

AMR GP Limited

Annual Report and Financial Statements

Year Ended

31 December 2022

Company Number 11496673



AMR GP Limited

Company Information

Directors	S K F Chou L S Strulovitch
Registered number	11496673
Registered office	Aston Martin Formula One Team Silverstone Towcester Northamptonshire United Kingdom NN12 8TJ
Independent auditor	BDO LLP Chartered Accountants & Statutory Auditors 55 Baker Street London United Kingdom W1U 7EU

AMR GP Limited

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AMR GP Limited

Strategic Report For the Year Ended 31 December 2022

Principal activities and business review

The principal activity of the Company is to operate a Formula One racing team.

The Company carries out that activity through the design, development, manufacture, testing and racing of cars for participation in the FIA Formula One World Championship.

The Company's success is measured by its performance in the Constructors' and Drivers' World Championships and by reference to the financial parameters defined by its shareholders. The Company's strategic objectives are to optimise its performance in the Constructors' and Drivers' World Championships, and to build a team capable of competing to win both Championships within the next five years.

2022 saw a return to a disruption-free calendar following the global COVID-19 pandemic, with 22 races completed and full fan attendance at all race events. The year also saw the introduction of the new FIA Formula One Technical Regulations which marked a fundamental shift in how Formula One cars generate downforce. Consistent development of the car throughout the year led to a strong second half of the season resulting in a 7th place finish in the Constructors' Championship, level on points with the 6th place team. Season highlights included three double-points finishes at the Singapore, Emilia Romagna and Abu Dhabi grands prix.

The year also marked a number of significant moments in the Company and team's history. 100 years on from Aston Martin's first Grand Prix entry at the 1922 French Grand Prix, the team saw one Formula One World Champion in Sebastian Vettel retire from the sport to be replaced by another World Champion in Fernando Alonso. As a two-time Formula 1 World Champion, Fernando brings speed, determination and experience, adding new energy to the team's journey to compete at the sharp end of the grid in the years ahead. The team also welcomes current Formula e World Champion, Stoffel Vandoorne, as a reserve driver for 2023, alongside Brazilian Formula Two Champion, Felipe Drugovich, further strengthening the driver squad.

Away from the track the Company continued to progress, significantly increasing its revenue as the new partnerships entered into at the end of the previous year contributed to the financial results for the first time. In addition, the team welcomed numerous new partners during the year including BOSS, XP, and Porto Seguro.

Work continued on the new Aston Martin F1 campus during 2022. Phase one of the development, delivering the first all-new headquarter building in Formula One in nearly twenty years is on-track for completion in late-Spring 2023. Phase 2, a state-of-the-art Windtunnel, will be complete during the Summer of 2024 and Phase 3, a class-leading Wellbeing, Simulation and Heritage Centre will be complete by the end of 2024. This campus will represent a world-class facility and will further enhance the Company's operational effectiveness

The investment across every facet of the Company is building the foundations for sustainable success in the coming years.

Turnover for the year was £188 million (2021 - £150 million) and the Company made a loss before taxation of £53 million (2021 - £43 million).

In 2023 and beyond the Company will continue with its principal activity, namely to operate a successful Formula One racing team, including the design, development, manufacture, testing and racing of Formula One racing cars.

AMR GP Limited

Strategic Report (continued) For the Year Ended 31 December 2022

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks, which are reviewed by the board and appropriate processes put in place to monitor and mitigate them. The key business risks are as follows:

Competitive risks

The Company operates in one of the most competitive environments in the world at the pinnacle of global motorsport. A substantial proportion of the Company's revenue relates to prize money directly impacted by the race results it achieves. To mitigate the risks around this uncertain revenue, the Company prepares budgets and forecasts, performing regular financial reviews against these.

Legislative risks

Participation in the FIA Formula One World Championship is subject to the International Sporting Code, the current Technical, Sporting and Financial Regulations and the provisions of the 2021 Concorde Agreement or such similar agreements. The Company works with its employees, agents and advisors, as well as the FIA to ensure its compliance.

Financial risks

The Company has issued the necessary amount of equity capital to meet its projected financial obligations and has long-term, fixed rate debt funding in place. The funding requirements of the team are closely monitored during regular financial reviews.

The Company places forward contracts to manage its foreign exchange risk.

Directors' statement of compliance with duty to promote the success of the Company

Summary of how the Board engages with our stakeholders:

Stakeholder group	Why we engage	How we engage	What matters to the group
Shareholders and potential shareholders	<ul style="list-style-type: none">Continued access to equity capital is important for the long-term success of our business.We work to ensure that our shareholders have a good understanding of our strategy, business model and culture.We aim to create value for our shareholders through a team that can deliver sustainable on-track and financial performance.	<ul style="list-style-type: none">Annual Report and Financial StatementsRegular and effective communications	<ul style="list-style-type: none">Long-term value creationOn-track performanceFinancial stabilityCultureTransparencyEthics and sustainability

AMR GP Limited

Strategic Report (continued) For the Year Ended 31 December 2022

Directors' statement of compliance with duty to promote the success of the Company (continued)

Stakeholder group	Why we engage	How do we engage	What matters to the group
Employees	<ul style="list-style-type: none"> The Company's long-term aims will be achieved with the engagement of our employees to the Company's mission and values. We are committed to creating and maintaining an inclusive working environment where employees are supported and empowered. We believe AMR GP Limited is a great place to work and we believe that employees are at the heart of what we do and their hard work and commitment is central to achieving our objectives. 	<ul style="list-style-type: none"> Company Intranet Regular staff communications Apprenticeship programme Staff events Whistleblowing policy 	<ul style="list-style-type: none"> Fair employment Fair pay and benefits Diversity and inclusion Training, development and career opportunities Health and safety Ethics and sustainability
Sponsors	<ul style="list-style-type: none"> We aim to build long-term lasting relationships with our sponsors. 	<ul style="list-style-type: none"> We work with our sponsors to understand their objectives of our relationships and then deploys the necessary resources and structure to deliver against these objectives. 	<ul style="list-style-type: none"> Renewal of agreements Attracting new partners to our team Creating value for our partners
Suppliers	<ul style="list-style-type: none"> Our suppliers are fundamental to the rate of our development, the reliability of our racing car and to ensuring we maintain the high standard of work we set ourselves. Suppliers must demonstrate that they operate in accordance with recognised standards that uphold human rights and safety, prohibit modern slavery and promote sustainable sourcing. 	<ul style="list-style-type: none"> Regular performance reviews of all key supply chain partners for total reliability in product delivery 	<ul style="list-style-type: none"> Fair trading and payment terms Anti-bribery Ethics and slavery Environment and sustainable sourcing

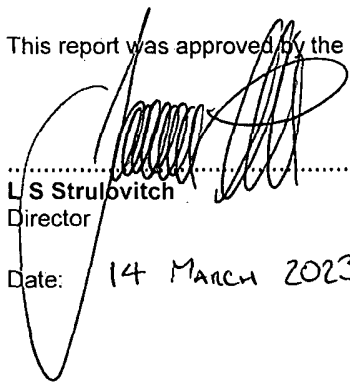
AMR GP Limited

Strategic Report (continued) For the Year Ended 31 December 2022

Directors' statement of compliance with duty to promote the success of the Company (continued)

Stakeholder group	Why we engage	How we engage	What matters to the group
Community and environment	<ul style="list-style-type: none">• We are committed to creating awareness around our environmental impact and minimising our impact through proactive sustainability efforts.• We encourage employee engagement with sustainability activities.• We will take active steps to engage with the community through our partners, sponsors, workforce and other stakeholders.• We promote our followers across the globe, championing careers in STEM and motorsport.	<ul style="list-style-type: none">• We are proactive in our corporate responsibility to the local and wider community in which we work.• We encourage employee involvement in community projects and programmes.• Group Streamlined Energy and Carbon Reporting.	<ul style="list-style-type: none">• Charitable donations and sponsorships• Energy usage• Recycling• Waste management

This report was approved by the board and signed on its behalf.


.....
L S Strulovitch
Director

Date: 14 March 2023

AMR GP Limited

Directors' Report For the Year Ended 31 December 2022

The directors present their report together with the audited financial statements for the year ended 31 December 2022.

Dividends

The Company paid no dividends during the year (2021 - £Nil).

Directors

The directors who served during the year were:

S K F Chou
L S Strulovitch

Employees

The Company is committed to ensuring its employees are fully engaged in the ongoing management and performance of the business. Regular formal and informal briefings are conducted with all employees.

The Company takes reasonable steps to ensure that all employees, existing and prospective, are given fair and equal opportunity regardless of sex, race, ethnicity, religion or disability.

Research and development activities

The activities of the Company are all dedicated towards the design and development of a car to compete successfully in the FIA Formula One World Championship. The directors consider the investment in research and development to be integral to the continued success of the Company.

Disabled employees

The Company's policy is to give all applications for employment from disabled persons full consideration in relation to the vacancy concerned and their own aptitude and abilities. In the event of existing staff members becoming disabled, every effort is made to enable them to maintain their present position or to provide appropriate training and employ them in suitable work within another department.

Training, career development and promotion of disabled persons employed by the Company is considered and administered in the same manner as for other employees, taking into account any additional support requirements of those persons.

Going concern

The Company and the Group meet its day-to-day working capital requirements through the use of operating cash flows.

After making suitable enquiries of management and reviewing cashflow forecasts, the directors have formed a judgement that as at the date of approving the financial statements, there are adequate resources to continue in existence for the foreseeable future, which under UK generally accepted accounting principles means at least 12 months from the date the financial statements are signed.

The Company's trading subsidiaries rely on non-recall intergroup loans and such funding as necessary and remain reliant on the support of our main shareholder. The main shareholder has confirmed under deed that they will continue to provide financial support to the Group for at least a period until 31 March 2024, in order for the Company and the Group to be able to meet its liabilities as they fall due.

The directors have considered the Group's financial position, forecast cashflow and the availability of financial support from its significant shareholder and have concluded that it is appropriate to prepare the financial statements on a going concern basis.

AMR GP Limited

Directors' Report (continued) For the Year Ended 31 December 2022

Qualifying third party indemnity provisions

The Company maintains directors' and officers' liability insurance providing appropriate cover for any legal action brought against its directors.

Environmental considerations

The Company champions environmental and societal change and is building a responsible business where we respect, nurture and support our planet and community with every action we take.

We are always striving to be environmentally accountable and advocate for better environmental and sustainable principles to protect our planet and consistently base our actions on achieving a Net-Zero footprint by 2030. We are committed to making a mark in the communities where we live and work through creating long-lasting partnerships, delivering community-based projects and supporting the environment where we race and work.

We do this by engaging the support and help of our best assets – our employees, our fans, our partners, our investors, our sponsors and our community, always making sure diversity, equality and inclusivity are at the heart of our team where we encourage a culture that ensures everyone feels welcomed, respected, supported and appreciated, no matter who they are or where they come from.

Vision

Champion environmental and social change to build a sustainable and responsible business where we respect, nurture and support our planet and the communities where we live and work with every action we take.

Mission

Aston Martin Aramco Cognizant Formula One Team is committed to being environmentally and socially accountable, consistently basing our actions on principles to protect our planet, make a mark on the communities where we live and work and create a culture where diversity, equality and inclusivity thrive.

Streamlined energy and carbon reporting

The Company's SECR disclosures are included in those of the Company's parent company, Racing Point UK Holdings Limited.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

Details of post balance sheet events are given in note 29 to the accounts.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

AMR GP Limited

Directors' Report (continued)
For the Year Ended 31 December 2022

This report was approved by the board and signed on its behalf.


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L S Strulovitch
Director

Date: 14 MARCH 2023

AMR GP Limited

Directors' Responsibilities Statement For the Year Ended 31 December 2022

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

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AMR GP Limited

Independent Auditor's Report to the Members of AMR GP Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss 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.

We have audited the financial statements of AMR GP Limited ("the Company") for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

AMR GP Limited

Independent Auditor's Report to the Members of AMR GP Limited (continued)

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered potential financial or other pressures, opportunity, and motivations for fraud. As part of this discussion, we identified the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations and how management monitor these processes. Appropriate procedures included the review and testing of manual journals and key estimates and judgements made by management. We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates, drawing on our broad sector experience, and considered the risk of acts by the Company that were contrary to these laws and regulations, including fraud.

AMR GP Limited

Independent Auditor's Report to the Members of AMR GP Limited (continued)

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, FIA legislation, UK tax legislation and equivalent local laws and regulations.

We made enquiries of management with regards to compliance with the above laws and regulations and corroborated any necessary evidence to relevant information, for example, minutes of the Board of Directors meetings and correspondence between the Group or Parent Company and its solicitors. Our tests included agreeing the financial statements disclosures to underlying supporting documentation and enquiries with management.


We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits, we also addressed the risk of management override of internal controls including testing journals and evaluation whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:


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Gareth M Jones FCA (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

Date: 17 March 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

AMR GP Limited

Statement of Comprehensive Income For the Year Ended 31 December 2022

	Note	2022 £000	2021 £000
Turnover	4	187,728	150,438
Cost of sales		(152,046)	(107,735)
Gross profit		35,682	42,703
Administrative expenses		(127,853)	(104,878)
Other operating income	5	39,457	22,596
Operating loss	6	(52,714)	(39,579)
Interest receivable and similar income		32	-
Interest payable and similar expenses	10	(233)	(3,753)
Loss before tax		(52,915)	(43,332)
Tax on loss	11	-	-
Loss for the financial year		(52,915)	(43,332)

There was no other comprehensive income for the year ended 31 December 2022 (2021 - £Nil).

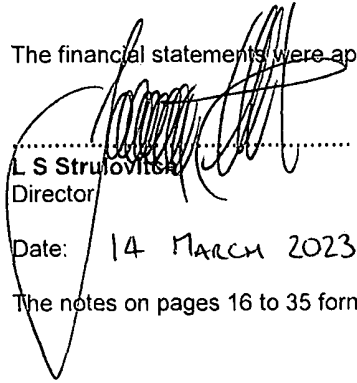
The notes on pages 15 to 34 form part of these financial statements.

AMR GP Limited
Registered number: 11496673

Statement of Financial Position
As at 31 December 2022

	Note	2022 £000	2021 £000
Fixed assets			
Intangible assets	12	1,054	5,598
Tangible fixed assets	13	107,255	27,013
Investments	14	50	50
		<u>108,359</u>	<u>32,661</u>
Current assets			
Stocks	15	8,086	6,141
Debtors: amounts falling due within one year	16	59,939	31,435
Cash at bank and in hand	17	69,774	125
		<u>137,799</u>	<u>37,701</u>
Current liabilities			
Creditors: amounts falling due within one year	18	(55,238)	(49,620)
Net current assets/(liabilities)		<u>82,561</u>	<u>(11,919)</u>
Total assets less current liabilities		<u>190,920</u>	<u>20,742</u>
Non-current liabilities			
Creditors: amounts falling due after more than one year	19	(211,141)	(24)
Provisions for liabilities			
Other provisions		(12,165)	(204)
Net (liabilities)/assets		<u>(32,386)</u>	<u>20,514</u>
Capital and reserves			
Called up share capital	24	279	264
Share premium account	25	259,251	259,251
Profit and loss account	25	(291,916)	(239,001)
Total equity		<u>(32,386)</u>	<u>20,514</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


.....
L S Strulovitch
Director

Date: 14 March 2023

The notes on pages 16 to 35 form part of these financial statements.

AMR GP Limited

Statement of Changes in Equity For the Year Ended 31 December 2022

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 January 2021	219	203,796	(195,669)	8,346
Loss for the year	-	-	(43,332)	(43,332)
Shares issued during the year	45	55,455	-	55,500
At 1 January 2022	264	259,251	(239,001)	20,514
Loss for the year	-	-	(52,915)	(52,915)
Shares issued during the year	15	-	-	15
At 31 December 2022	279	259,251	(291,916)	(32,386)

The notes on pages 15 to 34 form part of these financial statements.

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. General information

The Company is a United Kingdom private company limited by shares. It is both incorporated and domiciled in England and Wales. The registered office address is Aston Martin Formula One Team, Silverstone, Towcester, Northamptonshire, United Kingdom, NN12 8TJ.

These financial statements are presented for the year ended 31 December 2022.

The Company has determined that Pounds Sterling (GBP) is its functional currency, as this is the currency of the economic environment in which the Company predominantly operates. These financial statements are presented in GBP, and are presented to the nearest thousand pound.

The principal activity of the Company during the year was the design, development and operation of a Formula One racing team.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The Company has taken exemption under s.400 of the Companies Act 2006 from preparing consolidated accounts, as it is included in the group accounts of Racing Point UK Holdings Limited.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Racing Point UK Holdings Limited (formerly AMR GP Holdings Limited) as at 31 December 2022 and these financial statements may be obtained from 5 St James's Square, London, SW1Y 4JU.

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.3 Going concern

The Company and the Group meet its day-to-day working capital requirements through the use of operating cash flows.

After making suitable enquiries of management and reviewing cashflow forecasts, the directors have formed a judgement that as at the date of approving the financial statements, there are adequate resources to continue in existence for the foreseeable future, which under UK generally accepted accounting principles means at least 12 months from the date the financial statements are signed.

The Company relies on non-recall intergroup loans and such funding as necessary and remain reliant on the support of the Group's main shareholder. The main shareholder has confirmed under deed that they will continue to provide financial support to the Group for at least a period until 31 March 2024, in order for the Company and the Group to be able to meet its liabilities as they fall due.

The directors have considered the Group's financial position, forecast cashflow and the availability of financial support from its significant shareholder and have concluded that it is appropriate to prepare the financial statements on a going concern basis.

2.4 Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the Statement of Comprehensive Income within administrative expenses.

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.5 Turnover

Turnover, which excludes value added tax and trade discounts, represents sponsorship income, prize money and other income relating to the Company's principal activity and is recognised in the period to which it relates once collectability is reasonably assured.

Both sponsorship and prize money are recognised on an accruals basis across the period in which it relates to.

In certain cases, the Company enters into agreements with suppliers whereby goods and services are received in exchange for various sponsorship and marketing activities. In such cases turnover is recorded at the fair value of the goods or services rendered. Where these amounts cannot be reliably estimated, no revenue is recognised.

Prize money in relation to performance in the Constructors' Championship is based on performance in the preceding season. This revenue is recognised across the period of the Constructors' Championship. Other commercial rights revenue is recognised as the respective rights are delivered to the customer.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

2.7 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.8 Finance costs

Finance costs are recognised over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Borrowing costs

Where borrowing costs are directly attributable to the acquisition, construction or production of a qualifying asset such costs are capitalised as part of the cost of that asset. All other borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.11 Taxation

Tax is recognised in the Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

EU State Aid Grants are non-taxable income that are accounted for on a receipts basis or if there is reasonable assurance that the grants will be received.

2.13 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Intellectual property	-	2	years
Computer software	-	2	years

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold buildings	- between 4% and 50% straight line
Assets under construction	- not depreciated
Plant and machinery	- between 20% and 50% straight line
Motor vehicles	- between 20% and 50% straight line or over the length of the lease
Cars and memorabilia	- not depreciated
Computer equipment	- 50% straight line

Freehold land is not depreciated.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the net proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Racing cars have an expected life of one year and all expenditure on the production and maintenance of such cars is charged to the Statement of Comprehensive Income during the racing season in which the racing car is used.

2.15 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.17 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a average cost basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its scrap value less costs to scrap. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

2.18 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.19 Cash and cash equivalents

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

2.20 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.21 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2.22 Financial instruments

The Company enters into financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.22 Financial instruments (continued)

at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income in finance costs or income as appropriate. The Company does not currently apply hedge accounting for foreign exchange derivatives.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The directors consider the following areas to involve considerable degree of estimation uncertainty:

Impairment of assets

Financial and non-financial assets are subject to impairment reviews based on whether current or future events and circumstances suggest that their recoverable amount may be less than their carrying value. Recoverable amount is based on the higher of the value in use and fair value less costs to dispose. Value in use is calculated from expected future cash flows using suitable discount rates and includes management assumptions and estimates of future performance. The net book value of intangible assets at the year end was £1,054,000 (2021 - £5,598,000).

Useful Economic Life (UEL)

The useful economic life of financial and non-financial assets are reviewed annually.

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

3. Judgements in applying accounting policies (continued)

Provisions and accruals

These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events and market conditions. Any difference between expectations and the actual future liability will be accounted for in the period when such determination is made. The value of provisions and accruals at the year end was £24,245,000 (2021 - £12,720,000).

Government Grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

EU State Aid Grants are non-taxable income that are accounted for on a receipts basis or if there is reasonable assurance that the grants will be received.

Recognition of Sponsorship Income

The Company considers the expected value of sponsorship income is recognised based on the level of completion of the service under each sponsorship agreement

4. Turnover

Turnover represents sponsorships, prize money and other income relating to the Company's principal activity. All turnover is attributable to one continuing activity, being the operation of a Formula One team.

All turnover arose within the United Kingdom and from the provision of F1 services.

5. Other operating income

	2022 £000	2021 £000
Other operating income	39,457	22,596

Included within other operating income are UK Government grants.

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

6. Operating loss

The operating loss is stated after (crediting)/charging:

	2022 £000	2021 £000
Exchange differences	4,807	(82)
Other operating lease rentals	943	812
Depreciation	6,389	9,455
Amortisation	5,354	4,831
(Profit) / loss on disposal of fixed assets	(555)	2,371

During the year the Company incurred £107.5m (2021 - £80.3m) of costs associated with research and development.

7. Auditor's remuneration

	2022 £000	2021 £000
Fees payable to the Company's auditor		
Audit of the Company's annual financial statements	130	80
Taxation services	25	10
Statutory accounts preparation	23	10
Tax consultancy	250	175
Other advisory services	75	65

8. Employees

Staff costs were as follows:

	2022 £000	2021 £000
Wages and salaries	43,576	42,791
Social security costs	6,026	4,631
Cost of defined contribution scheme	1,847	1,682
	51,449	49,104

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

8. Employees (continued)

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
Administration	29	56
Design, production and technical	420	401
	<u>449</u>	<u>457</u>

9. Directors' remuneration

The directors received no remuneration from the Company in the year ended 31 December 2022 (2021 - £Nil).

10. Interest payable and similar expenses

	2022 £000	2021 £000
Bank loan interest payable	192	1,331
Bank interest	10	-
Interest payable to group undertakings	-	53
Finance leases and hire purchase contracts	31	27
Unwinding of discount on loan	-	2,342
	<u>233</u>	<u>3,753</u>

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

11. Taxation

	2022 £000	2021 £000
Current tax	-	-
Deferred tax	-	-
Taxation on loss on ordinary activities	-	-

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £000	2021 £000
Loss on ordinary activities before tax	(52,915)	(43,332)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(10,054)	(8,233)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,589	1,599
Capital allowances for year in excess of depreciation	(460)	690
Non-taxable income	(7,497)	(4,293)
Additional deduction for R&D expenditure	20,433	9,753
Capital gains	75	-
Other permanent differences	6	-
Deferred tax not recognised	(6,092)	484
Total tax charge for the year	-	-

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

12. Intangible assets

	Intellectual property £000	Computer software £000	Total £000
Cost			
At 1 January 2022	21,492	10,429	31,921
Additions	-	80	80
Transfers between classes	-	1,553	1,553
At 31 December 2022	<u>21,492</u>	<u>12,062</u>	<u>33,554</u>
Amortisation			
At 1 January 2022	21,492	4,831	26,323
Charge for the year	-	5,354	5,354
Transfers between classes	-	823	823
At 31 December 2022	<u>21,492</u>	<u>11,008</u>	<u>32,500</u>
Net book value			
At 31 December 2022	<u>-</u>	<u>1,054</u>	<u>1,054</u>
At 31 December 2021	<u>-</u>	<u>5,598</u>	<u>5,598</u>

The amortisation for the year has been charged to administrative expenses.

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

13. Tangible fixed assets

	Freehold land and buildings £000	Assets under construction £000	Plant and machinery £000	Motor vehicles £000	Cars and memorabilia £000	Computer equipment £000	Total £000
Cost or valuation							
At 1 January 2022	15,273	4,604	12,695	6,551	396	7,851	47,370
Additions	3,667	80,714	1,502	993	197	868	87,941
Disposals	-	-	(199)	(172)	(347)	-	(718)
Transfers between classes	3	(329)	1,021	(789)	-	(1,459)	(1,553)
At 31 December 2022	18,943	84,989	15,019	6,583	246	7,260	133,040
Depreciation							
At 1 January 2022	4,701	-	7,297	3,539	-	4,820	20,357
Charge for the year	195	-	2,645	1,114	-	2,435	6,389
Disposals	-	-	(11)	(127)	-	-	(138)
Transfers between classes	5	-	331	(461)	-	(698)	(823)
At 31 December 2022	4,901	-	10,262	4,065	-	6,557	25,785
Net book value							
At 31 December 2022	14,042	84,989	4,757	2,518	246	703	107,255
At 31 December 2021	10,572	4,604	5,398	3,012	396	3,031	27,013

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

13. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £000	2021 £000
Motor vehicles	159	293

14. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2022 and 31 December 2022	50

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Racing Point UK Limited (formerly known as AMR GP Finance PLC) (dormant)	Ordinary	100%
AMR Commerce Limited (formerly known as: Racing Point UK Holdings Limited) (dormant)	Ordinary	100%
Aston Martin Performance Technologies Limited (formerly known as: Dadford Road Property Limited)	Ordinary	100%
AMR Performance Technologies Limited (formerly known as: Racing Point UK Limited)	Ordinary	100%
AMR Performance Aerodynamics Limited	Ordinary	100%
AMR GP Services Limited	Ordinary	100%

The registered office of all subsidiary undertakings is Aston Martin Formula One Team, Silverstone, Towcester, Northamptonshire, NN12 8TJ.

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

15. Stocks

	2022 £000	2021 £000
Raw materials, consumables and finished goods	6,027	4,787
Work in progress	2,059	1,354
	<u>8,086</u>	<u>6,141</u>

16. Debtors: amounts falling due within one year

	2022 £000	2021 £000
Trade debtors	8,634	67
Other debtors	37,801	23,686
Prepayments and accrued income	13,504	7,682
	<u>59,939</u>	<u>31,435</u>

17. Cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	<u>69,774</u>	<u>125</u>

18. Creditors: amounts falling due within one year

	2022 £000	2021 £000
Bank loans	-	20,000
Trade creditors	12,124	5,214
Amounts owed to group undertakings	14,836	1,551
Other taxation and social security	2,215	1,628
Obligations under finance lease and hire purchase contracts	24	133
Other creditors	22	801
Accruals and deferred income	26,017	20,293
	<u>55,238</u>	<u>49,620</u>

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

18. Creditors: amounts falling due within one year (continued)

During the year, the £20m revolving credit facility was repaid in full (balance at 31 December 2021 - £20 million). The facility was secured on the Freehold property registered under AMR GP Limited. The average rate of interest in 2021 was 5.2%.

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

Obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

19. Creditors: amounts falling due after more than one year

	2022 £000	2021 £000
Bank loans	211,141	-
Net obligations under finance leases and hire purchase contracts	-	24
	<u>211,141</u>	<u>24</u>

During the year the company entered into a 5 year agreement to borrow up to £200m at a fixed rate of 9% interest. The facility has a fixed and floating charge over all current and future assets of AMR GP Limited (and associated group companies) including a share charge in favour of the Lender by all of the group companies

20. Loans

Analysis of the maturity of loans is given below:

	2022 £000	2021 £000
Amounts falling due within one year		
Bank loans	-	20,000
Amounts falling due within 2-5 years		
Bank loans	211,141	-
	<u>211,141</u>	<u>20,000</u>

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

21. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2022 £000	2021 £000
Within one year	24	133
Between 1-5 years	-	24
	<u>24</u>	<u>157</u>

22. Financial instruments

	2022 £000	2021 £000
Financial assets		
Financial assets measured at fair value through profit or loss	69,774	125
Financial assets that are debt instruments measured at amortised cost	55,462	6,700
	<u>125,236</u>	<u>6,825</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>250,932</u>	<u>40,236</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, amounts owed to group undertakings, obligations under finance lease and hire purchase contracts, other creditors and accruals.

Financial instruments at fair value

As at the Statement of Financial Position date the Company has entered into a number of Forward currency options to buy \$115m and €7.4m and to sell \$1m and €9.9m on which the Company would have had a loss of £94,000 if these had been fair valued and recognised in the Statement of Financial Position as at 31 December 2022.

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

23. Provisions

	Total £000
At 1 January 2022	204
Charged to the Statement of Comprehensive Income	11,961
At 31 December 2022	12,165

Included within provisions are amounts related to severance and dilapidations incurred in the normal course of business.

24. Share capital

	2022 £000	2021 £000
Allotted, called up and fully paid		
249,307 (2021 - 249,307) Ordinary shares of £1.00 each	249	249
14,765 (2021 - 14,765) A Ordinary shares of £1.00 each	15	15
14,897 (2021 - Nil) B Ordinary shares of £1.00 each	15	-
	279	264

During the year, 14,897 B Ordinary shares, with a nominal value of £1 each, were issued at par.

In the event the Company is wound up, or there is a significant asset sale, the Ordinary A shareholders get the distributions first until distributions exceed £100m, the Ordinary B shareholders get the following distributions until distributions exceed £260m, then it's split evenly across both classes of shares. The Ordinary Shares and A Ordinary shares are the same in all other terms and rights.

The Company has issued warrants to Aston Martin Lagonda Global Holdings plc under which it is granted a right to subscribe to 5% of the issued ordinary share capital of AMR GP Limited at fair value within the next 5 years.

25. Capital and reserves

Share capital

Share capital represents the nominal value of the shares issued.

Share premium account

Share premium account represents amounts received on the issue of ordinary share capital in excess of the nominal value.

Profit and loss account

Profit and loss account represents retained earnings and accumulated losses of the Company.

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

26. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £1,847,000 (2021 - £1,682,000). Contributions totalling £nil (2021 - £313,000) were payable to the fund at the reporting date and are included in creditors.

27. Commitments under operating leases

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £000	2021 £000
Not later than 1 year	934	106
Later than 1 year and not later than 5 years	671	183
	<u>1,605</u>	<u>289</u>

28. Related party transactions

The Company has taken exemption under FRS 102 section 33.1A from disclosing transactions with group companies, on the grounds that each company party to the transactions is wholly owned within the group.

The Company has entered into contracts with Falcon Racing Inc, a company which Mr Lance Stroll, the son of a director, has significant influence over, to provide racing services. For the current year a net expense of US\$1,835,000 (2021 - US\$2,060,000) was incurred with Falcon Racing Inc in respect of the provision of these services.

In addition the Company recognised sponsorship income of US\$1,250,000 (2021 - US\$Nil) from Falcon Racing Inc during the year.

At 31 December 2022, a net balance of US\$13,000 was due to the Company by Falcon Racing Inc (2021 - US\$315,000 due to the Company).

During the year the Company made purchases of £Nil (2021 - £Nil) from AMR GP Holdings Limited, a company under common control. At the year end a balance of £14,836,000 (2021 - £1,551,000) was owed by the Company to AMR GP Holdings Limited for financing activity.

During the year, the Company received net marketing income amounting to £19,208,000 (2021 - £20,052,000) in the normal course of business from Aston Martin Lagonda Global Holdings plc (Aston Martin), an entity that a director of the Company has significant influence over as Executive Chairman. Under the terms of the sponsorship agreement Aston Martin is required to provide one fleet vehicle to each racing driver free of charge. This arrangement is expected to continue for the life of the contract and is not expected to materially affect the financial position and performance of the Company. One of the racing drivers is an immediate family member of one of the group's key management personnel.

During the year, the Company incurred aviation costs of £4,085,000 (2021: £Nil) in the normal course of business. These costs were incurred with businesses which are related due to a director having significant influence. All amounts remained outstanding at the year end.

AMR GP Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

29. Post balance sheet events

After the reporting date the company sold 100% of its investment in AMR Commerce Limited, AMR Performance Technologies Limited and AMR GP Services Limited to its parent company.

30. Ultimate parent and controlling party

The immediate parent company is AMR Performance Group Limited, a company incorporated in England and Wales.

The smallest group for which consolidated financial statements are prepared is AMR Performance Group Limited. The largest group for which consolidated financial statements are drawn up is Racing Point UK Holdings Limited (previously named AMR GP Holdings Limited). These group accounts are available from the ultimate parent undertaking at 5 St James's Square, London, SW1Y 4JU.

The ultimate controlling party is considered to be Mr Lawrence Strulovitch.