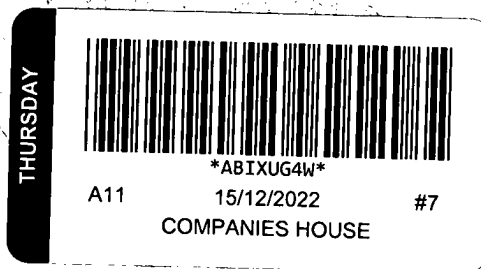


**Chatham
House
Enterprises
Limited**

**Directors' Report and Financial
Statements**

31 March 2022

Company Limited by Guarantee
Registration Number
02979061 (England and Wales)



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The following pages do not form part of the financial statements:

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Reference and administrative information

Directors	John Berriman (Chairman) Dr Robin Niblett
Secretary	Stephen Martin
Registered office	Chatham House 10 St James's Square London SW1Y 4LE
Company registration number	02979061 (England and Wales)
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Lloyds Bank Plc 39 Piccadilly London W1V 0AA
Solicitors	Stone King LLP 91 Charterhouse Street London EC1M 6HR

Directors' report for the year ended 31 March 2022

The directors present their report and the audited financial statements for the year ended 31 March 2022.

Principal aims and objects

The principal activity of the company is organising conferences and certain special events, in the area of international affairs. Each year the taxable profit of the company is donated via a gift aid compliant deed of covenant to The Royal Institute of International Affairs, a Royal Institute and a registered charity (charity number 208223).

Directors

The directors who served during the year and up to the date of this report are:

Directors	Appointed / Resigned
John Berriman (Chairman)	
Dr Robin Niblett	

The directors do not hold any shares in the company.

Responsibilities of the directors

The directors are responsible for preparing the directors' report and 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Section 1A of Financial Reporting Standard 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 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 judgments and accounting estimates that are reasonable and prudent; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Directors' report for the year ended 31 March 2022

Responsibilities of the directors (continued)

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- ◆ so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- ◆ that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

The directors' report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within FRS 102 and Part 15 of the Companies Act 2006 relating to small companies.

Future developments

At the end of the period, the directors of the company were considering how to operate in the emerging 'hybrid' world. Conferences and smaller bespoke roundtables have been successfully run virtually during the financial year. It is envisaged that these virtual-only events will continue but the company will also hold an increasing number of in-person/hybrid events. This will bring new challenges and additional costs but will also allow the company to increase delegate income, which was previously a significant income stream.

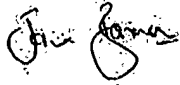
The company and its parent undertaking, The Royal Institute of International Affairs, have strategies in place to manage and mitigate the impact on operations and finances as a result of the ongoing pandemic and the directors do not believe that there is any risk to the sustainability of the organisation arising from this event.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Directors' report for the year ended 31 March 2022

Approved by the directors and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'John Berriman', with a stylized flourish at the end.

John Berriman, Chairman

Approved on: 21 June 2022

Company Registration Number: 02979061 (England and Wales)

Independent auditor's report 31 March 2022

Independent auditor's report to the members of Chatham House Enterprises Limited

Opinion

We have audited the financial statements of Chatham House Enterprises Limited (the 'company') for the year ended 31 March 2022 which comprise the statement of income and retained earnings, the 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 Financial Reporting Standard 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 March 2022 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 United Kingdom, including the Financial Reporting Council'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 director's 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.

Independent auditor's report 31 March 2022

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. 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 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
- ◆ 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' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on pages 2 to 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ We obtained an understanding of the legal and regulatory frameworks applicable to the company and the sector in which it operates. We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and taxation legislation;
- ◆ We understood how the company is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of the relevant minutes; and
- ◆ The identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Independent auditor's report 31 March 2022

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias;
- ◆ Performed substantive testing on expenditure; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of those charged with governance; and
- ◆ Enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.


Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditor's report 31 March 2022

Use of this 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.



Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

15 July 2022

Statement of income and retained earnings Year to 31 March 2022

	Notes	2022 £	2021 £
Turnover		788,433	632,289
Cost of sales		<u>(510,258)</u>	<u>(420,657)</u>
Gross profit		278,175	211,632
Operating expenses		<u>(4,383)</u>	<u>(4,276)</u>
Operating profit before taxation		273,792	207,356
Taxation	4	—	—
Profit on ordinary activities after taxation	2	273,792	207,356
Retained earnings at the beginning of the year		2,382	2,382
Gift aid to parent undertaking	4	<u>(273,792)</u>	<u>(207,356)</u>
Retained earnings at the end of the year		2,382	2,382

All of the above results are derived from continuing activities. There were no recognised gains or losses for the current and preceding years other than those included in the statement of income and retained earnings.

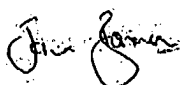
The notes on pages 14 to 15 form part of these financial statements.

Statement of financial position 31 March 2022

	Notes	2022 £	2021 £
Current assets			
Debtors	5	223,562	342,826
Cash at bank and in hand		124,889	872
		<u>348,451</u>	<u>343,698</u>
Creditors: amounts falling due within one year	6	<u>(345,969)</u>	<u>(341,216)</u>
Net current assets		<u>2,482</u>	<u>2,482</u>
Net assets		<u>2,482</u>	<u>2,482</u>
Capital and reserves			
Called-up share capital	7	100	100
Retained earnings		<u>2,382</u>	<u>2,382</u>
Total funds		<u>2,482</u>	<u>2,482</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and FRS 102 Section 1A.

Approved by the directors
and signed on their behalf by:



John Berriman, Chairman

Approved on: 21 June 2022

Company Registration Number: 02979061 (England and Wales)

Principal accounting policies for the year ended 31 March 2022

Basis of accounting

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Section 1A of Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements are prepared under the historical cost convention.

The financial statements are presented in sterling and are rounded to the nearest pound.

Going concern

The directors have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The directors have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The directors have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The directors are of the opinion, based on available information at the date of approval of the financial statements, including support from the parent undertaking if required, to meet its liabilities as they fall due. They therefore do not believe that there are concerns regarding the company's ability to continue as a going concern.

Turnover

Income is credited to the statement of retained earnings as the company becomes entitled to it as a result of performance of services or supply of goods, less any provision for known or anticipated losses.

Expenditure

Expenditure is included in the statement of income and retained earnings when incurred except where costs are incurred in advance. In which case, the costs are deferred to future accounting periods.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Principal accounting policies for the year ended 31 March 2022

Creditors and provisions (continued)

Creditors and provisions are recognised at the amount the company anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Related party transactions

The company is a wholly-owned subsidiary of The Royal Institute of International Affairs, and has taken advantage of the exemption included within FRS 102 not to disclose transactions with entities that are part of the group qualifying as related parties, hence transactions with The Royal Institute of International Affairs are not separately disclosed. The consolidated financial statements in which the company is included are publicly available.

Notes to the financial statements for the year ended 31 March 2022

1 Company details

Chatham House Enterprises Limited is a company limited by guarantee and is registered in England. Its company registration number is 02979061. The registered office of the company is Chatham House, 10 St James's Square, London, SW1Y 4LE.

2 Profit on ordinary activities after taxation

This is stated after charging:

	2022 £	2021 £
Auditor's remuneration	4,103	4,103

3 Staff costs and remuneration of key management personnel

The company had no employees other than the directors throughout the period. The directors did not receive emoluments for their services to the company during the period (2021 - £nil).

4 Taxation

There is no charge for corporation tax as the company will make a charitable donation equal to its taxable profits to its parent, The Royal Institute of International Affairs, under a gift aid compliant deed of covenant.

5 Debtors

	2022 £	2021 £
Trade debtors	203,562	143,330
Amount due from parent company	—	97,967
Prepayments and accrued income	20,000	101,529
	223,562	342,826

6 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,024	5,458
Amount due to parent company	132,680	—
Income received in advance	186,196	304,026
Accruals	4,103	4,642
VAT payable	20,966	27,090
	345,969	341,216

Notes to the financial statements for the year ended 31 March 2022

7 Called up share capital

	Authorised		Allotted, called up and fully paid	
	2022 £	2021 £	2022 £	2021 £
100 Ordinary shares of £1 each	100	100	100	100

8 Ultimate controlling party

The ultimate and controlling parent is The Royal Institute of International Affairs, which is incorporated under the Royal Charter in Great Britain and registered as a charity in England and Wales (Charity Number 208223).

Copies of the Institute's financial statements may be obtained from:

Royal Institute of International Affairs
Chatham House
10 St James's Square
London
SW1Y 4LE

The financial statements do not include disclosure of transactions between Chatham House Enterprises Limited and The Royal Institute of International Affairs as Chatham House Enterprises Limited is a 100% controlled subsidiary of The Royal Institute of International Affairs and is exempt from the requirement to disclose such transactions under FRS 102.

Detailed statement of income for the year ended 31 March 2022

This page does not form part of the financial statements.

	2022 £	2021 £
Special Event Unit		
Income	69,311	30,145
Recharge from The Royal Institute of International Affairs	(92,861)	(32,948)
	<u>(23,550)</u>	<u>(2,803)</u>
Commercial catering		
Income	—	(1,630)
Recharge from The Royal Institute of International Affairs	—	—
	<u>—</u>	<u>(1,630)</u>
Conference Unit		
Income	642,460	465,786
Recharge from The Royal Institute of International Affairs	(413,837)	(325,408)
	<u>228,623</u>	<u>140,378</u>
Other		
Income	76,662	137,988
Recharge from The Royal Institute of International Affairs	(3,560)	(62,301)
	<u>73,102</u>	<u>75,687</u>
Total net income	<u>278,175</u>	<u>211,632</u>
Miscellaneous costs		
Audit	4,103	4,103
Bank charges	280	173
	<u>4,383</u>	<u>4,276</u>
Total net income	<u>273,792</u>	<u>207,356</u>

	2022 £	2021 £
Summary		
Commercial income	788,433	632,289
Commercial costs	(514,641)	(424,933)
Total net income	<u>273,792</u>	<u>207,356</u>