

**ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**

**ROYAL GEOGRAPHICAL SOCIETY  
ENTERPRISES LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

Company Number 1322564



# ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

## REPORT OF THE DIRECTORS for the year ended 31 December 2018

The Directors have pleasure in submitting the Annual Report and Financial Statements for the year ended 31 December 2018.

### Profits

The Company made a profit of £1,094,978 for the year (2017: profit of £1,041,897). Under a Deed of Covenant, the profits of the Company are payable in full to the Company's parent, the charity Royal Geographical Society (with the Institute of British Geographers) Registered Charity number 208791.

### Review of the business and principal activities

The Company's main activities consist of the sale of photographic reproduction rights, the letting of facilities at the Society's premises including hire of the exhibition pavilion, and travel-related activities. Income is also generated from royalties and fees, and from sundry merchandise sales, through exploitation of the Society's wider collections. Turnover includes income from corporate sponsorship agreements in support of the Company's and the Royal Geographical Society (with IBG)'s core activities, including certain of its public engagement and other projects.

All of the company's business streams contributed to profits in the year with notable growth in the Venue Hire business, which took on some significant new customers whilst still managing to reduce its cost base.

### Directors and Secretary

The Directors, who owned no shares in the Company, were, during the year and up to the date of this Report:

S Henwood CBE	Chairman
Dr R A M Gardner CBE	Resigned 1 May 2018
Professor J Smith	Appointed 1 May 2018
S Heady	
M Humphreys	
A Macleod	
A Kafkaris	
J McNamara	

### Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**

**REPORT OF THE DIRECTORS  
for the year ended 31 December 2018  
(continued)**

**Statement of Directors' responsibilities (continued)**

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

**Statement as to disclosure of information to auditors**

So far as each director is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

**Auditor**

A resolution to re-appoint RSM UK Audit LLP as the Company's auditor will be put to the member at the Annual General Meeting.

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

BY ORDER OF THE BOARD



S Henwood  
Chairman of the Board

1 Kensington Gore  
LONDON  
SW7 2AR

Date: 18 March 2019

## **ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**

#### **Opinion**

We have audited the Financial Statements of Royal Geographical Society Enterprises Limited (the 'company') for the year ended 31 December 2018 which comprise the Income Statement, Statement of Financial Position 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### **Opinion on other matter 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

## ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

### Responsibilities of directors

As explained more fully in statement of directors' responsibilities set out on pages 2 and 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the financial statements

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

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

### Use of our report

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

**RSM UK Audit LLP**

Sarah Mason (Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
The Pinnacle  
170 Midsummer Boulevard  
Milton Keynes  
Bucks, MK9 1BP

Date: **9** April 2019

**ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**

**INCOME STATEMENT  
for the year ended 31 December 2018**

		<b>2018</b>	<b>2017</b>
	<u>Notes</u>	£	£
Turnover	2	1,917,372	1,930,527
Cost of sales		<u>(803,327)</u>	<u>(869,379)</u>
<b>Gross profit</b>		1,114,045	1,061,148
Investment written off		-	(5,273)
Administrative expenses		<u>(19,067)</u>	<u>(13,978)</u>
<b>Profit for the financial year</b>	4,6	<u>1,094,978</u>	<u>1,041,897</u>

\* 10/10/11 11:00 MES

**ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**

**Company Registration No. 1322564  
STATEMENT OF FINANCIAL POSITION  
As at 31 December 2018**

	Notes	2018		2017	
		£	£	£	£
<b>Current assets</b>					
Investment		187		187	
Trade debtors		501,542		223,720	
Prepayments and accrued income		79,423		117,728	
Cash at bank and in hand		<u>74,359</u>		<u>334,914</u>	
			655,511		676,549
<b>Creditors: Amount falling due within one year</b>					
Trade creditors		39,119		-	
Other creditors		1,096		22,976	
Accruals		15,600		7,430	
Deferred income		177,082		64,133	
Due to RGS-IBG		<u>422,514</u>		<u>581,910</u>	
			<u>(655,411)</u>		<u>(676,449)</u>
<b>Net current assets/(liabilities)</b>			<u>100</u>		<u>100</u>
<b>Net assets</b>			<u>100</u>		<u>100</u>
<b>Capital and reserves</b>					
Called up Share Capital	5		100		100
Profit and Loss Account	6		-		-
<b>Shareholder's funds</b>	7		<u>100</u>		<u>100</u>

The directors have prepared this report and accounts in accordance with the provisions applicable to companies subject to the small company's regime.

These financial statements on pages 6 to 10 were approved by the Board of Directors and authorised for issue on 18 March 2019 and are signed on its behalf by:

S Henwood

M Humphreys

) Directors

# ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018

### 1. Accounting policies

Royal Geographical Society Enterprise Ltd ('the Company') is a private company limited by shares incorporated in England. The Registered Office address of the Company is 1 Kensington Gore, London SW7 2AR, England.

#### Basis of Financial Statements

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention. The disclosure requirements of section 1A of FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

The Directors confirm that at the time of approving the financial statements, there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In arriving at this conclusion the Directors have taken account of current and anticipated financial performance in the current economic conditions, and the company's status as the wholly-owned subsidiary of the Royal Geographical Society (with IBG). For this reason, the going concern basis continues to be adopted in the preparation of the company's financial statements.

### 2. Turnover

Turnover comprises receipts of sponsorship fees, commission, room hire fees, picture sales, merchandise sales, and royalties, net of value added tax. Turnover is recognised when the company provides the service or sells the goods.

### 3. Directors' remuneration and staff costs

None of the Directors receive any remuneration for their services. The Company does not employ any other staff.

### 4. Profit for the financial year is stated after charging:

	2018 £	2017 £
Depreciation of fixed assets	-	1,842
Auditor's remuneration	6,135	5,950

The auditor was remunerated £2,035 (2017: £1,965) for other services.



# ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2018 (continued)

### 5. Share Capital Allotted, Called Up and Fully Paid

	2018 £	2017 £
100 Ordinary Shares of £1 each	<u>100</u>	<u>100</u>

The Company's share capital is wholly owned by the Royal Geographical Society (with IBG).

### 6. Reserves – Profit and Loss Account

	2018 £	2017 £
Balance at 1 January	-	-
Profit for the year	1,094,978	1,041,897
Distribution to parent undertaking	<u>(1,094,978)</u>	<u>(1,041,897)</u>
Balance at 31 December	=	=

### 7. Reconciliation of movements in shareholder's funds

	2018 £	2017 £
Profit for the year	1,094,978	1,041,897
Distribution	<u>(1,094,978)</u>	<u>(1,041,897)</u>
Shareholder's funds at 1 January	<u>100</u>	<u>100</u>
Balance at 31 December	<u>100</u>	<u>100</u>

### 8. Controlling Party

The Company is wholly owned by the Royal Geographical Society (with the Institute of British Geographers), a registered charity in England and Wales. Copies of the consolidated financial statements of the Royal Geographical Society (with IBG) are available from the Head of Finance and Services, 1 Kensington Gore, London SW7 2AR, charity number 208791.

### 9. Contingent Liability

There is a cross-guarantee in favour of HM Revenue and Customs in respect of the Company's membership of the Royal Geographical Society (with IBG)'s VAT Group. At 31 December 2018, the amount of VAT due to HMRC in respect of the fourth quarter 2018 was £26,209, which was settled on 12 February 2019 (fourth quarter 2017: £12,631 settled on 12 February 2018).

### 10. Taxation

The Directors do not consider that the company has a liability to corporation tax as its profits are distributed to its parent, the Royal Geographical Society (with the Institute of British Geographers) under a Deed of Covenant.

**ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2018 (continued)**

**11. Related Party transactions**

Advantage has been taken of the exemption provided by FRS102 Section 33 from reporting transactions with wholly owned companies. All transactions involving such organisations and the directors are conducted in accordance with the Company's financial regulations and normal procurement procedures.