

**Royal Collection Enterprises Limited**  
**Directors' Report and Financial Statements**

**31 March 2022**

**Company number 2778486**

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# **Royal Collection Enterprises Limited**

## **Directors' Report and Financial Statements**

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# Royal Collection Enterprises Limited

## Corporate Information

Company number: 2778486

Registered office: York House  
St James's Palace  
London  
SW1A 1BQ

### Directors

Mr Marc Bolland (Chairman)

Mr Keith Harrison

Mr Tim Knox

The Hon. Sir James Leigh-Pemberton

Mrs Michelle Lockhart

### Advisors

Auditor KPMG LLP  
15 Canada Square,  
London E14 5GL

Banker Coutts & Co  
440 Strand,  
London WC2R 0QS

Solicitor Farrer & Co  
66 Lincoln's Inn Fields,  
London WC2A 3LH

# Royal Collection Enterprises Limited

## Strategic Report

Royal Collection Enterprises Limited ("the Company", "RCE") is the wholly owned subsidiary of The Royal Collection Trust ("the Trust"), a company limited by guarantee and registered as a charity in England & Wales and Scotland. Royal Collection Enterprises Limited and The Royal Collection Trust are collectively referred to by the group name Royal Collection Trust ("the Group").

## Review of the Year

The key performance measures for the Company relate to visitor numbers, the level of retail sales and retail profitability. During the previous financial year, RCE's activities were significantly curtailed, with visitor sites and non-essential retail locations closed for long periods due to Covid-19 restrictions. The Company's main income streams are from retail and publishing, and from a management fee charged to The Royal Collection Trust, and both were severely impacted by the consequences of the pandemic.

At the start of the current year, in April 2021, operations were still heavily restricted with sites and shops closed to visitors. There followed a gradual reopening of most sites through the late spring and into summer 2021, in line with the lifting of Government restrictions. Social distancing requirements limited the number of visitors on site and restrictions on international travel continued to affect visitor numbers. However, compared with the previous year, retail income has increased through additional on-site trading opportunities and continued success of online operations.

The management fee charged to The Royal Collection Trust has reduced compared with the prior year. The fee is based on a cost plus arrangement: the cost base has been reduced in line with the Group's post pandemic financial recovery plan and this resulted in reduced fee income for the Company. Visitor numbers, whilst much increased compared with 2020/21, remained significantly below pre-pandemic levels.

	2021/22	2020/21	2019/20
	000	000	000
Windsor Castle	426	104	1,587
Frogmore House	-	-	5
Buckingham Palace	121	-	578
The Queen's Gallery, Buckingham Palace	49	9	266
The Royal Mews	-	5	237
Palace of Holyroodhouse	129	31	496
The Queen's Gallery, Palace of Holyroodhouse	12	6	116
	<b>737</b>	<b>155</b>	<b>3,285</b>

Note: 19,000 learning visitors are included in these numbers (2020/21: 3,000; 2019/20: 110,000). Frogmore House and The Royal Mews were closed throughout the year.

# Royal Collection Enterprises Limited

## Retail

Retail sales are still low compared with pre-pandemic levels. However, spend per visitor at Windsor Castle and the Palace of Holyroodhouse increased noticeably. In addition, online sales saw considerable growth with sales of souvenirs and other merchandise amounting to £4.3 million for the year (2020/21: £2.9 million).

On-site sales still present the greatest opportunity for sales to visitors to the Royal Collection and the recovery in visitor numbers is expected to drive sales growth in 2022/23.

## Photographic Services

Income for the Picture Library, which amounted to £170,000 for the year (2020/21: £157,000), derives predominantly from the supply of photographic material for inclusion in television programmes, printed publications and product licensing. More than 33,000 resources were added to the Digital Asset Management System, including more than 2,200 photographs of Royal Collection and Royal Archives objects.

## Publishing

*Buckingham Palace: A Royal Garden*, following a year in the life of the Palace garden and including behind-the-scenes photography and tips, was published to accompany the summer opening offering in 2021. *Prince Philip 1921–2021: A Celebration* accompanied the displays of the same name at Windsor Castle and the Palace of Holyroodhouse. The official souvenir publication of the Platinum Jubilee, *The Queen: 70 Glorious Years*, celebrates this historic occasion through 70 photographs and commentary. Each of these three new publications was reprinted during the year due to popular demand, as were several other bestselling titles. *A Royal Cookbook: Seasonal Recipes from Buckingham Palace* and its sequel *Royal Teas* were reprinted for the seventh and fourth time respectively. *The Queen's Diamonds* by Hugh Roberts, first published in 2012, was reprinted for a sixth time, and a revised edition of *Diamonds: A Jubilee Celebration* by Caroline de Guitaut, also first published in 2012, was printed under the new title *Diamonds: The Queen's Collection*. The exhibition catalogue for *Masterpieces from Buckingham Palace* was also reprinted, to ensure copies were available for sale on the opening of the exhibition at the Palace of Holyroodhouse in March 2022. *Seven Portraits: Surviving the Holocaust* was published by Modern Art Press in association with Royal Collection Trust to accompany the special display of the same name.

On the academic front, external funding was secured for the publication of the catalogue raisonné *European Sculpture*, which had had to be put on hold in March 2020. Detailed editorial and photographic programmes of work have been drawn up, with the hope of securing publication in 2024. Additional support received during the year enabled work to resume on the final two parts of the Cassiano catalogue raisonné, which had also been paused because of the pandemic.

# Royal Collection Enterprises Limited

## Financial Performance

Management fee income for the year was £20.5 million, a drop of 16% on the previous year. This income is earned by providing admissions services to The Royal Collection Trust. The Company reduced the cost of providing admission services compared with prior year as part of the Group wide programme of cost reduction, and this resulted in lower fee income.

Overall, turnover increased by £2.6 million compared with the prior year due to an increase in retail and publishing income of £6.6 million. Net profit has improved from £0.2 million in 2020/21 to £3.0 million for 2021/22.

At the balance sheet date, the Company has retained net assets of £0.7 million after accounting for the deed of covenant donation to The Royal Collection Trust. The Company holds a loan from The Royal Collection Trust for £7 million, which is repayable on or before 31 March 2024.

In order to secure the loan, the Directors reviewed forecasts for a 'most likely' and a severe plausible downside scenario over the next three years. In both cases the forecasts showed that the loan would be sufficient to allow the Company to continue trading and meet its debts as they fall due. Under the severe plausible downside scenario, the Company would be able to repay the loan at the end of its three-year term. On the basis of an updated forecast and the terms of the loan, the Directors have concluded that the Company will continue as a going concern for at least 12 months from the date of approval of these financial statements.

## Trading Outlook

The Royal Collection Trust has prepared a projection of visitor numbers and plans for opening sites over the next five years. These plans have allowed the Company to plan its resourcing to deliver a full admissions service, including Buckingham Palace Summer Opening in summer 2022, with a resulting increase in the management fee. Visitor numbers, which are expected to benefit from the celebration of the Platinum Jubilee in 2022, offer increased retail and catering opportunities. The Company has longer term plans to improve the infrastructure supporting its retail operations. This will facilitate the continued growth of e-commerce, building on the success of this revenue stream in recent years. These factors are expected to ensure the Company continues to operate profitably in future years, repay the loan to The Trust, and continue to generate cash surplus to fund its activities.

The Directors have updated the longer-term financial projection and considered potential risks. Having reviewed the forecast for the next three years, the Directors have concluded that the use of the going-concern basis in preparing these financial statements is appropriate.

# **Royal Collection Enterprises Limited**

## **Streamlined Energy and Carbon Reporting (SECR)**

Royal Collection Enterprises Limited is a wholly owned subsidiary of The Royal Collection Trust and is included in the SECR disclosures reported in the Group's consolidated financial statements.

### **Section 172 statement**

In accordance with section 172 of the Companies Act 2006, in its decision making the Board considers how to promote the success of the Company as a whole, with due consideration to the impact of decisions on other stakeholders. The Board therefore considers the impact of its decisions on its employees, suppliers and the environment.

The section below on employment policies and employee engagement indicates how the Company seeks to develop and engage with its workforce. All staff are considered to be key stakeholders in relation to the success of the Company.

In terms of suppliers, the Company aims to deal fairly with suppliers by agreeing contractual terms and settling accounts promptly, with the average time to pay being 25 days. When trade was suddenly reduced in the circumstances surrounding Covid-19, care was taken to minimise the impact, particularly on smaller suppliers, wherever possible.

The Company plays a key part in Royal Collection Trust's work, as one of the five departments of The Royal Household, to support the Household's key objective of operating in a sustainable way and minimising its impact on the environment. The Royal Household aims to set the highest possible benchmark for environmental sustainability in historic environments through careful management and monitoring of existing systems; placing sustainability at the forefront of future developments and improvements; working with partners and suppliers in a holistic manner; and employing innovative, technological approaches wherever possible. Above all else, the Royal Household aims for cultural change by improving the sustainability literacy and achievements of the wider community which includes staff, contractors and suppliers such that efforts to protect the natural environment are inherent and pervasive across the wider organisation and its supply chain. The development within the Household of a roadmap to net zero is a key goal.

Specific steps taken by the Company include the following:

- Avoiding wastage of materials in exhibitions through the reuse of furniture from past exhibitions, such as display cabinets, and the sourcing of recyclable labels and panels.
- The introduction of a new 'Sustainable Shopping' section on the Royal Collection Shop website which promotes the Company's commitment to reducing its impact on the environment whilst highlighting its wide range of environmentally friendly and sustainable products.
- The inclusion of biodiversity content within the 2021 Buckingham Palace Summer Opening Garden Tours, to inform visitors of ways in which the Royal Household

## **Royal Collection Enterprises Limited**

promotes and protects species and eco-systems within Buckingham Palace Garden and raise awareness of how this can be done at home.

- The roll out of automatic meter readers for gas, electricity and water across all sites to facilitate accurate data collection and scrutiny of consumption data, to proactively track and manage energy consumption.

The Board is satisfied that the examples above and the information contained elsewhere in this report demonstrate its commitment to good governance under section 172.

### **Risk Management**

The risk management process is addressed jointly with the parent company, The Royal Collection Trust. The Operations Board of the Group, in conjunction with senior management in the Royal Household, is responsible for the management of the risk management process. Departmental Heads and senior managers are responsible for identifying, assessing and managing risk in their areas of responsibility and all staff are encouraged to identify operational risks in the performance of their duties. Risk management is designed to manage performance and control risk to a reasonable level, rather than to eliminate all risk of failure to achieve policies, aims and objectives.

The Operations Board assesses risks and opportunities in the preparation of longer-term operating plans. Specialist risk managers in the Royal Household include the Chief Information Officer, the Director of Property and the Director of Security Liaison. These specialists provide advice on the management of the risks falling within their areas of responsibility.

The Audit and Risk Assurance Committee is a sub-committee of the Board of Trustees of The Royal Collection Trust. It is responsible for assessing the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non-financial risks and is supported in this role by the Internal Audit function. The Chairman of the Committee reports to the Board of Trustees at each meeting of the Trustees on the Committee's activities and responsibilities.

The Committee meets three times annually and reviews the risk register twice a year. This follows a detailed review and discussion by the Operations Board. The Internal Audit function takes a risk-based approach to audits and operates to a plan of work agreed by the Audit and Risk Assurance Committee that is aligned to the risk register and the Company's objectives. Evaluation of the Company's exposure to risk includes consideration of governance, operational and information systems, the integrity of financial and operational information, the effectiveness and efficiency of operations, the safeguarding of assets and compliance with laws, regulations and contracts. The findings of all internal audit reviews are reported to the Committee.

## **Royal Collection Enterprises Limited**

The Committee monitors management's progress with the implementation of agreed internal audit recommendations. Assurance on specialist areas such as data protection, property maintenance, health and safety and security is provided by suitably qualified senior managers in the Royal Household and where appropriate, external professionals. New activities and changes to existing processes are routinely reviewed to ensure that appropriate controls are in place. Ongoing budgetary control is supported by the production of regular and timely financial management reports.

In terms of the main risks facing the Company, those arising as a direct consequence of the pandemic have now receded to a degree and international tourism is slowly recovering. However, short notice closure of the Palaces to visitors for any reason remains a key risk. Inflationary pressures, and in particular rising utility costs, are an emerging risk both in terms of impact on the Company's cost base and on general levels of disposable income which in turn could impact on the visitor recovery and retail sales. Current market conditions have increased risks relating to the ability to recruit and retain staff. Secondary risks concern a decline in commercial appeal of retail merchandise and a failure to engage with the public or develop new audiences. In addition, the Company manages generic risks relating to potential cyber fraud, data protection, failure of IT systems and the operational risks associated with managing large numbers of visitors. During the year, internal audit reviews identified some areas for improvement in the framework of governance and risk management related to Royal Household IT services. In response, a new Digital Services function has been created and a remediation plan has been developed as part of a programme of work led by the Chief Information Officer.

The Company has worked closely with The Royal Collection Trust to manage the consequences of the pandemic. The reduction in the operating cost base completed in 2020/21, which has included a notable reduction in staffing levels and pension costs, has helped to mitigate risks arising from the significant loss of income and drop in visitor number projections. The Company continues to focus on the development of new ranges of merchandise to provide income streams that are less dependent on major Royal events or on visitors to the official residences e.g. by increasing sales online.

The risk register has been amended and reviewed regularly to reflect the changing risk profile outlined above.

# **Royal Collection Enterprises Limited**

## **Directors' Report**

### **Principal activities**

The principal activities of the Company are the management of public access to the official residences of The Queen and the sale of merchandise. Taxable profits are donated in full under deed of covenant to the holding company, The Royal Collection Trust, a company limited by guarantee and registered as a charity. The Company thus generates income for The Royal Collection Trust for the presentation, maintenance and conservation of the Royal Collection.

Income is raised from fees for the management of public access and from retail sales. Retail activities include online sales, the distribution of books and licensing of publications, catering at Windsor Castle, the Palace of Holyroodhouse and the Buckingham Palace Summer Opening, and fees for reproducing images of items in the Royal Collection.

The Royal Collection Trust has responsibility for admitting visitors to the official residences. Royal Collection Enterprises Limited acts as an agent of The Royal Collection Trust in managing the admission of visitors to these residences.

### **Directors' Interests**

None of the Directors who held office at 31 March 2022 held any interest in the shares of the Company. According to the register of Directors' interests, no rights to subscribe for shares in or debentures of the Company or any other group company were granted to any of the Directors or their immediate families, or exercised by them, during the year.

### **Liability insurance**

During the year the Company purchased liability insurance for its officers.

### **Employment policies and employee engagement**

Royal Collection Enterprises Limited is a wholly owned subsidiary of The Royal Collection Trust and adopts the same policies and approach to employee engagement as that entity, which is a department of the Royal Household.

## **Royal Collection Enterprises Limited**

The Company follows the Royal Household's employment policies and practices. These underpin the aim of creating an engaged, diverse and adaptable workforce, fostering a sense of teamwork, trust and collaboration, and a focus on progressive change and continuous improvement. The Royal Household benchmarks and seeks validation for its employment policies and practices.

Disclosure and Concern at Work policies clarify the protection offered to 'whistle-blowers' under the Public Interest Disclosures Act, and an Employee Assistance Programme provides an additional, third-party route for staff to seek advice on these matters. Policies and procedures, including those relating to procurement, are kept under review to identify, prevent and mitigate any risks of modern slavery or human trafficking.

As part of The Royal Household, the Company is supportive of employees who undertake volunteering and charitable activities, recognising the benefit to the individual involved and of forging links with the wider community. Employees can take up to five days paid volunteering leave a year for this purpose.

The Company is fully committed to proactively supporting the safeguarding of its employees, workers, visitors, and contractors, and has a clear Safeguarding Policy and set of procedures that are available both to staff and members of the public.

Ensuring employees are engaged in the activities and performance of the Company is a priority. Employees have been invited to take part in Pulse Surveys to help assess how they have been feeling during a period of extensive change. Following the results of these surveys a Staff Morale action plan was designed by the Operations Board, and many of the actions have now been absorbed into the 'business as usual' approach taken in local teams. Internal communication initiatives have meant employees have been regularly informed by Directors of the organisation's financial situation and strategic plans.

### **Political Contributions**

The Company neither made any political donations nor incurred any political expenditure during the year (2021/22: £Nil).

### **Disclosure of information to auditor**

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware. Each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

# **Royal Collection Enterprises Limited**

## **Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

By order of the Board



Marc Bolland  
Chairman  
York House  
St James's Palace  
London SW1A 1BQ

6 July 2022

## **Royal Collection Enterprises Limited**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*. 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 have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



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

### **Opinion**

We have audited the financial statements of Royal Collection Enterprises Limited ("the company") for the year ended 31 March 2022 which comprise the Profit and Loss Account & Other Comprehensive Income, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.



## **Fraud and breaches of laws and regulations – ability to detect**

### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, internal audit and inspection of policy documentation as to the Company’s high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company’s channel for “whistleblowing”, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Company’s revenue primarily arises from non-complex, individually low value retail transactions.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.
- Assessing significant accounting estimates for bias.

### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.



Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, employment law, recognising the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

We assessed the legality of the distribution in the period based on the deed of covenant in place between The Royal Collection Trust and Royal Collection Enterprises Limited, and considered the accounting treatment to be appropriate and in line with the relevant legislation.

*Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

**Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.



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

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 12, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.

**Lynton Richmond (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

15 Canada Square

London

E14 5GL

8th July 2022

# Royal Collection Enterprises Limited

## Profit and Loss Account

for the year ended 31 March 2022

	Note	2022 £000	2021 £000
<b>Turnover</b>	1,2	<b>31,251</b>	28,692
Direct costs, including cost of sales	2	<b>(25,374)</b>	(25,846)
<b>Gross profit</b>	2	<b>5,877</b>	2,846
Administrative expenses		<b>(2,494)</b>	(2,590)
Donations payable	3	<b>(176)</b>	(44)
Other operating income	7	<b>34</b>	29
<b>Operating profit</b>		<b>3,241</b>	241
Interest payable	8	<b>(181)</b>	(1)
Interest receivable	8	<b>-</b>	5
<b>Profit for the financial year</b>		<b>3,060</b>	245

There are no recognised gains or losses other than those included above.

The profit on ordinary activities before and after taxation is measured under the historical cost convention.

The notes on pages 19 to 34 form part of these financial statements.

# Royal Collection Enterprises Limited

## Balance Sheet

at 31 March 2022

		2022	2021
	Note	£000	£000
<b>Fixed assets</b>			
Intangible assets	9	122	195
Tangible assets	10	613	837
		<u>735</u>	<u>1,032</u>
<b>Current assets</b>			
Stock and work in progress	11	4,052	4,022
Debtors	12	8,622	2,783
Cash at bank and in hand		1,748	2,529
		<u>14,422</u>	<u>9,334</u>
<b>Creditors: amounts falling due within one year</b>	13	<u>(7,478)</u>	<u>(2,620)</u>
<b>Net current assets</b>		<u>6,944</u>	<u>6,714</u>
<b>Creditors: amounts due in more than one year</b>	14	<u>(7,000)</u>	<u>(7,000)</u>
<b>Total assets less current liabilities</b>		<u>679</u>	<u>746</u>
<b>Capital and reserves</b>			
Called up share capital	15	-	-
Profit and loss account	16	679	746
<b>Shareholder's funds</b>		<u>679</u>	<u>746</u>

The notes on pages 19 to 34 form part of these financial statements.

These financial statements were approved by the Board of Directors on 6 July 2022 and were signed on its behalf by:



**Marc Bolland**

Chairman

# Royal Collection Enterprises Limited

## Notes

*(forming part of the financial statements)*

### I Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### ***Basis of preparation***

These financial statements were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102").

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the reasons explained below.

The Directors have reviewed budgets and forecasts for a period of at least 12 months from the date of approval of these financial statements and have assessed whether the Company will continue as a going concern.

The Company has prepared a 'most likely' scenario and taken account of additional risk and sensitivities to reflect a reasonably plausible downside scenario. This assessment indicates that the Company will have sufficient funds to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements.

As part of this assessment, the Directors have considered the going concern assessment carried out by the Trustees of The Royal Collection Trust. A large proportion of the Company's income is earned by providing services to The Royal Collection Trust, and the Company's continuing trade is dependent on that of The Trust.

The Trust has outlined plans for future opening of Royal Collection sites and has provided forecast visitor numbers which reflect a recovery towards pre-pandemic levels and which reflect the seasonality of footfall. The Company continues to control costs tightly, but the increased activity in 2022/23 will naturally increase the cost base for the admissions service, which will consequently increase management fee income.

The Trust has secured loan facilities of up to £52 million (reducing from July 2023), which will ensure The Trust is able to pay the management fee. The Directors understand the Trustees have reviewed detailed projections which indicate that, taking account of reasonably plausible downsides, the Group and Charity will have sufficient funds to meet their liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements

In addition, the increased activity will lead to increased retail opportunities for on-site sales of merchandise and catering.

# Royal Collection Enterprises Limited

## Notes (continued)

### I Accounting policies (continued)

The Company has a £7 million loan from The Trust which will ensure it has the liquidity to fund these opportunities. The loan is due for repayment in March 2024 and current projections demonstrate that The Company will be able to settle the loan on or before this date.

Based on the above, the Directors have determined that it is appropriate to prepare the financial statements on a going concern basis.

The company is exempt from the requirement of FRS 102 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of The Royal Collection Trust (limited by guarantee) and its cash flows are included within the consolidated cash flow statement of that company.

Under FRS 102, the company is exempt from the requirement to disclose the details of related party transactions with its parent undertaking.

#### Turnover

Turnover, which excludes Value Added Tax, includes management fees for managing the admission of visitors to the official residences of The Queen, income from the publication of books on the Royal Collection and the granting of rights for the use of images from the Royal Collection in books and other media, income from the café operations for visitors to the Official Residences and sales of merchandise. Management fees are based on the direct and indirect costs related to these activities.

Other operating income includes booking fees and commission income from third parties.

#### Fixed assets and depreciation

The buildings comprising Windsor Castle, Buckingham Palace (including The Queen's Gallery and the Royal Mews) and the Palace of Holyroodhouse (including The Queen's Gallery) are owned by The Queen as Sovereign and maintained by the Royal Household Property Section and Historic Environment Scotland and are therefore not capitalised in these financial statements. However, where improvements are made to these buildings by the Company, in order to increase revenues or support the administration of the Company, the expenditure is capitalised and depreciation is charged over the estimated useful lives of the assets.

No depreciation is charged on assets in the course of construction until the assets have been successfully commissioned and are available for use. Finance costs incurred in connection with the construction of tangible assets are not capitalised and are charged to the profit and loss account as incurred.

# Royal Collection Enterprises Limited

## I Accounting policies (continued)

Depreciation is provided by the Company to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives which are determined on an individual asset basis as follows:

Property improvements	-	10 to 20 years
Plant and machinery	-	3 to 10 years
Furniture, fittings and equipment	-	2 to 10 years

Individual assets costing less than £5,000 are not capitalised.

### **Intangible assets and amortisation**

No amortisation is charged on assets under development until the assets have been successfully commissioned and are available for use. Amortisation is provided by the Company to write off the cost less the estimated residual value of intangible fixed assets by equal instalments over their estimated useful economic lives which are determined on an individual asset basis as follows:

Software development	-	3 to 10 years
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### **Publishing**

The cost of producing each book is carried forward in work in progress until publication. Where, however, it is envisaged that a book will make a loss, the loss is recognised immediately. Published books are included in stock at the lower of cost and net realisable value. Publishing royalties are recognised when earned.

### **Stock and work in progress**

Stock is stated at the lower of cost and net realisable value. Work in progress relates to the component cost of publishing stock, food and china products. The weighted average cost is used to determine the cost of goods sold and held.

### **Estimates and judgements**

Provision is made against stock and work in progress where there are specific risks identified against the recoverability of carrying value. Further detail is given in note 11.

### **Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate of exchange ruling at the balance sheet date and the gains and losses on translation are included in the profit and loss account.

# Royal Collection Enterprises Limited

## I Accounting policies (continued)

### **Pensions**

The Company participates in a defined benefit pension scheme, The Royal Households Group Pension Scheme, providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the Company. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Company.

The scheme is part of a group scheme, the contributions to which are determined by a qualified actuary based on the triennial valuations. The scheme is accounted for in accordance with FRS 102 with current service cost recognised in the Company's profit or loss. It is the policy of the Trustees of the parent company, The Royal Collection Trust that the Group's share of the assets and liabilities of the scheme are recognised in the financial statements of The Royal Collection Trust. This scheme was closed to future service accrual from 1 April 2021. From this date members were enrolled in the defined contribution scheme unless they chose to opt out.

The Company also operates a defined-contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund, The Royal Household Worksave (Master Trust) Pension Scheme.

The amount charged to the profit and loss account represents the contributions payable to the schemes in respect of the accounting period.

Further details of the pension schemes are provided in note 20.

### **Taxation**

The Company fully provides for both current and deferred tax to the extent that it has any liability to tax. However, it is bound by a deed of covenant to gift aid all of its taxable profit to The Royal Collection Trust and consequently has no liability to tax.

### **Operating leases**

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the period of the lease.

### **Liabilities**

Liabilities are recognised when a legal or constructive obligation arises.

## Royal Collection Enterprises Limited

### 2 Turnover and gross profit

Turnover and gross profit from each of the company's main activities may be analysed as set out below.

	Management fees £000	Retail and publishing income £000	Total £000
<b>2022</b>			
Turnover	20,480	10,771	31,251
Direct costs, including cost of sales	(14,763)	(10,611)	(25,374)
Gross profit	<u>5,717</u>	<u>160</u>	<u>5,877</u>
<b>2021</b>			
Turnover	24,512	4,180	28,692
Direct costs, including cost of sales	(17,811)	(8,035)	(25,846)
Gross profit/(loss)	<u>6,701</u>	<u>(3,855)</u>	<u>2,846</u>

Included in retail and publishing income is £290,000 (2020/21: £66,000) of royalties and licences fees from retail, publishing and catering activities.

# Royal Collection Enterprises Limited

## Notes (continued)

### 3 Donations payable

Donations made during the year were as follows:

	2022	2021
	£000	£000
Privy Purse Charitable Trust	176	44
	<u>176</u>	<u>44</u>

### 4 Profit on ordinary activities before and after taxation

*Profit on ordinary activities before and after taxation is stated after charging:*

	2022	2021
	£000	£000
Auditor's remuneration – audit of these financial statements	19	20
Depreciation, amortisation and other amounts written off owned fixed assets	303	299
Operating lease charges	<u>313</u>	<u>278</u>

Auditor's remuneration in 2021 included £3,000 paid in respect of additional fees for the 2020 audit agreed after the approval of the financial statements.

# Royal Collection Enterprises Limited

## Notes (continued)

### 5 Key Management Personnel

The Key Management Personnel of the Company are the statutory directors. (Until 31 December 2020, key management personnel included other members of senior management. This changed with an organisational restructure which came into effect on 1 January 2021.) The table below presents the emoluments including pension contributions for key management personnel during the year:

	2022	2021
	£000	£000
Old structure until to 31 December 2020	-	442
Current structure	247	59
Total emoluments for key management personnel	247	501

In addition, some of the key management personnel who served during the year were employed by the parent company and were remunerated for the services they provided to it. The value ascribed to these services in 2022 was £184,000 (2020/21: £430,000).

Pay and remuneration for key management personnel is determined on the same basis as that applied in relation to all roles i.e. a system of job evaluation and market intelligence relating to comparable external roles.

The Chairman received no emoluments during the year in connection with services to the Company. The Company met the cost of Directors' liability insurance in relation to the Chairman of £351 (2020/21: £318). The emoluments, excluding pension contributions, of the highest paid Director were £125,000 (2020/21: £115,000).

No contributions to provide defined pension benefits were made for any Directors (2020/21: one director) during the year.

Of the key management personnel, two received reimbursed expenses from the Company totalling £2,807 (2020/21: three - £1,887). In addition, one received reimbursed expenses from the parent company totalling £1,922 (2020/21: one - £287).

# Royal Collection Enterprises Limited

## Notes (continued)

### 6 Staff numbers and costs

The average monthly headcount was 600 staff (2021: 640 staff) and the average number of full-time equivalent (FTE) staff employed by the company or on permanent secondment from the Royal Household, analysed by category, were as follows:

	Number of FTE employees	
	2022	2021
Visitor experience	303	371
Central retail, publishing & communications	46	50
Management & support services	10	9
Royal Household shared services	65	66
	<b>424</b>	<b>496</b>

The aggregate payroll costs of these persons were as follows:

	2022	2021
	£000	£000
Wages and salaries	11,143	13,155
Redundancy payments	-	1,570
Social security costs	1,013	1,223
Other pension costs (see note 20)	1,232	1,963
	<b>13,388</b>	<b>17,911</b>

Redundancy and severance payments are recognised as an expense when incurred or when there is a legal or constructive obligation to make the payment. The redundancy cost incurred in 2020/21 reflects the restructuring carried out in that year.

The figures above include Directors' emoluments paid by the company (see note 5). They do not include the cost of the emoluments of those Directors employed and remunerated by the parent company (also disclosed in note 5).

## Royal Collection Enterprises Limited

### Notes (continued)

#### 7 Other operating income

	2022	2021
	£000	£000
Other income - fees	34	29
	<u>34</u>	<u>29</u>

#### 8 Interest receivable and payable

	2022	2021
	£000	£000
Bank interest receivable	-	5
	<u>-</u>	<u>5</u>

	2022	2021
	£000	£000
Loan interest payable	181	1
	<u>181</u>	<u>1</u>

Interest payable relates to a loan from the parent company, The Royal Collection Trust, which the Company received in March 2021 and is due for repayment in March 2024. Further details on the loan are given in note 14.

# Royal Collection Enterprises Limited

## Notes (continued)

### 9 Intangible fixed assets

	Software	Total
	£000	£000
<b>Cost</b>		
At 1 April 2021	535	535
Disposals /write-offs	(38)	(38)
<b>At 31 March 2022</b>	<b>497</b>	<b>497</b>
<b>Amortisation</b>		
At 1 April 2021	340	340
Charge for the year	73	73
Disposals /write-offs	(38)	(38)
<b>At 31 March 2022</b>	<b>375</b>	<b>375</b>
<b>Net book value</b>		
<b>At 31 March 2022</b>	<b>122</b>	<b>122</b>
At 31 March 2021	195	195

# Royal Collection Enterprises Limited

## Notes (continued)

### 10 Tangible fixed assets

	Property improvements	Plant and machinery	Furniture, fittings and equipment	Total
	£000	£000	£000	£000
<b>Cost</b>				
At 1 April 2021	483	412	2,125	3,020
Additions	4	3	3	10
Disposals	(3)	-	(157)	(160)
<b>At 31 March 2022</b>	<b>484</b>	<b>415</b>	<b>1,971</b>	<b>2,870</b>
<b>Depreciation</b>				
At 1 April 2021	225	227	1,731	2,183
Charge for the year	49	30	151	230
Disposals	(3)	-	(153)	(156)
<b>At 31 March 2022</b>	<b>271</b>	<b>257</b>	<b>1,729</b>	<b>2,257</b>
<b>Net book value</b>				
<b>At 31 March 2022</b>	<b>213</b>	<b>158</b>	<b>242</b>	<b>613</b>
At 31 March 2021	258	185	394	837

### 11 Stock and work in progress

	2022	2021
	£000	£000
Finished goods	3,196	3,134
Work in progress	856	888
	<b>4,052</b>	<b>4,022</b>

Stock is stated net of a provision of £396,000 (2021: £473,000). The provision has been reduced from the prior year reflecting increased activity for the online shop and the improved outlook for retail sales in 2022 compared with prior year. It includes specific provision against lines that may not sell in full in the event of future restrictions on trade.

# Royal Collection Enterprises Limited

## Notes (continued)

### 12 Debtors

	2022	2021
	£000	£000
Trade debtors	580	269
Amounts owed by parent undertaking	7,021	1,807
Other debtors including taxation	397	630
Prepayments and accrued income	624	77
	<b>8,622</b>	<b>2,783</b>

The intercompany debtor of £7.0 million (2021: £1.8 million) is amounts owed by the parent company in respect of fees due for managing the admission of visitors to the Occupied Royal Palaces and recharges of costs borne by the Company on behalf of the parent company during the year.

### 13 Creditors: amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	1,467	555
Amounts due to parent company < 1 year	3,318	458
Other creditors	8	8
Accruals and deferred income	2,685	1,599
	<b>7,478</b>	<b>2,620</b>

The Amount owed to the parent company is the donation made under Deed of Covenant in respect of the taxable profits for the year. The actual amount paid may vary on finalisation of tax accounts.

# Royal Collection Enterprises Limited

## Notes (continued)

### 14 Creditors: amounts falling due in more than 1 year

	2022	2021
	£000	£000
Loan owed to parent company	7,000	7,000
	<u>7,000</u>	<u>7,000</u>

In March 2021, The Royal Collection Trust advanced a loan of £7 million to the Company. The loan is for a three-year term with early repayment permitted. Interest is charged at base rate + 2.4% and is paid quarterly. The loan is secured on the assets of the Company.

### 15 Called up share capital

	2022	2021
	£	£
<b>Authorised</b>		
Ordinary shares of £1 each	100	100
<b>Allotted, called up and fully paid</b>		
Ordinary shares of £1 each	<u>2</u>	<u>2</u>

### 16 Reserves

Profit and loss account	2022	2021
	£000	£000
At beginning of year	746	745
Retained profit for the year	(67)	1
<b>At end of year</b>	<u>679</u>	<u>746</u>

### 17 Movement in shareholder's funds

	2022	2021
	£000	£000
Opening shareholders funds	746	745
Profit for the year	3,060	245
Distribution to parent under deed of covenant	(3,127)	(244)
<b>Closing shareholder's funds</b>	<u>679</u>	<u>746</u>

# Royal Collection Enterprises Limited

## Notes (continued)

### 18 Commitments

There were no capital commitments at 31 March 2022 that have not been provided for.

#### Operating lease commitments

Total of future minimum lease payments at the end of the reporting period, for each of the following periods:

	2022	2021
	£000	£000
- within one year	284	284
- in the second to fifth year	497	688
- later than five years	46	138
	<b>827</b>	<b>1,110</b>

### 19 Taxation

The Company is bound by deed of covenant to donate all of its taxable profit to the parent company, The Royal Collection Trust. In accordance with FRS 102 this payment is treated as a distribution and is presented directly in equity. The Company is able to claim tax relief on this donation and so has no liability to tax. The tax benefit of the gift aid payment is recognised directly in equity.

The impact of the Deed of Covenant on the Company's liability to tax is as follows:

	2022	2021
	£000	£000
Profit before taxation	3,060	245
<i>Effects of</i>		
Expenses not deductible for tax purposes	-	7
Timing differences on treatment of capital items	259	206
Taxable profit before Deed of Covenant	<b>3,319</b>	<b>458</b>
Expected tax on profits at 19%	<b>631</b>	<b>87</b>
Effect of gift aid payment to The Royal Collection Trust	<b>(631)</b>	<b>(87)</b>
Tax charge on profits	-	-

Execution of the Deed of Covenant in payment of the profits is made after the year end and the final amount may vary from the amount reported due to differences in the draft and final tax returns. In respect of 2021, the reported payment was £458,000 and the actual was £267,000.

# Royal Collection Enterprises Limited

## Notes (continued)

### 20 Pension scheme

As explained in the accounting policies set out on page 22, the Company participates in a defined benefit pension scheme, The Royal Household Group Pension Scheme. Benefits are based on final pensionable pay, a member's length of service and are non-contributory for employees. It is the policy of the Trustees of the parent company, The Royal Collection Trust, that the Group's share of assets and liabilities of the scheme are to be recognised in the financial statements of The Royal Collection Trust.

Details of the most recent valuation of the scheme, together with the assumptions which have the most significant effect on the results of the valuation, are given in the financial statements of the parent company, The Royal Collection Trust. The scheme was closed to future accrual from 1 April 2021.

The Company also operates a defined-contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund, The Royal Household Worksave (Master Trust) Pension Scheme.

The amount charged to the profit and loss represents the contributions payable to the scheme in respect of the year. Benefits are based on contribution levels linked to investment returns over the period to retirement. Employees can make additional contributions up to the HM Revenue & Customs' limits.

### 21 Ultimate parent company and parent undertaking of larger group of which the company is a member

The Company is a subsidiary undertaking of The Royal Collection Trust, a company limited by guarantee registered in England and Wales.

The smallest and largest group in which the results of the Company are consolidated is that headed by its ultimate parent company, The Royal Collection Trust, registered in England and Wales. The consolidated accounts of this company are available to the public and may be obtained from the Director, The Royal Collection Trust, York House, St James's Palace, London, SW1A 1BQ.

### 22 Guarantee

On 12 February 1997, the Company provided a guarantee to Coutts & Co. in consideration for the granting of an overdraft facility in favour of its parent company, The Royal Collection Trust. At 31 March 2022, there was no overdraft in either the Company or the parent company.

# Royal Collection Enterprises Limited

## Notes (continued)

### 23 Related Party Transactions

Set out below are details of transactions during the year with related parties and also with other entities which, whilst not related parties, it is deemed appropriate to disclose. The figures in italics represent the amounts due (to) or from related parties at the balance sheet date.

Related party	2022 £000	2021 £000	Details of Transaction
Royal Household	<b>2,489</b> <b>(289)</b>	2,597 (848)	Charges to Royal Collection Enterprises Limited (RCEL) for various services including personnel, payroll, pensions administration, internal audit, records management, property maintenance services, IT services etc.
Royal Household	<b>51</b> <b>12</b>	38 (1)	Recovery of costs incurred by RCEL on behalf of the Royal Household.
Privy Purse Charitable Trust (PPCT)	<b>176</b> <i>nil</i>	44 <i>nil</i>	Donation to the PPCT in lieu of its right to charge for admission to Queen Mary's Dolls' House, Windsor Castle.
Privy Purse (including Royal Farms and Windsor Farm Shop)	<b>13</b> <b>(1)</b>	11 (2)	Payment to Privy Purse in respect of costs incurred on behalf of RCEL, and royalties payable by RCEL for use of Royal Farms milk, contributions to shared funds.
Privy Purse (including Royal Farms and Windsor Farm Shop)	<b>26</b> <b>12</b>	11 4	Sale of goods for resale to the Privy Purse; recharge of costs incurred by RCEL on behalf of the Privy Purse
St George's Chapel	<b>493</b> <b>58</b>	206 2	Payment to St George's Chapel in respect of admissions to St George's Chapel, Windsor Castle, collected by RCEL as agent.
A G Carrick (Highgrove)	<b>22</b> <b>12</b>	258 2	Sale of goods for resale to A G Carrick and commission earned by RCEL on sales of admission tickets for the gardens at Highgrove House.
Historic Royal Palaces (HRP)	<b>63</b> <b>5</b>	- <i>nil</i>	Recovery of costs from HRP for maintenance, services and goods for resale purchased from RCEL.
Balmoral Estate	<b>10</b> <b>2</b>	3 <i>nil</i>	Purchase by Balmoral Estate of RCEL goods for resale.
Sandringham Estate	<b>25</b> <b>-</b>	- <i>nil</i>	Purchase by Sandringham Estate of RCEL goods for resale.
Royal Household Staff Wellbeing Fund	<b>9</b> <b>(9)</b>	2 (2)	This is a contribution to the Fund which benefits employees of The Royal Household including Royal Collection Enterprises.

None of the Directors or other related parties except as referred to above or as otherwise disclosed in the financial statements has undertaken any transactions with the company during the year. Under FRS 102, the Company is exempt from the requirement to disclose the details of related party transactions with its parent undertaking.