

**ROYAL GEOGRAPHICAL SOCIETY  
ENTERPRISES LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

Company Number 1322564



# ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

## REPORT OF THE DIRECTORS for the year ended 31 December 2020

The Directors have pleasure in submitting the Annual Report and Financial Statements for the year ended 31 December 2020.

### Profits

The Company made a profit of £316,116 for the year (2019: profit of £974,345). Under a Deed of Covenant, the profits of the Company are distributable 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, however, the overall level of profit was 68% below the prior year figure. The main reason for the reduction in the overall profit level was the severe impact that the Covid-19 control measures had on our activities, in particular the cessation of activity for most of the year in the Venue Hire business.

There will continue to be a significant impact on many of the company's income streams with the largest income generating activity, Venue Hire, being very badly impacted during the year. Nonetheless, the company will remain the vehicle through which the Royal Geographical Society (with IBG) sells its photographic reproduction rights, lets its facilities, sells travel-related activities and generates income through exploitation of its wider collections, throughout the period of the outbreak, so far as is possible, and will be ready to continue to do so as soon as normality begins to return.

### 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
S Heady	
M Humphreys	<i>resigned 4 June 2020</i>
A Kafkaris	
C Lawson	<i>appointed 29 June 2020</i>
A Macleod	
A Munro	
D Scott	<i>appointed 29 June 2020</i>
J Smith	

### 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.

**ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**

**REPORT OF THE DIRECTORS  
for the year ended 31 December 2020  
(continued)**

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

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

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

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

**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 MADE ON 12 APRIL 2021



S Henwood  
Chairman of the Board

1 Kensington Gore  
LONDON  
SW7 2AR

## **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 2020 which comprise the Income Statement, Statement of Financial Position and notes to the financial statements, including 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 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

## **ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**

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

#### **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 material misstatements in 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; 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 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.

#### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

## ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

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

(continued)

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the company operates in and how the company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and the Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business.

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 19 April 2021

**ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**

**INCOME STATEMENT  
for the year ended 31 December 2020**

		<b>2020</b>	<b>2019</b>
	<u>Notes</u>	£	£
Turnover	2	758,591	1,722,637
Cost of sales		<u>(432,310)</u>	<u>(730,209)</u>
<b>Gross profit</b>		326,281	992,428
HMRC Coronavirus Job Retention Scheme Grants		6,572	-
Administrative expenses		<u>(16,737)</u>	<u>(18,083)</u>
<b>Profit for the financial year</b>	4, 6	<u>316,116</u>	<u>974,345</u>

**ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**

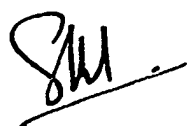
**Company Registration No. 1322564  
STATEMENT OF FINANCIAL POSITION  
As at 31 December 2020**

	Notes	2020		2019	
		£	£	£	£
<b>Current assets</b>					
Investment		187		187	
Trade debtors		103,059		518,138	
Prepayments and accrued income		24,780		88,690	
Cash at bank and in hand		<u>138,924</u>		<u>137,232</u>	
			<u>266,950</u>		<u>744,247</u>
<b>Creditors:</b> Amounts falling due within one year					
Trade creditors		1,366		26,235	
Other creditors		3,410		2,002	
Accruals		10,760		22,594	
Deferred income		127,377		173,421	
Due to RGS-IBG		<u>123,937</u>		<u>519,895</u>	
			<u>(266,850)</u>		<u>(744,147)</u>
<b>Net current assets</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>			<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 7 to 11 were approved by the Board of Directors and authorised for issue on 12 April 2021 and are signed on its behalf by:

S Henwood

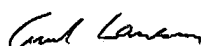


)

)  
) Directors

C Lawson

)



)



# ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2020

### 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 accounting

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.

#### Going concern

The Directors confirm that at the time of approving the financial statements, and based on forecasts until 31 December 2022, there is a reasonable expectation that the company has adequate resources to continue in operational existence. 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).

Since the significance of the economic impacts of the COVID-19 outbreak have become apparent, the Directors have reviewed in detail the company's position and the appropriate basis on which to prepare the financial statements. The Directors recognise that the company exists as a vehicle through which its parent company sells its photographic reproduction rights, lets its facilities, sells travel-related activities and generates income through exploitation of its wider collections. In any foreseeable scenario, the company would continue to perform this function in the future with appropriate support from its parent. The Directors have concluded that it remains appropriate to prepare the financial statements of the company on the going concern basis.

### 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 received any remuneration for their services. The Company does not employ any other staff.

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

	2020 £	2019 £
Auditor's remuneration	6,830	6,565

The auditor was remunerated £1,755 (2019: £2,375) for other services.

**ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 December 2020 (continued)**

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

	<b>2020</b>	<b>2019</b>
	£	£
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**

	<b>2020</b>	<b>2019</b>
	£	£
Balance at 1 January	-	-
Profit for the year	316,116	974,345
Distribution to parent undertaking	<u>(316,116)</u>	<u>(974,345)</u>
Balance at 31 December	-	-

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

	<b>2020</b>	<b>2019</b>
	£	£
Shareholder's funds at 1 January	<u>100</u>	<u>100</u>
Profit for the year	316,116	974,345
Distribution	<u>(316,116)</u>	<u>(974,345)</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 2020, the amount of VAT due to HMRC was £136,811 in respect of the first and fourth quarter 2020 of £124,001 and £12,810 respectively, which was settled on 8 March 2021 and 1 March 2021, respectively (fourth quarter 2019: £27,791 settled on 12 February 2020).

**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)

**ROYAL GEOGRAPHICAL SOCIETY ENTERPRISES LIMITED**  
under a Deed of Covenant.

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 December 2020 (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.

There are no other related party transactions.