

THE ROYAL AFRICAN SOCIETY

Royal Charter No. RC000440

Charity No. 1062764

Report and financial statements

For the year ended

31 December 2017

CHARITY COMMISSION
FIRST CONTACT

25 JUL 2018

ACCOUNTS
RECEIVED

THE ROYAL AFRICAN SOCIETY
Charity Number: 1062764
Royal Charter Number: RC000440

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THE ROYAL AFRICAN SOCIETY

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TRUSTEES' ANNUAL REPORT

The trustees present their report and financial statements for the year ended 31 December 2017.

The trustees confirm that the financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the financial statements (pages 17 - 19) and comply with the Society's Royal Charter and Bye Laws, the Charities Act 2011 and the Charities SORP (FRS 102): Statement of Recommended Practice - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Purposes and aims

The principal objectives of the Royal African Society, as quoted in the Royal Charter, are 'to promote within the United Kingdom of Great Britain and Northern Ireland, as well as other countries, the spread and increase of knowledge of the peoples and countries of Africa; to foster and strengthen the relationships existing between our said United Kingdom and the various countries and peoples of Africa; and to encourage the growth of interest in Africa among the people of our said United Kingdom and among the people of other countries'.

When reviewing the Trust's aims and objectives and in planning future activities the trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit, and the duties set out in Section 17(5) of the Charities Act 2011, including the guidance "Public Benefit: Running a Charity (PB2)." The public benefit created by the Charity's activities, many of which, including access to the Society's websites and attendance at certain events and meetings, are available free of charge to members of the public, arises from the following:

1. the spread and increase knowledge of the peoples and countries of Africa
2. the fostering and strengthening of the relationship between peoples

The Society has a strategic plan in place for 2016 to 2020, which follows on from the previous strategic plan that ran from 2012 to 2015. The current strategic plan uses five cross-cutting themes, which aim to guide and provide coherence across the Society's work and programmes. In 2017, management and staff continued to work on implementing these five strategic objectives, which are listed below.

1. *Go Digital* – Building on recent audience growth, the Society aims to reach a wider and more global audience through its digital channels.
2. *Structured Engagements* – The Society aims to be more structured in terms of how it presents itself to the world, how it engages with its partners and how it runs its programmes.
3. *Better Africa Networks* – The Society aims to take a more strategic view to partnerships, developing its Africa networks in the UK, Africa and globally to further its charitable objectives.
4. *Joined up Working* – In order to operate more coherently and to increase productivity and overall impact, the Society aims to promote more collaborative working amongst its different staff members.
5. *'Think Funding'* – The Society has the objective of developing a fundraising and income generation strategy that will ensure long-term sustainability for the charity.

Progress on our current strategic plan and objectives is reviewed monthly at staff meetings and quarterly at meetings of the Council and Executive Committee.

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Main activities undertaken to achieve the charity's aims and objectives

Charitable activities have been grouped into three main areas, which are listed below:

- **Publications:** these cover print and online and include the quarterly journal, *African Affairs*; the leading news and analysis site *African Arguments*; and all our other websites, which include blogs and news pieces.
- **Events and Festivals:** the Society hosts a wide range of events every year, including business briefings and roundtables for corporate members, the high-profile Annual Lecture, and the increasingly popular African literature and film festivals, *Africa Writes* and *Film Africa*, which attract audiences of thousands.
- **Advancement of Knowledge:** the Society disseminates knowledge and insight through its online activity and the delivery of a successful events programme, involving its members and the public at large; school children and young people are engaged through the Society's education and outreach programme; research and policy work is primarily conducted for and on behalf of the Africa All Party Parliamentary Group (APPG) in the form of reports and briefings, together with round-table discussions, parliamentary questions, motions and other relevant debates; the Society also promotes and supports events and conferences delivered by other Africa organisations, as it is the Society's policy to work in partnership to facilitate the achievement of common objectives.

The Society is grateful for the effort of its volunteers who are involved in the festivals and events and also thankfully recognises the experience and expertise it gains from the interns who volunteer their time in assisting with the day-to-day running of its charitable activities. It is estimated that over 1,275 volunteer hours were provided during the year. If it is conservatively valued at £7.83 per hour, the volunteer effort amounts to £9,983.25

ACHIEVEMENTS AND PERFORMANCE

1. Publications

- In 2017 *African Affairs*, the Society's academic journal published by Oxford University Press (OUP), appointed a new, third co-editor and moved to an online submission system. The journal also saw a significant increase in online usage with the number of full-text downloads rising to almost 235,000 in 2017 (up from 128,000 in 2016). *African Affairs* remains the world's top-ranked African studies journal by frequency of citation according to the Social Science Citation Index and continues to enjoy a global readership. It is available by subscription to almost 3,000 institutions worldwide and through the Developing Countries scheme, OUP offers online access to journal content to over 5,500 non-profit research institutions in over 100 countries, including 38 African countries. The Society's members receive complementary copies of the journal as part of their membership.
- In February 2017, the **Africa APPG** launched its inquiry report "*The future of Africa-UK trade and development cooperation relations in the transitional and post Brexit period*" with closing remarks provided by then Parliamentary Under-Secretary of State for DFID, James Wharton MP. The report aims to unpack the potential opportunities that Brexit and accompanying new trade arrangements could present for Africa-UK trade. Through the critical analysis of the EU's current Economic Partnership Agreements (EPAs) with African countries to date, the report concludes in advocating for a relationship that supports African regionalism and industrialisation priorities.
- *African Arguments*, the Society's platform for African news analysis, comment and opinion, has become one of the top global websites for anyone trying to understand what is happening in Africa. In 2017, the website received over to 1.1 million page views and had nearly 700,000 unique users. Readership in Africa, the largest portion of the *African Arguments* audience, grew by 19%. As well as offering unique perspectives on the major events of the year – such as the Kenyan elections, the fall of Robert Mugabe, and secessionist Biafran agitation – *African Arguments* covered many lesser-reported issues. It also published a number of investigative pieces, including a joint investigation into expensive Montreal property owned by African leaders and featured interviews with high-profile figures, such as former Nigerian president Olusegun Obasanjo and Democratic Republic of Congo's opposition leader Moïse Katumbi.

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TRUSTEES' ANNUAL REPORTcontinued

- *What's On Africa*, the Society's events listing site, received a total of 78,330 hits in 2017 but it failed to attract sufficient advertising revenue to pay for itself. In July, an executive decision was made to keep the website dormant until such a time as the Society is in a position to start investing in it again.

2. Events and Festivals

- The Society held its 7th **Annual Lecture** at SOAS, University of London, on Tuesday, 17th October 2017. Entitled *"Too young to matter? How the youth will shape Africa's future"*, the lecture was delivered by Professor Carlos Lopes, leading development economist and former head of the UN's Economic Commission on Africa and moderated by the young award-winning Nigerian journalist Amina Yuguda. The lecture was followed by an interactive Q&A with the audience and recorded for wider dissemination.
- The Society's **Business Programme** continued to deliver high level events as part of our corporate membership offer, providing a platform for in-depth debate with key decision-makers and thought leaders from the worlds of business, government, civil society and academia. In July 2017 we launched a series entitled *'Economies to Watch'* focusing on fast growing and increasingly diversified economies by hosting Moïse Katumbi, Congolese businessman and politician, jointly with the Africa APPG; in September 2017, we hosted a special forum entitled *'Fintech in Africa: How to scale impact'* in partnership with the Africa Club at London Business School and others; and we marked Ghana's 60th anniversary of independence with two exclusive events featuring Ghana's Minister of Foreign Affairs Shirley Ayorkor Botchway in May and President Nana Akufo-Addo in November.
- The 6th edition of the **Africa Writes** festival took place at the British Library from Friday 30 June to Sunday 2 July 2017, attracting over 2,000 attendees. Over 60 guest writers and contributors participated over the weekend and the headline author was Alain Mabankou, Francophone Africa's literary icon. Africa Writes 2017 featured pop-up events and workshops in East Africa, in Rwanda and Tanzania, and across the UK, including Edinburgh, Bristol, Birmingham and Blackwood (Wales).
- The 7th edition of **Film Africa** took place across six different venues from Friday, 27 October to 5 November, attracting 3,600 attendees. The festival presented 38 films from 20 different countries and hosted 12 filmmakers and on-screen talent, as well as 19 industry contributors to take part in post-screening Q&As and discussions. In recognition of its diverse programming and audiences, Film Africa was awarded the BFI Screen Diversity mark for good practice, meeting four out of four of the Diversity Standards.

3. Advancement of Knowledge

- **Membership of the Royal African Society** provides opportunities for people to connect and engage critically with a wide range of topics and ideas about Africa today. Membership is open to all and includes individuals, institutions and businesses alike. Compared to 2016, income from corporate and individual membership subscriptions decreased by 30% and 10% respectively in 2017. In response to this decline, we have reviewed our membership benefits and the way in which we can best package our unique offering to potential new members. Our improved communications and our new CRM system, which will streamline our membership administration, are means by which we aim to increase our membership base.
- In 2017, the Society hosted a total of 48 **public meetings and events** attracting an overall live audience of nearly 3,000 people. Our wide-ranging events programme is our core offering to our members, who get free access or priority and discounted booking. The Society also attracts new audiences through its many events, both in person and online – in 2017, key public events were livestreamed and all events were made available as podcasts via the mixcloud.com/royafrisoc account.
- Through our various **websites, newsletters and social media channels**, the Society continued to disseminate knowledge and insight. Over the year, the Society's main website garnered 47,854 unique users and 134,829 hits; and the Film Africa, Africa Writes and ASUK websites combined attracted 136,180 users and 326,527 hits. Our social media following increased by 20% reaching a total following of 118,000 across our Twitter, Facebook and Instagram channels. As part of our data audit, we looked at all our different newsletters and discovered we had over 26,000 unique subscribers.

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- In 2017, the Society's **Education and Outreach Programme** expanded considerably. Through *Africa Writes: Young Voices*, our creative writing programme, we worked closely with over 150 students in 11 schools, in partnership with talented poets and leading cultural institutions, including the British Museum and Somerset House among others. Working once more with Picturehouse Cinemas, we brought the *Film Africa: Young Audiences* programme to over 800 school students. In 2017 we also worked on a new Community Outreach project drawing on significant Sierra Leonean Krio heritage material found in the British Library's African collections to inspire poetry, narrative fiction and life writing for adults. Twenty Sierra Leonean Krio men and women attended a series of workshops at the British Library, exploring rarely-seen collection items concerning the lives of the Krio communities through the 18th and 19th centuries.
- The **Africa All Party Parliamentary Group** held a total of 21 meetings in 2017, including closed briefings for parliamentarians and public panel discussions on topics within the APPG's thematic foci, as set by the Africa APPG Chair and Officers in September 2016. Themes included 'Trade with and within Africa, with a focus on Brexit', 'Parliamentary and democratic oversight', 'Quality of decision making within UK Visas and Immigration' and 'Creative economy in Africa'.
- The Society's partner organisation, the **African Studies Association of the UK (ASAUK)** – the national academic association for Africanist scholars within the UK – held the Mary Kingsley Zochonis Lecture by Dr Duncan Omanga (Moi University, Kenya); began preparations for the 2018 biennial conference at the University of Birmingham; held Writing Workshops in Capetown, Freetown, Lagos, and Dar-es-Salaam; and provided support for African scholars to attend small conferences.
- The **Bristol Branch of the Royal African Society** organised 10 public meetings in 2017 focusing on a wide range of topics, from Emperor Haile Selassie's reign of Ethiopia to the current Sustainable Development Goals. The lectures were delivered by the following speakers: Mr Ron Febrey, Mrs Theodora Nana Chamberlain, Mr Robin Wells, Mr Keith Bowers, Dr Mpalive Msiska, Christopher Legg, Doig Simmonds, Ian Redmond, Claude Lamshead, and Professor Leon Tikly.

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FINANCIAL REVIEW

Review of the Year

Despite an improvement in the level of funding received to support charitable activities, a £120,990 year on year reduction of donations received caused total income to fall for the second consecutive year and at £498,741 it was 16% lower than in the previous year (2016: £590,964). Expenditure on charitable activities which totalled £585,940 (2016: £618,239) fell by 5%. After recognising the costs of raising funds and after accounting for the gains on investments, the charity recorded an increased total net expenditure in excess of income amounting to £105,719 (2016: £46,045). As a result total funds at the end of the year were reduced to £320,977 (2016: £426,696), all of which were unrestricted general funds.

Net expenditure on charitable activities was £61,440 lower than in 2016 and thereby partly mitigated the £120,990 loss of donations income but the total net expenditure remained £59,674 higher than in 2016. Reduced activity, for Film Africa, the AAPPG and non-Journal publishing all contributed to the lower net expenditure on charitable activities, although, conversely more resources were invested in the newly established Education programme.

Investment policy and objectives

The Trustees have the power to invest in such assets as they see fit. The charity's investment policies are

- to seek investment funds where the managers provide ethical and socially responsible investments to charities
- to ensure that funds are not put at undue risk while, as far as is practical, maintaining and enhancing their value.

At a value of £231,249 investments represent 72% of the charity's unrestricted general funds and the portfolio is reviewed annually.

Reserves policy

The Trustees have taken the opportunity to review the charity's reserves policy in the light of the more rigorous budget controls which have been implemented for its charitable activities, as explained below under "Principal risks and uncertainties". The Trustees have established a policy to maintain a minimum operational reserve of £210,000 which they consider adequate to meet the charity's financial obligations in a six month future period.

The operational reserve is defined as unrestricted funds excluding fixed assets, but including investments which, although intended to be held for the longer term, could be realised in a period less than six months. At 31 December 2017 the available operational reserve is £320,977.

Going concern

The Trustees are of the opinion that the assets and reserves of the Society, in the light of its committed income, expenditures and cash flows, are adequate to support its on-going activities and obligations.

Principal risks and uncertainties

As an organisation with no endowment funding, which is reliant upon annual support from its members, funders, sponsors and donors, the review has identified that medium term financial sustainability is the major risk. We have run small deficits since 2012 and have been drawing down on our substantial reserves to fund them, but the £106,000 shortfall in 2017 was our largest to date. This substantial deficit is due to a steady decline in core income, which has shrunk by more than a quarter over the last two years and has now fallen to below £500,000. Over the past two years, donations have dropped from £115,000 in 2015 to £41,000 in 2017; income from corporates (in the form of membership subscriptions and partnerships offering support for specific activities) fell from £140,000 to £63,000 over the same period; and there was also a gradual decrease in individual membership subscriptions.

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The Trustees also recognise that, like all organisations with an online presence, the Society has to be vigilant in the area of digital security and robustness. A significant part of the Society's public engagement takes place through its websites and this infrastructure could be vulnerable to cybercrime and attack.

Plans & strategies for managing the risks

The Trustees have a risk management strategy which comprises:

- An annual review of the principal risks and uncertainties facing the Society
- The establishment and implementation of policies and procedures to mitigate the risks identified in the review and to manage and minimise any potential impact on the Society

In 2017, the Trustees employed the following strategies for managing the principal risks facing the Society:

Financial sustainability – external expert advice was taken with a view to maximising the Society's fundraising efforts and income-generation avenues. As a result, the Society enhanced its capacity to fundraise and explore different income streams and is currently developing a fundraising strategy under the leadership of its new Director, Dr Nicholas Westcott, who was appointed on 1st November 2017. With support from the Trustees, Dr Westcott has been tasked with restoring a balance between income and expenditure for the Society. The Trustees accept this may take more than a year to achieve, but the aim is to see a significant reduction in the deficit in 2018 and a further reduction in 2019.

Expenditure control – the Society developed and implemented strict financial controls through which budgeted costs of all programme activities were minimised, but without compromising on their quality. The principle is that only as additional funds become available can budget-holders expand their activities accordingly. Costs were also cut, including a redundancy and a temporary reduction in hours worked by staff during the last quarter of 2017. The income and expenditure of all charitable activities and support costs are reviewed regularly by the Trustees at the quarterly meetings of the Council and Executive Committee.

Factors affecting the financial performance

Where possible, the Society will seek to increase the scale of its charitable activities in 2018 while maintaining support costs at current levels. The ability to execute such a plan will depend entirely on the success of securing new and additional funding to finance the Society's programmes fully, as it can no longer rely on the level of donations which have historically supported underfunded activities. The size and cost of activities will therefore be determined by the level of funds secured from supporters and sponsors for specific programmes. Where necessary, programmes will be adjusted or postponed but the Trustees will, where appropriate in terms of the Society's longer term aims and objectives, consider incurring deficits on specific activities as long as the Society's reserves policy can be maintained.

Plans for the future

The Society's vision for 2020 is "*to be the catalyst for more informed debate and equitable relations between the UK and Africa*". There is a 2016-2020 strategic plan in place to accompany this vision and progress is being made on the five cross-cutting objectives identified, as follows:

1. **Go Digital** – through its events, publications and digital channels the Society now reaches a network of more than one million people globally and audiences continue to grow year on year. In 2017, the Society's online visibility and reach grew significantly. We witnessed a 20% increase on social media reaching a total following of 118,000 and an overall online readership of 1,139,521 unique users or 1,904,952 hits. The *African Arguments* website was revamped to be more aesthetically pleasing and user friendly and, at the time of writing, the Society's website is being redeveloped with the same aim. We are also in the final stages of developing a bespoke Customer Relationship Management system that will prepare the Society to be compliant with the new General Data Protection Regulation, which comes into force in May 2018.

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2. **Structured Engagements** – working in partnership is fundamental to the Society's organisational strategy and future and implementing a new partnership framework was a high priority for 2017. Through this new framework, we mapped, reviewed and reconfigured our partnerships into five main categories (strategic, corporate, funding, event & programme partnerships, and media & marketing partnerships). We also worked to establish important new relationships with public funding bodies, trusts and foundations, and companies which share the Society's values and vision.
3. **Better Africa Networks** – linked to our partnership framework, we focused on developing our 'Africa networks' further by establishing mutually-beneficial relationships with UK-based Africa-focused organisations and with international or African institutions, which have a presence on the continent, such as the British Council and the UN Economic Commission for Africa.
4. **Joined up Working** – in 2017, the Society's management continued to encourage and enable more joined-up working among the Society's staff through weekly and monthly meetings. Several brainstorming sessions were also held providing the opportunity for everyone to feed into organisational matters and allowing for the cross-pollination of ideas across the different programmes. This in turn had a positive effect on the internal team dynamics, as well as on the Society's external messaging and overall impact.
5. **'Think Funding'** – given the ongoing deficit, ensuring the Society's future sustainability and success continues to be a top strategic priority. In 2017 the Society sought expert help to build its internal capacity, which resulted in all team members being better informed and able to contribute to the Society's fundraising efforts. Although some progress was made, the Society still needs to do more work on this front. Under the collaborative leadership of its new Director, the Society is compiling a new fundraising strategy, reviewing progress and setting new KPIs, which will help re-focus the staff's energy and efforts.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Royal African Society is incorporated by Royal Charter and is also registered with the Charity Commission in England and Wales. It is governed by its Bye-Laws the most recent amendments to which were approved by The Privy Council on the 10 November 2010.

The governing body of the Society is its Council, being responsible for its overall policy and programmes, its property and other financial matters. The Council consists of the Chair of the Society, the Honorary Treasurer, up to fifteen "elected Council members", the editors of the Society's Journal, *African Affairs*, and up to four co-opted persons. The Chair, Treasurer and elected Council members are elected for a three year term by the Society's members. The editors and co-opted members are appointed by the Council. The Council also elects up to three Vice Chairs from among its members. The Council members, except the editors and any others who are remunerated by the Society, act *ex officio* as Trustees of the Society. The Council has delegated the administration of the affairs and property of the Society to the Executive Committee which comprises the Chair, the Vice Chairs and the Treasurer together with up to three other Council members appointed by the Council.

The Executive Committee has passed responsibility for achieving the charity's objectives and exercising day-to-day control to the Director and partially, in turn, to the Deputy Director.

Trustee induction and training

New Trustees will be provided with an enhanced induction document, which will set out in more detail their roles and responsibilities in respect of the objectives, activities, policies and procedures of the Society, after which they can be further briefed by senior staff and mentored by the existing Trustees.

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Related parties and relationships with other organisations

The Charity works in close contact with the following charities:

- African Studies Association of the UK (ASAUK), with whom the Charity share facilities and staff. There is also a reciprocal membership agreement between ASAUK and the RAS. ASAUK's President is also a Trustee of the Charity.
- Mary Kingsley Zochonis Lecture Trust Fund which was established to sponsor a lecture series in conjunction with the Royal African Society. The Trust's affairs are administered by the RAS.

Remuneration policy for key management personnel

Through the Executive Committee the Council is responsible for setting the pay and remuneration of the Society's key management personnel, the level of which is reviewed annually. In coming to its recommendations the Executive Committee may seek advice from external independent experts and will arrive at its decisions after taking into account the purpose aims and values of the Society, the strategic plan and the ability to pay, individual competencies and performance, remuneration levels at similar charities, and retention. These factors are not exclusive and any decision will inevitably include an element of discretion initially on the part of the Executive Committee and ultimately on that of the Council.

REFERENCE AND ADMINISTRATIVE DETAILS

Council Members

Trustees:

Officers and members of Executive Committee

| | |
|------------------------------|----------------------|
| Zeinab Badawi | (Chair) |
| Innes Meek | (Honorary Treasurer) |
| Phillip Alikier | (Vice Chair) |
| Alistair Boyd CMG | (Vice Chair) |
| Professor Christopher Cramer | (Vice Chair) |

Other elected Council Members

| | |
|------------------------|---------------------------------|
| Titilola Banjoko | (member of Executive Committee) |
| Susana Edjang | |
| Joel Kibazo | |
| Boko Inyundo | |
| Razia Khan | |
| Gregory Kronsten | |
| Anne McCormick | |
| Robert Molteno | (member of Executive Committee) |
| Mpalive Msiska | |
| Professor Mthuli Ncube | |
| 'Jide Olanrewaju | (member of Executive Committee) |

Co-opted Council Members

| | |
|------------|--|
| Insa Nolte | <i>Ex officio</i> , President of ASAUK |
|------------|--|

Editors:

| | |
|-------------------|------------------------------|
| Carl Death | |
| Lindsay Whitfield | |
| Peace Meadie | (appointed 1 September 2017) |

Secretary:

Sheila Ruiz

Director:

| | |
|-------------------|------------------------------|
| Richard Dowden | (resigned 30 September 2017) |
| Nicholas Westcott | (appointed 1 November 2017) |

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| Royal Charter number | RC000440 |
| Charity number | 1062764 |
| Registered office and operations address: | SOAS 36 Gordon Square London WC1H 0PD |
| Auditors: | Chariot House Limited 44 Grand Parade Brighton East Sussex BN2 9QA |
| Bankers | Barclays Bank PLC 2 Victoria Street London SW1H 0ND CCLA Investment Management Limited COIF Charity Funds Senator House 85 Queen Victoria Street London EC4V 4ET |
| Solicitors | TLT Solicitors 20 Gresham Street London EC2V 7JE |

Auditors

Chariot House Limited was re-appointed as the auditors of the Royal African Society at the Annual General Meeting in June 2017. Chariot House Limited has expressed their willingness to continue in that capacity.

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OTHER STATEMENTS OF THE TRUSTEES

Statement of responsibilities of the trustees

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter and Byelaws. For the year ended 31 December 2017 the financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure is explained in note 1(a) to the financial statement (Basis of preparation) on page 17.

The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement as to disclosure to our auditors

In so far as the trustees are aware:

- There is no relevant audit information of which the charity's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The trustees' annual report has been approved by the trustees on 30th April 2018

and signed on their behalf by;



Zeinab Badawi
Chair

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**REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF THE ROYAL AFRICAN SOCIETY**

Opinion

We have audited the financial statements of The Royal African Society (the 'charity') for the year ended 31 December 2017 on pages 14 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011 and regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2017 and of its incoming resources and application of resources 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 Charities Act 2011.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

THE ROYAL AFRICAN SOCIETY

Charity Number: 1062764

Royal Charter Number: RC000440

**REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF THE ROYAL AFRICAN SOCIETYcontinued**

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities set out on page 11, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

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 Report of the Independent Auditors.

Chant Rose Lintell

Chariot House Limited

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Chartered Accountants and Statutory Auditor

44 Grand Parade

Brighton

East Sussex

BN2 9QA

Date:

23 July 2018

THE ROYAL AFRICAN SOCIETY

Charity Number: 1062764

Royal Charter Number: RC000440

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2017**

| | Note | Unrestricted £ | Restricted £ | 2017 Total £ | 2016 Total £ |
|--|-----------|-------------------|-----------------|--------------------|--------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 41,510 | - | 41,510 | 162,500 |
| Charitable activities: | 4 | | | | |
| Publications | | 197,597 | 15,000 | 212,597 | 232,421 |
| Events and Festivals | | 18,482 | 101,990 | 120,472 | 101,699 |
| Advancement of Knowledge | | 64,844 | 44,758 | 109,602 | 79,410 |
| Other trading activities | 5 | 6,667 | - | 6,667 | 6,667 |
| Investment income | 6 | 7,893 | - | 7,893 | 8,267 |
| Total income | | 336,993 | 161,748 | 498,741 | 590,964 |
| Expenditure on: | | | | | |
| Raising funds | 8 | 35,324 | - | 35,324 | 37,820 |
| Charitable activities: | 9 | | | | |
| Publications | | 116,407 | 15,000 | 131,407 | 166,020 |
| Events and Festivals | | 134,504 | 101,990 | 236,494 | 245,225 |
| Advancement of Knowledge | | 173,281 | 44,758 | 218,039 | 206,994 |
| Total expenditure | | 459,516 | 161,748 | 621,264 | 656,059 |
| Net income / (expenditure) before net gains / (losses) on investments | | (122,523) | - | (122,523) | (65,095) |
| Net gains / (losses) on investments | | 16,804 | - | 16,804 | 19,050 |
| Net income / (expenditure) for the year | 11 | (105,719) | - | (105,719) | (46,045) |
| Transfers between funds | | - | - | - | - |
| Net movement in funds | | (105,719) | - | (105,719) | (46,045) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 426,696 | - | 426,696 | 472,741 |
| Total funds carried forward | | 320,977 | - | 320,977 | 426,696 |

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The detailed 2016 comparative statement of financial activities is reported in note 2.

The notes on pages 17 to 27 form part of these financial statements

THE ROYAL AFRICAN SOCIETY

Charity Number: 1062764

Royal Charter Number: RC000440

**BALANCE SHEET
AT 31 DECEMBER 2017**

| | Note | 2017 £ | 2017 £ | 2016 £ | 2016 £ |
|--|------|----------------|-----------------------|----------------|-----------------------|
| Fixed assets: | | | | | |
| Tangible assets | 15 | | - | | - |
| Investments | 16 | | 231,249 | | 214,445 |
| | | | <u>231,249</u> | | <u>214,445</u> |
| Current assets: | | | | | |
| Debtors | 17 | 51,351 | | 124,147 | |
| Cash at bank and in hand | | 109,465 | | 141,637 | |
| | | <u>160,816</u> | | <u>265,784</u> | |
| Liabilities: | | | | | |
| Creditors: amounts falling due within one year | 18 | 71,088 | | 53,533 | |
| Net current assets | | | <u>89,728</u> | | <u>212,251</u> |
| Total assets less current liabilities | | | <u>320,977</u> | | <u>426,696</u> |
| Total net assets | 21 | | <u><u>320,977</u></u> | | <u><u>426,696</u></u> |
| Funds | | | | | |
| Restricted funds | 20 | | - | | - |
| Unrestricted funds: | | | | | |
| General funds | 20 | 320,977 | | 426,696 | |
| Total unrestricted funds | | | <u>320,977</u> | | <u>426,696</u> |
| Total funds | | | <u><u>320,977</u></u> | | <u><u>426,696</u></u> |

Approved by the trustees on 30th April 2018 and signed on their behalf by:



Zeinab Badawi
Chair



Innes Meek
Treasurer

The notes on pages 17 to 27 form part of these financial statements

THE ROYAL AFRICAN SOCIETY
Charity Number: 1062764
Royal Charter Number: RC000440

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

| | 2017 £ | 2016 £ |
|--|-----------------|------------------|
| Net cash provided by / (used in) operating activities | (40,065) | (234,740) |
| Cash provided by investing activities | | |
| Interest and income from investments | 7,893 | 8,267 |
| Change in cash and cash equivalents in the year | (32,172) | (226,473) |
| Cash and cash equivalents at the beginning of the year (analysed below) | 141,637 | 368,110 |
| Cash and cash equivalents at the end of the year (analysed below) | 109,465 | 141,637 |

Reconciliation of net income / (expenditure) to net cash flow from operating activities

| | 2017 £ | 2016 £ |
|--|------------------|------------------|
| Net income / (expenditure) for the reporting period | (105,719) | (46,045) |
| (as per the Statement of Financial Activities) | | |
| adjusted for: | | |
| Interest and income from investments | (7,893) | (8,267) |
| Gains on investments | (16,804) | (19,050) |
| (Increase)/ decrease in debtors | 72,796 | (79,510) |
| Increase/ (decrease) in creditors | 17,555 | (81,868) |
| Net cash provided by / (used in) operating activities | (40,065) | (234,740) |

Analysis of cash and cash equivalents

| | At 1 January 2017 £ | Cash flows £ | At 31 December 2017 £ |
|---|------------------------------|--------------------|--------------------------------|
| Bank current account and cash in hand | 30,496 | 30,023 | 60,519 |
| Deposits (less than three months' notice) | 111,141 | (62,195) | 48,946 |
| Total cash and cash equivalents | 141,637 | (32,172) | 109,465 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1 ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), with the Charities Act 2011, and with UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Charities SORP (FRS 102) rather than Charities SORP 2005- Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Going concern

The accounts are prepared on a going concern basis after consideration by the trustees that there are no material uncertainties about the charity's ability to continue as a going concern. Such consideration includes a review of committed income and expenditures, cash flows and reserves. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Grants, donations and support from sponsors are recognised as income in the year in which the donor states the funds should be expended. Where no such statement is made the income is recognised in the year in which it is receivable.

Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

Journal income is recognised on an accruals basis under a publishing agreement. The right to income is recognised on receipt of an agreed Profit and Loss account from the publisher.

Members' subscriptions, received to further charitable activities, are recognised in the membership year they are receivable.

Investment income is recognised when receivable and the amount can be measured reliably by the charity.

d) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. Volunteer time is not recognised as income.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1 ACCOUNTING POLICIES ... continued

e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are funds which the donor has specified are to be used solely for particular areas of the charity's work or for specific projects being undertaken by the charity. Where insufficient restricted funds are received to finance a specific charitable activity in full the trustees have the discretion to permit the use of unrestricted funds to cover any shortfall.

f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs, including allocated support costs, incurred in seeking voluntary income in the form of donations and legacies. Costs incurred seeking funding to support charitable activities through grants, sponsorship and membership subscriptions were previously included in the costs of raising funds but are now recognised as a cost of the specific charitable activity to which they relate. The previous year's comparative figures have been restated accordingly (see Note 2).
- Expenditure on charitable activities comprises the costs, including allocated support costs and the costs of seeking funding, of producing and distributing the Journal and other publications, organising various cultural events, and undertaking other educational activities to advance knowledge in line with the charity's objects.

Costs which are attributable to a specific activity are charged directly to that activity. Costs which are shared between a number of specific activities are charged directly to those activities based on the amount of time or usage incurred in undertaking each of the specific activities.

g) Allocation of support and governance costs

Support and governance costs are incurred to further the work of the charity but are not incurred directly for raising funds or carrying out charitable activities. These costs, which are analysed in the notes to the Financial Statements, are allocated between the cost of raising funds and expenditure on charitable activities based on the weighted average amount of time undertaken by the charity as a whole on those categories of expenditure.

h) Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment – 33% straight line.
Computer equipment – 33% straight line.

Individual fixed assets costing below £1,000 are not capitalised.

i) Intangible assets

Although such assets provide economic benefit to the charity over several financial periods the costs of purchasing, internally generating or developing items such as brands, logos, websites and computer databases or other support systems are not capitalised as intangible assets but are charged as expenditure in the statement of financial activities as incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

1 ACCOUNTING POLICIES ... continued

j) Fixed asset investments

Investments which will not mature within 12 months of the Balance Sheet date are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted price. Any change in fair value is recognised in the statement of financial activities.

k) Debtors

Trade debtors are stated in the Balance Sheet at the invoiced amount (including VAT) after recognising any provisions for doubtful debts which are judged on a case by case basis.

Accrued income is recognised where funds in respect of the financial period being reported have been received or invoiced after the Balance Sheet date. Prepayments are recognised where payments, in respect of future financial periods have been made prior to the Balance Sheet date

l) Current asset investments

Cash on deposit and cash equivalents with a maturity of less than one year but more than three months which are held for investment purposes rather than to meet short-term cash commitments are recognised as current asset investments, initially at their transaction value and subsequently measured at their fair value as at the Balance Sheet date.

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors

Creditors and provisions are recognised at their invoiced amount including VAT. Accruals are based on agreed costs (excluding VAT) for services received prior to the Balance Sheet date but not invoiced before that date; where an expense has not been agreed and estimate of the final settlement amount (excluding VAT) is made.

Deferred income representing grants, donations and sponsorship support received in advance of the financial period for which a donor has stated the funds should be expended is recognised at the settlement value received.

o) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

Employees are "auto enrolled" into a defined contribution pension scheme from which they may opt out. The charity's only liability is the monthly contribution calculated as a proportion of the employee's qualifying earnings during the period of employment at the charity. The cost of such contributions is recognised as a staff cost and charged directly or allocated to the cost of raising funds or expenditure on charitable activities in line with the policies described in notes 1(f) and 1(g) above.

THE ROYAL AFRICAN SOCIETY

Charity Number: 1062764

Royal Charter Number: RC000440

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

2 Detailed comparatives for the statement of financial activities

| | 2016 | 2016 | 2016 |
|--|---------------------|-------------------|-----------------|
| | Unrestricted | Restricted | Total |
| | £ | £ | £ |
| Income from: | | | |
| Donations and legacies | 162,500 | - | 162,500 |
| Charitable activities: | | | |
| Publications | 216,671 | 15,750 | 232,421 |
| Events and Festivals | 14,348 | 87,351 | 101,699 |
| Advancement of Knowledge | 71,532 | 7,878 | 79,410 |
| Other trading activities | 6,667 | - | 6,667 |
| Investment income | 8,267 | - | 8,267 |
| Total income | 479,985 | 110,979 | 590,964 |
| Expenditure on: | | | |
| Raising funds | 37,820 | - | 37,820 |
| Charitable activities: | | | |
| Publications | 146,294 | 19,726 | 166,020 |
| Events and Festivals | 154,374 | 90,851 | 245,225 |
| Advancement of Knowledge | 199,116 | 7,878 | 206,994 |
| Total expenditure | 537,604 | 118,455 | 656,059 |
| Net income / (expenditure) before net gains / (losses) on investments | (57,619) | (7,476) | (65,095) |
| Net gains / (losses) on investments | 19,050 | - | 19,050 |
| Net income / (expenditure) for the year | (38,569) | (7,476) | (46,045) |
| Transfers between funds | - | - | - |
| Net movement in funds | (38,569) | (7,476) | (46,045) |
| Reconciliation of funds: | | | |
| Total funds brought forward | 465,265 | 7,476 | 472,741 |
| Total funds carried forward | 426,696 | - | 426,696 |

Change to previously reported 2016 figures

In order to comply fully with Charities SORP (FRS 102), expenditure on raising funds for charitable activities is reported from 2017 onwards as a cost of those activities. In previous years such costs had been reported as "Expenditure on Raising funds." Accordingly, to ensure comparability, the 2016 figures in these financial statements have been restated from those previously reported:

| | 2016 | Reporting | 2016 |
|--------------------------|-------------------|------------------|-----------------|
| | Originally | Change | restated |
| | Reported | | |
| | £ | £ | £ |
| Expenditure on: | | | |
| Raising funds | 69,994 | (32,174) | 37,820 |
| Charitable activities | 586,065 | 32,174 | 618,239 |
| Total Expenditure | 656,059 | - | 656,059 |

THE ROYAL AFRICAN SOCIETY

Charity Number: 1062764

Royal Charter Number: RC000440

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

3 Income from donations and legacies

| | Unrestricted | Restricted | 2017 Total | 2016 Total |
|----------------------------------|---------------|------------|---------------|----------------|
| | £ | £ | £ | £ |
| Gifts | | | | |
| Donations | | | | |
| Prudential plc | 15,000 | - | 15,000 | 20,000 |
| Standard Chartered Bank | 12,500 | - | 12,500 | 12,500 |
| Shell International | 5,000 | - | 5,000 | 5,000 |
| Unilever NV | 5,000 | - | 5,000 | 5,000 |
| Individuals (including Gift Aid) | 4,010 | - | 4,010 | - |
| Garfield Weston Foundation | - | - | - | 100,000 |
| Diageo plc | - | - | - | 15,000 |
| Investec | - | - | - | 5,000 |
| | <u>41,510</u> | <u>-</u> | <u>41,510</u> | <u>162,500</u> |

4 Income from charitable activities

| | Unrestricted | Restricted | 2017 Total | 2016 Total |
|--|----------------|----------------|----------------|----------------|
| | £ | £ | £ | £ |
| Publications | | | | |
| Subscriptions from the Journal | 173,098 | - | 173,098 | 176,418 |
| Secondary rights and other Journal income | 24,249 | - | 24,249 | 39,697 |
| Grants | - | 15,000 | 15,000 | 15,750 |
| Sales income & fees | 250 | - | 250 | 556 |
| Total Publications | <u>197,597</u> | <u>15,000</u> | <u>212,597</u> | <u>232,421</u> |
| Events and Festivals | | | | |
| Grants | - | 83,090 | 83,090 | 73,150 |
| Support from sponsors | - | 18,900 | 18,900 | 14,201 |
| Admission charges to events | 16,785 | - | 16,785 | 12,664 |
| Sales income and fees | 1,697 | - | 1,697 | 1,684 |
| Total Events and Festivals | <u>18,482</u> | <u>101,990</u> | <u>120,472</u> | <u>101,699</u> |
| Advancement of Knowledge | | | | |
| Members' Subscriptions | | | | |
| Large Corporate | 28,650 | - | 28,650 | 25,000 |
| Small Corporate | 6,475 | - | 6,475 | 13,366 |
| Individual | 22,856 | - | 22,856 | 33,099 |
| Grants | - | 39,862 | 39,862 | - |
| Support from sponsors | - | 4,896 | 4,896 | 7,945 |
| Admission charges to events | 5,253 | - | 5,253 | - |
| Sales income and fees | 1,610 | - | 1,610 | - |
| Total Advancement of Knowledge | <u>64,844</u> | <u>44,758</u> | <u>109,602</u> | <u>79,410</u> |
| Total income from charitable activities | <u>280,923</u> | <u>161,748</u> | <u>442,671</u> | <u>413,530</u> |
| 2016 | <u>302,551</u> | <u>110,979</u> | <u>413,530</u> | |

THE ROYAL AFRICAN SOCIETY

Charity Number: 1062764

Royal Charter Number: RC000440

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5 Income from other trading activities

| | Unrestricted | Restricted | 2017 | 2016 |
|--|---------------------|-------------------|--------------|--------------|
| | £ | £ | Total | Total |
| | | | £ | £ |
| African Studies Association of the UK | | | | |
| Fee from ASUK for administrative support | <u>6,667</u> | <u>-</u> | <u>6,667</u> | <u>6,667</u> |

6 Income from investments

| | Unrestricted | Restricted | 2017 | 2016 |
|--------------------------------------|---------------------|-------------------|---------------------|---------------------|
| | £ | £ | Total | Total |
| | | | £ | £ |
| Bank interest | 911 | - | 911 | 1,799 |
| Investment income | <u>6,982</u> | <u>-</u> | <u>6,982</u> | <u>6,468</u> |
| Total Income from investments | <u>7,893</u> | <u>-</u> | <u>7,893</u> | <u>8,267</u> |

7 Support and Governance Costs

| | Support costs | Governance Costs | 2017 | 2016 |
|--|-----------------------|-------------------------|-----------------------|-----------------------|
| | £ | £ | Total | Total |
| | | | £ | £ |
| Staff costs | 73,391 | 13,507 | 86,898 | 90,573 |
| Accountancy fees | 7,360 | 10,945 | 18,305 | 19,000 |
| AGM, Council and Trustee expenses | - | 2,050 | 2,050 | 2,142 |
| Audit fee | - | 3,500 | 3,500 | 3,500 |
| Director's expenses | 20,210 | - | 20,210 | 5,786 |
| Employee related expenses | 3,079 | - | 3,079 | 5,971 |
| Office costs | 13,771 | - | 13,771 | 7,696 |
| Website costs | 9,888 | - | 9,888 | 9,169 |
| Sundry expenses | 6,886 | - | 6,886 | 3,667 |
| Support costs allocated to governance activities | <u>(4,667)</u> | <u>4,667</u> | <u>-</u> | <u>-</u> |
| Total Support and Governance Costs | <u>129,918</u> | <u>34,669</u> | <u>164,587</u> | <u>147,504</u> |
| 2016 | <u>111,193</u> | <u>36,311</u> | <u>147,504</u> | |

All costs (including shared staff costs assigned on an assessment of employee time) which can be identified as having been incurred for a specific activity are reported as a direct cost of that activity. Remaining support and governance costs are allocated between the charity's activities on the basis of the weighted average staff time spent on each activity, as follows

| Allocation of Support and Governance Costs | Support costs | Governance Costs | 2017 | 2016 |
|---|-----------------------|-------------------------|-----------------------|-----------------------|
| | £ | £ | Total | Total |
| | | | £ | £ |
| Cost of raising funds | 6,145 | 1,640 | 7,785 | 7,360 |
| Charitable activities | | | | |
| Publications | 20,603 | 5,498 | 26,101 | 35,575 |
| Events and Festivals | 42,940 | 11,458 | 54,398 | 38,242 |
| Advancement of Knowledge | <u>60,230</u> | <u>16,073</u> | <u>76,303</u> | <u>66,327</u> |
| Total Support and Governance Costs | <u>129,918</u> | <u>34,669</u> | <u>164,587</u> | <u>147,504</u> |

THE ROYAL AFRICAN SOCIETY

Charity Number: 1062764

Royal Charter Number: RC000440

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

8 Expenditure on cost of raising funds

| | Unrestricted | Restricted | 2017 Total | 2016 Total |
|---|---------------|------------|---------------|---------------|
| | £ | £ | £ | £ |
| Staff costs | 22,209 | - | 22,209 | 23,810 |
| Consultancy & communication | 5,330 | - | 5,330 | 6,650 |
| Support costs (see note 7) | 6,145 | - | 6,145 | 5,766 |
| Governance costs (see note 7) | 1,640 | - | 1,640 | 1,594 |
| Total expenditure on cost of raising funds | 35,324 | - | 35,324 | 37,820 |

9 Expenditure on Charitable Activities

| | Publications | Events and Festivals | Advancement of Knowledge | 2017 Total | 2016 Total |
|---|----------------|----------------------------|-----------------------------|----------------|----------------|
| | £ | £ | £ | £ | £ |
| Staff costs | 46,138 | 71,007 | 94,563 | 211,708 | 254,026 |
| Publishing expenses | 28,152 | - | 290 | 28,442 | 26,455 |
| Editorial expenses | 22,667 | - | - | 22,667 | 30,712 |
| Consultancy | 2,855 | 24,946 | 24,255 | 52,056 | 44,963 |
| Events & meetings production | - | 57,414 | 15,912 | 73,326 | 72,597 |
| Marketing & public relations | 3,155 | 14,759 | 376 | 18,290 | 21,950 |
| Travel and accommodation | 2,339 | 13,970 | 6,340 | 22,649 | 27,392 |
| Support costs (see note 7) | 20,603 | 42,940 | 60,230 | 123,773 | 105,427 |
| Governance costs (see note 7) | 5,498 | 11,458 | 16,073 | 33,029 | 34,717 |
| Total Expenditure on Charitable Activities | 131,407 | 236,494 | 218,039 | 585,940 | 618,239 |
| Being | | | | | |
| Restricted Funds | 15,000 | 101,990 | 44,758 | 161,748 | |
| Unrestricted Funds | 116,407 | 134,504 | 173,281 | 424,192 | |
| | 131,407 | 236,494 | 218,039 | 585,940 | |
| 2016 | | | | | |
| Restricted Funds | 19,726 | 90,851 | 7,878 | 118,455 | |
| Unrestricted Funds | 146,294 | 154,374 | 199,116 | 499,784 | |
| | 166,020 | 245,225 | 206,994 | 618,239 | |

10 Summary expenditure and related income for charitable activities

| | Publications | Events and Festivals | Advancement of Knowledge | 2017 Total | 2016 Total |
|--|---------------|----------------------------|-----------------------------|------------------|------------------|
| | £ | £ | £ | £ | £ |
| Income (note 4) | 212,597 | 120,472 | 109,602 | 442,671 | 413,530 |
| Expenditure (note 9) | 131,407 | 236,494 | 218,039 | 585,940 | 618,239 |
| Net (expenditure) funded by other income and funds brought forward | 81,190 | (116,022) | (108,437) | (143,269) | (204,709) |
| 2016 | 66,401 | (143,526) | (127,584) | (204,709) | |

THE ROYAL AFRICAN SOCIETY

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Royal Charter Number: RC000440

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11 Net income / (expenditure) for the year

| | | |
|--|---------------------|---------------------|
| This is stated after charging / (crediting): | 2017 | 2016 |
| | £ | £ |
| Auditor's remuneration: audit fee | <u>3,500</u> | <u>3,500</u> |

12 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

| | | |
|---|-----------------------|-----------------------|
| Staff costs were as follows: | 2017 | 2016 |
| | £ | £ |
| Salaries and wages | 287,320 | 328,416 |
| National Insurance contributions | 23,915 | 30,309 |
| Contributions to defined contribution pension schemes | <u>9,580</u> | <u>9,684</u> |
| | <u>320,815</u> | <u>368,409</u> |

The following number of employees received employee benefits (excluding employer pension contributions) during the year between:

| | | |
|-------------------|-------------------|-----------------|
| | 2017 | 2016 |
| | No. | No. |
| £60,000 - £69,999 | <u>nil</u> | <u>1</u> |

The total employee benefits including pension contributions of the key management personnel were £99,232 (2016: £106,188).

The trustees were not paid or received any other benefits from employment with the charity in the year (2016: £nil) neither were they reimbursed expenses during the year (2016: £nil). No charity trustee received payment for professional or other services supplied to the charity (2016: £nil).

Staff numbers

The average monthly headcount of staff employed was 9.25 (2016: 9.5) and the average number of full time equivalent employees during the year was as follows:

| | | |
|-----------------------|-------------------|-------------------|
| | 2017 | 2016 |
| | No. | No. |
| Raising funds | 0.2 | 0.2 |
| Charitable activities | 5.3 | 5.8 |
| Support | 2.3 | 2.5 |
| Governance | <u>0.2</u> | <u>0.3</u> |
| | <u>8.0</u> | <u>8.8</u> |

13 Related Parties

There is a reciprocal arrangement between the charity and African Studies Association of the UK (ASAUK) whereby, in collecting members' subscriptions, a proportion is received by each organisation as a subscription on behalf of the other. In 2017 the charity received £5,502 (2016: £8,454) on behalf of ASAUK who received £6,983 (2016: £10,498) on behalf of the charity. The charity also received £6,667 (2016: £6,667) for providing administrative support to ASAUK and paid £nil (2016: £5,000) to support ASAUK charitable activities.

In aggregate the Trustees made unconditional donations to the charity of £3,000 (2016: £nil).

THE ROYAL AFRICAN SOCIETY

Charity Number: 1062764

Royal Charter Number: RC000440

**NOTES TO THE FINANCIAL STATEMENTS
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14 Taxation

The charity is exempt from tax on its charitable activities.

15 Tangible fixed assets

| | | Computer equipment £ | Total £ |
|-----------------------|----------------------------------|----------------------------|---------------------|
| Cost | Balance at 1 January 2017 | 2,282 | 2,282 |
| | Additions in year | - | - |
| | Written off in year | - | - |
| | Balance at 31 December 2017 | <u>2,282</u> | <u>2,282</u> |
| Depreciation | Balance at 1 January 2017 | 2,282 | 2,282 |
| | Charge for the year | - | - |
| | Eliminated on assets written off | - | - |
| | Balance at 31 December 2017 | <u>2,282</u> | <u>2,282</u> |
| Net book value | at 31 December 2017 | <u>-</u> | <u>-</u> |
| | at 1 January 2017 | <u>-</u> | <u>-</u> |

All the above assets are used for charitable purposes.

16 Investments

| | | 2017 £ | 2016 £ |
|-----------------------------------|-----------------------|-----------------------|-----------------------|
| Investments at fair value: | | | |
| COIF Charities income units | - fixed interest fund | 19,928 | 19,983 |
| | - investment fund | <u>211,321</u> | <u>194,462</u> |
| | | <u>231,249</u> | <u>214,445</u> |
| Movements | | 2017 £ | 2016 £ |
| Market value at 1 January | | 214,445 | 195,395 |
| Net gain / (loss) on revaluation | | <u>16,804</u> | <u>19,050</u> |
| Market value at 31 December | | <u>231,249</u> | <u>214,445</u> |

17 Debtors

| | | 2017 £ | 2016 £ |
|----------------|--|----------------------|-----------------------|
| Trade debtors | | 36,772 | 43,449 |
| Other debtors | | 1,714 | 8,632 |
| Prepayments | | 2,818 | - |
| Accrued income | | <u>10,047</u> | <u>72,066</u> |
| | | <u>51,351</u> | <u>124,147</u> |

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18 Creditors: amounts falling due within one year

| | 2017 £ | 2016 £ |
|---|---------------|---------------|
| Deferred income | 25,000 | 1,320 |
| Accruals | 37,289 | 39,590 |
| Taxation and National Insurance contributions | 5,406 | 9,840 |
| Value Added Tax | 2,083 | 1,207 |
| Other creditors | 1,310 | 1,576 |
| | <u>71,088</u> | <u>53,533</u> |

19 Deferred income

| | 2017 £ | 2016 £ |
|---------------------------------------|---------------|--------------|
| Balance at 1 January | 1,320 | 80,000 |
| Amount released to income in the year | (1,320) | (80,000) |
| Amount deferred in the year | 25,000 | 1,320 |
| Balance at 31 December | <u>25,000</u> | <u>1,320</u> |

Deferred income at 1 January 2017 comprised advance ticket sales for the 2017 Africa Writes Festival. Deferred income at 31 December 2017 comprises grants and sponsorship support from organisations which have given funds, all of which are restricted, in 2017 for use in 2018.

20 Movements in funds

| | At 1 January 2017 £ | Income £ | Expend- iture £ | Transfer £ | Other net gains £ | At 31 December 2017 £ |
|---------------------------------|------------------------------|----------------|-----------------------|---------------|----------------------------|--------------------------------|
| Restricted funds: | | | | | | |
| Publications | | | | | | |
| <i>African Arguments</i> | - | 15,000 | 15,000 | - | - | - |
| | - | 15,000 | 15,000 | - | - | - |
| Events and Festivals | | | | | | |
| Africa Writes | - | 35,490 | 35,490 | - | - | - |
| Film Festival | - | 56,000 | 56,000 | - | - | - |
| Business Events | - | 10,500 | 10,500 | - | - | - |
| | - | 101,990 | 101,990 | - | - | - |
| Advancement of Knowledge | | | | | | |
| Africa APPG | - | 3,720 | 3,720 | - | - | - |
| Education Programme | - | 28,396 | 28,396 | - | - | - |
| Public Events | - | 12,642 | 12,642 | - | - | - |
| | | 44,758 | 44,758 | | | |
| Total restricted funds | <u>-</u> | <u>161,748</u> | <u>161,748</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Unrestricted funds: | | | | | | |
| General funds | <u>426,696</u> | <u>336,993</u> | <u>459,516</u> | <u>-</u> | <u>16,804</u> | <u>320,977</u> |
| Total funds | <u>426,696</u> | <u>498,741</u> | <u>621,264</u> | <u>-</u> | <u>16,804</u> | <u>320,977</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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20 Movements in funds ... continued

Purposes of unrestricted funds

Unrestricted funds are expendable at the discretion of the Trustees in furtherance of the Society's objects.

Purposes of restricted funds: Publications

African Arguments:

Miles Moreland provided a £15,000 grant to support development and maintenance of the *African Arguments* website.

Purposes of restricted funds: Events and Festivals

Africa Writes:

The Arts Council was the primary funder of the annual Africa Writes Festival, granting £20,270 with further grants of £5,000 from each of the Sigrid Rausing Trust and the British Council. The British Library also contributed £1,500. There were further donations, in aggregate, of £1,820 and support from sponsors for specific aspects of the event totalling £1,900.

Film Festival:

Grants were provided by several organisations, principally £15,000 from Miles Moreland, £14,000 from the British Film Institute and £10,000 from the British Council. These were supplemented by a £5,000 donation from the Sigrid Rausing Trust together with sponsorship from three corporate partners, totalling £12,000.

Business Events:

One business event during the year was funded by £7,500 from Tullow Group Services Ltd and £2,500 from Ernst & Young LLP. A further £500 was donated for the event.

Purposes of restricted funds: Advancement of Knowledge

Africa All Parliamentary Party Group

£2,000 sponsorship from Brand Communications Ltd and a £1,720 donation from the University of Birmingham contributed to the Group's activities during 2017.

Education Programme

The 2017 programme was funded mainly by grants from the Foyle Foundation (£15,000), the Arts Council (£7,500) and Film London (£3,000). A £2,500 donation from the Patrons' Fund and sponsorship of £396 were also received.

Public Events:

Three public events were organised during 2017 thanks to a £10,000 grant from the British Council and sponsorship support of £2,500 from World Remit Ltd. These contributions were enhanced by small donations made specifically for the event amounting to £142.

21 Analysis of net assets between funds

| | Unrestricted Funds £ | Restricted Funds £ | Total funds £ |
|---|----------------------------|--------------------------|---------------------|
| Tangible fixed assets | - | - | - |
| Investments | 231,249 | - | 231,249 |
| Cash at bank and in hand | 92,342 | 17,123 | 109,465 |
| Other current assets | 41,622 | 9,729 | 51,351 |
| Current liabilities | (44,236) | (26,852) | (71,088) |
| Total net assets at 31 December 2017 | 320,977 | - | 320,977 |