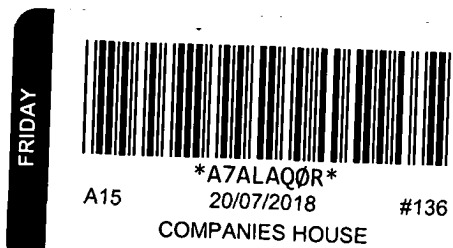


ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

**ROYAL GEOGRAPHICAL SOCIETY
ENTERPRISES LIMITED**
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

Company Number 1322564



ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

REPORT OF THE DIRECTORS for the year ended 31 December 2017

The Directors have pleasure in submitting the Annual Report and Financial Statements for the year ended 31 December 2017.

Profits

The Company made a profit of £1,041,897 for the year (2016: profit of £969,296). 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:

C E D'Oily	Chairman	Resigned 25 September 2017
S Henwood CBE	Chairman	Appointed 25 September 2017
Dr R A M Gardner CBE		
S Heady		
C Hibbert	Resigned 12 June 2017	
M Humphreys		
A Macleod		
I Simkins	Resigned 25 September 2017	
A Kafkaris	Appointed 12 June 2017	
J McNamara	Appointed 20 November 2017	

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 2017
(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: 20 March 2018

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 2017 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 2017 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.

Respective responsibilities of directors and auditors

As more fully explained in the Directors' Responsibilities Statement 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.

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: 23 April 2018

ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

INCOME STATEMENT
for the year ended 31 December 2017

		2017	2016
	<u>Notes</u>	£	£
Turnover	2	1,930,527	1,768,608
Cost of sales		<u>(869,379)</u>	<u>(791,762)</u>
Gross profit		1,061,148	976,846
Investment written off		(5,273)	-
Administrative expenses		<u>(13,978)</u>	<u>(7,550)</u>
Profit for the financial year	4,7	<u>1,041,897</u>	<u>969,296</u>

Approved for issue on behalf of the directors

ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

Company Registration No. 1322564

STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

	Notes	2017		2016
		£	£	£
Fixed assets				
Tangible assets	5	=		<u>1,842</u>
		-		1,842
Current assets				
Investment		187		5,460
Trade debtors		223,720		201,534
Prepayments and accrued income		117,728		50,341
Cash at bank and in hand		<u>334,914</u>		<u>107,164</u>
			676,549	364,499
Creditors: Amount falling due within one year				
Accruals		7,430		6,725
Other creditors		22,976		320
Deferred income		64,133		184,999
Due to RGS-IBG		<u>581,910</u>		<u>174,197</u>
			<u>(676,449)</u>	<u>(366,241)</u>
Net current assets/(liabilities)			<u>100</u>	<u>(1,742)</u>
Net assets			<u>100</u>	<u>100</u>
Capital and reserves				
Called up Share Capital	6		100	100
Profit and Loss Account	7		=	=
Shareholder's funds	8		<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 20 March 2018 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 2017

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.

Intangible and Tangible fixed assets and depreciation

Depreciation is charged on these additions at the following rates on a straight line basis having regard to their estimated useful economic lives.

Equipment (tangible)	20 – 25% p.a.
Furniture and fittings (tangible)	10% p.a.

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:

	2017 £	2016 £
Depreciation of fixed assets	1,842	1,052
Auditor's remuneration	4,975	4,830

The auditor was remunerated £2,940 (2016: £1,895) for other services.

ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017 (continued)

5. Fixed Assets

Tangible Assets

	Equipment £	Furniture & Fittings £	Total £
Cost			
At 1 January 2017	26,249	12,250	38,499
Additions in year	-	-	-
At 31 December 2017	26,249	12,250	38,499
Depreciation			
At 1 January 2017	24,407	12,250	36,657
Charge for year	1,842	-	1,842
At 31 December 2017	26,249	12,250	38,499
Net Book Value			
At 31 December 2017	-	-	-
At 31 December 2016	1,842	-	1,842

6. Share Capital
Allotted, Called Up and Fully Paid

	2017 £	2016 £
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).

7. Reserves

	2017 £	2016 £
Balance at 1 January	-	-
Profit for the year	1,041,897	969,296
Distribution to parent undertaking	<u>(1,041,897)</u>	<u>(969,296)</u>
Balance at 31 December	=	=

ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2017 (continued)**

8. Reconciliation of movements in shareholder's funds

	2017	2016
	£	£
Profit for the year	1,041,897	969,296
Distribution	<u>(1,041,897)</u>	<u>(969,296)</u>
Shareholder's funds at 1 January	<u>100</u>	<u>100</u>
Balance at 31 December	<u>100</u>	<u>100</u>

9. 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.

10. 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 2017, the amount of VAT due to HMRC in respect of the fourth quarter 2017 was £12,631, which was settled on 12 February 2018 (fourth quarter 2016: £81,847 settled on 10 February 2017). As at 31 December 2017 no further amount of VAT was due to HMRC in respect of under-reported VAT from previous reporting periods (2016: £86,079).

11. 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).

12. Related Party transactions

Advantage has been taken of the exemption provided by FRS102 Section 33 from reporting transactions with wholly owned companies. In 2016 companies associated with two of the directors hired rooms from the company and one director purchased prints from the company during the year but there were no such transactions in 2017. All transactions involving such organisations and the directors are conducted in accordance with the Company's financial regulations and normal procurement procedures.