

Jaguar Racing Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS

Registered number: 09983877

For the year ended 31 March 2023

Directors and Advisors

Directors

J. A. Barclay
D. A. R. Berry
A. J. Fennelly
C. J. Thorp

Company Secretary

H. S. Cairns

Registered office

Abbey Road
Whitley
Coventry
CV3 4LF
United Kingdom

Auditor

Mazars LLP
2 Chamberlain Square
Birmingham
B3 3AX
United Kingdom

CONTENTS

STRATEGIC REPORT	4
DIRECTORS' REPORT	6
STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS	8
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAGUAR RACING LIMITED	9
INCOME STATEMENT	12
BALANCE SHEET	13
STATEMENT OF CHANGES IN EQUITY	14
NOTES TO THE FINANCIAL STATEMENTS	15

STRATEGIC REPORT

The directors present their Strategic Report for Jaguar Racing Limited ('the Company' or 'Jaguar Racing') for the year ended 31 March 2023.

Principal activity

The Company's principal activity during the period under review was the participation in the ABB FIA Formula E Championship ('Championship').

Business review

The strategic goal of the Company is to operate a successful racing team that is capable of being a leading competitor in the FIA Formula E World Championship helping to write the next chapter of Jaguar's racing heritage and return racing to the DNA of the Jaguar brand.

Jaguar Racing Limited's activities in the FIA Formula E World Championship supports Jaguar Land Rover Limited's ('JLR') transition to be a leader in modern luxury Battery Electric Vehicles ('BEVs') and showcases the group's credentials for innovation in the automotive industry. Jaguar's activities in Formula E enable a real-world test bed for electrification technologies providing opportunity for the transfer of technology and learnings from the racetrack to JLR's future battery electric vehicles.

The financial year under review covered the second half of Season 8 of the Championship, as well as the first six races of Season 9. Season 8 saw the team finish 4th in the World Championship Team Standings and with its race driver, Mitch Evans, fight for the Drivers World Championship right down to the last race of the season, eventually finishing 2nd overall.

Season 9 saw the start of the new Gen 3 era of Formula E representing an all-new specification of Formula E race car and technical regulations. For this new era Jaguar Racing introduced its latest race car the Jaguar I-TYPE 6 for use with its own team but also, for the first time in its Formula E history, with a customer team, Envision Racing. Season 9 has seen Jaguar Land Rover Limited (with the support of its technical partner WAE) engineer, manufacture and supply permitted manufacturer components for both teams.

In the early race events of Season 9 Jaguar Racing Limited demonstrated its potential by earning their first podium in round 2 in Saudi Arabia and pole position in round 4 in India. In round 6 of the championship in Brazil Jaguar Racing achieved its first win and double podium of the season, it was in fact a clear sweep of the podium with the Jaguar I-TYPE 6 securing a 1-2-3 finish, only the second time in Formula E history that a manufacturer has managed this feat. The team is confident that performance shown in the latter part of the reporting period will continue through the remainder of the season, as it has done over the past 2 years in an increasingly competitive environment.

At the balance sheet date, having completed six races of Season 9, the team sits 3rd in the Teams Championship standings, with the drivers sitting 6th and 9th in the Drivers' Championship standings. The Championship is visiting a number of new locations this season, namely South Africa, India and Brazil, giving the opportunity not only to grow the sport further, but also showcase the incredible technology driven through electric racing.

Away from the track, Jaguar Racing has also continued to develop the foundations for a successful team on both the technical and commercial sides of the business looking ahead to the Gen3 era and beyond.

Future developments

The Company's objective continues to be to develop every aspect of the business to drive future success for the team. In order to achieve this objective, the management team and directors will focus on ensuring the Company continues to retain and attract the best drivers, engineers, commercial and support staff. We will also aim to ensure sufficient funding to the racing programme that will allow us to build a team and car that is capable of sustainable championship success in the future.

Jaguar Racing will also continue to explore further opportunities to establish JLR as a leader in modern luxury Battery Electric Vehicles ('BEVs') and showcase our credentials for innovation in the motorsport and automotive industry.

STRATEGIC REPORT (CONTINUED)

Key performance indicators

The key performance indicators (KPIs) used are set out below:

KPI	2023	2022	Commentary
Races entered (points finishes)	19 (17)	16 (11)	Different timings to the start of the season, one additional race and a higher proportion of points finishes demonstrate the great progress the team has made on and off the track.
Team Championship points awarded per race	15.4	9.0	Largely driven by strong points scoring in the latter part of Season 8 including a double win in Rome (R4/R5) and overall performance across the remainder of the fiscal year.
Cost base – total of Racing Operating Costs, Other expenses and Depreciation and Amortisation	£13,782k	£18,003k	Costs have reduced year on year due to re-categorisation of costs to the R&D programme (via our Technical Partner WAE), in line with the newly introduced FIA Financial Regulations.

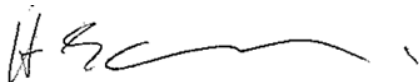
Principal risks and uncertainties

The fallout of the COVID-19 pandemic as well as the war in Ukraine has had a significant impact on the economic environment surrounding Formula E and the team, manifesting itself primarily in high inflationary pressures both on wages (cost of living and labour market) and specialist components. This is a risk that has had to be managed in the context of the wider Motorsport programme to ensure appropriate funding is in place and actions are taken to mitigate the impact.

For the first time, the FIA have introduced a new set of Financial Regulations in the form of a Cost Cap. The new regulations limit the amount of money that can be spent by Formula E Manufacturers (Jaguar Land Rover Limited, the intermediate parent company) in their R&D and Manufacturer activities of Formula E race cars allowing up to €25 million by homologation period. The regulations also limit the amount that Formula E Teams can spend (Jaguar Racing Limited) with respect to Racing Operations allowing up to €13 million in the case of team expenditure. Both caps being subject to indexation, we expect them to grow year on year for the foreseeable future making cost control and optimisation of spend within the Cost Cap critical to our success.

Looking to the future, the continued commercial development of the FIA Formula E championship is critical to Jaguar Racing's success as revenue maximization, combined with sound cost control, is a key enabler to mitigating potential risk in a manner that also supports the wider Formula E ecosystem.

Approved by the Board of Directors and signed on behalf of the Board by:



H. S. Cairns
Company Secretary
16 June 2023

Registered Address

Abbey Road
Whitley
Coventry
CV3 4LF
United Kingdom

DIRECTORS' REPORT

The directors present their Directors' Report for Jaguar Racing Limited ('the Company') for the year ended 31 March 2023.

Financial result

The income statement shows a profit after tax for the financial year of £534,000 (2022: £570,000). The Company participated in Season 8 and Season 9 of the ABB FIA Formula E Championships during the financial year, continuing to promote the Jaguar and Land Rover brands. The Company continued to receive compensation for brand promotion services provided for the Jaguar and Land Rover brands on the basis of a cost-plus model.

Dividends

The directors do not propose a dividend for the year ended 31 March 2023 (2022: £nil).

Directors

The directors who held office during the year and subsequently to the date of this report unless otherwise stated are as follows:

J. A. Barclay
K. J. Benjamin (resigned 30 September 2022)
D. A. R. Berry (appointed 30 September 2022)
T. Y. H. Bollore (resigned 31 December 2022)
M. R. Cox (resigned 30 September 2022)
A. J. Fennelly (appointed 30 September 2022)
C. J. Thorp

Directors' indemnities

The Company's intermediate parent, Jaguar Land Rover Automotive plc, maintained director's liability insurance for all directors during the financial year and subsequent to the year end.

Events after the reporting date

There have been no material events since the reporting date.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons. The principal activity of the Company is participation in the ABB FIA Formula E Championships as well as the promotion of the Jaguar and Land Rover brands, which are owned by the group headed by Jaguar Land Rover Automotive plc ("the JLR Group") and the Company derives all its income from amounts receivable under a contractual agreement with Jaguar Land Rover Limited, a fellow subsidiary of the JLR Group.

The directors have performed a going concern assessment for the Company for a period of at least 12 months from the date of approval of these financial statements, which includes consideration of the going concern assessment of the JLR Group given the operational interdependencies between the Company and the JLR Group. That going concern assessment indicates that, taking account of reasonably possible downsides, the Company will have sufficient funds, through income received under its continuing contractual agreement Jaguar Land Rover Limited which the directors expect to continue during the going concern assessment period, to meet its liabilities as they fall due during the going concern assessment period.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

DIRECTORS' REPORT (CONTINUED)

Research and development activities

The Company has not incurred research and development costs during the financial year (2022: £nil). Research and development activity in relation to the Company's activities is undertaken by the immediate parent Company alongside its broader research and development activity.

Independent auditor

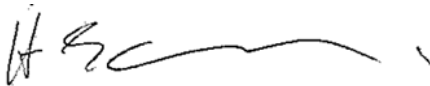
On 17 March 2023, Mazars LLP were appointed as auditors to the Company and will be reappointed in accordance with Section 485 of the Companies Act 2006.

Statement of disclosure of information to auditor

In the case of each of the persons who are directors at the time when the report is approved under Section 418 of the Companies Act, 2006 the following applies:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken necessary actions in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Board of Directors and signed on behalf of the Board by:



H. S. Cairns
Company Secretary
16 June 2023

Registered Address

Abbey Road
Whitley
Coventry
CV3 4LF
United Kingdom

Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements

The directors are responsible for preparing the Annual 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statement; 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. The directors 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAGUAR RACING LIMITED

Opinion

We have audited the financial statements of Jaguar Racing Limited (the 'company') for the year ended 31 March 2023 which comprise the Income statement, balance sheet, 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 FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAGUAR RACING LIMITED (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

Matters on which we are required to report by exception

In 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 8, 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, and anti-money laundering regulation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JAGUAR RACING LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements (continued)

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit 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.

Elisa Howe

Elisa Howe (Jun 20, 2023 10:12 GMT+1)

Elisa Howe (Senior Statutory Auditor)

for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
First Floor
2 Chamberlain Square
Birmingham
B3 3AX

INCOME STATEMENT

Year ended 31 March (£ thousands)	Note	2023	2022
Revenue	3	14,455	18,687
Racing operating costs		(13,392)	(16,768)
Operating profit for the year		1,063	1,919
Other expenses		(7)	(302)
Foreign exchange losses	4	(30)	(14)
Depreciation	4	(383)	(933)
Finance income	5	41	8
Finance expense	6	(16)	(29)
Profit before tax		668	649
Income tax expense	7	(134)	(79)
Profit for the year		534	570

All the activities of the Company are from continuing operations.

The notes on pages 15 to 26 form an integral part of these financial statements.

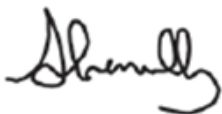
There were no other gains or losses other than the results for the current financial year. Accordingly, no Statement of Comprehensive Income has been presented.

BALANCE SHEET

As at 31 March (£ thousands)	Note	2023	2022
Non-current assets			
Property, plant and equipment	8	589	151
Right-of-use assets	16	-	475
Deferred tax assets	9	148	176
Total non-current assets		737	802
Current assets			
Cash and cash equivalents	10	2	1
Inventories	11	1,722	1,623
Other current assets	12	738	1,844
Other financial assets	13	3,131	2,905
Total current assets		5,593	6,373
Total assets		6,330	7,175
Current liabilities			
Accounts payable	14	1,705	2,719
Other financial liabilities	15	1,022	1,153
Total current liabilities		2,727	3,872
Total assets less current liabilities		3,603	3,303
Non-current liabilities			
Other financial liabilities	15	-	234
Total non-current liabilities		-	234
Net assets		3,603	3,069
Equity attributable to shareholders			
Ordinary share capital	17	-	-
Retained earnings	17	3,603	3,069
Total equity attributable to shareholders		3,603	3,069

The notes on pages 15 to 26 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors and authorised for issue on 16 June 2023. They were signed on its behalf by:



A. Fennelly

Director

Company registered number: 09983877

STATEMENT OF CHANGES IN EQUITY

(£ thousands)	Ordinary share capital	Retained earnings	Total equity
Balance at 31 March 2022	-	3,069	3,069
Profit for the year ended 31 March 2023	-	534	534
Total comprehensive income for the year	-	534	534
Balance at 31 March 2023	-	3,603	3,603

(£ thousands)	Ordinary share capital	Retained earnings	Total equity
Balance at 31 March 2021	-	2,499	2,499
Profit for the year ended 31 March 2022	-	570	570
Total comprehensive income for the year	-	570	570
Balance at 31 March 2022	-	3,069	3,069

The notes on pages 15 to 26 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 BACKGROUND AND OPERATIONS

The Company is an indirect subsidiary of Tata Motors Limited, India ('Tata Motors Limited'). The Company's principal activity during the year was participation in the ABB FIA Formula E Championship. The Company is a private limited Company incorporated and domiciled in England and Wales. The address of its registered office is Abbey Road, Whitley, Coventry, CV3 4LF, United Kingdom.

These financial statements have been prepared in GBP and rounded to the nearest thousand GBP (£ thousand) unless otherwise stated.

2 ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("UK-adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The requirements of IFRS 7 '*Financial Instruments: Disclosures*'
- The requirements of paragraphs 10(d), 10(f), 16, 38A-38D, 111, and 134-136 of IAS '*Presentation of Financial Statements*'
- The requirements of IAS 7 '*Statement of Cashflows*'
- The requirements of paragraphs 30 and 31 of IAS 8 '*Accounting Policies, Changes in Accounting Estimates and Errors*' – to disclose new standards and interpretations that have been issued but which are not yet effective
- The requirement of paragraph 17 of IAS 24 '*Related Party Disclosures*' in respect of the compensation of Key Management Personnel
- The requirement in IAS 24 '*Related Party Disclosures*', to disclose related party transactions entered into between wholly owned subsidiaries or between the parent and wholly owned subsidiaries
- The requirements of paragraphs 91-99 of IFRS 13 '*Fair Value Measurement*'
- The following paragraphs of IFRS 15 Revenue:
 - 113(a), 114 and 115 (disaggregated and total revenue from contracts with customers);
 - 118 (explanation of significant changes in contract assets and liabilities);
 - 119(a) – (c) (description of when performance obligations are satisfied, significant payment terms, and the nature of goods and services to be transferred)
 - 120 – 122 (aggregate transaction price allocated to unsatisfied performance obligations and when revenue is expected to be recognised);
 - 123, 125 and 127(a) (significant judgements in determining the amount and timing of revenue recognition and the amount of capitalised costs to obtain or fulfil a contract); and
 - 124, 126 and 127(b) (methods used to recognise revenue over time, determine transaction price and amounts allocated to performance obligations and determine amortisation of capitalised cost to obtain or fulfil a contract)

The Company is included in the consolidated financial statements of Jaguar Land Rover Automotive plc. The consolidated financial statements of Jaguar Land Rover Automotive plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Abbey Road, Whitley, Coventry CV3 4LF, England, United Kingdom.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

GOING CONCERN

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons. The principal activity of the Company is participation in the ABB FIA Formula E Championships as well as the promotion of the Jaguar and Land Rover brands, which are owned by the group headed by Jaguar Land Rover Automotive plc (“the JLR Group”) and the Company derives all its income from amounts receivable under a contractual agreement with Jaguar Land Rover Limited, a fellow subsidiary of the JLR Group.

The directors have performed a going concern assessment for the Company for a period of at least 12 months from the date of approval of these financial statements, which includes consideration of the going concern assessment of the JLR Group given the operational interdependencies between the Company and the JLR Group. That going concern assessment indicates that, taking account of reasonably possible downsides, the Company will have sufficient funds, through income received under its continuing contractual agreement Jaguar Land Rover Limited which the directors expect to continue during the going concern assessment period, to meet its liabilities as they fall due during the going concern assessment period.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies.

The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The directors believe that no significant estimates or judgements were involved in the preparation of these financial statements.

REVENUE RECOGNITION

Revenue comprises the consideration earned by the Company in respect of the output of its ordinary activities, which include participation in the Championship as well as promotion of the Jaguar and Land Rover brands. It is measured based on the consideration agreed with the customer and excludes amounts collected on behalf of third parties. In respect of Championship prize money received, the Company’s revenue is presented net of contractual amounts attributable to its drivers and race partners.

The Company considers its primary customers to be Formula E Operations (FEO) (with regards to Championship prize money) and its immediate parent Company (in respect of brand promotional services). The Company recognises revenue when it transfers control of a good or service to a customer, thus evidencing the satisfaction of the associated performance obligation under that contract.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION (CONTINUED)

With regards to prize money, as a form of variable consideration, the Company recognises revenue at the point that it is guaranteed in accordance with the rules of the Championship. The Company considers this to be consistent with the point at which uncertainty relating to the revenue earned is considered sufficiently resolved for it to be highly probable that a significant reversal of revenue will not occur.

Revenue from the provision of services is recognised at the point in time that the Company performs its obligations under the contract and is managed on a regular periodic basis as agreed with the immediate parent Company.

All revenue originates in the United Kingdom.

COST RECOGNITION

Costs and expenses are recognised when incurred and are classified according to their nature in the income statement.

INTEREST PAYABLE

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in the income statement using the effective interest method, unwinding of the discount on provisions.

FOREIGN CURRENCY

The Company has a functional and presentation currency of GBP. Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are remeasured into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange differences are recognised in the income statement as 'Foreign exchange gain or loss' when applicable.

INCOME TAXES

Income tax expense comprises current and deferred taxes. Income tax expense is recognised in the income statement, except when they relate to items that are recognised outside of the income statement (whether in other comprehensive income or directly in equity, whereby tax is also recognised outside of the income statement).

Current income taxes are determined based on respective taxable income of each taxable entity and tax rules applicable for respective tax jurisdictions.

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilised.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

FIXED ASSETS

Property, plant and equipment

Property, plant and equipment is stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any. Cost includes purchase price and non-recoverable taxes and duties.

Assets classified as plant & machinery, race vehicles & pit equipment are presented as plant & equipment assets in the notes to the accounts.

Depreciation is recognised on a straight-line basis over the estimated useful lives of the assets. Estimated useful lives of the assets are as follows:

Class of property, plant and equipment	Estimated useful life (years)
Plant and Equipment	2 to 8

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

IMPAIRMENT

Fixed assets

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment may be impaired. If any such impairment indicator exists the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The estimated recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses. Cost is based on the first in first out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand, demand deposits and highly liquid investments with an original maturity of up to three months that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

RECEIVABLES

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

The Company adopts the simplified approach to apply lifetime expected credit losses to trade receivables and contract assets. Where credit risk is deemed low at the reporting date or to have not increased significantly, credit losses for the next 12 months are calculated.

Credit risk has increased significantly when the probability of default has increased significantly. Such increases are relative, and assessment includes external ratings (where available) or other information such as past due payments. Historic data and forward-looking information are also considered. Objective evidence for a significant increase in credit risk may include where payment is overdue by 90 or more days as well as other information about significant financial difficulties of the borrower.

Expected credit losses are forward looking and are measured in a way that is unbiased and represents a probability weighted amount, takes into account the time value of money (values are discounted back using the applicable effective interest rate) and uses reasonable and supportable information.

SHARE CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from proceeds.

CREDITORS

Liabilities are stated based on the amounts which are considered to be payable in respect of goods or services received at the end of the reporting period.

INTEREST BEARING LOANS

Interest-bearing loans and borrowings are initially recognised at the present value of the future payments discounted at a market rate of interest for a similar loan. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

LEASES

At inception of a contract, the Company assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified.
- The Company has the right to substantially all of the economic benefits from the use of the asset throughout the period of use; and

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2 ACCOUNTING POLICIES (CONTINUED)

LEASES (CONTINUED)

• The Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purposes the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- The Company has the right to operate the asset; or
- The Company designed the asset in a way that predetermines how and for what purposes it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is allocated, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Generally, the Company uses its incremental borrowing rate as a discount rate. The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company associates the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3 REVENUE

Year ended 31 March (£ thousands)	2023	2022
Revenue from provision of services	14,455	18,687
Total revenue	14,455	18,687

4 PROFIT BEFORE TAX

Expenses in profit before tax include the following:

Year ended 31 March (£ thousands)	2023	2022
Depreciation	383	933
Foreign exchange losses	30	14

Auditor's remuneration for the current and prior financial years is borne by the immediate parent company, Jaguar Land Rover Limited, and is not recharged. The Company's allocation for fees payable to the Company's auditor for the audit of the annual financial statements is £20,250 (2022: £15,000). The Company incurred no non-audit fees in either the current or prior financial year.

5 EMPLOYEE COSTS AND DIRECTORS' EMOLUMENTS

The Company did not have any employees other than the directors in the current or prior financial year.

For the year ended 31 March 2023, none of the directors received remuneration for their qualifying services specifically to the Company.

For the year ended 31 March 2022, one director received remuneration relating to his qualifying service as a director of the Company totalling £174,981.

With the exception of the one director remunerated by the Company in the year ended 31 March 2022, all director emoluments for the years ending 31 March 2022 and 31 March 2023 were paid by the immediate parent company, Jaguar Land Rover Limited.

Retirement benefits accruing to the directors are included in the financial statements of Jaguar Land Rover Limited for the year ended 31 March 2023.

5 FINANCE INCOME

Year ended 31 March (£ thousands)	2023	2022
Interest on intercompany loan	41	8
Total finance income	41	8

6 FINANCE EXPENSE

Year ended 31 March (£ thousands)	2023	2022
Interest expense on lease liabilities	7	28
Interest expense - intercompany	9	1
Total finance expense	16	29

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7 TAXATION

Recognised in the income statement

Year ended 31 March (£ thousands)	2023	2022
Current tax expense/(credit)		
Current year	106	145
Adjustments for prior years	-	(49)
Current tax expense	106	96
Deferred tax (credit)/expense		
Origination and reversal of temporary differences	21	(22)
Adjustments for prior years	7	47
Rate changes	-	(42)
Deferred tax expense/(credit)	28	(17)
Total income tax expense	134	79

Reconciliation of effective tax rate

Year ended 31 March (£ thousands)	2023	2022
Profit for the year	534	570
Total income tax expense	134	79
Profit before tax	668	649
Income tax at 19% (2022: 19%)	127	123
Rate changes	-	(42)
Prior period adjustment	7	(2)
Total income tax expense	134	79

The Company had a deferred tax asset of £148,000 at 31 March 2023 (2022: £176,000).

Since 1 April 2020, the UK corporation tax rate applicable has been at 19 per cent. A change to the main UK corporation tax rate from 19 to 25 percent with effect from 1 April 2023 was announced in the Budget on 3 March 2021, and was substantively enacted on 24 May 2021.

Accordingly, deferred tax has been provided at a rate of 25 per cent (2022: 25 per cent), recognising the applicable tax rate at the point when the timing difference is expected to reverse.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8 PROPERTY, PLANT AND EQUIPMENT

(£ thousands)	Plant and equipment
Cost	
Balance at 1 April 2021	1,881
Additions	23
Balance at 31 March 2022	1,904
Additions	587
Balance at 31 March 2023	2,491
Accumulated depreciation	
Balance at 1 April 2021	1,452
Depreciation charge for the year	301
Balance at 31 March 2022	1,753
Depreciation charge for the year	149
Balance at 31 March 2023	1,902
Net book value	
At 31 March 2023	589
At 31 March 2022	151

9 DEFERRED TAX ASSETS

Components of the deferred tax asset are as follows:

(£ thousands)	Balance at 31 March 2022	Recognised in the income statement	Balance at 31 March 2023
Deferred tax assets			
Property, plant & equipment	176	(28)	148
Total deferred tax asset	176	(28)	148
(£ thousands)	Balance at 31 March 2021	Recognised in the income statement	Balance at 31 March 2022
Deferred tax assets			
Property, plant & equipment	159	17	176
Total deferred tax asset	159	17	176

All deferred tax assets are presented as non-current assets.

10 CASH AND CASH EQUIVALENTS

As at 31 March (£ thousands)	2023	2022
Cash and cash equivalents	2	1
Total cash and cash equivalents	2	1

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11 INVENTORIES

As at 31 March (£ thousands)	2023	2022
Raw materials and consumables	1,722	1,623
Total inventories	1,722	1,623

During the financial year, the Company has written-down inventory of £1,282,000 (2022: £nil). Cost of inventories recognised as an expense during the year amounted to £3,035,000 (2022: £3,918,000).

12 OTHER CURRENT ASSETS

As at 31 March (£ thousands)	2023	2022
Prepaid expenses	559	1,442
VAT	179	402
Total other current assets	738	1,844

13 OTHER CURRENT FINANCIAL ASSETS

As at 31 March (£ thousands)	2023	2022
Amounts owed by group undertakings	3,131	2,905
Total other current financial assets	3,131	2,905

Amounts owed by group undertakings are unsecured, subject to an interest rate based on the Bank of England month base rate + 0.05% and are repayable on demand.

14 ACCOUNTS PAYABLE

As at 31 March (£ thousands)	2023	2022
Trade payables	751	2,571
Accrued expenses	954	148
Total accounts payable	1,705	2,719

15 OTHER FINANCIAL LIABILITIES

As at 31 March (£ thousands)	2023	2022
Group tax relief offset	1,022	917
Current lease obligations	-	236
Total other current financial liabilities	1,022	1,153
Non-current lease obligations	-	234
Total other non-current financial liabilities	-	234

Amounts owed to group undertakings (i.e. group tax relief offset) are unsecured, subject to an interest rate based on the Bank of England month base rate + 0.85% and are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16 LEASES

Leases as a lessee

Information about leases for which the Company is a lessee is presented below:

Right-of-use assets

(£ thousands)	Land and buildings	Property, plant and equipment	Total
Balance at 31 March 2023	-	-	-
Balance at 31 March 2022	292	183	475
Depreciation charge for the year ended 31 March 2023	51	183	234
Depreciation charge for the year ended 31 March 2022	64	568	632

There were no additions to right-of-use assets in either period presented within the financial statements.

Remeasurements to the right-of-use assets during the year ended 31 March 2023 were £nil (2022: £779,000).

Lease liabilities

The maturity analysis of the contractual undiscounted cash flows are as follows:

As at 31 March (£ thousands)	2023	2022
Less than one year	-	244
Between one and five years	-	244
More than five years	-	-
Total undiscounted lease liabilities	-	488

The following discounted amounts are included in the balance sheet:

As at 31 March (£ thousands)	2023	2022
Current lease liabilities	-	236
Non-current lease liabilities	-	234
Total lease liabilities	-	470

The following amounts are recognised in the income statement:

Year ended 31 March (£ thousands)	2023	2022
Interest expense on lease liabilities	7	28

17 SHARE CAPITAL AND OTHER RESERVES

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

As at 31 March	2023	2022
Allotted, called up and fully paid		
1 (2022: 1) ordinary share of £1	1	1
Share capital presented as equity	1	1

Retained earnings

Retained earnings represent cumulative profits or losses, net of dividends paid, as at 31 March 2023.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18 COMMITMENTS AND CONTINGENCIES

Commitment and contingencies include contingent liabilities of £nil (2022: £nil). The timings of any outflow will vary as and when the future events occur.

19 RELATED PARTY TRANSACTIONS

The Company is a wholly owned subsidiary of Jaguar Land Rover Automotive plc, the group financial statements of which are publicly available. Accordingly, the Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 from disclosing transactions with entities which are wholly owned subsidiaries of the Jaguar Land Rover Automotive plc group.

20 IMMEDIATE AND ULTIMATE PARENT COMPANY AND PARENT COMPANY OF LARGER GROUP

The immediate parent undertaking is Jaguar Land Rover Limited and the ultimate parent undertaking and controlling party is Tata Motors Limited, India which is the parent of the largest group to consolidate these financial statements. The smallest group which consolidates these financial statements is Jaguar Land Rover Automotive plc.

Copies of the Tata Motors Limited, India consolidated financial statements can be obtained from the Company Secretary, Tata Motors Limited, Bombay House, 24, Homi Mody Street, Mumbai – 400001, India. Copies of the Jaguar Land Rover Automotive plc consolidated financial statements can be obtained from the Company's registered office.