

2012

COMPANY REPORT & 2011 GROUP FINANCIAL STATEMENTS

The Royal Automobile Club Motor Sports Association Limited

MSA
MOTOR SPORTS
ASSOCIATION
UNITED KINGDOM



£6 billion

value of the UK motor sport industry

750 motor clubs

200,000 motor club members

30,000 competition licence holders

13,000 volunteer marshals

3,500 licensed officials

5,000 permitted events

144,000 event entries

4,500 companies

40,000 employees



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MSA

The Motor Sports Association (MSA) is recognised by the Fédération Internationale de l'Automobile (FIA) as the sole National Sporting Authority (ASN) for four-wheel motor sport in the UK, responsible for its regulation, administration, development and promotion.

COVER IMAGE

The UK's latest F1 world champions, Lewis Hamilton and Jenson Button, began their careers as aspiring youngsters on the burgeoning British karting scene (pictured top-left and top-right). They then progressed into the junior single-seater car racing categories, with Lewis winning the Formula Renault UK championship (pictured middle-left) and Jenson winning British Formula Ford before moving up to British Formula 3 (pictured middle-right). Jenson graduated straight from British F3 to F1 in 2000 and was crowned world champion nine years later. Meanwhile Lewis won F3 and GP2 titles in Europe prior to arriving in the top flight in 2007 and claiming the world championship in only his second season. The centre images show Lewis and Jenson celebrating their 2012 Canadian and Australian Grand Prix victories respectively.

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CHAIRMAN'S MESSAGE



I AM DELIGHTED TO PRESENT THE MOTOR SPORTS ASSOCIATION'S MOST COMPREHENSIVE ANNUAL REPORT TO DATE. THIS 56-PAGE 2012 REPORT IS MORE THAN TWICE THE SIZE OF THE 2008 EDITION, WHICH IS INDICATIVE OF HOW FAR THIS GOVERNING BODY HAS COME IN THE LAST FEW YEARS AND OF THE BREADTH OF OUR ACTIVITIES.

The world has changed a great deal since the Royal Automobile Club Motor Sports Association was formed in 1979 to look after the governance of British motor sport. As an organisation, its narrow remit focused almost exclusively on regulating and administering the sport, which it has always done and continues to do very effectively.

Today, though, we face new challenges as a governing body. Risk management has become a great concern, not only in the face of an increasingly litigious society but also for the future of the sport itself. How we treat our environment is now at the heart of any responsible corporation and whether it's tyres, noise or alternative energies, the MSA needs to ensure our sport moves with the times. Similarly, in marketing terms, people have a far greater choice of leisure pursuits than ever before, thanks in large part to the exponential rise of technology, home entertainment and the internet.

The role of a modern governing body is not simply to set and enforce the rules; the challenge is to provide the leadership and direction to enable the sport to face up to these difficult economic times and ensure its foundations are solid for a strong and sustainable future. I am pleased and proud to report that the MSA continues to do just that.

Whether it is our 'Go Motorsport' campaign to attract more people to the sport, the MSA Academy's talent development programme, the adoption of Anti-Doping legislation, or the creation of a recognised coaching infrastructure for the sport – the MSA is taking a clear leadership role in creating a governing body fit for the 21st Century and in line with our equivalent organisations in other sports.

Leadership has been required to address the current challenges within karting; a new administrative structure has enabled a fresh look at the nature of the sport and exciting plans are being put into place. Stage rallying also faces some difficulties, but the MSA is at the forefront of finding practical solutions to help that important discipline of our sport to prosper.

The current business environment has undoubtedly been defined by the global economic climate of the last few years, which has left few organisations unscathed. The financial situation has had, and continues to have, a significant impact on the sport in this country, but it's remarkable that we have seen only a very modest reduction in licence numbers and event statistics. It is almost impossible to quantify that our MSA initiatives have been instrumental in achieving this - but we can say that the MSA's development activity and 'whole sport plan' is certainly helping to reinforce the inherent strength and depth of British motor sport.

But most of all, the MSA has become a more open, dynamic, communicative and forward-thinking governing body – better placed than ever before to lead British motor sport into a strong and secure future.

Alan J Gow

Chairman
Motor Sports Association

CHIEF EXECUTIVE'S MESSAGE



COMPILING THE ANNUAL REPORT PRESENTS A GREAT OPPORTUNITY TO STEP BACK AND TAKE STOCK OF JUST HOW MUCH HAS BEEN ACHIEVED IN THE PRECEDING 12 MONTHS. EVERY YEAR WE AIM TO IMPROVE THE SERVICE THAT THE MOTOR SPORTS ASSOCIATION PROVIDES TO THE SPORT AND THIS YEAR HAS BEEN ANOTHER BUSY AND CHALLENGING PERIOD AS WE WORK TOWARDS MAKING MOTOR SPORT BETTER FOR EVERYBODY INVOLVED.

The MSA's primary function has always been to regulate and administer motor sport in the UK and I am pleased to report that we have continued to do so efficiently and effectively throughout 2012. Despite the prevailing economic circumstances which have made life difficult for businesses and individuals right across the UK, our core licence numbers and event figures have remained remarkably robust. We may not offer the cheapest leisure pursuit, but increasing numbers of people are discovering that club level motor sport need not cost a lot of money.

As the governing body, we continue to invest in the sport – both in the people and the infrastructure. This leads to improvements in venues, facilities and of course safety, as well as the essential training that helps to raise standards across the board.

The skills and experience within the company are recognised around the world and the MSA's expertise is now regularly called upon not only by the FIA, but also by our colleagues in other ASNs, through the FIA Institute's Regional Training programme.

In recent years, a great deal of attention has been paid to addressing the structure of UK karting and it is pleasing that this is now coming to fruition. The administrative structure has been overhauled, the major British championships will be aligned with one promoter from the start of 2013 and the New Year will also see the introduction of an exciting new engine in the British Cadet Kart Championship.

Through the Go Motorsport campaign, we are looking to strengthen the sport by getting more people involved as competitors, organisers and spectators. The management of the project has been taken in-house this year and we have refocused on helping the local clubs to attract new members. The club network is the essential delivery mechanism for taking motor sport to a wider audience and we are grateful for the assistance of our Regional Development Officers in this task.

Meanwhile, the MSA Academy goes from strength to strength, with more than 60 drivers currently enrolled on the programme and to date more than 140 young people have benefitted from the unique opportunities that the MSA Academy presents. It was particularly gratifying to see a number of our young drivers and recent graduates claim significant championships this year; it bodes well for continued success in the future and we must thank our educational partner Racing Steps Foundation for their continued and valued support in this area.

We are well aware that the sport is closely watching our progress on the Closed Road campaign to bring properly organised motor sport events to the public roads of mainland Britain. I am pleased to confirm that we are making good progress with the Department for Transport and we are optimistic that a full public consultation will be held in the first half of 2013.

There has been further good news recently with confirmation of a renewed partnership with the Welsh Government that means Wales Rally GB, our round of the FIA World Rally Championship, will remain in the Principality until at least the end of 2015. As the event promoter and organiser, our commercial subsidiary, International Motor Sports, is now hard at work striving to ensure that the event is among the best rallies in the world.

Hard work is certainly a defining principle within the walls of Motor Sports House. With fewer than 50 staff watching over such a diverse and technical sport, it is testament to the efforts of everyone at the MSA that we continue to deliver against our target to create an ever brighter future for British motor sport.

Colin N Hilton

Chief Executive
Motor Sports Association

01



ABOUT THE MSA



FUNCTIONS AND REMIT

THE MSA IS A NOT-FOR-PROFIT ORGANISATION (LIMITED BY GUARANTEE) COMPRISING ALMOST 750 AFFILIATED MOTOR CLUBS (WITH A TOTAL MEMBERSHIP IN EXCESS OF 200,000), WHICH ARE REPRESENTED BY 13 REGIONAL ASSOCIATIONS NATIONWIDE

GOVERNANCE

MSA-sanctioned motor sport is run to a set of General Regulations designed to ensure a level playing field for competitors and to minimise as far as possible the inherent risks of the sport.

These regulations are evaluated and amended throughout the year by a number of Specialist Committees representing the various disciplines of the sport, such as race and rally. Any proposed regulatory additions, deletions or amendments are published on the MSA website for a period of consultation before being referred to UK motor sport's regulatory body, the Motor Sports Council, for ratification.

MSA YEARBOOK

All MSA General Regulations are published annually in the MSA Yearbook, commonly referred to as the Blue Book. Any regulation amendments made during the year that affect the content of the Blue Book are published in MSA magazine, the governing body's quarterly members' publication. A Blue Book is issued to every MSA Competition Licence holder each year, and is also made available online and in DVD format. A similar publication containing solely karting regulations is the MSA Kart Race Yearbook, colloquially known as the Gold Book.

MOTOR SPORTS COUNCIL

The Motor Sports Council meets quarterly and comprises the Specialist Committee chairmen, as well as delegates from the six specialist Advisory Panels: Safety, Technical, Medical, Timekeeping, Judicial and Volunteer Officials. The Council is led by the Chairman, who is joined by the MSA Chairman, MSA Chief Executive, the Regional Committee Chairman and representatives of the Home Countries. Decisions taken at Council are passed to the MSA, as the Executive Body, for implementation and enforcement.

JUDICIAL

Any breach of MSA General Regulations may result in disciplinary action being taken. The highest body within the MSA's judicial system is the National Court, which considered 31 cases in 2011; of the 22 appeals received, nine were upheld. A total of £88 was collected in fines and £4000 in costs, all of which was donated to the Motorsport Safety Fund. National Court reports are published in MSA magazine.

EVENT PERMITTING

The MSA issues permits for thousands of motor sport events – organised by MSA-registered clubs – each year. Permitted events must be run in accordance with MSA General Regulations and are covered by the MSA's Master Policy of insurance. In 2011 the MSA permitted 5120 events, of which 1470 required stewards.

COMPETITOR LICENSING

Depending on the event level and motor sport discipline, competitors are usually required to hold a valid MSA Competition Licence, of which there are various types and grades.

Some grades of licence may be purchased on the day of an event. However, for the Race, Rally and Kart disciplines competitors must have a GP's medical and also need to pass either an ARDS (Race), BARS (Rally) or ARKS (Kart) test. Additionally, one parent of kart competitors under 18 years of age must also apply for an Entrant Kart PG Licence.

INCOME

The MSA's single largest source of revenue is regulatory fees, which are drawn from issuing competition licences, event permits and promotional rights to MSA British Championships.

Additional revenue is generated by return on investment and by International Motor Sports, the MSA's commercial subsidiary, which organises events such as the Formula 1 British Grand Prix, Wales Rally GB and the MSA Euroclassic, a pan-European classic car tour.

Additional funding for the MSA's development activities is provided by the Young People's Learning Agency, the FIA Institute and the MSA's educational partner, Racing Steps Foundation (RSF).

The MSA does not receive any direct government funding or lottery grants.

VOLUNTEER OFFICIALS

Volunteer Officials are appointed to all MSA-permitted events to ensure that they are run safely, effectively, and in accordance with MSA General Regulations. There are approximately 16,500 MSA-registered Volunteer Officials, who undergo free annual training appropriate to their areas of responsibility, such as fire fighting, incident handling, safety management and spectator control. This training is delivered by MSA-accredited Training Instructors.

The MSA currently licences 68 Rescue units, 57 Recovery units and 22 Stage Safety units, as well as almost 500 rescue or recovery crew members and over 170 trainee crew members.

ROUTE AUTHORISATION

As an agent for the Department for Transport, the MSA is empowered to authorise motor sport events on the public highway in England and Wales. The MSA provides a team of regional route liaison officers who work with clubs, police authorities and National Parks on every road event using the public highway to minimise disruption and to ensure adherence to the Road Traffic Act. The MSA undertook 196 Route Authorisations in 2011.

RISK MANAGEMENT

Motor sport venues must be granted an MSA Track Licence in order to host MSA-permitted events; there are currently 118 licensed venues. Every year the MSA undertakes around 50 venue safety inspections; race circuits are inspected at least once every two years and all other venues are inspected on a rolling schedule of once every three to five years.

INSURANCE

In 2008 JLT became the MSA's insurance broker and has since been working with the MSA to ensure that the governing body's insurance arrangements remain appropriate and up to date. In 2012 the cover for liability claims was raised to £40million for any incident to reflect an increase in awards made in cases of litigation. The benefits for competitors' and officials' personal accident schemes have also been enhanced. There is an ongoing review of MSA clubs' social activities cover, with further benefits anticipated.

ANTI-DOPING

By signing for an MSA Competition Licence, competitors agree to abide by MSA General Regulations, including the Procedure for Control of Drugs and Alcohol. The MSA uses FIA Anti-Doping Protocols to ensure that UK motor sport is fair, equal and safe.

It is each competitor's own responsibility to ensure that no substance on the World Anti-Doping Agency (WADA) Prohibited List (including those contained in some over-the-counter medicines) enters their body, willingly or otherwise. The MSA operates a Therapeutic Use Exemption (TUE) Application Process for competitors who are required to take Prohibited Substances for medical reasons.

In 2012 MSA Coaches ran seven on-event anti-doping seminars for competitors in British championships. Anti-doping education has also been delivered to competitors on the governing body's talent development scheme, the MSA Academy. In total the MSA – in conjunction with UK Anti-Doping (UKAD) – has performed anti-doping tests on nine competitors at three championship events this year.

FIA HISTORIC TECHNICAL PASSPORTS (HTPS)

To be eligible to compete in historic motor sport, a vehicle must first be issued with an FIA HTP, which confirms its period specification. The MSA approved and provided HTPs for 359 vehicles in 2011.

CHILD PROTECTION

The MSA takes its duty of care to young competitors extremely seriously and works closely with the relevant authorities to ensure their safety. All MSA-licensed officials who come into regular contact with under-18s in the course of their duties are subject to an enhanced Criminal Records Bureau (CRB) check to ensure their suitability for such a position.

The MSA's U18 Policy can be found in the MSA Yearbook and on the MSA website. Championships that undertake practical measures to uphold the principles of this policy are designated MSA U18 Compliant.

GAMBLING

The MSA alerts the relevant authorities to any suspicious activity regarding gambling in the sport, and in return the authorities bring to the governing body's attention any irregular betting patterns for further investigation.

BORDER CONTROL

The MSA acts as an agent for the UK Border Agency, vetting applications from UK-based employers intending to employ non-EEA citizens within the UK motor sport industry.

LARA

The MSA is a founding and major funding partner of the Land Access and Recreation Association, a national forum for the principal groups in countryside motor sport and leisure pursuits. For over two decades LARA has assisted its members in a wide range of land access issues, acted as a unified voice to national and local government, and generally flown the flag for responsible motor sport and recreation in these increasingly restrictive times.

BOARD AND STAFF



The MSA and its commercial subsidiary, International Motor Sports (IMS), maintain a staff of around 45 full-time employees and operate within the confines of budgetary control overseen by the Board of Directors. The MSA Board consists of a maximum of 15 members, of whom six are appointed by the Motor Sports Council (including the Chairman) and three by the Royal Automobile Club, with three more being senior MSA Executives. There are a maximum of three further positions available for external Directors.

MSA BOARD

Alan Gow (MSA Chairman)
Colin Hilton (MSA Chief Executive)
Sue Brownson OBE (Royal Automobile Club)
Dennis Carter (Motor Sports Council)
Ben Cussons (Royal Automobile Club)
Danesh Gangahar (MSA Finance Director)
Rob Jones (MSA General Secretary)
Nicky Moffitt (Motor Sports Council Vice Chairman)
Rod Parkin (Motor Sports Council)
Tom Purves (Royal Automobile Club)
Tony Scott Andrews (Motor Sports Council Chairman)
Mike Sones (Motor Sports Council)
Nick Whale (External Director)

SENIOR STAFF

Colin Hilton *Chief Executive*
Sheila Barter *Executive Office Services Manager*
Andrew Coe *Chief Executive (International Motor Sports)*
Ian Davis *Regional, Rallies & Cross Country Executive*
Allan Dean-Lewis MBE *Director of Training & Education*
Margaret Forrest *Assistant to the Chairman & Chief Executive*
Simon Fowler *Competitions & Clubs Manager*
Danesh Gangahar *Finance Director*
Rob Jones *General Secretary*
Cheryl Lynch *Race, Speed & Kart Executive*
John Ryan *Technical Executive*
John Symes *Technical Director*
Ben Taylor *Director of Development & Communications*
Michael Wentworth *Licensing Manager*



02

THE SPORT



THE DISCIPLINES

UK MOTOR SPORT COMPRISES MANY DISCIPLINES



AUTOTEST

A timed competition in which competitors tackle complex handling tests of manoeuvrability



AUTOCROSS

A speed discipline where competitors compete against the clock on a grass track



CIRCUIT RACING

Drivers race against each other to the finish around laps of a closed asphalt circuit



CROSS COUNTRY

Competitors tackle a series of courses over arduous off-road terrain



DRAG RACING

Two cars compete side-by-side on a flat, straight course over a set distance, usually 440 yards



HILL CLIMB

Competitors perform timed runs along an uphill, point-to-point course



KARTING

Drivers race small, rigid-framed vehicles around short and long circuits



RALLYCROSS

Competitors race around a circuit of both sealed and unsealed surfaces



RALLYING

Crews maintain a time schedule over a route containing special tests or stages



SPRINT

Competitors race against the clock around a closed circuit or point-to-point course



TRIALS

Competitors try to complete a low-speed course on a slippery, unsealed surface without stopping

IN THE COMMUNITY

MOTOR SPORT CAN PLAY A SIGNIFICANT AND POSITIVE ROLE IN SOCIETY THROUGH TECHNOLOGICAL DEVELOPMENT, ROAD SAFETY, EDUCATION AND RISK MANAGEMENT, WHILE ALSO BEING ENVIRONMENTALLY RESPONSIBLE



ENVIRONMENTAL RESPONSIBILITY

The MSA remains committed to creating a sustainable and responsible model for British motor sport. Primarily this is achieved through regulation; for example steps have been taken to restrict the use of aggressive tyre treads that damage ground surfaces, while more generally championships and events are encouraged to limit tyre use.

Other regulated items include mud flaps, which must be fitted to all stage rally cars to help keep the aggregate on the road surface, and mandatory window film to prevent glass from being scattered in the event of an incident. The mandated use of spill kits has been introduced at all events, with certain competitors also being required to carry individual kits, which limit the potential environmental impact of spill substances.

MSA regulations also allow for the development of vehicles powered by alternative fuels and technologies, which are permitted to compete on a level playing field and with the risk managed appropriately. Technologies developed within motor sport that yield environmental benefits include fuel management and energy recovery systems.

Venue operators are acutely aware of their environmental responsibilities and are actively minimising their environmental impact by recycling waste, disposing of used tyres appropriately, using recycled materials wherever possible and using electronic communications.

ROAD SAFETY

The MSA believes that motor sport can contribute productively to the advancement of road safety both through education and by providing a safe, regulated and insured environment within which people can enjoy competitive driving.

The MSA is a supporter of – and active participant in – the FIA's Action for Road Safety, a global campaign that aims to assist the United Nations' efforts to save five million lives over 10 years on the world's roads.

EDUCATION

The MSA has developed a range of curriculum materials for risk management that are available free of charge to schools. These materials help young people to identify risk in their everyday lives and understand its potential likelihood and impact. By using principles developed in motor sport they are then encouraged to reduce, or manage, the risk.

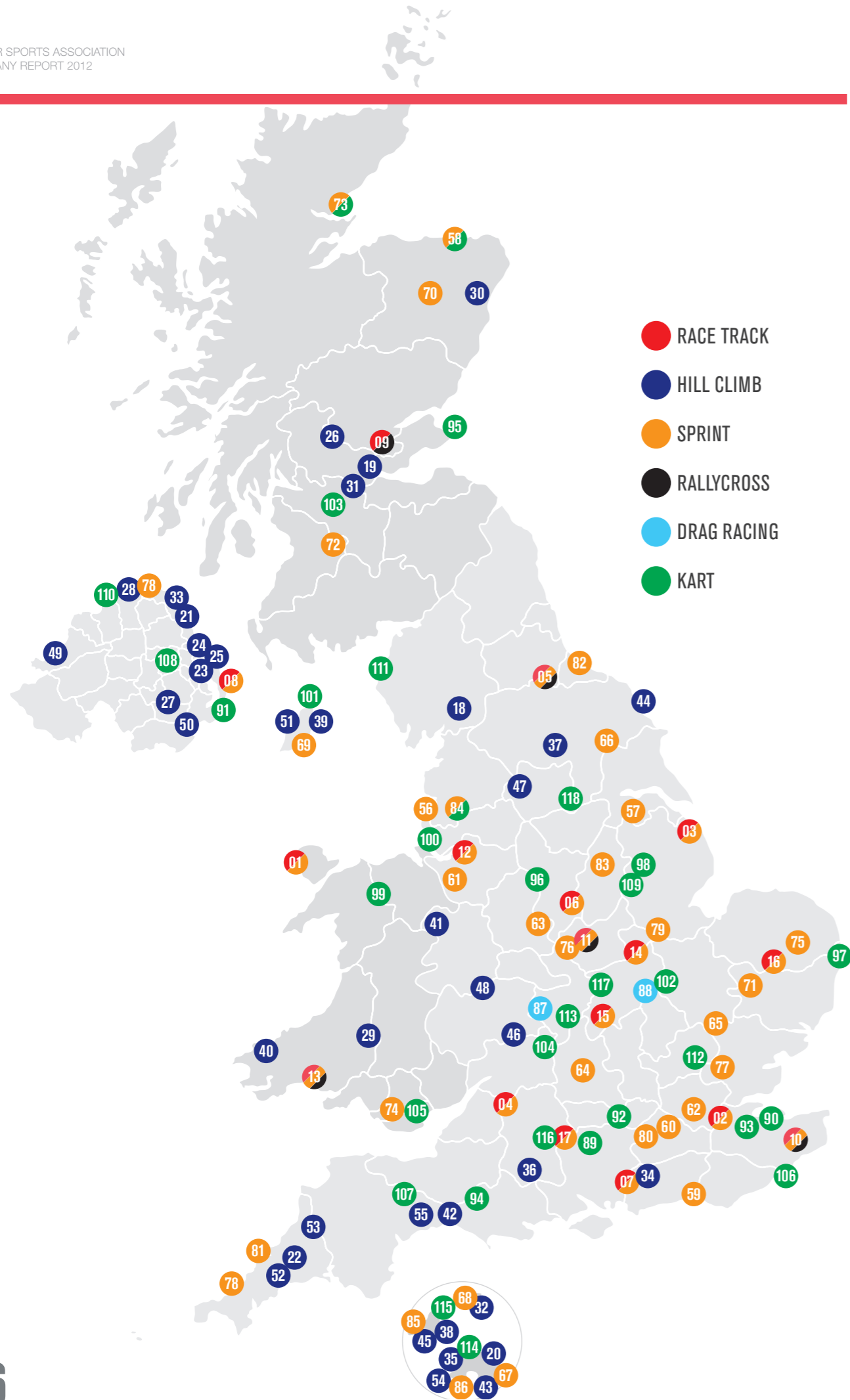
TECHNOLOGICAL DEVELOPMENT

Motor sport has long been regarded as an effective test-bed for the automotive industry, largely because the speed of development at the highest level of competitive motor sport is, by necessity, significantly faster than it is in normal industry.

The nature of motor sport has led to the development of thousands of high-performance engineering and technology companies within the UK motor sport industry, and many of these companies are now utilising the expertise gained in the sport to service the needs of other sectors, such as the Defence and Aerospace industries.

CAREERS

Britain's world-leading motor sport and high-performance engineering industry comprises 4,500 companies, many of which are clustered around the Silverstone area in what has become known as Motorsport Valley. The industry currently employs approximately 40,000 people, of which around 25,000 are qualified engineers. Other career paths presented by motor sport encompass design, marketing, administration, logistics, coaching, sports science and more.



LICENSED UK VENUES

01	●●	Anglesey Circuit /Trac Môn	41	●	Loton Park	81	●	St. Eval
02	●●	Brands Hatch	42	●	Manor Farm	82	●	Teesside Autodrome
03	●●	Cadwell Park	43	●	Mount Bingham	83	●	Thoresby Park
04	●●	Castle Combe	44	●	Oliver's Mount	84	●●	Three Sisters
05	●●●	Croft Circuit	45	●	Petit Bot	85	●	Vazon Bay Coast Road
06	●●	Donington Park	46	●	Prescott	86	●	Victoria Avenue
07	●●	Goodwood	47	●	Scammonden Dam	87	●	Shakespeare County Raceway
08	●●	Kirkistown	48	●	Shelsley Walsh	88	●	Santa Pod
09	●●	Knockhill	49	●	Spamout	89	●	Barton Stacey
10	●●●	Lydden	50	●	Spelga Pass	90	●	Bayford Meadows
11	●●●	Mallory Park	51	●	The Sloc	91	●	Bishopscourt
12	●●	Oulton Park	52	●	Tregrehan	92	●	Blackbushe
13	●●●	Pembrey Circuit	53	●	Werrington Park	93	●	Buckmore Park
14	●●	Rockingham Motor Speedway	54	●	Westmount Road	94	●	Clay Pigeon
15	●●	Silverstone	55	●	Wiscombe Park	95	●	Crail Raceway
16	●●	Snetterton Circuit	56	●	Aintree	96	●	Darley Moor
17	●●	Thruxton Circuit	57	●	Blyton	97	●	Ellough Park
18	●	Barbon Manor	58	●●	Boyndie Drome	98	●	Fulbeck
19	●	Bo'ness	59	●	Brighton	99	●	Glan y Gors Park
20	●	Bouley Bay	60	●	Brooklands	100	●	Hooton Park
21	●	Cairncastle	61	●	Cholmondeley	101	●	Jurby
22	●	Castle Hill	62	●	Crystal Palace	102	●	Kimbolton
23	●	Craigantlet	63	●	Curborough	103	●	Larkhall
24	●	Croft	64	●	Dalton Barracks	104	●	Little Rissington
25	●	Cultra	65	●	Debden Airfield	105	●	Llandow
26	●	Doune	66	●	Elvington	106	●	Lydd Raceway
27	●	Drumhorc Hills	67	●	Five Mile Road	107	●	Mansell Raceway
28	●	Eagles Rock	68	●	Fort Corblets	108	●	Nutts Corner
29	●	Epynt	69	●	Governor's Sprint	109	●	P.F. International
30	●	Fintray House	70	●	Grampian Transport Museum	110	●	Portstewart
31	●	Forrestburn	71	●	Honington Airfield	111	●	Rowrah
32	●	Fort Tourgis	72	●	Kames Motorsport Complex	112	●	Rye House
33	●	Garron Point	73	●●	Littleferry	113	●	Shenington
34	●	Goodwood House	74	●	Llandow Circuit	114	●	Sorel Point
35	●	Greve de L'Ecq	75	●	Lotus Test Track	115	●	St. Sampsons
36	●	Gurston Down	76	●	MIRA	116	●	Thruxton Kart Centre
37	●	Harewood	77	●	North Weald	117	●	Wilton Mill
38	●	Le Val des Terres	78	●	RAF Portreath	118	●	Wombwell
39	●	Lhergy Frissell	79	●	RAF Wittering			
40	●	Llys-y-Fran	80	●	Rushmoor Arena			

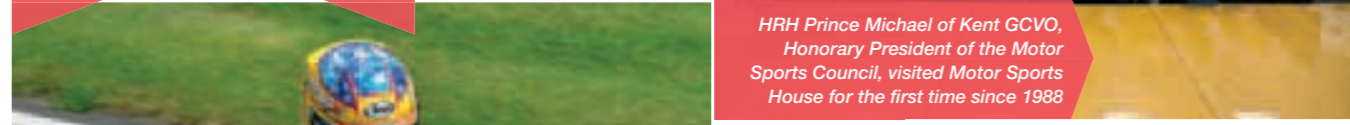
Note: some race tracks host Superkart events

THE YEAR IN PICTURES



All tiers of the MSA Academy gathered under one roof for the first time at Silverstone

The latest Team UK national squad was announced at Autosport International



HRH Prince Michael of Kent GCVO, Honorary President of the Motor Sports Council, visited Motor Sports House for the first time since 1988



The MSA selected the IAME Parilla Gazelle 60cc UK engine to power the MSA British Cadet Kart Championship from 2013



Allan McNish took second place in the Le Mans 24 Hours - his seventh podium at the world famous event



Fellow Scot Dario Franchitti dedicated his third Indy 500 win to the late Dan Wheldon, who had triumphed a year earlier



National Motorsport Week kicked off at the Goodwood Festival of Speed



Mark Webber won the British Grand Prix for Red Bull Racing



George Russell became the first back-to-back CIK-FIA European KF3 Champion



F1 star David Coulthard joined the MSA in Westminster to put MPs through their paces in a simulator



Ben Barnicoat took his first European KF2 title.



Finland's Jari-Matti Latvala won Wales Rally GB for the second year in a row



Keith Cronin won the MSA British Rally Championship for the third time



MSA Team UK's Jack Harvey became the first Briton to win the British F3 International Series since 2006

MSA Team UK driver Elfyn Evans became the first British rally driver to win a world title since 2004



Scotland's Gordon Shedden won his first BTCC title



Essex racer Luciano Bacheta tested a Williams F1 car as a prize for winning the F2 championship

03

DEVELOPMENT



GO MOTORSport

GoMotorsport.net
Get moving. Get involved.

GO MOTORSport IS THE MSA'S GRASS ROOTS CAMPAIGN TO GET MORE PEOPLE OF ALL AGES AND BACKGROUNDS INVOLVED IN MOTOR SPORT, WHETHER BEHIND THE WHEEL, ON THE ORGANISING TEAMS OR IN THE GRANDSTANDS

Go Motorsport begins with a central website, www.GoMotorsport.net, which was redesigned and re-launched in 2012. Developed by MSO.net, the new site acts as an information portal for those looking to get involved in the sport, featuring guidance on the cost of competing and how to get a competition licence, as well as descriptions of the various motor sport disciplines and a search function to find your local clubs and events.

The revamped website coincided with the Go Motorsport project being brought in-house, having been run by external consultants since its launch in 2008. The MSA subsequently recruited a new Development Officer to run the campaign from Motor Sports House on a day-to-day basis.

REGIONAL DEVELOPMENT OFFICERS

A nationwide network of 10 Regional Development Officers (RDOs) is tasked with delivering the Go Motorsport message in schools and colleges across the country, while working hand-in-hand with clubs, associations and venues to promote and develop motor sport in their areas.

In 2012 North East RDO Anthony Dunn and Scotland RDO Duncan Vincent stepped down after four years' valuable service. They were replaced by Peter Metcalfe and Alison Clark respectively.

GO MOTORSport IN ACTION

Go Motorsport's year began with a display of entry-level, cost-effective competition cars on the campaign's stand at Autosport International, Europe's largest motor sport trade exhibition. Several representatives were on hand to advise visitors on how to get started in various grass roots disciplines and the costs involved.

Visits by all RDOs to schools and colleges throughout the year meant that the Go Motorsport message was delivered pupils and students across the country. More unique initiatives included a Go Motorsport Autotest at the Modified Nationals show, run in conjunction with Peterborough Motor Club, and a visit to the GreenPower finals at Silverstone for pupils from Cedars Upper School to learn about careers in motor sport and engineering.

NATIONAL MOTORSPORT WEEK

In 2012 the MSA once again teamed up with the Motorsport Industry Association to promote and deliver National Motorsport Week, a week-long celebration of the sport that ran from 30 June to 8 July between the Goodwood Festival of Speed and the British Grand Prix.

It was the second running of NMW since being revamped in 2011 as a vehicle to increase public awareness of the sport and underline the UK's world-leading motor sport heritage.

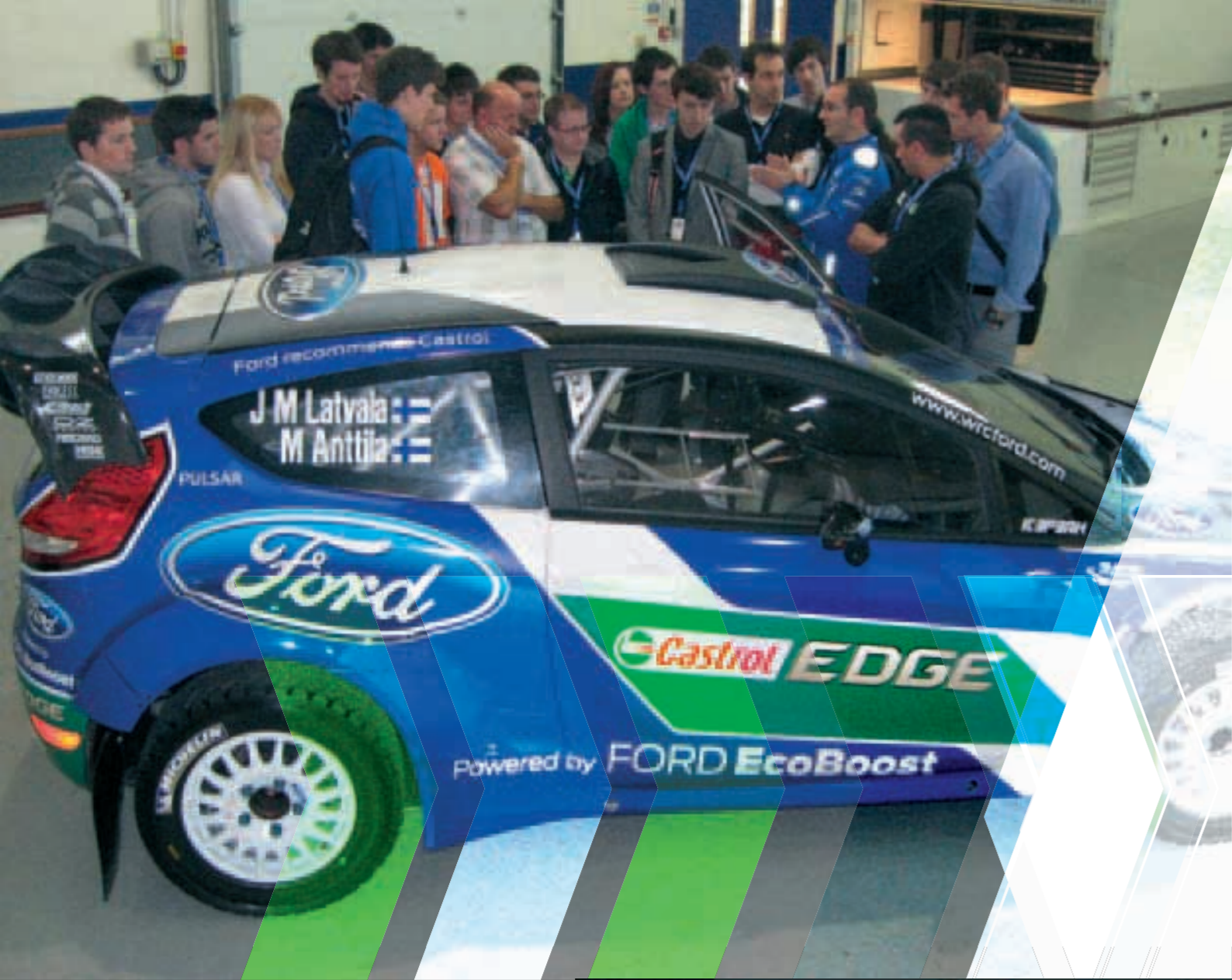
As the official NMW spokesman, F1 star David Coulthard joined the MSA at the House of Commons to put more than 50 MPs through their paces in an F1 simulator. Coulthard also promoted NMW on BBC Radio 4's Today programme and Radio 1's Chris Moyles Show, plus several other major regional BBC stations including Radio Scotland and BBC London.

All eight of the UK-based F1 teams got involved by running special competitions on the Go Motorsport website, with prizes including factory tours, autographed F1 components and opportunities to join race teams.

Venues also lent their support: Croft Circuit in North Yorkshire raised nearly £500 for charity with passenger laps around the track in a selection of competition cars provided by Darlington and District Motor Club, while Silverstone offered a 50 per cent discount on selected single-seater and supercar experiences booked during the week.

The MSA's club network bolstered the initiative by running a raft of different activities ranging from marshal recruitment at the British Grand Prix to taster and demonstration events. For example, in Scotland more than 20 youngsters were given a taste of motor club life by taking part in an Autotest at Tesco in Lockerbie, which drew a sizeable crowd of onlookers. The event was featured in the *The Sun* and *Daily Express* and generated further local press interest.

National Motorsport Week 2013 will run from 29 June to 7 July.



"It's difficult to decide what's been the highlight of the year because I've really enjoyed every moment. I think that the event we held at Kames during National Motorsport Week has to be a contender; we invited community groups and schools to come along and have a spin round the track with the club members. Seventy two locals signed-on and two major newspapers covered the story."

Alison Clark, Scotland RDO

CASE STUDY

ANATOMY OF A GO MOTORSport SCHOOL VISIT

"In July, South Wales RDO Ryland James and I met on our border in Aberystwyth at Penglais High School, where pupils from Years 10 and 11 were treated to a Go Motorsport day. We split them into two groups and ran interactive sessions from 10am to 3pm.

Local rally driver Gareth Richards brought his competition car along and Ryland supervised a full car inspection, as well as covering the topics of safety and personal equipment. Indoors I covered notes and navigation, getting the youngsters to do a small table top rally.

We finished off outside with a wheel-changing competition and then went back inside to deliver the Go Motorsport presentation. Ryland and I were then asked to present some annual awards at the end of the afternoon. No two Go Motorsport presentations are ever the same, which is why being an RDO is so interesting."

Howard Davies
North Wales RDO





“ My introduction to the MSA Academy was through the Performance Master Classes, which are a bit of a wake-up call about what it takes to be a top-level driver. I was then given the opportunity to join the Development Squad, which helps to improve your physical and mental abilities as well as your technical knowledge. I’m now looking forward to starting the AASE programme, which I’m sure will help me to maximise further my potential both on and off the track ”

Seb Morris, 2012 Formula Renault BARC race winner



The MSA Academy has helped to nurture over 100 motor sport talents since launching in 2008 as a dedicated programme to prepare the most promising young British competitors for the international stage



MSA ACADEMY



THE MSA ACADEMY IS THE GOVERNING BODY'S TALENT DEVELOPMENT PATHWAY FOR POTENTIALLY ELITE DRIVERS, LED BY MSA PERFORMANCE DIRECTOR ROBERT REID, THE 2001 WORLD RALLY CHAMPION CO-DRIVER. COMPRISING SEVERAL TIERS TO ACCOMMODATE A VARIETY OF AGES AND EXPERIENCE LEVELS, THE PROGRAMME AIMS TO EQUIP DRIVERS WITH THE KNOWLEDGE AND SKILLS REQUIRED TO MAXIMISE THEIR POTENTIAL AND INCREASE THEIR CHANCES OF MAKING IT TO THE TOP OF THE SPORT

PERFORMANCE MASTER CLASSES

Developed by the MSA in conjunction with the Youth Sports Trust and Racing Steps Foundation, the Performance Master Classes are bespoke workshops designed to introduce junior drivers and karters to the concepts of sports science and human performance, which are explored further up the MSA Academy structure. The PMCs are delivered on-event throughout the UK by the MSA's dedicated coaching team. The PMCs are split into two levels:

Level 1: Maximising your potential as an athlete; goal setting and planning; creating your winning team; communications and sponsorship; motor sport safety; anti-doping; the racing parent.

Level 2: Human performance; technical and tactical; the psychology of excellence; a winning lifestyle; selling yourself.

In 2012 PMCs were delivered on 18 race, rally and kart events at 12 venues across England, Northern Ireland, Scotland and Wales.

ADVANCED APPRENTICESHIP IN SPORTING EXCELLENCE

AASE is a government-funded programme designed to help talented athletes aged 16 to 18 to achieve their full potential. The initiative was launched by SkillsActive in 2004 and has been adopted by a range of sports including football, rugby, cricket, swimming, athletics and golf.

Delivered by Loughborough College, the two-year AASE in Motor Sport programme focuses on the human performance elements that combine to create successful drivers. AASE aims to make competitive motor sport a legitimate and responsible career choice by providing academic

qualifications; apprentices graduate with a Level 3 NVQ Certificate in Achieving Excellence in Sports Performance, and can also enrol for a BTEC programme if they choose not to study for A-levels.

Each year one apprentice is named the RSF MSA Young Driver of the Year. The latest winner, Josh Webster, collected his trophy and a cheque for £1000 at the MSA Night of Champions in January, before graduating to Team UK.

TEAM UK

Team UK is a national squad of elite race, rally and co-drivers who are hand-picked to represent the pinnacle of the MSA Academy.

The drivers are mentored by National Race Coach David Brabham, the former F1 driver and 2009 Le Mans 24 Hours winner, and National Rally Coach James Wozencroft, the former British Super 1600 Rally Champion. Nicky Grist, who navigated the late Colin McRae to a host of WRC wins, joined the project in 2011 to oversee the development of Britain's top young co-drivers.

The programme is designed to ensure the drivers maximise their potential to increase their chances of breaking onto the international stage. Individual fitness programmes and dietary consultations keep the drivers in peak physical condition, while advanced sports psychology under former UK Athletics Performance Director Dave Collins equips them mentally to perform at the highest level. This is bolstered by communications training to arm the drivers with vital media handling skills.

This coaching is supplemented by a variety of developmental activities. In 2012 these included:

- » A gruelling 36-hour military-style exercise in the Lake District to test physical and mental fitness and resilience
- » Individual advanced driver training, tailored to each driver
- » An exclusive visit to F1 tyre supplier Pirelli at the British Grand Prix
- » Visits to Williams F1 and the Mercedes AMG F1 team at the British Grand Prix
- » Technical workshops with AP Racing, Xtrac and Cooper Tires
- » Simulator training with Wirth Research

RACING STEPS FOUNDATION

The MSA Academy is grateful to receive substantial support from Racing Steps Foundation, a unique organisation designed to help young motor sport drivers and riders with the talent but not necessarily the funds to achieve their dreams. Thanks to RSF's generous support, the MSA Academy is able to increase the reach of its existing educational programme substantially to benefit many of the younger MSA competitors.

“Being part of Team UK and benefitting from everything the programme has to offer has definitely helped me to get the result I wanted this year, which was to win the British F3 title. Team UK has helped to make me a more complete driver and has also bolstered my support network with the addition of MSA Coaches such as David Brabham.”

Jack Harvey, 2012 Cooper Tires British F3 International Series champion

TRAINING & EDUCATION

THE MSA INVESTS SIGNIFICANT SUMS EACH YEAR IN PROGRAMMES THAT SUPPORT AND DEVELOP THE INFRASTRUCTURE OF UK MOTOR SPORT, AND IS ALSO CALLED UPON TO ASSIST THE SPORT OVERSEAS

The MSA recognises the vital role that the training of volunteers and officials plays in the safety and management of motor sport. MSA-licensed Officials must attend regular training days, with a further series of nationwide seminars delivered to representatives of MSA-recognised clubs, covering event organisation, club administration and regulation.

The MSA runs approximately 160 free seminars and training days for volunteer officials, either directly or through its network of Training Instructors. The high level of training places MSA-registered marshals in high demand across the globe; over 500 British marshals regularly attend a wide range of overseas events each year – at the invitation of the organisers – to share their expertise.

BRITISH MOTOR SPORTS TRAINING TRUST

The BMSTT – the MSA's own registered charity – made grants totalling £216,597 during 2011 to support training projects, including marshals' training days, Advanced Trauma Life Support and medical training days for doctors and paramedics.

MSA CLUB DEVELOPMENT FUND

During 2011 the MSA Club Development Fund received 66 applications from MSA Clubs to assist with the purchase of safety-related equipment (for example radios and fire extinguishers) and venue improvement projects totalling £145,493. This enabled projects with a total value of £541,061 to be undertaken to benefit the sport. Over the last 17 years since the Fund started, the MSA has provided grant aid of £970,526 to assist projects worth a total of £4,734,211 to the sport.

RESCUE DEVELOPMENT FUND (SUPPORTED BY BMSTT)

The Rescue Development Fund enables enhanced funding for the replacement and renewal of rescue and recovery equipment to MSA specifications, and even to assist the purchase of new or replacement rescue units. Awards of £44,575 were made in 2011, bringing the total contribution since the scheme started in 2007 to £288,007. This has enabled rescue and recovery unit-related projects with a total value of £893,820 to be funded during that time.

MOTORSPORT SAFETY FUND

The MSA works closely with the Motorsport Safety Fund, a UK-registered charity, in the development of a range of booklets, DVDs and other training resources, including First Aid, Rescue, Recovery and Safety guidelines, a number of which have been adopted by the FIA Institute for Motor Sport Safety & Sustainability and translated into other languages across the world.

GRANTS FOR DEFIBRILLATORS

Since 2009 all MSA-licensed Rescue Units have been required to have a 3-lead AED – a defibrillator with a monitoring facility. A number of rescue unit operators had previously bought defibrillators (even though they were not an MSA requirement at the time) which may not have met the new MSA minimum specification. The Rescue Development Fund therefore made a commitment to grant aid for the purchase of new defibrillators for MSA Licensed Rescue Units to the sum of £750 each. This has now risen to £800 per unit, 41 of which have been grant aided to date.

APPLYING FOR GRANT AID

Both the Club Development Fund and Rescue Development Fund are partnership schemes and – dependent on the nature of the application – grant aid can be provided in appropriate cases for either a percentage or fixed grant award. Application forms can be downloaded from the MSA website, and MSA staff members can provide pre-application advice.



Q&A

FEDERATION DU SPORT AUTOMOBILE DE MADAGASCAR (FSAM)

SANDY YANNICK, SECRETARY GENERAL

Why did you choose the MSA to assist the FSAM's development as a National Sporting Authority (ASN)?

We found the MSA to be reachable and very responsive to our queries. The MSA helped us throughout the application process and proposed a training programme which could be tailored to our needs.

In which areas did the MSA team assist the FSAM and how?

The MSA helped us in identifying our real needs. We wanted to train our people to meet the FIA's standards but we did not know what level that was before the training. The assessment conducted by the MSA team helped us to discover that we actually had a great deal of knowledge. Therefore, we could use the training to add further knowledge to our officials and to assess our existing potential.

What are the key lessons that the FSAM learnt from the MSA?

Communication is the key. We also learned the importance of distinct roles and responsibilities for each function.

Why is it important for a developing ASN such as the FSAM to be able to access these training services?

It is important because we do not have any structure that can offer training at this standard locally, yet the marshals and officials need updated training to maintain their level of knowledge.

INTERNATIONAL TRAINING

The MSA's status as one of the world's foremost motor sport governing bodies has been reinforced by its approval as a Gold Standard Training Provider by the FIA Institute for Motor Sport Safety and Sustainability.

In this role, the MSA is tasked with helping to increase the safety and training standards of motor sport officials across the world. The MSA and its dedicated team of International Trainers are continuously working with a number of foreign National Sporting Authorities (ASNs) to create bespoke training programmes that raise standards and develop the sport in their countries.

The MSA directly assisted a number of FIA member ASNs in 2012:

- Kenya Motor Sports Foundation (KMSF)
- Syrian Automobile Club (SAC)
- Barbados Motoring Federation (BMF)
- Federation of Automobile Sports of the People's Republic of China (FASC)
- Federation du Sport Automobile de Madagascar (FSAM)
- Malta Motorsport Federation (MMF)
- Oman Automobile Association (OAA)

The MSA has also taken part in FIA workshops in Slovenia and Mauritius aimed at promoting the training opportunities open to developing ASNs.

04

INTERNATIONAL



INTERNATIONAL EVENTS

IN 2012 THE UK CONTINUED ITS LONG TRADITION OF HOSTING SOME OF THE WORLD'S PREMIER MOTOR SPORT CHAMPIONSHIPS AND EVENTS

BRITISH GRAND PRIX

In 1950 the British Grand Prix became the first ever round of the Formula 1 World Championship, as witnessed by George VI, Queen Elizabeth and Princess Margaret. Fast-forward to 2012 and the event, organised by International Motor Sports, proved yet another resounding success despite a deluge of rain over Silverstone in the run-up to race day.

The MSA was pleased to welcome a number of parliamentarians to the Northamptonshire venue, including three Secretaries of State: Rt Hon Kenneth Clark MP, Justice Secretary (now Minister without Portfolio); Rt Hon Jeremy Hunt MP, Secretary of State for Culture, Olympics, Media and Sport (now Health Secretary); and Rt Hon Michael Moore MP, Secretary of State for Scotland.

Other guests of the governing body included: The Lord Astor of Hever, Parliamentary Under-Secretary of State and Government Spokesperson for Defence; The Lord Rooker; Ben Wallace MP; Rt Hon Peter Hain MP; and Mark Garnier MP.

A total of 125,000 fans attended on Sunday when Ken Clark presented the prestigious British Grand Prix trophy to Red Bull Racing's Mark Webber, an Australian domiciled in the UK who spent much of his junior career racing in Britain.

WALES RALLY GB

The UK's round of the FIA World Rally Championship has been based in the principality since 2000, with welcome backing from the Welsh Government. This year fans were once again treated to the sight and sound of the world's best cars and drivers on some of the championship's finest stages, which drew praise from the likes of event winner Jari-Matti Latvala.



Organised and promoted by International Motor Sports, the 2012 Wales Rally GB was characterised by unusually dry stages and mild conditions, perhaps owing to the event being moved back by two months to September.

Beginning with a ceremonial start in Llandudno and culminating at the finish in Cardiff Bay, the rally took competing crews right across Wales, helping to spread the event's substantial economic benefit across a wide range of communities from north to south.

Coinciding with this year's rally was the announcement that it will return to Wales in 2013 with continued Welsh Government sponsorship, for which the MSA and IMS continue to be extremely grateful. The event will also be restored to its traditional November date, meaning that it is likely to be the scene of the WRC title showdown.

OTHER EVENTS

The ever popular DTM, an international touring car series born in Germany and contested by Mercedes, Audi and BMW, returned to Brands Hatch in May. British driver and McLaren Mercedes F1 test driver Gary Paffett triumphed in front of his home fans, who also cheered on fellow Britons Jamie Green, David Coulthard, Susie Wolff and Andy Priaulx.

The FIA Formula 2 Championship got under way at Silverstone in April. British racer Luciano Bacheta got his title-winning season off to the perfect start by winning both races on home soil. Bacheta was not the only British driver on the grid though, with Daniel McKenzie, Dino Zamparelli and Hector Hurst also showing strongly.

The FIA World Endurance Championship and Formula Renault 3.5 Championship arrived at Silverstone in August. Scottish sports car star Allan McNish took a WEC podium alongside Danish team-mate Tom Kristensen, while Mercedes F1 tester Sam Bird won the second race in FR3.5.

Donington Park was the scene of the FIA GT1 World Championship's title-deciding season finale in September. Britons Adam Carroll and Oliver Jarvis finished the race fourth and sixth respectively, while Markus Winkelhock and Marc Basseng claimed the championship crown.

In July Lincolnshire's PF International staged the final round of the CIK-FIA European KF2 and KF3 Kart Championships. Despite facing a strong international field, British karters were victorious in both classes, with George Russell becoming the first ever back-to-back champion in the junior KF3 category and Ben Barnicoat taking the senior KF2 title.



WORKING WITH THE WORLD GOVERNING BODY

As one of the world's oldest and most respected National Sporting Authorities (ASNs), the MSA is heavily involved in running international motor sport. Former Motor Sports Council chairman Graham Stoker currently serves as Deputy President for Sport of motor sport's world governing body, the FIA, while MSA Chief Executive Colin Hilton supports him as the UK's Deputy Delegate of the World Motor Sport Council. Furthermore, in 2012 the MSA made 24 successful nominations to FIA Commissions and judicial bodies:

Russell Anderson
International Karting Commission

Jonathan Ashman
Rally Commission (President)

Michael Beloff QC
International Court of Appeal

Dennis Carter
(MSA Director)
GT Commission

Terry Cox
Truck Racing Commission

Allan Dean-Lewis MBE
(MSA Director of Training & Education)
Volunteers and Officials Commission
FIA Institute Executive Committee

The Lord Drayson
Electric & New Energy Championships Commission

Philip Evans
Drag Racing Commission

Fred Gallagher
Cross-Country Rally Commission (Vice President)

Edwin Glasgow QC
International Tribunal

Alan Gow
(MSA Chairman)
Touring Car Commission (President)

David Grace
Hill-Climb Commission

Cheryl Lynch
(MSA Race, Speed & Kart Executive)
Off-Road Commission

Rod Parkin
(MSA Director)
Historic Motor Sport Commission

Dr Philip Rayner
Medical Commission
Anti-Doping Disciplinary Committee

John Ryan
(MSA Technical Executive)
Homologation Commission
Single-Seaters Commission

Robert Reid
(MSA Performance Director)
World Rally Championship Commission
(Vice President)

Sue Sanders
(MSA Training Consultant)
Women in Motorsport Commission

Tony Scott Andrews
(Motor Sports Council Chairman)
International Tribunal

Anthony Scrivener QC
International Court of Appeal

John Symes
(MSA Technical Director)
Circuits Commission

David Tremayne
Land Speed Records Commission

INTERNATIONAL SUCCESS

THE UK HAS A LONG AND SUCCESSFUL HISTORY IN INTERNATIONAL MOTOR SPORT AND 2012 PROVED TO BE NO EXCEPTION AS BRITISH DRIVERS TRIUMPHED IN A NUMBER OF TOP-LEVEL SERIES THROUGHOUT THE WORLD

FORMULA 1

Lewis Hamilton and Jenson Button spent much of the 2012 campaign spraying champagne, with the Union flag flying above podiums in Oceania, Asia, North America and Europe as they celebrated multiple grand prix wins.

Their achievements were bolstered by a strong second season in the top flight for Scotland's Paul di Resta, part of the Silverstone-based Sahara Force India squad. Force India is one of eight grand prix teams based in the UK; there are two in Italy, one in Switzerland and another in Spain.

FORMULA 2

Luciano Bacheta became the second British driver to win the FIA Formula 2 crown in the modern era of the category, which was revived in 2009 as a feeder series to F1. Bacheta won the first four races of the season in Britain and the Algarve before bringing his season's tally to five in Belgium. He tested a Williams F1 car as part of his champion's prize package.

TOURING CARS

McLaren Mercedes F1 test driver Gary Paffett narrowly missed out on a second title in the prestigious DTM. A popular series based in Germany but with rounds in four other countries including the UK, the DTM is fought between Mercedes, Audi and BMW, attracting both former F1 drivers and emerging young talent alike. Paffett's fellow Briton Jamie Green was also a DTM race winner in 2012.

Meanwhile in the FIA World Touring Car Championship Rob Huff battled French team-mate Yvan Muller for his maiden crown, collecting several race wins as the championship visited over a dozen countries. The title was still to be decided as this report went to press.

SPORTS CARS

Former F1 driver Allan McNish was once again the top Briton in the 24 Hours of Le Mans this summer. McNish, twice a winner of the world famous endurance event, took second place for Audi, before going on to finish second overall in the FIA World Endurance Championship.

Earlier in the year McNish had headed stateside and finished second in the Daytona 24 Hours, with fellow Scot Ryan Dalziel among his team-mates. However the top British driver on that day was Englishman Justin Wilson, also an ex-F1 racer, who celebrated victory.

INDYCAR

Four-time IndyCar Series champion Dario Franchitti won America's most famous motor race, the Indianapolis 500, for the third time in 2012. The Scot, who is the most successful ever British driver in US open-wheel racing, dedicated his victory to the late Englishman Dan Wheldon, who had sensationally won the race for the second time a year earlier.

RALLYING

Welshman and MSA Team UK member Elfyn Evans became the first Briton to lift a world title in rallying since 2004 when he was crowned WRC Academy Cup champion following four consecutive event wins. Evans now has the choice between a prize drive in a two-wheel-drive car on all 13 rounds of next year's world championship or a five-event campaign in a four-wheel-drive S2000 car.

Fellow Team UK driver John MacCrone and national squad graduate Alastair Fisher also enjoyed strong seasons in the WRC Academy, with the latter winning the opening round in Portugal.

KARTING

Ben Barnicoat was crowned CIK-FIA European KF2 Champion following the final round at Lincolnshire's PF International in May, despite it being his debut year in the senior class. He later capped his stunning season by sealing the MSA British Kart Championship title.

There was further British success at PFI for George Russell, who became the first karter ever to win the CIK-FIA European KF3 Championship two years in a row. Russell, a former MSA British Cadet Kart Champion, was also a race winner in the CIK-FIA Karting Academy Trophy, a world championship for 13- to 15-year-old karters.

The year ended with Henry Easthope becoming the third British karter in a row to win the CIK-FIA U18 World Kart Championship, succeeding Matthew Graham (2011) and Jake Dennis (2010).

05

DOMESTIC



ENGLAND

Motor sport continues to thrive in England, as evidenced by the pull-out figures on this page. Uniquely among the home countries, England is represented by multiple MSA Regional Associations, with a total of 10 across the country. There is therefore great variety in regional reports but a common thread is that 2012 has been a reasonably stable year.

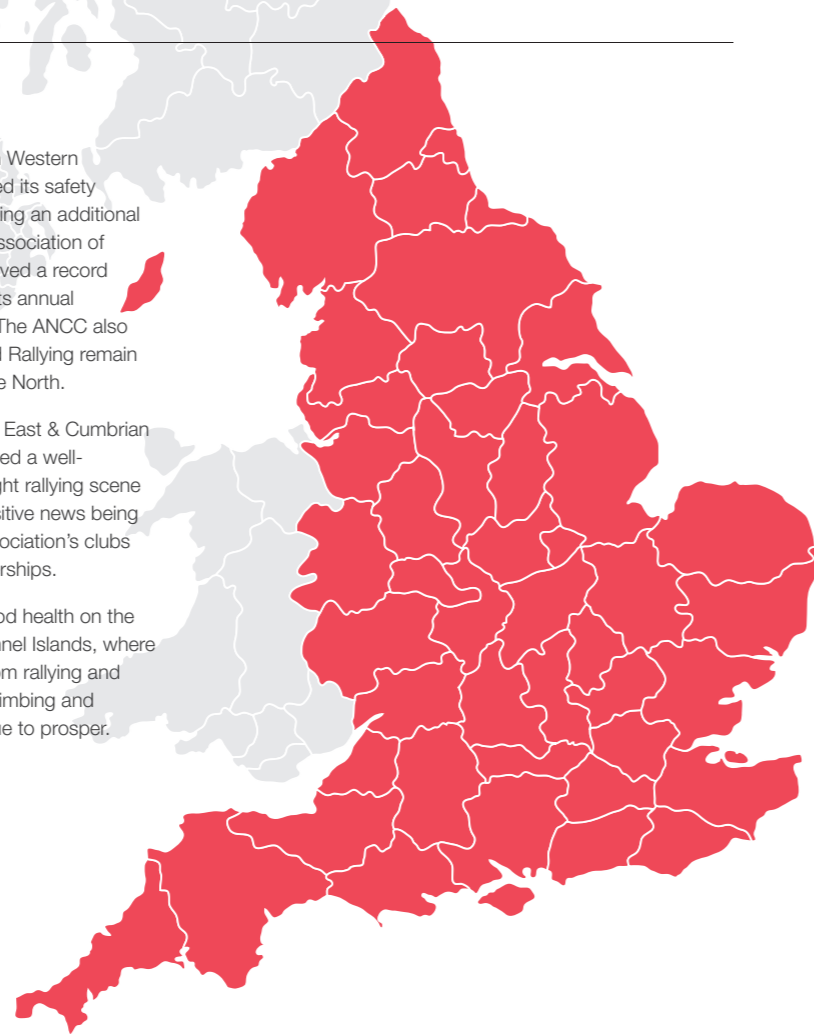
Some groups such as the Association of North Western Car Clubs have noted that competitors appear to be seeking more cost-effective disciplines in which to compete, resulting in increased entries for the AutoSOLOs, Car Trials and Hill Climbs.

The Association of South Eastern Motor Clubs has reported an increase in member clubs, reflecting an overall rise in the number of English MSA club registrations. ASEMC adds a cautionary note that finding suitable event venues can prove to be a problem. Despite this it has opened a new Cross Country venue and is working towards securing locations for Autotest and Rally use.

The Association of South Western Motor Clubs has bolstered its safety infrastructure by purchasing an additional Rescue Unit, while the Association of Northern Car Clubs received a record number of attendees at its annual marshals' training days. The ANCC also reported that Karting and Rallying remain particularly buoyant in the North.

The Association of North East & Cumbrian Car Clubs has also enjoyed a well-supported and hard-fought rallying scene this year, with further positive news being that a number of the Association's clubs have grown their memberships.

Motor sport is also in good health on the Isle of Man and the Channel Islands, where a variety of disciplines from rallying and karting to sprinting, hill climbing and even sand racing continue to prosper.



23,759

competition licence holders

12,140

registered volunteers

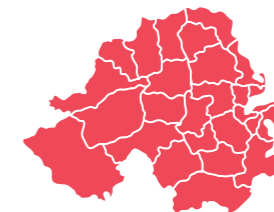
574

registered clubs

3962

permitted events

NORTHERN IRELAND



One of the standout moments for Northern Irish motor sport in 2012 was Scarvagh's Will Buller producing the drive of the GP3 season, carving his way through the field to win from the back of the grid shortly before the Formula 1 British Grand Prix got underway.

There was added success for Northern Ireland's young rally talent, with Enniskillen's Marshall Clarke co-driving Irishman Keith Cronin to the MSA British Rally Championship title. The country also has a strong Autotest heritage and in 2012 Steven Ferguson, from County Tyrone, dominated the MSA British Championship for the second consecutive year.

Meanwhile the Carryduff Forklift MSA Northern Ireland Rally Championship went down to the wire, with Derek McGarrity and co-driver James McKee taking the title with victory on the season-closing Bushwhacker Rally, which attracted 91 entries.

The Association of Northern Ireland Car Clubs also enjoyed a good year. The Sprint discipline was particularly buoyant, with over 180 entries for the MSA British

Championship round at Kirkistown. Hill Climb entries also rose in 2012.

Another positive season for the 500 MRCI, which promotes all racing in Northern Ireland, included the introduction of a Fiesta Challenge series and strong support from Republic of Ireland competitors.

The 2 & 4 Wheels Motorsport Steering Group, a body that represents the interests of all forms of motor sport in Northern Ireland, has been working with the Department for Regional Development on proposed amendments to the Road Races Act to allow closed road motor sport to continue. 2 & 4 Wheels is also confident that an application to Sport Northern Ireland for funding under the Performance Focus 2013-17 initiative will be successful following productive meetings to date.

The Motorsport Marshalling Partnership continues to go from strength to strength. The group supports all motor sport disciplines and manages a series of successful training sessions and open forums aimed at bringing forward new ideas. The marshal reward scheme continues, while the British Motor Sport Training Trust provides welcome support.



1,884

competition licence holders

676

registered volunteers

36

registered clubs

261

permitted events

SCOTLAND



A vintage year for Scottish motor sport included an impressive second Formula 1 season for Force India driver Paul di Resta, who scored a number of points finishes. Meanwhile his cousin Dario Franchitti, the most successful British driver in US motor sport history, won the world famous Indianapolis 500 for the third time.

Sportscar legend Allan McNish and fellow Scot Ryan Dalziel also flew the Saltire stateside with second place in January's 24 Hours of Daytona. McNish went on to finish second overall in the Le Mans 24 Hours and FIA World Endurance Championship, while Dalziel won the LMP2 class world title and the LMPC category at Petit Le Mans in October.

Olympic cyclist Sir Chris Hoy MBE was on hand to support Edinburgh's Gordon Shedden at Knockhill in August. It was the 20th anniversary of the championship's first visit to the Fife circuit and was thus attended by every living Scottish driver bar one to have graced the BTCC grid. Shedden went on to win his first title in the season finale at Brands Hatch.

In rallying, MSA Team UK driver John MacCrone secured his maiden podium finish in the WRC Academy Cup, while former MSA British Rally Champion David Bogie and his co-driver Kevin Rae won the MSA Scottish Rally Championship for the fourth time.

Scottish motor sport continues to support young talent, the highlight being a six-event Junior 1000 Ecosse Challenge for 14- to 17-year-old rally drivers. There has also been generous support from Royal Aero, which has provided £120 towards the entry fees of all junior drivers in every event of the main Scottish championship.

Sprints and Hill Climbs have been growth disciplines in 2012 and Doune, one of three Scottish Hill Climb venues, has been resurfaced with support from the MSA Club Development Fund.

A key development in 2012 has been the creation of Scottish Motor Sports (SMS). Comprising the Scottish Association of Car Clubs (on behalf of the MSA), the Scottish Auto Cycle Union and others, the group is working towards achieving recognition by the Scottish Government of motor sport and its impact on Scotland's heritage.



2,248

competition licence holders

1,092

registered volunteers

65

registered clubs

480

permitted events

WALES

Once again, the highlight of motor sport in the principality this year was Wales Rally GB, the UK's round of the FIA World Rally Championship. The event marked the 80th anniversary of Britain's premier rally, with Finn Jari-Matti Latvala entertaining spectators across Wales en route to victory.

The event also paid tribute to the late Welsh co-driver Gareth Roberts, who tragically succumbed to injuries sustained in an accident on the Targa Florio in Italy earlier this year. The Croeso Trophy is now awarded to the top all-Welsh crew on Wales Rally GB, with Sara Williams and Patrick Walsh becoming the first recipients in 2012.

Rally GB will return to Wales in 2013 thanks to the on-going support of the Welsh Government, which has pledged to integrate the event further into the country.

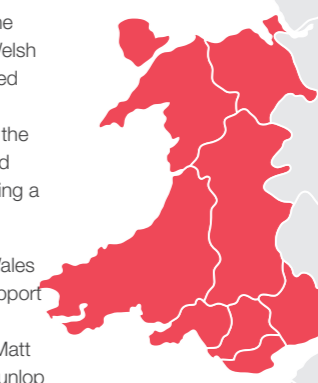
Welsh motor sport fans had further cause for celebration this season when 23-year-old Elfyn Evans, from Powys,

won the WRC Academy Cup. A member of the MSA Team UK national squad of elite drivers, Evans took the title in France with his fourth consecutive victory.

Meanwhile at national level Llandudno's Matt Edwards was crowned Pirelli MSA Welsh Rally Champion with one round to spare.

The wider Welsh motor sport scene has also fared well in 2012. The Welsh Association of Motor Clubs reported a strong year, with championship registrations holding up in spite of the prevailing economic conditions and some championships even recording a rise in entries.

WAMC's relationship with Sport Wales has continued to yield financial support for some promising young Welsh competitors such as 18-year-old Matt Parry, who dominated the 2012 Dunlop InterSteps Championship, and 19-year-old Jake Rattenbury, who contested the Avon Tyres British GT Championship.



2,631

competition licence holders

2,804

registered volunteers

81

registered clubs

417

permitted events

COMMUNICATIONS



06

PUBLIC AFFAIRS

THE MSA'S CAMPAIGN TO BRING CLOSED ROAD MOTOR SPORT BACK TO MAINLAND BRITAIN WAS THE CORNERSTONE OF THE GOVERNING BODY'S EXTENSIVE WORK IN WESTMINSTER THROUGHOUT 2012

CLOSED ROADS

Despite its prevalence throughout Europe, closed road motor sport in Britain is currently limited to just three events due to the fact that a costly Act of Parliament is required to suspend the Road Traffic Act before such an event can take place. The MSA is therefore seeking a change in the law to allow local authorities to close roads temporarily without needing to take such action.

In 2012 the MSA appointed leading Public Affairs agency Portland to assist the campaign with a strategy of grassroots campaigning combined with targeted Westminster activity and media relations. The MSA hopes that the required change in the law will be delivered within the lifetime of this Parliament, and it is anticipated that a public consultation will take place in spring 2013.

Research commissioned by the MSA and conducted by the Sport Industry Research Centre at Sheffield Hallam University has shown that a closed road motor sport event could generate up to £1 million for the hosting community.

BRITISH GRAND PRIX

As the flagship event of British motor racing, the British Grand Prix continues to provide a strong platform from which the MSA can engage with politicians to widen their knowledge of the domestic sport in terms of its contribution to local communities and the wider UK economy. The MSA was therefore delighted to host a number of parliamentarians at Silverstone, including three Secretaries of State and several Lords and MPs from across the political spectrum.

NATIONAL MOTORSPORT WEEK

The MSA enjoys strong relationships with a number of prominent MPs, Ministers and Secretaries of State but visited the House of Commons during July's National Motorsport Week to give a wider selection of MPs a greater understanding of the sport. The unique simulator event was supported by F1 personality David Coulthard, attracting a total of 53 MPs from across the three main parties to take part. Conservative MP Alec Shelbrooke set the benchmark time of 1 minute 49.2 seconds around a virtual Silverstone.

Furthermore, 16 MPs from four political parties signed the following early day motion:

"That this House welcomes National Motorsport Week, which is running from 2 to 8 July 2012; recognises the importance of the motorsport industry to the UK, supporting 40,000 employees and providing £6 billion of turnover for the UK economy; notes the pre-eminent position enjoyed by the UK within international motorsport and the success of British drivers around the world; further recognises the important role that motorsport can play in facilitating advanced technology transfer to the road vehicle market and high performance engineering sector; and further welcomes the ongoing efforts of the Motor Sports Association to use motorsport events to have a positive impact on local economies and effectively communicate road safety messages."

DEVOLVED ADMINISTRATIONS

The Scottish four- and two-wheel motor sport communities have come together under the Scottish Motor Sports (SMS) banner to ensure that the sport takes its rightful place at the top table of Scottish sporting endeavour and achievement. Primarily this involves calling for motor sport to be designated a Sport of National Performance Significance to Scotland.

The key development in Wales during 2012 was the conclusion of a new deal with the Welsh Government that secured Wales Rally GB, the UK's round of the FIA World Rally Championship, for a further year in 2013. The administration has pledged £1.4 million pounds' worth of support for next year's November event, which will once again take top-level world motor sport – and substantial economic benefit – to communities right across the principality.

The interests of motor sport – both two- and four-wheel – in Northern Ireland continue to be managed successfully by the 2 & 4 Wheels Motorsport Steering Group, a long-established organisation that gives all branches of the sport a unified voice when communicating with government. In 2012 the group engaged with the Department for Regional Development on the issue of closed road motor sport and also lodged an application with Sport Northern Ireland for funding under the Performance Focus 2013-17 initiative.





PUBLIC RELATIONS

THE MSA'S COMMUNICATIONS UTILISE PRINT, ELECTRONIC AND BROADCAST MEDIA TO PROMOTE THE GOVERNING BODY'S WORK AND KEEP ITS MEMBERSHIP UP TO DATE WITH PERTINENT INFORMATION FROM THE WORLD OF UK MOTOR SPORT

MSA MAGAZINE

The MSA's flagship publication remains its quarterly printed magazine, which is sent directly to all MSA competition licence holders, volunteers, registered clubs and industry contacts, bringing the print-run to approximately 44,000.

Edited by former *Autosport* deputy editor Gemma Briggs, the magazine contains news and features on the people, places, events and cars of UK motor sport, as well as details of incoming regulation changes. The magazine is produced by Think Publishing and distributed free to all MSA members.

MSA NEWS

The MSA supplements its quarterly magazine with a monthly electronic newsletter, which is sent to everybody on the MSA database plus additional industry and media contacts, totalling

approximately 90,000. The newsletter contains both MSA and general British motor sport news, as well as technical updates, championship reports and profiles of both staff and committee members.

MSA CHAMPIONSHIPS UPDATE

Each Monday throughout the season the MSA compiles reports from the previous weekend's MSA British and National Championship rounds. These are emailed directly to over 1000 contacts, primarily comprising journalists and championship organisers. The reports are also uploaded to the MSA website and are collated in shortened form in MSA News.

PRESS RELEASES

In 2012 the MSA publicised its work and announced any significant developments via more than 30 press releases, which were sent to almost 1,500 individual contacts consisting principally of journalists but also including registered clubs and committee members.

ONLINE

In 2012 the MSA re-launched the website of its grass roots participation campaign, GoMotorsport.net. The new site was developed by MSO.net, which has also been engaged to overhaul www.msauk.org, the main MSA website, in the coming year.

The MSA has an expanding social media presence, with over 3,000 followers on Twitter and more than 1600 'likes' on Facebook. These channels are primarily used to announce news from the governing body, taking into account the fact that social media is now a primary news source, and also to engage with members in order to develop stronger relationships.

BROADCAST

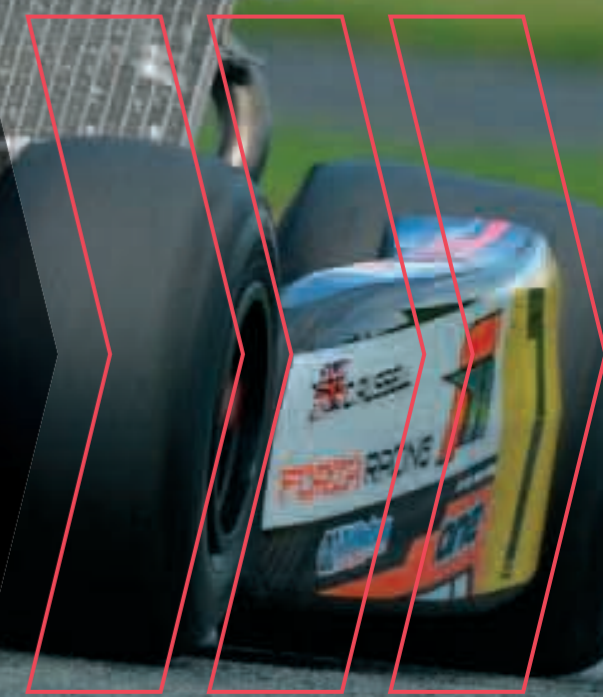
The MSA's retained public relations agency, MPA Creative, secured a number of television and radio opportunities throughout the year. This included F1 personality David Coulthard's appearances on the Today programme, Radio 1, Five Live, BBC Radio Scotland and numerous regional BBC stations in support of National Motorsport Week.

Further broadcasts included a BBC F1 feature about Formula Ford that incorporated MSA Academy activities, as well as pieces on Sky Sports News about how to get into karting and rallying.



07

REPORTS



NIGHT OF CHAMPIONS



The 2011 prize winners

British Cadet Kart Championship
Daniel Ticktum

British Junior Kart Championship and Hines Award
Callan O'Keeffe

British Short Circuit Kart Championship
Tom Joyner

British Long Circuit Kart Championship
Paul Platt

British Car Trial Championship
Barrie Parker

British Sprint Championship
Stewart Robb Snr

British Drag Racing Championship
Graham Ellis

British Autocross Championship
Richard Davies

British Hill Climb Championship
Scott Moran

British Historic Rally Championship
David Stokes / Guy Weaver

British Sporting Trials Championship
Ian Bell

British Autotest Championship
Steven Ferguson

British Cross Country Championship
Ian Rochelle / Chris Hammond

British Junior Rally Championship
Martin McCormack

British Rally Championship
David Bogie / Kevin Rae

British Rally Championship Teams Winner
Autosport Technology

British Rallycross Championship
Julian Godfrey

British Endurance Championship
Craig Wilkins / Aaron Scott

British GT Championship
James Geddie / Glynn Geddie

British F3 International Series
Felipe Nasr

British Touring Car Championship Manufacturer
Honda

British Touring Car Championship
Matt Neal

BWRDC Lord Wakefield Trophy
Carolynn Hoy

JLT Sport MSA Club of the Year
Omagh Motor Club

JLT Sport MSA Marshal of the Year
Andrew Holley

Renault MSA Young Journalist of the Year
Dan McCalla

Renault MSA Young Photographer of the Year
Dom Romney

Hawthorn Memorial Trophy
Jenson Button MBE

Sir Malcolm Campbell Memorial Trophy
Racing Steps Foundation

FIA Outstanding Official of the Year
Barry O'Neill



The Night of Champions is the prestigious occasion on which the MSA's British title winners are honoured. Once again this year's event was held in January at the Royal Automobile Club, Pall Mall, London

Broadcaster Steve Rider returned as Master of Ceremonies, while Graham Stoker, FIA Deputy President for Sport, joined Alan Gow, MSA Chairman, in handing out the champions' silverware.

In total 22 championship trophies were awarded, covering all of the main motor sport disciplines from karting and circuit racing to rallying, trials and more.

These presentations preceded a series of special awards. Carolynn Hoy, founder of the karting series Formula Kart Stars, took to the stage to receive the BWRDC Lord Wakefield Trophy, which recognises outstanding female achievement in the sport. Graham Sharp and Derek Walters, respectively the founder and director of the MSA's educational partner Racing Steps Foundation, then collected the Sir Malcolm Campbell Memorial Trophy, presented in honour of excellence within motor sport by a British group or individual.

The MSA Club and Marshal of the Year awards, sponsored by the MSA's insurance broker JLT, were handed to Omagh Motor Club and Andrew Holley. Omagh MC was recognised

for its productive engagement with councillors and the Northern Ireland Assembly, as well as for its support of National Motorsport Week. Meanwhile Holley was lauded for transforming the British Motor Racing Marshals' Club's training programme in the North East, and for his excellent work as a trusted and valued post chief and MSA International Training Team member.

Former Motorsport News reporter – now evo magazine sub-editor – Dan McCalla took a break from reporting on the Rallye de Monte Carlo to receive the Renault MSA Young Motor Sport Journalist of the Year Award, while freelance F1 and automotive photographer Dom Romney collected the Renault MSA Young Motor Sport Photographer of the Year prize for the second time.

The RSF MSA Young Driver of the Year award is presented each year to one outstanding member of the MSA Academy's AASE programme. Josh Webster, now a Team UK member, became the latest recipient after a strong season both on-track in Formula Renault BARC and in the classroom as an MSA Apprentice.

Awarded for the first time was the FIA Outstanding Official of the Year trophy, which went to Northern Ireland marshal Barry O'Neill, who a year earlier had stepped onto the same stage to receive his JLT MSA Marshal of the Year accolade.

Only one piece of silverware was not presented during the ceremony: the Hawthorn Memorial Trophy, awarded annually to the highest placed British or Commonwealth driver in the previous year's Formula 1 World Drivers' Championship. At July's British GP, MSA Chairman Alan Gow presented the award to Jenson Button, who finished second overall in 2011 after three wins and a dozen podium finishes.

LICENCE AND EVENT STATISTICS

Licence figures by discipline

	2007	2008	2009	2010	2011
Race					
International	1,552	1,587	1,436	1,391	1,360
National A	3,527	3,679	3,761	3,924	4,122
National B	4,388	4,571	4,424	4,485	4,464
International Historic	422	447	396	394	357
Truck	31	29	29	34	40
Total Race	9,920	10,313	10,046	10,228	10,343
Kart					
International	217	246	218	219	204
National A	2,749	2,474	2,222	2,026	1,922
National B and Clubman	1,724	2,106	2,310	2,364	2,394
Total Kart	4,690	4,826	4,750	4,609	4,520
Rally					
International	506	475	408	350	301
National A	2,333	2,331	2,134	2,119	2,059
National B	4,719	4,647	4,467	4,202	4,005
Navigator	1,541	1,519	1,368	1,229	1,081
International Historic	20	21	15	19	15
Total Rally	9,119	8,993	8,392	7,919	7,461
Speed					
International	37	36	34	31	34
National A	1,743	1,679	1,575	1,533	1,502
Total Speed	1,780	1,715	1,609	1,564	1,536
Off-Road	105	12	108	102	96
Non-Race Nat B	5,704	5,995	6,019	6,054	6,436
Clubman	1,105	1,058	999	1,208	1,193
Entrant	180	236	223	229	242
Total Licences	32,603	33,257	32,146	31,913	31,827

Number of events by discipline

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Autotest	524	525	500	527	529	561	614	664	684	743
Auto/Rallycross	54	61	56	48	58	54	47	72	70	63
Cross Country	1,016	1,090	1,175	1,211	1,267	1,263	1,223	1,298	1,211	1,268
Race	333	330	326	321	308	302	310	307	313	333
Rallies	1,016	1,044	1,021	991	984	982	922	912	868	887
Speed	350	351	340	347	338	329	338	328	340	335
Trials	189	200	206	211	219	204	243	242	262	217
Kart	473	505	489	466	497	460	456	465	439	448
Exempt	915	862	898	916	793	778	729	766	801	826
TOTAL EVENTS	4,870	4,968	5,011	5,038	4,993	4,933	4,882	5,054	4,988	5,120
TOTAL ENTRIES	157,276	162,051	159,383	158,815	153,533	153,808	155,729	147,384	143,899	144,046

INCOME AND OPERATING RESULTS BY PRINCIPAL ACTIVITY

An analysis by principal activity for the Group is shown below:

	The Royal Automobile Club Motor Sports Association Ltd £	International Motor Sports Ltd £	British Grand Prix Ltd £	2011 Total £	2010 Total £
Group Income					
Governance of motor sports	4,290,468	-	-	4,290,468	4,102,592
Event promotion and commercial activities	-	3,309,721	253,655	3,563,376	3,672,734
	4,290,468	3,309,721	253,655	7,853,844	7,775,326
Expenditure					
Staff costs	1,582,520	435,803	-	2,018,323	1,965,425
Other administration expenses	2,622,778	2,593,541	255,742	5,472,061	5,516,793
Gift-aid charitable donation*	200,000	-	-	200,000	-
	4,405,298	3,029,344	255,742	7,690,384	7,482,218
Operating surplus/ (deficit)	(114,830)	280,377	(2,087)	163,460	293,108
Other finance charge	16,000	-	-	16,000	(7,000)
Interest receivable and similar income	230,324	27,263	-	257,587	191,974
Surplus/ (deficit) for the year before taxation	131,494	307,640	(2,087)	437,047	478,082
Tax charge on the surplus/ (deficit) for the year	(30,870)	(61,443)	(6,128)	(98,441)	(123,323)
Surplus/ (deficit) for the year after taxation	100,624	246,197	(8,215)	338,606	354,759

*Donation made to British Motor Sports Training Trust

NET ASSETS EMPLOYED BY PRINCIPAL ACTIVITY

	1,748,556	80,928	-	1,829,484	1,884,528
Fixed assets					
Tangible assets	1,748,556	80,928	-	1,829,484	1,884,528
Current assets	10,204,713	1,512,950	163,723	11,881,386	11,575,797
Current liabilities	(4,238,361)	(659,303)	(8,508)	(4,906,172)	(4,570,088)
Net current assets	5,966,352	853,647	155,215	6,975,214	7,005,709
Net assets employed	7,714,908	934,575	155,215	8,804,698	8,890,237

The above amounts exclude all inter-group trading and inter-group balances.

GROUP BALANCE SHEET

As at 31 December 2011

	2011 £	2010 £
FIXED ASSETS		
Tangible assets	1,829,484	1,884,528
CURRENT ASSETS		
Stocks	10,916	9,067
Debtors	554,140	676,466
Investments	10,006,109	8,137,915
Cash at bank and in hand	1,088,087	2,169,690
	11,659,252	10,993,138
CREDITORS: amounts falling due within one year	(4,906,172)	(4,570,088)
NET CURRENT ASSETS	6,753,080	6,423,050
TOTAL ASSETS LESS CURRENT LIABILITIES	8,582,564	8,307,578
Debtors due in more than one year	25,889	21,779
	8,608,453	8,329,357
Net Pension asset	196,245	560,880
NET ASSETS INCLUDING PENSION LIABILITY	8,804,698	8,890,237
CAPITAL AND RESERVES		
Income and expenditure account	8,710,009	8,784,548
Property revaluation reserve	94,689	105,689
	8,804,698	8,890,237

FIVE YEAR GROUP RESULTS

	2007	2008	2009	2010	2011
Group Income	7,673,528	8,028,957	8,199,874	7,775,326	7,853,844
Operating surplus before gift-aid donation & deficit on impairment in current asset investment	838,231	148,786	265,010	267,662	363,460
Gift-aid charitable donation	(832,752)	(300,000)	-	-	(200,000)
Operating (deficit)/surplus for the year	5,479	(151,214)	265,010	267,662	163,460
Share of profits/(losses) of joint ventures	-	-	-	-	-
Write back/(deficit) on impairment in current asset investment and loss on disposal	-	(25,855)	(520)	25,446	-
Other finance charge	(10,000)	42,000	(60,000)	(7,000)	16,000
Interest receivable	512,686	500,841	141,494	191,974	257,587
Surplus for the year before taxation	508,165	365,772	345,994	478,082	437,047
Tax charge on the surplus for the year	(147,122)	(114,329)	(93,518)	(123,323)	(98,441)
Surplus for the year after taxation	361,043	251,443	252,466	354,759	338,606
Recognised in the STRGL	528,400	(104,400)	(841,000)	187,340	(424,145)
Movement in the year	889,443	147,043	(588,534)	542,099	(85,539)
Net Group assets brought forward	7,900,186	8,789,629	8,936,672	8,348,138	8,890,237
Net Group assets carried forward	8,789,629	8,936,672	8,348,138	8,890,237	8,804,698

THE ROYAL AUTOMOBILE CLUB MOTOR SPORTS ASSOCIATION LIMITED DIRECTORS' REPORT

The Directors present their annual report and the audited group financial statements for the year ended 31 December 2011.

DIRECTORS

The Directors who served throughout the year (except as noted below) were:
A J Gow – Chairman
N E H Moffitt
C N Hilton - Chief Executive
R K Parkin
S A Brownson OBE – Senior Independent Director
T F G Purves (appointed 1.1.2011)
D I Carter
A Scott Andrews
B P Cussons
M J Sones
D K Gangahar – Finance Director
N A Whale
S R Jones – General Secretary

ACTIVITIES

The principal activities of the Parent Company are to administer and finance the governance of motor sport in the United Kingdom for motor vehicles with more than three wheels and, through its subsidiaries International Motor Sports Limited ("IMS") and British Grand Prix Limited ("BGPL"), to organise and promote motor sport events, provide motor sports consultancy and undertake commercial activities related to motor sport.

INCOME, OPERATING RESULTS AND REVIEW

I am pleased to report that the Group has delivered another excellent financial performance. Our investment returns and budget controls have realised a substantial improvement in profitability. The surplus before tax and gift-aid donation was £637,047 (2010: £478,082), an increase of 33% over 2010.

We remain committed to the highest standards of corporate governance and recognise that good governance helps to deliver our strategy and safeguard the long term interests of our stakeholders. The MSA Board is responsible for the leadership, strategic direction and overall management of the Group. The Board has delegated responsibility for the management to the Executive Team. The Executive Team is accountable for operations and risk management on a day to day basis. The non-executive directors are appointed to bring their individual expertise and independent view to support and challenge the Executive Team. They closely monitor management performance against agreed strategy and direction.

The Board is responsible for the strategy and the framework of governance and risk management. These include determining risk strategy, setting risk appetite and ensuring that risk is monitored and controlled effectively. There is an ongoing

process in place of identifying, evaluating and managing the material risks facing the Group. This process is reviewed regularly by the Executive on behalf of the Board. We have a well established system of internal controls including strategic, compliance, financial, operational and risk management to safeguard our assets and reputation. The Group recognises the risks it faces in connection with its business operations and monitors various key performance indicators as part of its monthly accounting and management reporting processes. The main financial risks faced by the Group relate to the availability of funds to meet business needs, the risk of default by third parties, fluctuations in interest rates & investment returns, number of license holders and spectators at events organised by us.

The Board meets formally four times a year to consider developments in relation to the Company's strategy and long-term objectives and to review trading results, operational and business issues.

FUTURE PROSPECTS

The Group's strategic objective is to be an excellent governing body and the acknowledged leader in developing and growing regulated motor sport in the United Kingdom. Our three strategic priorities are: - securing our financial and operational stability, enhancing our visibility and reputation at national & international levels and promoting the United Kingdom's contribution and heritage in motor sports.

We remain committed to implementing initiatives to increase greater sport participation and training our staff & volunteer officials.

2012 will be a challenging year with ever increasing costs, difficult financial climate and the government's austerity measures. We will strive to keep costs within budget and focus on maintaining a strong operation that delivers for our customers. The Board is optimistic that we can deliver similar results in 2012 whilst keeping a strong & liquid balance sheet.

GOING CONCERN

After making due enquires, the Board is of the view that there is a reasonable expectation that the Company and the Group as a whole have adequate resources to continue in operational existence for the foreseeable future. The financial statements are prepared on that basis.

FINANCIAL INSTRUMENTS

The Group has positive cash balances and no loans or overdrafts. Surplus cash is invested in unit trusts and deposits with investment managers as well as treasury and deposit accounts through the Group's banks to achieve the best available market returns pursuant to risk.

SUPPLIER PAYMENT POLICY

It is the Group's policy to agree and clearly communicate the terms of payments as part of the commercial agreement negotiated with suppliers and then to pay according to the terms based upon the timely receipt of an accurate invoice. Generally invoices are paid within 45 days (2010 - 45 days) from the date of the invoice being issued.

CHARITABLE DONATIONS

During the year, the Group made a gift-aid charitable donation of £200,000 to British Motor Sports Training Trust (2010: £Nil). The Company also arranged for the donation of £30,000 to Motorsport Safety Fund, £11,800 to BEN and £2,000 to Henry Surtees Foundation (2010: £Nil MSF, £Nil BEN, £Nil Henry Surtees Foundation), being the balance of the Motor Sports Council's Special Fines Fund.

LIMITED BY GUARANTEE

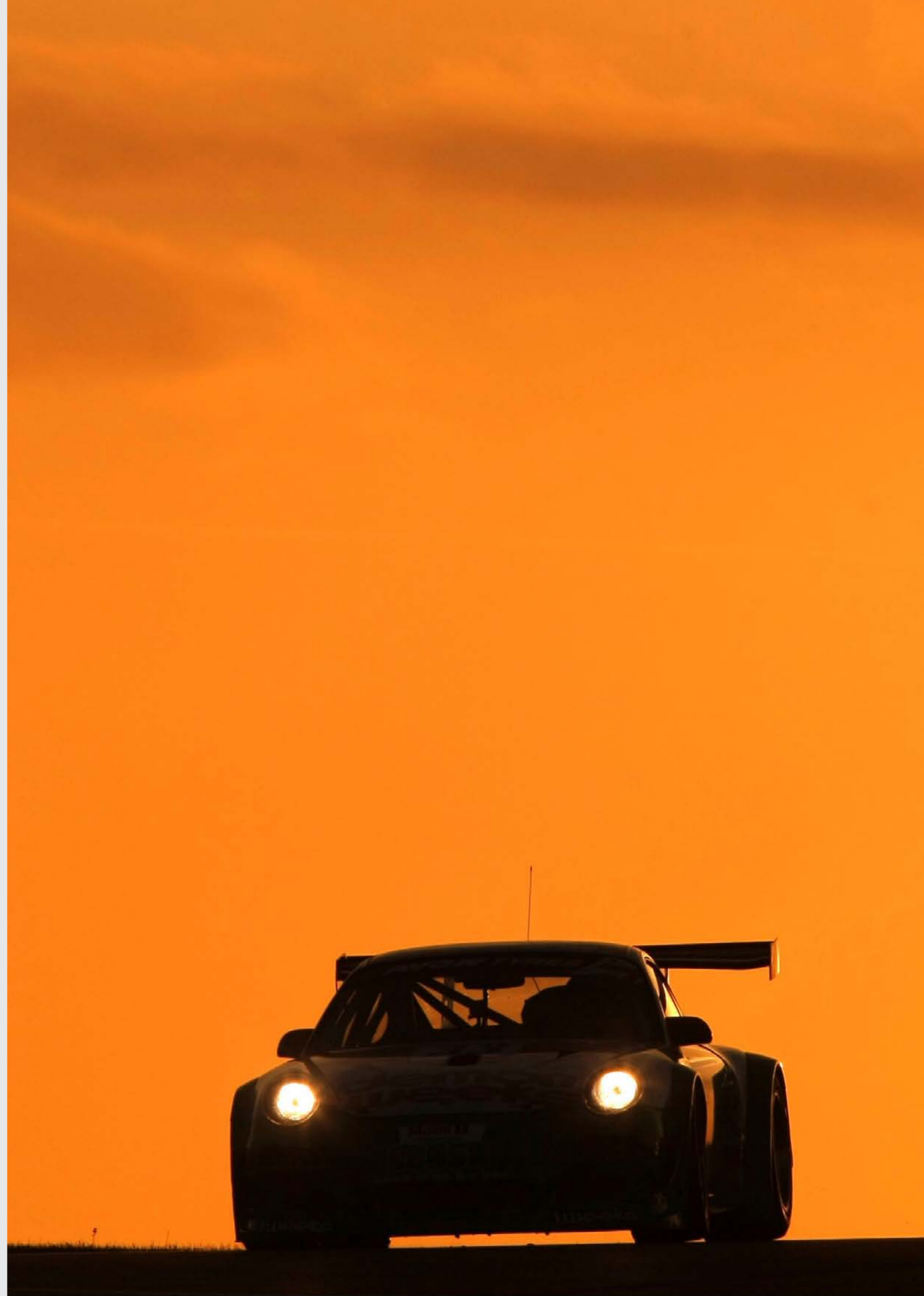
The Company is limited by guarantee, does not distribute its surplus income to its members and does not have share capital. The liability of each member is limited to £1.

The Members as at 31 December 2011 were as follows:-

Broad M J	Brownson S A OBE
Campbell H	Carter D I
Cowcill E	Cussons B P
Durling W S	Gow A J
Hill R T	Hilton C N
Jones S R	Kellitt A
Loveridge P J	Lyle I B M
Moffitt N E H	Parkin R K
Pierre D	Pollitt N P
Purves T F G	Rayner P
Redfern D	Scott Andrews A
Sones M	Stringwell S M
Tomley C	Watson I
	Wood J R

PHOTO CREDITS

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