>Restricted funds</b>		
Make Roads Safe Hellas	3	-
Road Safety Fund	1	(9)
The Global Fuel Economy Initiative - Regional Implementation	24	-
	<b>28</b>	<b>(9)</b>
	<b>976</b>	<b>785</b>
<b>Safety, environment and mobility</b>		
<b>Motor Sport Safety</b>		
<b>Restricted funds</b>		
Motor Sport Safety Development Fund	1,118	1,127
<b>Representational activities and external communications</b>		
<b>Designated funds</b>		
AUTO Magazine	72	-
External Representation	245	219
Evaluation	241	21
FIA Foundation Website	21	12
Publicity	184	99
	<b>763</b>	<b>351</b>
	<b>2,857</b>	<b>2,263</b>
<b>Total direct expenditure</b>	<b>2,857</b>	<b>2,263</b>
Expenditure from designated reserves	1,711	1,145
Expenditure from restricted funds	1,146	1,118
<b>Direct Expenditure</b>	<b>2,857</b>	<b>2,263</b>



# Notes to the Accounts

## 8 Support and indirect costs

	Staff costs €000's	Office, premises and IT €000's	Trustees' expenses €000's	Legal and profess- ional €000's	Invest- ment manage- ment €000's	2014 €000's	2013 €000's
Costs of managing investments	52	19	-	4	1,776	1,851	1,553
Safety, environment and mobility	814	345	-	90	-	1,249	1,189
Motor sport safety	12	4	-	28	-	44	71
Memberships and affiliations	80	27	-	5	-	112	105
Representational activities and external communications	296	120	-	25	-	441	432
Governance costs	407	126	135	161	-	829	730
	1,661	641	135	313	1,776	4,526	4,080

Costs that relate directly to an employee are allocated against the activities they undertake.

Support and indirect costs are apportioned on the basis of the number of full time equivalent staff.

Trustees' expenses, legal and professional fees, and investment management fees are charged directly to the activities they relate to.

## 9 Net incoming resources

This is stated after:

	Year ended 31 December 2014 €000's	Year ended 31 December 2013 €000's
Auditor's remuneration:		
Statutory audit services	31	29
Non-audit services – tax compliance	5	-
Depreciation:		
Owned tangible fixed assets	118	117
Irrecoverable VAT	117	84
Exchange gains/(losses) on monetary assets	31	(106)
Rents payable under operating leases	38	45
Rents receivable under operating leases	488	537

# Notes to the Accounts

## 10 Employees

Staff costs during the year were as follows:

	<b>Year ended 31 December 2014 €000's</b>	Year ended 31 December 2013 €000's
Salaries	1,148	1,164
Social security costs	163	164
Pension costs	232	218
	<b>1,543</b>	<b>1,546</b>

The average number of employees during the year analysed by activity on a full time basis was:

	<b>Number 2014</b>	Number 2013
Safety, environment and mobility	7	8
Representational activities and external communications	3	3
Governance costs	3	3
	<b>13</b>	<b>14</b>

The emoluments of employees during the year, whose gross pay and benefits (excluding employer pension contributions) fell within the following bands:

	<b>Number 2014</b>	Number 2013
€ 0 - € 60,000	3	4
€ 60,000 - € 70,000	2	2
€ 70,000 - € 80,000	1	2
€ 80,000 - € 90,000	2	-
€ 90,000 - €100,000	-	1
€110,000 - €120,000	1	1
€120,000 - €130,000	1	2
€130,000 - €140,000	2	2
€150,000 - €160,000	1	-
	<b>13</b>	<b>14</b>

During the year the following amounts were paid to higher paid employees (employees earning over €60,000) as shown above:

	<b>2014 €000's</b>	2013 €000's
Pension contributions to money purchase pension schemes	205	183

During the year, 8 (2013: 8) higher paid employees participated in money purchase pension schemes.

# Notes to the Accounts

## 11 Payments to Trustees

Expense reimbursements payable to 13 Trustees (2013: 11 Trustees) for the period amounted to €135,000 (2013: €123,000) and can be analysed as follows:

	<b>Year ended 31 December 2014 €000's</b>	Year ended 31 December 2013 €000's
Travel costs	116	94
Accommodation and subsistence	19	20
Room hire for meetings	-	9
<b>Total</b>	<b>135</b>	<b>123</b>

Trustees' travel costs were higher than 2013 due additional flight costs being incurred as the AGM was held in Doha rather than in Paris.

No other Trustee or person with a family or business connection with a Trustee received any remuneration directly or indirectly from the charity in the year or the prior year.

## 12 Tangible fixed assets

	<b>Freehold land, buildings and improvements €000's</b>	<b>Fixtures, fittings, and equipment €000's</b>	<b>Computer equipment €000's</b>	<b>Total €000's</b>
<b>Cost</b>				
At 1 January 2014	4,948	220	55	5,223
Additions	-	61	8	69
Disposals	-	(142)	(16)	(158)
At 31 December 2014	4,948	139	47	5,134
<b>Depreciation</b>				
At 1 January 2014	1,072	209	29	1,310
Charge for the year	99	8	11	118
Eliminated on disposal	-	(139)	(13)	(152)
At 31 December 2014	1,171	78	27	1,276
<b>Net book amount as at 31 December 2014</b>	<b>3,777</b>	<b>61</b>	<b>20</b>	<b>3,858</b>
Net book amount as at 31 December 2013	3,876	11	26	3,913

# Notes to the Accounts

## 13 Fixed assets investments

	Investment properties €000's	Listed investments €000's	Cash held as part of the investment portfolio €000's	Total €000's
At 1 January 2014	7,694	321,911	18,687	<b>348,292</b>
Net transfers to cash	-	-	(16,247)	<b>(16,247)</b>
Shares purchased	-	123,424	(123,424)	-
Dividends received	-	-	8,056	<b>8,056</b>
Interest received	-	-	2	<b>2</b>
Movement in accrued income	-	-	(293)	<b>(293)</b>
Other income	-	-	424	<b>424</b>
Interest and charges paid	-	-	(1,492)	<b>(1,492)</b>
Realised gains	-	4,387	-	<b>4,387</b>
Unrealised investment gains	1,064	35,354	-	<b>36,418</b>
Unrealised exchange gains on monetary assets	-	-	(3,921)	<b>(3,921)</b>
Proceeds from disposals	-	(135,885)	135,885	-
At 31 December 2014	<b>8,758</b>	<b>349,191</b>	<b>17,677</b>	<b>375,626</b>

The Investment Property is held entirely within the United Kingdom and is valued at open market value. On 31 December 2014 a desk top valuation was undertaken by Montagu Evans, Chartered Surveyors. The Sterling valuation at this date was £6,800,000. The basis of the valuation is existing use subject to the existing and proposed leases. The surplus, arising from revaluation and fluctuations in the exchange rate, has been transferred to unrealised gains in the Statement of Financial Activities.

Listed investments are stated at their mid-market values as at the balance sheet date. The value of the fixed asset investments held within and outside the United Kingdom, analysed by type of investment is as follows:

	2014 €000's	Percentage	2013 €000's	Percentage
UK listed equity investments	<b>31,821</b>	<b>8.5%</b>	34,583	9.9%
UK fixed and variable interest stocks	<b>2,400</b>	<b>0.6%</b>	1,696	0.5%
UK alternative investments	<b>6,837</b>	<b>1.8%</b>	6,782	1.9%
UK property investment funds	<b>2,690</b>	<b>0.7%</b>	2,510	0.7%
Overseas listed equity investments	<b>242,523</b>	<b>64.6%</b>	223,290	64.1%
Overseas fixed and variable interest stocks	<b>54,007</b>	<b>14.4%</b>	45,592	13.1%
Overseas alternative investments	<b>1,451</b>	<b>0.4%</b>	792	0.3%
Overseas property investment funds	<b>7,462</b>	<b>2.0%</b>	6,666	1.9%
UK Investment properties	<b>8,758</b>	<b>2.3%</b>	7,694	2.2%
Cash held as part of the investment portfolio	<b>17,677</b>	<b>4.7%</b>	18,687	5.4%
	<b>375,626</b>	<b>100.0%</b>	348,292	100.0%

# Notes to the Accounts

At the year end, an amount equivalent to €3,300,000 (2013: €58,000) of the cash held by fund managers as part of the investment portfolio was denominated in sterling, and the balance was denominated in other currencies.

Derivatives are recognised in the balance sheet at fair value. The Foundation uses options and forward currency contracts as described below:

- Options were used by one manager to protect the portfolio from market risks. Use of options is at the discretion of the Board of Trustees and must be for defensive reasons with the maximum investment not exceeding 5% of the total value of the portfolio. The cost of put options at 31 December 2014 was €13,000 (2013: €11,000), with a market valuation of €2,000 (2013: €8,000). Options are included within listed investments.
- Forward currency contracts were used by one investment manager to reduce currency exposure in the portfolio. The basis of fair value of these forward exchange contracts is estimated by using the gain or loss that would arise from closing the contract at the balance sheet date. The loss arising on forward currency contracts at 31 December 2014 was €661,000 (2013: gain €516,000). The losses are included within cash held as part of the investment portfolio.

If the listed investments and investment properties had not been revalued, they would have been included on the historical costs basis at the following amounts:

	2014 €000's	2013 €000's
Listed investments	283,479	276,426
Investment properties	10,822	10,822
	<b>294,301</b>	<b>287,248</b>

No individual investments comprise over 5% of the value of the portfolio.

## 14 Debtors

	2014 €000's	2013 €000's
Prepayments	61	61
Accrued income	794	534
Other debtors	4,173	4,456
	<b>5,028</b>	<b>5,051</b>

Included in the above are the following amounts, relating to grants paid in advance, due after more than one year:

	2014 €000's	2013 €000's
Other debtors	2,925	3,550

# Notes to the Accounts

## 15 Creditors: amounts falling due within one year

	2014 €000's	2013 €000's
Grants committed but not paid over	5,664	5,566
Other creditors	141	140
Accruals	857	638
Social security and other taxes	15	312
	<b>6,677</b>	6,656

## 16 Unrestricted funds

	Designated funds €000's	Revaluation reserve €000's	General funds €000's	Total €000's
At 1 January 2014	472	42,115	316,224	<b>358,811</b>
Incoming resources	-	-	9,030	<b>9,030</b>
Costs of managing investments	-	-	(1,849)	<b>(1,849)</b>
Safety, environment and mobility expenditure	-	-	(6,822)	<b>(6,822)</b>
Motor sport safety expenditure	-	-	(2,018)	<b>(2,018)</b>
Memberships and affiliations expenditure	-	-	(135)	<b>(135)</b>
Representational activities and external communications expenditure	-	-	(1,204)	<b>(1,204)</b>
Governance Costs	-	-	(829)	<b>(829)</b>
Designation of funds	2,080	-	(2,080)	-
Change in Designation of funds	24	-	(24)	-
Designated funds committed	(1,711)	-	1,711	-
Transfer to restricted funds	-	-	(1,050)	<b>(1,050)</b>
Unrealised gains on investments	-	36,418	(3,921)	<b>32,497</b>
Gains eliminated on disposal	-	(14,886)	19,304	<b>4,418</b>
At 31 December 2014	865	63,647	326,337	<b>390,849</b>

# Notes to the Accounts

## 17 Designated funds

Internally managed projects are listed below:

Project Name	At 1 January 2014 €000's	Design- ations in the year €000's	Changes in design- ation in the year €000's	Grants committed in the year €000's	At 31 December 2014 €000's
<b>Safety, environment and mobility</b>					
Ambassadors/Mandela Campaign	3	100	-	(93)	10
Decade of Action Advocacy - Road Safety and Environment, Post 2015	3	250	-	(238)	15
Department for Trade (DFT) - UK/Brazil Workshop	50	-	-	(30)	20
Environmental Policy and Research Programme	365	160	24	(223)	326
Global Fuel Economy Initiative	-	230	-	(113)	117
African Union: Road Safety Co-ordination project	6	-	(6)	-	-
Global Road Safety Week Preparation	-	100	-	(100)	-
Global Road Safety Week Ministerial Conference 2015	-	300	-	-	300
Road Safety Scholarship Programme	12	140	-	(151)	1
	439	1,280	18	(948)	789
<b>Representational activities and external communications</b>					
AUTO Magazine	-	80	-	(72)	8
External representation	-	250	-	(245)	5
Evaluation, Research and Programme Support	29	250	6	(241)	44
Website	3	20	-	(21)	2
Publicity	1	200	-	(184)	17
	33	800	6	(763)	76
<b>Total</b>	472	2,080	24	(1,711)	865

The above designated funds were established in the prior period and during the year. Grants are made in accordance with the grant making policy as described within the Trustees' Report. Applications must meet at least one of the general or specific objectives of the charity. The funds are represented by cash and short-term deposits.

# Notes to the Accounts

## 18 Restricted Funds

	At 1 January 2014 €000's	Incoming resources €000's	Resources expended €000's	Transfers from un- restricted funds €000's	Net invest- ment gains €000's	At 31 December 2014 €000's
<b>Safety, environment and mobility</b>						
The Global Fuel Economy Initiative - Regional Implementation	-	44	(24)	-	-	<b>20</b>
Make Roads Safe Hellas	3	-	(3)	-	-	-
Road Safety Fund	411	487	(1,666)	1,050	-	<b>282</b>
<b>Motor Sport Safety</b>						
Motor Sport Safety Development Fund	9,442	50	(9,075)	-	(31)	<b>386</b>
	<b>9,856</b>	<b>581</b>	<b>(10,768)</b>	<b>1,050</b>	<b>(31)</b>	<b>688</b>

Purpose and restriction in use:

### The Global Fuel Economy Initiative - Regional Implementation

Execution of the project “Stabilizing Greenhouse Gas Emissions from Road Transport Through Doubling of Global Vehicle Fuel Economy: Regional Implementation of Global Fuel Economy”. The main object is to support the development of national fuel economy policies in 20 countries.

### Make Roads Safe - Greece

To fund a Make Roads Safe Hellas Campaign in Greece.

### Road Safety Fund

To invest in the preventative measures that are proven to reduce the risk or severity of road injury.

The fund was created as a new global fund for road safety to support the implementation of the United Nations' Decade of Action for Road Safety 2011-2020, the Foundation directs funds from a range of donors – companies, governments, philanthropies and the public – to support road injury prevention programmes in countries and communities working to defeat this growing epidemic of road death and injury.

As part of the Foundation's support to the Road Safety Fund €1,050,000 (2013: €1,168,000) was transferred from unrestricted reserves to restricted reserves. The funds were used to pay the Foundation funded grants awarded by the Road Safety Fund as disclosed in note 6.

### FIA Motor Sport Safety Development Fund

The Fund activities are split into three main areas: Officials Safety Training Programme; Young Driver Safety Programme; and the Sustainability Programme.

The fund will be fully distributed by 2015.



# Notes to the Accounts

## 19 Analysis of net assets between funds

	Unrestricted funds €000's	Restricted funds €000's	Total 2014 €000's
Fund balances are represented by:			
Tangible fixed assets	3,858	-	3,858
Investments	375,626	-	375,626
Current assets	13,378	5,352	18,730
Current liabilities	(2,013)	(4,664)	(6,677)
Total net assets	390,849	688	391,537

## 20 Leasing Commitments

Operating lease payments amounting to €39,000 (2013: €39,000) are due within one year. The leases are for office equipment and expire as follows:

	2014 €000's	2013 €000's
In one year or less	-	1
Between one and five years	39	38
	<b>39</b>	<b>39</b>

## 21 Capital commitments

The Foundation did not have any capital commitments at 31 December 2014 or 31 December 2013.

## 22 Contingent assets/liabilities

There were no contingent assets or liabilities at 31 December 2014 or 31 December 2013.

## 23 Controlling related parties

The Trustees consider that there is no controlling related party.

# Notes to the Accounts

## 24 Related party transactions

Grants have been made for the benefit of projects run by the Foundation member organisations as disclosed in the note 6.

Grants have also been made to organisations related to the Trustees and Foundation staff, as follows:

Recipient	Trustee/Foundation staff and relationship to the recipient organisation	Grants Awarded €'000's	Grants awarded – not yet paid over~ €'000's
Automobile Competition Committee for the United States FIA, Inc (ACCUS)	Mr N Crow (President and Chief Executive Officer)	98	65
Fédération Internationale de l'Automobile (FIA)	Mr J Todt (President) Mr B Gibbons (Deputy President) Mr G Stoker (Deputy President) Mr N Crow (Senate President)	4,895	2,467
FIA Institute for Motor Sport Safety	Mr A Gow (FIA Foundation representative on the Executive Committee)	4,773	-
Global NCAP	Mr M Mosley (Trustee and Chairman) Mr N Dumaswala (husband of Mrs B Dumaswala, Campaigns and Logistics Officer)	1,109	-
Association pour le Développement de la Recherche sur le Cerveau et la Moelle Epinière (ADREC) ^	Mr M Mosley (Founding Member) Mr J Todt (Founding Member and Vice Chairman of the Board of Directors)	325	-
Eastern Alliance for Safety and Sustainable Transport (EASST)	The Rt Hon. The Lord Robertson of Port Ellen KT (Patron)	193	30
International Road Assessment Programme (iRAP) #	Mr S Billingsley (Board Member – appointed 7 January 2014) Mr J Dawson (Board Member) Mr M Nadal (Board Member)	1,330	6
Make Roads Safe	Mr S Billingsley (Trustee) Mr M Mosley (Trustee and Chairman - appointed 3 July 2014) The Rt Hon. The Lord Robertson of Port Ellen KT (Trustee)	350	-
Motor Sports Association (MSA)	Mr A Gow (Chairman)	-	54

~ Current and previous year grants not yet paid.

^ Grants of €325,000 per year for a period of 20 years were awarded to ADREC during the year ended 31 December 2005 (ie 6.5 million in total). All of the 20 year grant has been paid, in advance, to ADREC.

# Grants of €300,000 per year for a period of 10 years were awarded to iRAP during the year ended 31 December 2006 (ie €3 million in total). All of the 10 year grant has been paid, in advance, to iRAP. An

# Notes to the Accounts

additional grant of €1 million was awarded to iRAP from unrestricted and restricted funds during the current year.

Other transactions with organisations related to the Trustees and key management personnel are as follows:

Transaction details	Amount €'000's	Amount Out- standing at year end €'000's
<b>Fédération Internationale de l'Automobile (FIA) – Mr J Todt (President), Mr B Gibbons (Deputy President), Mr G Stoker (Deputy President), Mr N Crow (Senate President)</b>		
Payment due to the FIA to cover the costs of staging the Foundation's Annual General Meeting in Doha, Qatar.	60	60
Payment due to the FIA to cover a one third share of the production costs of AUTO Magazine	69	69
Monies due from the FIA in respect of goods purchased on their behalf.	1	1
<b>FIA Institute for Motor Sport Safety – Mr A Gow (FIA Foundation representative on the Executive Committee)</b>		
Rental income received for office space under rent agreements (all agreements are at arm's length). The FIA Institute vacated the building on 28 February 2014.	4	-
Monies due from the FIA Institute in respect of goods purchased on their behalf.	1	1
Management fees charged by the FIA Institute in connection with the Motor Sport Safety Development Fund.	1,009	-
<b>Eastern Alliance for Safety and Sustainable Transport (EASST) - The Rt Hon. The Lord Robertson of Port Ellen KT (Patron)</b>		
Project support for Fire Aid (an association of organisations with a mutual interest in providing ethical, sustainable donations of fire and rescue equipment to countries facing the greatest challenges).	8	-
<b>Trustees</b>		
Expense reimbursements.	135	38

Two grant recipients received part of their 2015 grant in advance. The first installment of their 2015 grant payments have been reduced by these amounts. The advance payments were as follows:

Recipient	Trustee/key management personnel and relationship to the recipient organisation	Grant paid in advance €'000's
Global NCAP	Mr M Mosley (Trustee and Chairman) Mr N Dumaswala (husband of Mrs B Dumaswala, Campaigns and Logistics Officer)	200
International Road Assessment Programme (iRAP) #	Mr S Billingsley (Board Member – appointed 7 January 2014) Mr J Dawson (Board Member)	200