

# **RICS Business Services Limited**

## **Director's Report and Financial Statements**

Registered number 1526902

For the year ended 31 July 2014



# **RICS Business Services Limited**

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# **RICS Business Services Limited**

## **Directors' report**

The directors present their report together with the audited financial statements for the year ended 31 July 2014

### **Principal activities**

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

### **Future Prospects**

It is not intended for the company to trade in the foreseeable future

### **Directors**

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

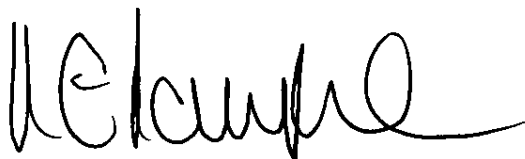
Sean Tompkins  
Violetta Parylo

### **Auditors**

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

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of the information. The directors are not aware of any relevant audit information of which the auditors are unaware

Approved by the board and signed on its behalf by



Violetta Parylo  
Director

27 January 2015

12 Great George Street  
Parliament Square  
London  
SW1P 3AD

## **Statement of directors' responsibilities in respect of the Directors' report and the financial statements**

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 their profit or loss 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 UK 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 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 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.

## Independent auditor's 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 2014 set out on pages 4 to 8. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

### Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 July 2014 and of its result for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

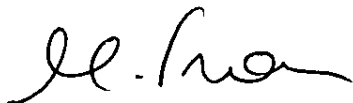
### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report and in not preparing a Strategic Report.



Michael Froom (Senior Statutory Auditor)  
for and on behalf of KPMG LLP  
Chartered Accountants  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH

## **RICS Business Services Limited**

### **Profit and loss account for the year ended 31 July 2014**

	Note	2014 £'000	2013 £'000
Turnover		-	-
Cost of sales		-	-
<b>Gross profit</b>		-	-
Other operating expenses		-	-
Other operating income		-	-
<b>Operating profit on ordinary activities before taxation</b>		-	-
Tax charge/(credit) on ordinary activities	2	-	-
<b>Profit on ordinary activities after taxation, being retained result for the financial year</b>		-	-

The company has not traded during the year or prior year and as a result there has been no income or expenditure during the year  
There are no other recognised gains and losses, accordingly, no statement of total recognised gains and losses is given

The notes on pages 6 to 8 form part of the financial statements

## RICS Business Services Limited

### Balance sheet

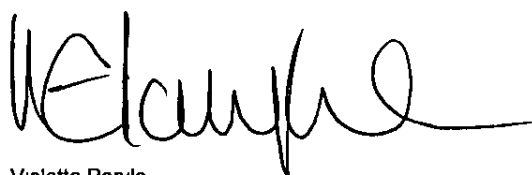
as at 31 July 2014

company number: 1526902

	Note	2014 £'000	2013 £'000
<b>Fixed assets</b>			
Investments	5	-	-
<b>Current assets</b>			
Debtors	6	7,227	7,227
		7,227	7,227
Creditors Amounts falling due within one year	7	-	-
<b>Net current assets</b>		7,227	7,227
<b>Net assets</b>		7,227	7,227
<b>Capital and reserves</b>			
Called up share capital	8	-	-
Profit and loss account	9	7,227	7,227
<b>Shareholder's funds</b>	10	7,227	7,227

The notes on pages 6 to 8 form part of the financial statements

The financial statements for RICS Business Services Limited were approved by the board of directors on 27 January 2015 and were signed on its behalf by



Violetta Parylo  
Director

# RICS Business Services Limited

## 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

#### a) Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules

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

The company has taken the exemption under Companies Act 2006 not to present consolidated financial statements as it is a wholly-owned subsidiary where the parent company, the Royal Institution of Chartered Surveyors prepares group accounts

#### b) Fixed asset investments

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

#### c) 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) Tax on profit on ordinary activities

#### (a) The tax charge comprises

	2014 £'000	2013 £'000
Corporation tax	-	-
Total tax charge/(credit)	-	-

#### (b) Factors affecting the tax charge for the current year

	2014 £'000	2013 £'000
Profit on ordinary activities before tax	-	-
Tax charge on profit on ordinary activities at standard rate	-	-
Factors affecting charge for the year		
Group relief not paid for	(25)	(2)
Transfer pricing adjustments	25	2
Total current tax charge	-	-

The company had deferred tax of £Nil at 31 July 2014 (2013: £Nil)

Reductions in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) and to 23% (effective 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

### 3) Auditor's Remuneration

The auditors' remuneration is borne by a fellow group undertaking in the current year and prior year



# RICS Business Services Limited

## Notes to the accounts (continued)

### 4) Director's Remuneration

The emoluments of all of the directors are paid by the Royal Institution of Chartered Surveyors as their services on behalf of RICS Business Services Limited are incidental to their services provided to the other group companies. It is not possible to make an accurate apportionment of the emoluments in respect of each of the subsidiaries. Accordingly, the above details include no emoluments in respect of those directors.

### 5) Fixed asset investments

#### (a) Subsidiaries

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

The Association of Quantity Surveyors Ltd  
Building Data Banks Limited  
Building Cost Information Services  
RICS Services Ltd

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 The Property Week Limited. The Property Week 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. The Property Week Limited did not trade during this year or the preceding year.

The investment of the company in The Property Week Limited comprises:

	2014 £'000	2013 £'000
Share capital	1	1
Long term loans	894	894
Less: Provision for impairment	(895)	(895)
	-	-

### 6) Debtors

	2014 £'000	2013 £'000
Amounts due from group undertakings	7,227	7,227

### 7) Creditors: Amounts falling due within one year

	2014 £'000	2013 £'000
UK Corporation tax	-	-

### 8) Share capital

The authorised, allotted, called and fully paid up share capital of the company consists of 100 ordinary shares of £1 each (2013: £100).

### 9) Reserves

	Profit and loss account £'000
At beginning of year	7,227
Profit for the financial year	-
At 31 July 2014	7,227

## **RICS Business Services Limited**

### **Notes to the accounts (continued)**

#### **10) Reconciliation of movements in shareholder's funds**

	<b>2014</b>	<b>2013</b>
	<b>£'000</b>	<b>£'000</b>
Profit for the financial year	-	-
Opening shareholder's funds	7,227	7,227
Closing shareholder's funds	7,227	7,227

#### **11) Related parties**

As a wholly-owned subsidiary of The Royal Institution of Chartered Surveyors, the company has taken advantage of the exemption under FRS 8 "Related party disclosures" not to provide information on related party transactions with other undertakings within the Group

#### **12) Ultimate controlling party**

The company's ultimate controlling party is The Royal Institution of Chartered Surveyors. The largest group in to which the results of RICS Business Services Limited are consolidated is the Royal Institution of Chartered Surveyors. The smallest group into which the results of RICS Business Services Limited are consolidated is RICS Holdings Limited.

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 3AD.



KPMG LLP  
One Snowhill  
Snowhill Queensway  
Birmingham  
B4 6GH

26 January 2015

Dear Sirs,

This representation letter is provided in connection with your audit of the financial statements of RICS Business Services Limited ("the Company"), for the year ended 31 July 2014, for the purpose of expressing an opinion

- i as to whether these financial statements give a true and fair view of the state of the Company's affairs as at year end and of the Company's result for the financial year then ended,
- ii whether the financial statements have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- iii whether the financial statements have been prepared in accordance with the requirements of the Companies Act 2006

These financial statements comprise the Balance Sheet, the Profit and Loss Account, and notes, comprising a summary of significant accounting policies and other explanatory notes

The Board confirms that the representations it makes in this letter are in accordance with the definitions set out in the Appendix to this letter

The Board confirms that, to the best of its knowledge and belief, having made such inquiries as it considered necessary for the purpose of appropriately informing itself

#### **Financial statements**

- 1 The Board has fulfilled its responsibilities, as set out in the terms of the audit engagement dated 20 June 2014, for the preparation of financial statements that
  - i give a true and fair view of the state of the Company's affairs as at the end of its financial year and of its result for that financial year,
  - ii have been properly prepared in accordance with UK Generally Accepted Accounting Practice ("UK GAAP"), and
  - iii have been prepared in accordance with the requirements of the Companies Act 2006.

The financial statements have been prepared on a going concern basis.

- 2 Measurement methods and significant assumptions used by the Board in making accounting estimates, including those measured at fair value, are reasonable
- 3 All events subsequent to the date of the financial statements and for which FRS 21 *Events after the balance sheet date* requires adjustment or disclosure, have been adjusted or disclosed
- 4 The effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole

#### **Information provided**

- 5 The Board has provided you with
  - access to all information of which it is aware, that is relevant to the preparation of the financial statements, such as records, documentation and other matters,
  - additional information that you have requested from the Board for the purpose of the audit, and
  - unrestricted access to persons within the Company from whom you determined it necessary to obtain audit evidence
- 6 All transactions have been recorded in the accounting records and are reflected in the financial statements
- 7 The Board confirms the following
  - i) The Board has disclosed to you the results of its assessment of the risk that the financial statements may be materially misstated as a result of fraud

Included in the Appendix to this letter are the definitions of fraud, including misstatements arising from fraudulent financial reporting and from misappropriation of assets.

- ii) The Board has disclosed to you all information in relation to
  - a) Fraud or suspected fraud that it is aware of and that affects the Company and involves
    - management,
    - employees who have significant roles in internal control; or
    - others where the fraud could have a material effect on the financial statements; and
  - b) allegations of fraud, or suspected fraud, affecting the Company's financial statements communicated by employees, former employees, analysts, regulators or others

In respect of the above, the Board acknowledges its responsibility for such internal control as it determines necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In particular, the Board acknowledges its

responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error

- 8 The Board has disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements
- 9 The Board has disclosed to you and has appropriately accounted for and/or disclosed in the financial statements, in accordance with FRS 12 *Provisions, Contingent Liabilities and Contingent Assets*, all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements
- 10 The Board has disclosed to you the identity of the Company's related parties and all the related party relationships and transactions of which it is aware All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with FRS 8 *Related Party Disclosures*

Included in the Appendix to this letter are the definitions of both a related party and a related party transaction as we understand them and as defined in FRS 8

- 11 The Board confirms that

- a) The financial statements disclose all of the key risk factors, assumptions made and uncertainties surrounding the Company's ability to continue as a going concern as required to provide a true and fair view.
- b) Any uncertainties disclosed are not considered to be material and therefore do not cast significant doubt on the ability of the Company to continue as a going concern

This letter was tabled and agreed at the meeting of the Board of Directors on 26 January 2015

Yours faithfully,



Violetta Parylo  
Director

## **Appendix to the Board Representation Letter of RICS Business Services Limited: Definitions**

### **Financial Statements**

A complete set of financial statements comprises

- a Balance Sheet as at the end of the period,
- a Profit and Loss account for the period, and
- notes, comprising a summary of significant accounting policies and other explanatory information

### **Material Matters**

Certain representations in this letter are described as being limited to matters that are material

The ASB's *Statement of Principles for Financial Reporting* states that

“An item of information is material to the financial statements if its misstatement or omission might reasonably be expected to influence the economic decisions of users of those financial statements, including their assessments of management's stewardship ”

### **Fraud**

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorisation.

### **Error**

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure

Prior period errors are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that

- a) was available when financial statements for those periods were authorised for issue; and
- b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud

### **Management**

For the purposes of this letter, references to "management" should be read as "management and, where appropriate, those charged with governance"

### **Related Party and Related Party Transaction**

#### **Related party:**

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in FRS 8 *Related Party Disclosures* as the "reporting entity")

- a) A person or a close member of that person's family is related to a reporting entity if that person:
  - i has control or joint control over the reporting entity,
  - ii has significant influence over the reporting entity, or
  - iii is a member of the key management personnel of the reporting entity or of a parent of the reporting entity
- b) An entity is related to a reporting entity if any of the following conditions applies
  - i The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others)
  - ii One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member)
  - iii Both entities are joint ventures of the same third party
  - iv One entity is a joint venture of a third entity and the other entity is an associate of the third entity
  - v The entity is a retirement benefit scheme for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a scheme, the sponsoring employers are also related to the reporting entity
  - vi The entity is controlled or jointly controlled by a person identified in (a)
  - vii A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity)

#### **Related party transaction:**

The transfer of assets or liabilities or the performance of services by, to or for a related party irrespective of whether a price is charged



The Board of Directors  
RICS Business Services Limited  
12 Great George Street  
Parliament Square  
London  
SW1P 3AD

Dear Sirs

We confirm that The Royal Institution of Chartered Surveyors, as the ultimate owner of the issued share capital of RICS Business Services Limited, we undertake to continue to provide such financial support as the company requires for its continued operations for a period of not less than one year from today's date

Sean Tompkins  
14 January 2015  
Chief Executive Officer