

RICS Business Services Limited

Directors' report and financial statements

Registered number 1526902
For the year ended 31 July 2007



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Directors' report

The director's report has been prepared in accordance with the special provisions relating to small companies under section 246 (4) of the Companies Act 1985

Principal activities

The company has not traded during the year and as a result there has been no income or expenditure during the year

Future Prospects

As explained in note 1 the company transferred its trade, assets and liabilities to a fellow group company on 1 August 2006 and has ceased trading. As required by FRS 18 Accounting Policies, the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. The transferred assets and liabilities were transferred to the fellow subsidiary company at their book value. There is no intention to place the company into liquidation or have it struck off.

Directors

The directors of the company who served during the year were as follows

JHA Armstrong MA Barrister F Inst Mgt
S Tompkins MIDM, ACII (Resigned 31/01/07)
AM Stewart (Resigned 31/01/07)
AS Hartland BA, PGCE (Resigned 31/01/07)
AD White BSc FRICS (Resigned 31/01/07)
DJ Bucknall (Resigned 31/01/07)
CG Boulton (Resigned 31/01/07)

The company did not make any qualifying third party indemnity provisions for the benefit of its directors during the year.

Directors' confirmation

Each of the persons who is a director at the date of approval of this report confirms that

- (1) so far as the director is aware there is no relevant audit information of which the company's auditors are unaware, and
- (2) the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

Laying of financial statements

In accordance with Section 252 of the Companies Act 1985 the company has elected by passing an elective resolution on 24 October 1991, to dispense with the laying of financial statements before the company in general meeting.

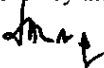
Annual general meeting

In accordance with Section 366 of the Companies Act 1985 the company has elected, by passing an elective resolution on 24 October 1991 to dispense with the holding of annual general meetings.

Auditors

Deloitte & Touche LLP have expressed a willingness to continue in office as external auditors and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the board and signed on its behalf by


JHA Armstrong
Director
5 November 2007

Surveyor Court
Westwood Way
Coventry
CV4 8JE

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with the 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 the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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 proper accounting records which 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 1985. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RICS BUSINESS SERVICES LIMITED

We have audited the financial statements of RICS Business Services Limited for the year ended 31 July 2007 which comprise the Profit and Loss Account the Balance Sheet and the related notes 1 to 17. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (Effective January 2005).

This report is made solely to the company's members as a body in accordance with section 235 of the Companies Act 1985. 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 auditors' 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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination on a test basis of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

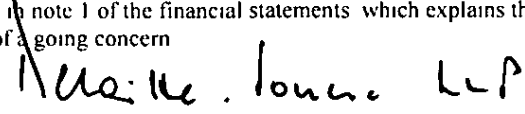
Opinion

In our opinion

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 31 July 2007 and of its result for the year then ended
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

Emphasis of matter - Financial statements prepared on a basis other than that of a going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 of the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.


Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Birmingham
United Kingdom
5 November 2007

Profit and loss account
for the year ended 31 July 2007

	<i>Note</i>	2007 £'000	2006 £'000
Turnover	2	-	9,624
Cost of sales		-	(1,983)
		<hr/>	<hr/>
Gross profit		-	7,641
Other operating expenses	3	-	(7,014)
Other operating income		-	71
		<hr/>	<hr/>
Operating profit being Profit on ordinary activities before taxation	4	-	698
Tax on profit on ordinary activities	7		(44)
		<hr/>	<hr/>
Profit on ordinary activities after taxation, being retained profit for the financial year		-	654
		<hr/>	<hr/>

All turnover and profit on ordinary activities before taxation arises from discontinued activities

There are no recognised gains and losses other than the profit for either financial year. Accordingly, no statement of total recognised gains and losses is given.

Balance sheet
as at 31 July 2007

	<i>Note</i>	2007		2006	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible fixed assets	8		-		151
Investments	9		1,500		1,500
			<u>1,500</u>		<u>1,651</u>
Current assets					
Stocks	10	-		218	
Debtors	11	6,111		7,529	
		<u>6,111</u>		<u>7,747</u>	
Creditors Amounts falling due within one year	12	(384)		(2,171)	
		<u></u>		<u></u>	
Net current assets			5,727		5,576
			<u></u>		<u></u>
Net assets			<u>7,227</u>		<u>7,227</u>
			<u></u>		<u></u>
Capital and reserves					
Called up share capital	13	-		-	
Profit and loss account	14	7,227		7,227	
		<u>7,227</u>		<u>7,227</u>	
Shareholder's funds	15	7,227		7,227	
		<u>7,227</u>		<u>7,227</u>	

These financial statements were approved by the board of directors on 5 November 2007 and were signed on its behalf by



J H A Armstrong
Director

Notes to the Accounts

(forming part of the financial statements)

1 Accounting policies

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

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement as it is a wholly-owned subsidiary of a parent undertaking which has produced a group cash flow statement in accordance with the provisions of the standard

Consolidated accounts have not been prepared as the company has taken advantage of s228 of the companies act because it is a wholly owned subsidiary of a company registered in England and Wales

Going concern – Financial statements prepared on a basis other than that of a going concern

On 1 August 2006 the company transferred its trade, assets and liabilities to the Royal Institution of Chartered Surveyors, a fellow group company and has ceased trading. As required by FRS 18 Accounting Policies, the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. All assets and liabilities were transferred to the fellow subsidiary company at their book value. There is no intention to place the company into liquidation or to have it struck off.

Fixed asset investments

Investments in its subsidiary undertakings are shown at cost less provision for impairment

Taxation

Corporation tax is provided on taxable profit at the current rate

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2 Turnover

All turnover is generated from sales in the United Kingdom. The analysis of turnover by activity is as follows

	2007 £'000	2006 £'000
RICS Books	-	4,322
PI/RICS Insurance Services	-	2,501
Building Cost Information Service Limited	-	2,441
Administration and consultancy	-	360
	<hr/>	<hr/>
	-	9,624
	<hr/>	<hr/>

Notes to the accounts

3 Other operating expenses

	2007 £'000	2006 £'000
Other operating expenses comprise		
Distribution costs	-	188
Administrative expenses	-	6,826
	<u>-</u>	<u>7,014</u>

4 Profit on ordinary activities before taxation

	2007 £'000	2006 £'000
<i>Profit on ordinary activities before taxation is stated after charging</i>		
Depreciation and other amounts written off tangible fixed assets	-	163
Auditors' remuneration		
Audit Fee	-	20
Non-audit fees – tax compliance and advisory services	-	30
	<u>-</u>	<u>30</u>

The auditors' remuneration of £2k is borne by a fellow group undertaking in the current year

5 Staff

The average number of persons employed by the company and its subsidiary undertakings (including executive directors) during the year, analysed by category, was as follows

	Number of employees	
	2007	2006
Sales	-	2
Administration	-	99
	<u>-</u>	<u>101</u>

The aggregate payroll costs of these persons were as follows

	£'000	£'000
Wages and salaries	-	2,173
Social security costs	-	227
Other pension costs	-	258
	<u>-</u>	<u>2,658</u>

All staff working for RICS Business Services Limited are employed by the Royal Institution of Chartered Surveyors and costs recharged accordingly

Notes to the accounts

6 Directors' emoluments

	2007 £'000	2006 £'000
Aggregate directors' remuneration is shown below.		
Emoluments for services as directors	-	87
Contributions to money purchase pension schemes	-	7
	-	94
	Number	Number
The number of directors who are members of pension schemes are as follows.		
Members of money purchase pension schemes	-	1

No emoluments have been paid to directors for qualifying services to the company

7 Tax on profit on ordinary activities

(a) The tax charge/(credit) is based on the profit of the company for the year and comprises

	2007 £'000	2006 £'000
Corporation tax	-	384
Adjustment in respect of prior years	-	(340)
Tax on profit	-	44

(b) The standard rate of tax for the year, based on the UK standard rate of corporation tax is 28%. The actual tax charge for the current and prior year differs to the standard rate for the reasons set out in the following reconciliation

	2007 £'000	2006 £'000
Profit on ordinary activities before tax	-	698
Tax charge on profit on ordinary activities at standard rate	-	209
Factors affecting charge for the year		
Chargeable gains	-	466
Group relief not paid for	-	(856)
Transfer pricing adjustments	-	141
Excess of qualifying depreciation over capital allowances	-	5
Expenses not deductible for tax purposes	-	395
Non taxable in the UK income	-	24
Adjustments in respect of prior periods	-	(340)
Total actual amount of current tax	-	44

Notes to the accounts

7 Tax on profit on ordinary activities (continued)

(c) A deferred tax asset has not been recognised in respect of timing differences relating to depreciation in advance of capital allowances and other timing differences as there is insufficient evidence that the asset will be recovered. The make up of this unprovided deferred tax asset is as follows:

	2007 £'000	2006 £'000
Depreciation in advance of capital allowances	-	91
Other timing differences	-	7
	<u>-</u>	<u>98</u>

8 Tangible fixed assets

	Computer equipment £'000	Office equipment £'000	Total £'000
Cost			
At beginning of year	1,220	25	1,245
Transfer to RICS	(1,220)	(25)	(1,245)
	<u>-</u>	<u>-</u>	<u>-</u>
At end of year	-	-	-
Depreciation			
At beginning of year	1,069	25	1,094
Transfer to RICS	(1,069)	(25)	(1,094)
	<u>-</u>	<u>-</u>	<u>-</u>
At end of year	-	-	-
Net book value			
At 31 July 2007	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
At 31 July 2006	151	-	151
	<u>151</u>	<u>-</u>	<u>151</u>

The tangible fixed assets of RICS Business Services were transferred to RICS on 1st August 2006 at book value.

Notes to the accounts

9 Fixed asset investments

(a) Subsidiaries

The company owns all but one of the 15 million issued £1 ordinary shares in CMP Insurance Limited ("CMP"), incorporated in Guernsey. The principal activity of CMP is the underwriting of general insurance business. The cost and net book value of this investment is £1,499,999 (2005 £1,499,999).

The company owns the entire issued share capital (unless otherwise stated) of the following dormant undertakings

The Assembly of Chartered Surveyors Ltd
The Assembly of Quantity Surveyors Ltd
The Association of Chartered Surveyors Ltd
The Association of Quantity Surveyors Ltd
Building Maintenance Information Limited (BMI)
The Consortium of Chartered Surveyors Ltd
The Consortium of Quantity Surveyors Ltd
The Faculty of Chartered Surveyors Ltd
Geomatics Ltd
IQS Limited (IQS)
JO RICS Ltd
The London Auction Mart Ltd
RICS Geomatics Ltd
RICS Insurance Services Limited
RICS JO Ltd
RICS Journals Ltd (50%)
RICS Services Ltd
The Society of Chartered Surveyors Ltd
Software for Surveyors Limited
Surveyors and Valuers Insurance Services Limited
Westminster Centre Limited
Mountain Peak Limited
EMIS Ltd (10%) – held by Mountain Peak Ltd
Building Cost Information Services

Full provision for impairment has been made against these investments

These companies are all incorporated in Great Britain

(b) Participating interests

The company owns 50% of the issued ordinary share capital of RICS Journals Limited. RICS Journals Limited is incorporated in Great Britain and the holding is stated at cost plus long term loans, less provision for impairment to reflect the company's share of losses incurred since incorporation. RICS Journals Limited did not trade during this year or the preceding year.

The investment of the company in RICS Journals Limited comprises

	2007 £'000	2006 £'000
Share capital	1	1
Long term loans	894	894
Less: Provision for impairment	(895)	(895)
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

Notes to the accounts

10 Stocks

The stocks held by the company comprise books held for resale

	2007 £'000	2006 £'000
Finished goods for resale	-	218

11 Debtors

	2007 £'000	2006 £'000
Amounts due from group undertakings	6,111	7,509
Prepayments and accrued income	-	20
	<u>6,111</u>	<u>7,529</u>

12 Creditors: Amounts falling due within one year

	2007 £'000	2006 £'000
Trade creditors	-	47
Other creditors	384	426
Accruals and deferred income	-	1,698
	<u>384</u>	<u>2,171</u>
Other creditors comprise		
UK corporation tax payable	384	384
Other	-	42
	<u>384</u>	<u>426</u>

13 Share capital

The authorised, allotted, called and fully paid up share capital of the company consists of 100 ordinary shares of £1 each (2006 £100)

14 Reserves

	Profit and loss account £'000
At beginning of year	7,227
Profit for the financial year	-
	<u>7,227</u>
At end of year	<u>7,227</u>

Notes to the accounts

15 Reconciliation of movements in shareholder's funds

	2007 £'000	2006 £'000
Profit for the financial year	-	654
Opening shareholder's funds	7,227	6,573
	<hr/>	<hr/>
Closing shareholder's funds	7,227	7,227
	<hr/>	<hr/>

16 Related parties

By virtue of being a wholly owned subsidiary included in the consolidated financial statements of a larger EU body corporate, the company is exempt from disclosing transactions or balances with entities of the group qualifying as related party

17 Ultimate holding body corporate

The company's ultimate holding body corporate and controlling party is The Royal Institution of Chartered Surveyors

Copies of the financial statements of The Royal Institution of Chartered Surveyors can be obtained from its principal place of business at 12 Great George Street, Parliament Square, London, SW1P 3A