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**Year ended 31 December
2010**
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**Royal
Geographical
Society**
with IBG

Advancing geography
and geographical learning

...

Trustees' Report

and

Consolidated
Financial
Statements

Charity Registration Number 208791

ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

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**TRUSTEES' REPORT TO THE MEMBERS OF THE
ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)**

FOR THE YEAR ENDED 31 DECEMBER 2010

The Council as Trustees of the Society present their statutory report together with the consolidated financial statements of the Society for the year ended 31 December 2010.

Principal aims and activities

The Royal Geographical Society (with the Institute of British Geographers) exists 'for the advancement of geographical science'. It advances and promotes geographical knowledge and understanding of the world around us, locally and globally. Geography is the understanding of social, environmental, and economic processes, and their interactions, as they shape and change places and regions. The Society is a charity (registration number 208791) which exists for public benefit, and which also has a broad-based membership that supports its mission and aims. It was founded in 1830, given a Royal Charter in 1859, and is the most active scholarly geographical society in the world.

Vision

The leading learned and professional body for geography in the world, widely respected for its independence, quality, innovation and for the breadth of its activities promoting and supporting geography as the means for everyone to discover, understand and respect the world's people, places and environments.

Mission

A world centre for geography and geographical learning dedicated to the development and promotion of knowledge together with its application to the challenges facing society and the environment.

Strategic aims

To:

- Promote geographical research and advance geography, nationally and internationally, as a leading discipline enhancing a shared understanding of our interdependent world.
- Promote and enhance the benefits of geographical learning and skills, educating people of all ages for life as local and global citizens in a rapidly changing world
- Promote the wider understanding, relevance and enjoyment of geography, recognising the public's growing thirst for knowledge about our world
- Promote the recognition and understanding of the relevance of geography and geographical information to policy, placing geography firmly in debates about the future of places, environments and communities.
- Promote and develop the Society's membership and staff, supporting its charitable activities and reinforcing the importance of professional standards in geographical knowledge and skills.
- Ensure a sound and growing financial basis, to enable the implementation of the Society's strategy in support of geography.

In directing the activities that deliver the strategic aims, the Council of Trustees confirm that they have complied with their duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales, including the Commission's document 'Charities and Public Benefit' and the new public guidance on the Commission's website issued in December 2008.

Organisation

The Society's 55 staff (as at December 2010) are based at the London headquarters, which provide public access to the Society's collections through the Foyle Reading Room, and to exhibitions and displays in the Pavilion, as well as the 750-seat Ondaatje Theatre and a range of meeting rooms for educational activities, conferences, receptions and other gatherings. The Society has nine regional branches throughout the UK and an affiliated branch in Hong Kong, together with 28 research, study and working groups. Valued volunteer support is received in a range of activities, from conservation conference and administrative support, ambassadors, and committee members.

The Society's affairs are conducted by a Council of elected members of the Society, consisting of a President, immediate past-President, the Chair (a Vice-President) of the Society's Annual Conference, three other Vice-Presidents, an Honorary Treasurer, three Honorary Secretaries, the Chairs of the Information Resources and External Affairs Committees, nine Ordinary members and up to four further members co-opted by Council, one of whom represents post-graduate interests. Research, expeditions and fieldwork, education, general, and regional interests are represented on the Council.

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Organisation (continued)

The Council appoints a Director and Secretary to manage the day-to-day affairs of the Society, to whom the Society's management team, representing the separate Divisions of the Society, report. The structure of permanent working Committees of Council for each of the core activities of the Society (including a Finance Committee chaired by the Honorary Treasurer and supported by several highly-experienced members from commerce and industry), consisting of appropriate senior management, including the Director and Secretary, and representative Council members, ensures that the interests of the Society and of its membership are fully reported to, and are capable of being managed by, the Council. An Inclusion and Social Diversity Sub-Committee also directly advises Council.

The majority of Council Members are nominated and elected by the members at the Annual General Meeting for a three-year term of office, candidates being proposed in writing by at least five or more members. All new Council members are given a comprehensive induction to their responsibilities as trustees of the charity, including to essential elements of the Society's governance, its strategy, and its management of risks, as well as receiving briefings on the Society's activities from the senior management team.

Council Members

The following Council Members (acting as trustees) were in office at the date of this report:

President

Michael Palin CBE

Immediate Past-President

Professor Sir Gordon Conway KCMG DL HonFREng FRS

Vice President and Chair of Annual Conference

Professor Neil Wrigley *

Vice Presidents

Barnaby Lenon (Education)

Professor Heather Viles (Expeditions and Fieldwork)

Professor Michael Bradshaw (Research) *

Honorary Treasurer

Stephen Henwood

Honorary Secretaries

Catrin Woodend (Education)

Professor David Petley (Expeditions and Fieldwork)

Dr Georgina Endfield (Research)

Other Council Members

Benedict Allen *

Michael Ashby

Jamie Buchanan-Dunlop *

Rosie Emeny (Postgraduate representative) *

David Hayman

Dr Vanessa Lawrence CB

Dr Nick Middleton

Professor Susan Owens OBE

Professor Tony Parsons *

Dr John Shears

Major Gen Roy Wood RE

* appointed in June 2010

The following also served as Council Members until June 2010 when they completed their term of office:

Sir Keith Ajegbo

Professor Stuart Lane

Professor David Livingstone

Professor Neil Roberts

Tony Thomas

The Society gratefully recognises the support and assistance that all retiring members of Council have given during their period of office.

Honorary Vice-Presidents

The following are honorary vice-presidents of the Society but are neither Council members nor trustees of the Society:

Professor Eric Brown

Lord Chorley

Professor Sir Ron Cooke DSc

Professor William Mead

Sir Christopher Ondaatje KT CBE

The Earl of Selborne GBE KBE FRS DL

Sir Crispin Tickell GCMG KCVO

Professor Michael Wise CBE MC

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From the President

2010 was the 180th year of the Society's existence. I'm very pleased to say that any fears that after so long we might be running out of energy were dispelled by a year of progress and vigorous activity. It was also my first full year as President and gave me time to appreciate fully the sheer scope of the Society's work and the energy and effort with which it is implemented by our Director, Rita Gardner, and her team of hard-working staff. Spurred on by their example I tried as best I could to bring something of my own to the life and work of the Society in this anniversary year. Introducing many of the Monday lectures and meeting Fellows and Members gave me particular pleasure. It's hugely encouraging that many hundreds of people turn out to hear geography live on a Monday night, and that all Fellows and Members can view most of the lectures online too.

Beside the Monday lectures there are talks throughout the week, with the *21st Century Challenges* discussions being particularly popular. I'm happy to have continued the *Michael Meets* series of occasional conversations in 2010 and, in celebration of twenty years of the Society in the regions, myself and the Director visited Southampton, Leeds and Leicester. We have looked to improve our communications with extra pages in the *Bulletin*, the commissioning of a new history of our headquarters, *The Home of Geography*, and the new, successful format separating the AGM from the Medals and Awards ceremony. Perhaps most importantly, the Society began implementing the new programme of field work and expedition activities agreed in the extensive consultations in 2009.

One of the high points of a busy Presidential year was a fund-raising visit to Hong Kong, culminating in an auction organised by our affiliated branch out there at which lots donated by David Attenborough, Joanna Lumley and many other friends of the Society raised enough money to complete the Presidential Appeal for restoration of the North Face and the creation of a new Members' Room. Both projects will be finished in 2011. In September the public profile of the Society was enhanced by the highly-acclaimed launch of the *Britain From The Air* street exhibition which opened in Bath.

That all these various initiatives and all our regular work should have happened against a background of continued financial uncertainty is a great achievement for our staff. My eternal gratitude too to all those unsung heroes on the committees who do so much to shape the affairs of the Society. And without the continued, magnificent support of our many different funders none of this would have been possible.

The Royal Geographical Society (with IBG) is in robust shape at the end of its 180th year. The challenge now is to keep up the momentum. In the years ahead the Society must continue to encourage travellers to travel and scientists to tell us more about how our planet works. We must continue to demand that governments and education authorities recognise the importance of the discipline in schools and universities. We must all continue to enthuse, excite and educate in the cause of geography.

Michael Palin CBE, President

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From the Director

The Society managed to succeed in a year of deep recession for the third year running. Above all, we sustained our income levels and membership, and ended 2010 with a small surplus on operating activities. We delivered a full range of activities and commenced new ones. We developed an important dialogue 'for geography' with the new government. We raised more funds for projects and completed the President's Appeal for £860,000.

Our success owes much to a hard working staff, careful financial management, innovation, a 'can do' attitude, and leadership. Without our many supporters, be it Fellows and members or businesses and individual donors, the Society could not achieve a fraction of what it does. Indeed it would not survive because we are entirely dependent on the money we raise year on year. We extend heartfelt thanks to all those who make our work possible.

The year was not without its challenges. We faced a very difficult decision over closing the final salary pension scheme. We managed delays in the renovation work on the North Face owing to the weather; we had a new government to get to know, and a relentless workload. The Society's work in policy and advocacy was of particular importance given the speed with which the government started to introduce new proposals. Whether it is the school curriculum, university fees, research funding, or fieldwork and expeditions; geography and geographers will be affected. The Society works to try to ensure the best possible outcomes are achieved because we believe wholeheartedly in the contribution that geography makes to education, research, expeditions and fieldwork, evidenced policy and to a public informed about our changing world.

The many high points in each area of our work can be found on the following pages. Overall in 2010 we reached out to an estimated 6.5 million people. More than 35,000 people attended face-to face events in London and the Society's branches in England and Wales. The Ondaatje Theatre in the Society's headquarters resounded to applause from more than 650 people almost every week for our popular Monday lectures.

Some 30,000 young people in schools in England learned from our Geography Ambassadors. This programme, that opens up young peoples' eyes to the relevance and applications of geography, is now secured until December 2013, thanks to support from new corporate partner Esri UK.

Many international researchers engaged through the Society's three world-leading scholarly journals; 1.3 million articles were accessed online. Some four million people viewed the new *Britain from the Air* exhibition in Bath, making it the most viewed exhibition in Britain. A further one million visits were made to our main website and the Society's various project websites. Almost all activities were open to, and often tailored for, a wide range of public users, as befits our status as a charity. Members welcomed the new ten-year plan to support field research and scientific expeditions, approved in June 2010.

The Society's media profile was high in 2010. This resulted especially from the engaging *Go Beyond* and *Journey of a Lifetime* field projects; the Annual Conference; and the President's launch of *Britain from the Air* street gallery. The last of these reached a potential audience of 25 million with its extensive media coverage.

Dr Rita Gardner CBE, Director

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Highlights of 2010

Policy

- The Society successfully made the case to the Higher Education Funding Council for England (HEFCE) to allocate part-science status for geography in early 2010, with additional funding allocated as a result; and launched a new policy briefing in the House of Commons.

Education

- The £3.8m *Action Plan for Geography* approached completion after five years, having involved more than half of England's secondary schools in face-to-face activities and had 1.25 million user sessions on its website.

Research

- The Society launched a new guide for academics *Communicating beyond the Academy* in light of new agendas for evaluating research impact.

Public

- The Society embarked on new ways of engaging the public with geography through its *Britain from the Air* street gallery and *Hidden Journeys* website, while also developing its *Discovering Places* travel events, *21st Century Challenges* discussion series, and *Be Inspired* collections events.

Grants

- The Society's *Journey of a Lifetime* award, in association with BBC Radio 4, marked ten years of excellent geographical reporting and has reached a potential audience of more than 7.5 million in that time.

House

- Work started on the North Face of Lowther Lodge – the first restoration of the historic façade since it was built in 1874.

Collections

- The Society's Picture Library supplied the Joint Information Systems Committee with more than 6,000 images under licence for its *Digital Images for Education* programme which helps students across the country access important geographical and historical images.

Fellows and members

- Welcomed the consultation and new proposals for the Society's approach to field research and scientific expeditions over the next 10 years.

Regions

- The Regional branches celebrated their 20th anniversary with special evenings led by the President.

Expeditions

- Some 21 early career field researchers from Ecuador, Indonesia and Uganda have benefited from the Shell-funded *International Leadership and Capacity Building* programme which completed its final year in 2010.

Fundraising

- The Society announced a new partnership with Esri UK to support, promote and enhance the *Geography Ambassador* programme.

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Facts and figures

- The national and international media features at the launch of *Britain from the Air* street gallery together reached a potential audience of 25 million; four million people have since seen the exhibition in Bath.
- £250,000 was raised in one evening at a charity dinner held by the Hong Kong branch, completing the £860,000 target for the President's Appeal.
- More than 18,000 enquiries were made of the Society's famous Collections either in the Foyle Reading Room or by catalogue searches online.
- The *Geography in the News* website – a core provision for Schools Members – now provides some 1,800 pages of content for teachers and students.
- The *Geography Outdoors* team provided expert training courses for 340 people.
- Almost 1.3 million articles were accessed from the Society's three leading scholarly journals online.
- The Society has enabled 90 excellent field projects and scientific expeditions in 48 countries, with more than £180,000 of funding.
- Three key policy meetings were held with education Ministers in 2010 to advocate for geography in the curriculum.
- During the year, the Society raised £1,584,000 to support projects and capital work in 2010 and beyond.
- More than 35,000 people attended lectures, conferences, seminars, discussions, interviews and social events in London and the Society's UK regional branches.
- The Society's main website and project micro-sites attracted 968,578 visits in 2010.
- The Society's membership numbers held up well in difficult economic times increasing to more than 15,600.

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Engaging wider audiences

The Society continues to find new and imaginative ways to encourage more people to understand the changing world – its people, places and environments – through geography. The Society launched two new projects in 2010 to help achieve this and developed existing projects. Equally as important, the Society has sustained both the quality and the appeal of its renowned lecture programme, believed to be the largest and most popular in Britain.

Launched in 2010

Britain from the Air launched in Bath in September 2010 to public and media acclaim. This 100-panel street gallery exhibition, designed for public spaces in city centres, aims to celebrate Britain's fascinating landscapes, and to inspire people to explore and to learn more about Britain's geography. Combining breathtaking aerial images with quality interpretation, a public exhibition on this scale was a new venture for the Society. More than four million people viewed the exhibition in Bath. The launch attracted national, international and regional media that reached a potential audience of 25 million. The BBC online slide show was the 'most watched' and 'most shared' feature on the day it went live. The exhibition was developed jointly with street gallery experts WeCommunic8. It was supported by mapping partner the Ordnance Survey; and by Rolex in its role as Corporate Benefactor of the Society's Collections.

Hidden Journeys developed and launched its website in 2010. It seeks to excite people with global geography and personal exploration through travel. Based on the idea of engaging travellers in their journey rather than just their destination, the website is designed for those who love to look out of aircraft windows and want to learn more about the landscapes and societies beneath. The Society plans, in 2011, to explore possible avenues for commercialisation of this product to wider, in-flight audiences.

The Society thanks warmly the private donors who made these two projects possible.

Issues of our time

In its third year, the *21st Century Challenges* discussion series grew significantly in stature and increased audience figures to an average of nearly 400 per event. Intellectually stimulating and attracting the highest calibre of speakers and chairs, all discussions in the series are also freely available to watch online, together with articles and guides to the issues. Short videos giving personal perspectives by a wealth of experts were introduced in 2010 and proved popular. Speakers included Sir Stuart Rose, Chairman of Marks & Spencer; Dame Barbara Stocking, Chief Executive of Oxfam; and David de Rothschild, leader of the *Plastiki* expedition.

Lectures and other events

The Society continued to run a highly popular and stimulating lecture programme. More than 20,000 people attended the 38 London lectures alone, in Kensington and at the City branch held in Clothworkers' Hall. Topics were, as ever, wide ranging, with expert speakers being drawn from academia, the worlds of exploration and field research, the media, travel writers and highly respected commentators. In total, more than 166 lectures, interviews, discussions and social events, almost all public-facing, were held in London, in regional theatres in the UK, and by the Society's nine UK regional branches and overseas affiliated branch in Hong Kong. Thanks are extended to the many volunteers who run the regional programmes and the younger members' programme.

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Projects supported by grants

This year the Society supported more than 300 people from 40 institutions to undertake research in 48 countries. These projects advanced geographical knowledge and at the same time supported the professional development of researchers, travellers and students.

Reflecting the breadth of contemporary geographical research, the projects funded by the Society span a variety of subject areas, methodologies and environments. Senior research and expedition teams led studies of Arctic glaciers (Peter Fleming Award), ocean acidification (Ralph Brown Expedition) and past environments in the southern Kalahari (Thesiger Oman Award).

The independent travel award recipients once again undertook challenging and thought-provoking projects. Nick Hunt's moving BBC Radio 4 *Journey of a Lifetime* followed Indian migrant workers as they returned home from Dubai as a result of the economic crash. The Neville Shulman Challenge Award went to renowned photographer Nick Danziger who travelled to seven of the world's poorest countries documenting the progress of the Millennium Development Goals. Recipients of the Land Rover *Go Beyond* bursary, Fault Line Living, undertook an arduous 12-week, 20,000km journey exploring the realities of life for people living on fault lines in Europe.

Through the Society's Small Research Grants, with additional support from the Engineering and Physical Sciences Research Council, early career researchers studied topics including: flood resilience in the UK; geographies of gender in WWII; and remote sensing in Greenland. The 30th International Geographical Congress Award enabled seven researchers to present their work at a range of international conferences.

Postgraduate geography students were supported through the Hong Kong Branch, Monica Cole, Henrietta Hutton, Geographical Club, Slawson and Postgraduate Research Awards. Topics ranged from studies of the Ghanaian diaspora in the UK, to geographies of crime in China.

Some 33 expedition and fieldwork teams were supported through the Geographical Fieldwork Grants. Projects included studies of the impact of conservation work on mangroves in the Philippines; an investigation of the effect of climate change on glacier margins in Svalbard; and a film-making project in a rural Andean community.

The Society's Innovative Teaching Grants supported seven teachers from schools from Portsmouth to South Shields to create a student geoscience news channel; study the urban environment; and create online multimedia revision aids.

This year saw the first stages of the implementation of recommendations from the research programmes review. Grant-funded research was featured in Monday night lectures, the *Bulletin* and the *Geographical Magazine*. 'From the Field' bursaries, supported by the Goldsmiths' Company, were announced to enable geography teachers to work with Society grant-funded researchers to develop educational resources.

The Society is extremely grateful to all donors for their support and for all reviewers and interviewers who provide the Society with expert guidance.

Full details of recipients and profiles of their work can be found online.

W www.rgs.org/grants

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Education

The Society's education team provides essential support for geography in schools. Through quality online resources, delivering the government-funded *Action Plan for Geography*, or advising students on career opportunities with geography, the Society helps teachers and their pupils achieve high standards.

School membership

The *Geography in the News* website is at the heart of the Society's School Membership programme for secondary schools, whether they are located in the UK or beyond. Its online resources support teachers and their pupils, it helps update their subject knowledge and makes recent research findings accessible for the classroom. *Geography in the News* includes news case studies, 'ask the expert' interviews, online lectures and resources linked to the Society's *21st Century Challenges discussion* series. Resources developed span such topics as the UK's changing rainfall, responses to natural disasters, ice retreat in Greenland and desert landscapes. Resources were developed to accompany the *Britain from the Air* street gallery for primary and secondary schools and they were encouraged to develop their own materials too.

Working with the British Council and Royal Meteorological Society, the Society has provided new resources about the science of climate change, with a focus on national scenarios for the UK, China, Indonesia and Mexico, through the *Climate 4 Classrooms* website. The *Discovering the Arctic* website received the Geographical Association (GA)'s Silver Award for "its range of high quality resources and learning activities" and developments continued online at *Discovering Antarctica*. These popular polar websites are developed with the British Antarctic Survey and Scottish Association for Marine Science, and funded by the Foreign and Commonwealth Office.

Action Plan for Geography

The *Action Plan for Geography* (APG), run jointly and equally with the GA and supported by the Department for Education, continued its successful development in 2010, its final full year. The APG's website, *Geography Teaching Today*, received 300,000 use sessions. Meanwhile, the continuous professional development (CPD), Chartered Geographer (Teacher), fieldwork and Geography Ambassadors programmes were expanded. Since the APG started in 2006 the Society has established 40 CPD networks supporting teachers through a range of local meetings and events, fieldwork opportunities and online materials. During 2010, almost 2,000 teachers took part in these networks which included training on the new GCSE specifications, Geographical Information Systems (GIS), controlled assessment and advice on using the Olympic site and other locations for fieldwork. Many of these networks are led by a local Chartered Geographer (Teacher) providing the opportunity for them to share their good practice with their peers and promote this accreditation. The Society was pleased to see applications for CGeog (Teacher) continue throughout 2010.

Through the Geography Ambassadors programme, more than 1,200 presentations about the relevance of geography to further study and careers were provided to about 30,000 pupils. Having started in 2006 with visits to just ten schools, the programme has grown rapidly and now covers all nine English regions and recruits Ambassadors from 47 universities and many geographically-related professions. The work of the Ambassadors was also complemented by an 'options time' letter from President Michael Palin highlighting to parents and young people the importance of geography at GCSE and A Level.

In November, Esri UK, a leading provider of GIS technologies, became a Corporate Partner to the Society's Geography Ambassadors programme. This partnership will support the programme for three years, develop a new GIS strand and involve Esri UK staff as Ambassadors. Dr Richard Waite, Managing Director Esri UK said: "Now that GIS is part of the national curriculum, there has never been a better time for us to bring our expertise into the Geography Ambassadors programme. Working with the Society means we are helping the next generation of geographers to become the problem solvers of the future."

Recognising excellence in school geography

Central to the Society's work with schools is promoting good practice, and the Society took pride in recognising the achievements, through the 'Excellence awards', of the 19 pupils who achieved the highest marks in the 2010 geography GCSE and A Level examinations. In addition, Innovative Teachers Grants were awarded to seven secondary schools (page 6).

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Education (continued)

The annual Young Geographer of the Year competition, run with *Geographical Magazine*, attracted more than 700 entries on this year's theme, "the future of forests". The 15 highly-commended entries, three category winners, their parents and teachers attended an awards ceremony at the Society, with their prizes awarded by Benedict Allen, one of Britain's leading adventurers.

At the Society's AGM, geography teachers Adrian Taylor, St Mary's RC High School, Chesterfield, and Helen Young, Friary School, Lichfield, were both recognised with the Ordnance Survey Awards for their excellence in geography teaching.

The year also marked the retirement of Judith Mansell, who in 1999 was appointed as Education Officer, the Society's first staff post in education. Her work made a significant contribution to the Society's educational programme.

W www.rgs.org/schools

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Expeditions and fieldwork

The Society believes in the importance of supporting fieldwork and scientific expeditions at every level: from local fieldwork, to overseas scientific expeditions by undergraduates, and advanced international research projects. Whether people want to plan, join, or lead fieldwork or an expedition, the Society provides a wide range of expert advice and training.

Advice and training

The *Geography Outdoors* team receives an average of 500 emails per month requesting further information about fieldwork and expeditions. During 2010 they also met with several hundred Fellows and members to provide individual advice, including putting members in touch with regional experts, providing contacts to international field centres, health and safety advice and encouraging the use of the Society's Collections in planning. Mountaineers, photographers, conservationists and biologists have joined geographers to receive advice this year.

Geography Outdoors also provided guidance on risk assessment, safety management and emergency response planning for the 29 student expeditions that received the Society's Geographical Fieldwork Grants. Members of these expeditions undertook work in Armenia, Borneo, Ecuador, Iceland, Kazakhstan, Nepal, New Guinea, Madagascar, Peru, the Philippines, South Africa, Svalbard, and Tanzania. The Expeditions Database, an online resource that contains information on more than 10,000 planned and past expeditions, continues to be a key resource.

Some 340 people attended one of the 20 training courses run in 2010. These courses include Land Rover driving, offsite safety management, Geographical Information Systems for expeditions and fieldwork, wilderness medicine, British Standard 8848 training and Educational Visits Coordinators' training. A new humanitarian mapping course was piloted with Map Action. Drawing together the Society's experience of supporting gap year students, the Society published an online gap year planning toolkit.

International Leadership and Capacity Building (ILCB)

The Society's three-year International Leadership and Capacity Building project, kindly supported by Royal Dutch Shell plc, was completed in 2010. This project has helped to mentor and support 'early career' researchers from Ecuador, Indonesia and Uganda to undertake field research relevant to the Millennium Development Goals, particularly the theme 'ensuring environmental sustainability'. ILCB bursaries to 21 researchers were combined with a programme of online support, international networking and capacity building with a range of non-governmental organisations and international research and university partnerships. Field research included:

- Conservation of the brown-headed spider monkey in Ecuador.
- Indigenous ethno-botanical resources in Indonesia
- Biodiversity conservation in Uganda.

Over its three years this project has published 1,400 pages of online guidance which helps other field researchers develop their projects. Visitors have accessed these resources from many countries including Benin, Cameroon, China, Bangladesh, Ecuador, Ethiopia, India, Indonesia, Kenya, Nigeria, South Africa, Tanzania and Uganda.

Much of this activity was new for the Society, extending its work beyond the predominant support for UK researchers undertaking research overseas. The experience has provided an opportunity for the Society to pilot and develop this approach on an international scale.

Explore 2010

This year's expeditions and fieldwork planning weekend, *Explore*, was opened with an inspiring lecture by Pen Hadow and Chip Cunliffe of the Catlin Arctic Survey, and Dr Helen Findlay whose own research into ocean acidification on the same expedition was supported by the Society's Ralph Brown Award.

Some 350 people attended *Explore*, with students joining the event from the universities of Bristol, Brighton, Edinburgh, Exeter, Imperial College London, King's College London, Leeds, Loughborough, Oxford, and Southampton and St George's Medical School. *Explore* included an outstanding range of 90 speakers and panelists who shared their experience and expertise. This event also continued its tradition of encouraging the next generation of field researchers, with a number of students who had recently received Society grants returning to give fascinating presentations about their work.

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Expeditions and fieldwork (continued)
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Inspiring young people through fieldwork

Whether travelling to Australia or Zanzibar, the Society has provided support for disadvantaged young people to undertake geographically-focused overseas travel and fieldwork through the *Learning and Leading* programme. It uses fieldwork and travel to inspire and motivate young people who would not normally have the opportunity to undertake such studies.

Supported with grants and mentors, the 'gap scholars' enhanced their geographical knowledge, enthusiasm, and planning skills while travelling to 33 countries. The programme's 'undergraduate research apprentices', who are supported by an academic mentor, undertook a wide range of fieldwork including research on a major fault zone in Spain, forest dynamics in Peru, nitrogen deposition in Greenland and Somerset's glacial palaeoenvironments.

In addition, the programme provided weekend courses for teachers and a summer school in Snowdonia for pupils who had not previously undertaken high quality fieldwork.

W www.rgs.org/go

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**FOR THE YEAR ENDED 31 DECEMBER 2010
(continued)**

Research and higher education

The Society was actively involved in promoting geography in higher education and in the creation and dissemination of new knowledge through research groups, conferences, workshops and publication of scholarly journals and books. Geographical research into cultures, economies and environments brings improved understanding of the world and solutions to many challenges facing society and the environment. Field projects the Society was involved in are reported separately (p.9).

Enabling networks of knowledge

The Society's Annual International Conference is the largest international meeting of academic geographers in Europe and one of the largest in the world. This year, chaired by Professor Neil Wrigley, plenary speakers Richard Florida (University of Toronto), David North (Tesco plc), and Lord Paul Boateng all spoke to the theme *Confronting the Challenges of the Post-Crisis Global Economy and Environment*. Concurrently, at the Society, the British Society for Geomorphology celebrated its 50th anniversary discussing *Grand challenges for the next 50 years*. The two events attracted 1,200 delegates with more than 25% from overseas.

The Society's 28 specialist research groups remained as active as ever. They organised themed sessions for the Annual Conference and independent workshops and conferences; awarded prizes to recognise outstanding student research; and published working papers, themed volumes of journals, books and book reviews. Events were held on any different topics including urbanism, fieldwork, disability and ageing, and finance after the recent crisis.

Postgraduate involvement with the Society continued to grow. A highly successful mid-term conference held at the University of Aberystwyth by the Postgraduate Forum attracted more than 90 delegates from 30 universities.

Hundreds of geography undergraduates from universities across the UK visited the Society in London to view the Collections, learn more about the work of the Society and to benefit from advice about careers with geography. A further 40 geography students carried out work placements at the Society. The *Study Geography* website was re-launched with more resources about studying geography at university, careers and employability, and advice on applying for jobs.

At a time when the academic community is being encouraged to engage wider audiences with their work, the Society launched a new guide *Communicating Research Beyond the Academy*. This brings together perspectives from academics and users of geographical research in government, business, education, schools and the media, to illuminate examples of good practice in communicating academic research to wider audiences. The guide is accompanied by a wide range of online case studies.

An authoritative voice in higher education

The Society continued to be very actively involved in advocacy (p.17) to influence the standing, funding for both research and teaching, and future of the discipline in higher education. Of particular note was the success with the Higher Education Funding Council's recognition of the part-science nature of geography in early 2010, with some additional research funding allocated.

Efforts continue to ensure the full level of funding follows, that the high teaching cost elements of geographical training are recognised and met, and that the high employability of geographers and the importance of their skills, knowledge and expertise to the UK economy is widely understood.

Regular communications through email and the *Geobyte* newsletter kept the geography higher education community informed of new initiatives in higher education, schools and policy agendas more generally. National and international liaison continued with other societies including the International Geographical Union, Association of American Geographers and Association for Geographic Information.

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Research and higher education (continued)
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Scholarly publications

The Society's three leading international journals, *Area*, *The Geographical Journal (GJ)* and *Transactions of the Institute of British Geographers (TIBG)*, enhanced by a new web presence on Wiley Online Library, continued to showcase cutting-edge academic research in geography. *WIREs Climate Change*, published in partnership with Wiley-Blackwell and the Royal Meteorological Society, joined them for its first full year.

Area and *GJ* enjoyed their first year under new editors, Professors Kevin Ward and Klaus Dodds, respectively. *Area* co-editor Louise Bracken successfully completed her editorial term, with 40% of the papers published in the year focused on physical geography. *GJ* saw the first of more policy-orientated papers published. *TIBG* compiled a virtual issue on 'Geomorphology' highlighting the journal's long-standing relationship with the development of this field.

The *RGS-IBG Book Series* published books on migration, urban homelessness, economy and society in post-socialist cities, and upland peat.

Professional Geographers

Membership of the Society's professional accreditation, Chartered Geographer (CGeog), continued to grow. More professionals with expertise in Geographical Information Systems (GIS) were accredited in 2010 than in any previous year.

CGeog is a qualification for those who demonstrate competence, experience, and professionalism in the use of geographical skills and knowledge in the workplace.

W www.rgs.org/rhed

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Information services and resources

The Society's nationally-significant Collections comprise more than two million documents, maps, images, periodicals, artefacts and books, spanning 500 years of geography, travel and exploration. New public audiences continued to be attracted to the Society through exhibitions, showcases and afternoon lectures. The Society has strengthened its relationship with academic and school audiences too as researchers and students are encouraged to delve into the rich resources for their studies.

The Society also marked, with gratitude, the bequest of the diaries of Sir Peter Scott, CH, CBE, DSC, FRS (1909-89).

Foyle Reading Room

In 2010, some 6,375 individuals used the Foyle Reading Room with a further 1,740 'remote' research enquiries answered. More than 10,000 online catalogue searches were made and visits increased to new online image galleries. These included a Northwest Passage showcase and Ricci's 'Kunyu Wanguo Quantu': the map that used geographical knowledge from the East and West to provide a combined view of the world in 1602.

Collections-based talks by the Foyle Reading Room staff are now a regular feature of the Society's wider public engagement programme. In 2010 audiences were enthralled by displays including 'The search for the source of the Nile' and 'Mapping Britain'. More than 1,300 visitors used Collections materials at these events. Many attended courses to learn how best to use the resources, and late opening (until 8.30pm) was added on selected Monday nights, accompanied by a lecture-themed Collections display.

Be Inspired

The *Be Inspired* talks have shown many new users the potential of the Collections; whether to enhance historical geography research or to inform contemporary activities such as travel planning. A range of distinguished speakers included: Jan Faull, *An Introduction to Early Mountain Cinematography*; and Dr Nicola J. Thomas, University of Exeter, *Knowing the Libyan Desert*.

Exhibitions

This year saw a diverse programme in the Society's Exhibition Pavilion. In the spring, the Society hosted *In the footsteps of Isabella Bird*, an exhibition of 100 photographs charting the Victorian explorer's journeys, curated by Professor Kiyonori Kanasaka FRGS of Kyoto University, complemented by maps and other items from the Collections.

Celebrating the 50th anniversary of the British Society for Geomorphology (BSG), *The Changing Face of the Earth* exhibition showed how analysis and understanding of the Earth's land surface has changed during the last 50 years.

The Society's Collections of more than a million maps and atlases provided inspiration for artists Agnès Poitevin-Navarre and Susan Stockwell who created *The Creative Compass* exhibition funded by Arts Council England, and Westminster Arts.

The Society was delighted to receive a grant from the Museums, Libraries and Archives Council's Designation Development Fund to support *Rediscovering African Geographies*. This exhibition, to show in spring 2011, is being developed in partnership with African community organisations.

The Society's exhibitions toured 10 venues, including schools, around Britain from London to Cleveland.

W www.rgs.org/collections

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Policy, communications and the media

The Society has had an active and effective year in advocating for geography in the face of policy changes from the Coalition Government, and in positioning itself with newly-elected policy makers. The Society has also strengthened its communications team's work, promoting both the Society and the discipline more broadly through press and new media.

Advocacy for geography

During 2010 proposals emerged, among others, to review the English school curriculum; introduce the English Baccalaureate; raise university fees; reduce government funding for university teaching and introduce an impact factor in the evaluation (and ultimately funding) of research in higher education. All will potentially affect the standing, funding and uptake of geography – the essential subject for anyone wishing to understand the world.

In response, the Society's Director and Vice-President for Education engaged in dialogue with Nick Gibb MP (Schools Minister) and the Rt Hon Michael Gove MP (Secretary of State for Education), respectively. The Society was pleased the government has focused on a subject-based approach, with geography included as one of the core traditional subjects. The dialogue and work in this area will undoubtedly increase in 2011.

The Society has been equally active in its advocacy for geography in higher education, including effective dialogue with senior civil servants at the Higher Education Funding Council for England (p.14). After community consultation, the Society also responded strongly with recommendations as to sub-panel configuration, members and Chair for the next Research Excellence exercise.

Making the case for geography

To support the Society's advocacy work, Autumn 2010 saw a new series of case studies produced demonstrating where and how geographical research is having an impact on policy, economy and quality of life. The first eight included flood defence, the census, and regeneration. **W** www.rgs.org/makingthecase

Other policy work included a day-long Environment and Society Forum seminar, *Drinking spaces and places*, and a new policy briefing, *Consumption controversies: Alcohol policies in the UK* launched in the House of Commons by Kevin Barron MP. Policy events examined green space and mental health and, with the Government's Foresight Programme, water resources and land use. **W** www.rgs.org/policy

Communications and media

Initiatives to develop communications with Fellows, members and the wider public continued, including a new front section of short articles in the *Bulletin*. A communications strategy for proactive media was implemented and will continue in 2011. **W** www.rgs.org/media

Media coverage is one of the highest of any learned society. There was particular interest in the high profile launch (p.8) of *Britain from the Air* where a BBC online slideshow of it was the 'most read' and 'most shared' story during the launch day. The Annual Conference also featured in national print, radio and television.

Online activity

Website visitors increased, and style and content was improved in many areas including the members' area (visitors up 17%). The main website and project micro-sites attracted nearly a million visits. A new Facebook page and Twitter feed stimulated more website visits and event bookings.

W www.facebook.com/rgs.ibg

W www.twitter.com/rgs_ibg

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Recognising excellence: medals and awards 2010

The Society's Medals and Awards have recognised excellence in the breadth of geographical research, practice and public promotion since the foundation of the Society in 1830.

The two Royal Medals (The Founder's and Patron's Medals) are among the highest international accolades. They are awarded for 'the encouragement and promotion of geographical science and discovery'.

In 2010 Her Majesty the Queen approved the award of the Royal Medals as follows.

Founder's Medal

Professor Diana Liverman

'for encouraging, developing and promoting understanding of the human dimensions of climate change'

Patron's Medal

Jack Dangermond

'for promoting geographical science through the development of Geographical Information Systems'

The Society's Council made the following awards:

Victoria Medal

Professor Rick Battarbee

'for research in environmental change'

Busk Medal

Professor Ann Varley

'for field research in Mexico'

Cherry Kearton Medal & Award

Frans Lanting

'for wildlife and nature photography'

Murchison Award

Professor Gerard Kearns

'for publications in historical geography'

Back Award

Professor Chris Hamnett

'for policy-relevant research in housing, social change and inequality'

Cuthbert Peek Award

Dr Jerome Lewis

'for the innovative use of GIS in empowering indigenous communities'

Gill Memorial Award

Dr Colin McFarlane

'for contributions to urban geography'

Ordnance Survey Awards (two awards)

Adrian Taylor

Helen Young

'for excellence in teaching geography at secondary level'

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Recognising excellence: medals and awards 2010 (continued)

Taylor & Francis Award

Professor Martin Haigh

'for excellence in teaching and learning in geography in higher education'

Ness Award

Professor Iain Stewart

'for popularising geography and earth sciences'

Geographical Award

MapAction

'for providing non-commercial mapping support to disaster relief efforts worldwide'

Alfred Steers Dissertation Prize (two awards)

Joseph Jenkinson

Lucy Stapleton

'for the undergraduate geography dissertations judged to be the best in 2009'

Area Prize

Edmund Harris

'for the best article in the journal by a new researcher'

Special Medal

Geographical Society of China

'in recognition of the Society's centenary'

Regional Anniversary Awards

Hokey Bennett-Jones North West region

Michael Hand East Anglia region

Brian Hogg Yorkshire and North East region

Brian Hoyle Southern region

Geoff Parkes West of England and South Wales region

'in recognition of the 20th anniversary of the Society's regional programme, the Society's Council approved a number of Regional Anniversary Awards. These awards recognise key individuals who have led or been highly influential in the growth of the regional committees and their activities over many years.'

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Development and enterprise

Fundraising and commercial enterprise, together with membership subscriptions and income from operating activities, provide the Society's main sources of income. Despite the recession, fundraising continued well in 2010. In enterprise work, the Society developed its endeavours in travel-related activities and sustained other income streams, including house lettings.

Development

There were notable fundraising successes in 2010 that enabled the Society to exceed by some margin the capital and recurrent fundraising targets for the current strategy, 2006-2010. In total, the Society fund raised £1,584,000 to support work in 2010 and beyond, bringing the total raised from 2006-2010 to £5.84 million.

The four Corporate Benefactors kindly continued to support operating activities in selected departments (p.24), contributing £200,000.

Esri UK became a new Corporate Partner, committing essential support to enable the Society's thriving Ambassador programme to continue once government funding for it comes to an end in early 2011. Royal Dutch Shell plc completed the third and final year of its funding for the International Leadership and Capacity Building project.

Thanks to a new major private donation, the *Discovering Britain* project went live in 2010 for three years. Additional support from a private donor also enabled the *Hidden Journeys* project to develop prior to exploring commercial opportunities. A number of smaller projects were also funded.

The President's Appeal that started in August 2009, was completed by June 2010 and raised a total of £860,000. Thanks go to all the members who donated; Viridor Credits, the Wolfson Foundation and a number of smaller foundation donors; and to the combined efforts of the President, the Hong Kong branch of the Society, staff at Lowther Lodge and donations of time from a number of celebrity Fellows who, between them, raised more than £250,000 in a fundraising dinner and auction in May.

Enterprise activity

The Picture Library continued to develop its themed collections of modern and historical photographs. In 2010, the Society received the very generous donation of 30,000 slides of Northern Europe and Greenland. The John Watson Collection now complements the Society's existing photographic holdings for these regions. A Life Fellow, Leila Ingrams, kindly donated more than 200 lantern slides capturing East Africa, taken by her parents Doreen and William Harold Ingrams, in the 1920s.

Many publishing projects that draw on the Collections came to fruition during the year, providing a much welcomed source of licensing income to the Society.

This year saw the delivery of a series of new commercial hires for the Exhibition Pavilion, with free access to featured works. Subjects ranged from Isabella Bird's international travels to Chilean Patagonia.

The Society continued to develop its informed travel events for the membership and wider public. Supported by tourism boards, events relating to travel destinations as diverse as Greenland, Ethiopia, Namibia and Tunisia were held during the year. The Society's own *Discovering Places* travel event series added three new destinations with Colombia, Libya, West Bengal and Sikkim.

W www.rgs.org/travel

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Membership and house

Membership of the Society, which is open to anyone with an enthusiasm for learning about the world, its peoples, cultures and environments, enables individuals and organisations to become part of a diverse geographical community. Fellows and members support the Society's work to advance geography, both financially and intellectually. The Society's 'Home of Geography', Lowther Lodge, is both the core meeting place for the Society's London-based events and activities, and a heavily-used venue for hire which provides income for the Society's charitable activities.

Membership

In a continually difficult external environment, where the competition for individuals' attention and scarcer personal resources intensified, it was heartening that membership figures held up well in 2010, with total membership, including schools, increasing to more than 15,600. All individual member categories showed resilience, the Young Geographer membership in particular showing good growth to reach over 1,100 members, while more than 200 former members rejoined in the year. The response to new corporate member packages introduced in the year was limited and renewed focus will be given to this area in 2011. Recognising the Society's continued progress in broadening the range and scope of its activities, and in developing new opportunities to connect with members the Society continued to encourage members to complete the simple registration process that enables access to the Members' Only section of the website, where additional resources, including a new 'informed travel' section and online Monday night lectures can be found.

House

The Society's Grade II* listed building, Lowther Lodge, is the subject of a new booklet, *Home of Geography*, produced in the year with the generous support of the President, as well as writer John Price Williams and designer Ian Chilvers.

The Ondaatje Theatre, one of London's largest purpose-built lecture theatres, remains a sought after location for hire, supported by other spaces for breakout and meetings, the Foyle Reading Room, and the Pavilion. The first of the projects supported by the President's Appeal, the renovation of the North façade, commenced in late summer, and is scheduled to be completed and unveiled in mid-April 2011. Works to transform the old library on the 1st floor into a Members' Room will take place over the summer 2011.

This year saw continued intensive use of the building, both for the Society's own purposes for lectures, conferences, debates, training courses, school visits, workshops, seminars, and more, and as a popular venue for hire by external parties. Clients are attracted by the facilities, the character of the spaces, and the welcome and support offered by the house team. The room-hire business held up well despite the loss of a few public sector-funded clients later in the year. The Society continues to encourage members who work in the corporate sector in particular to raise awareness of the Ondaatje Theatre and other rooms with colleagues, thus helping to protect this important revenue stream for the Society's activities.

W www.rgs.org/venuehire

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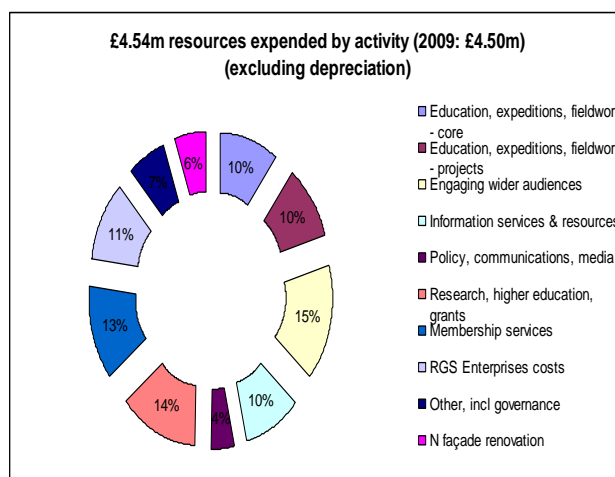
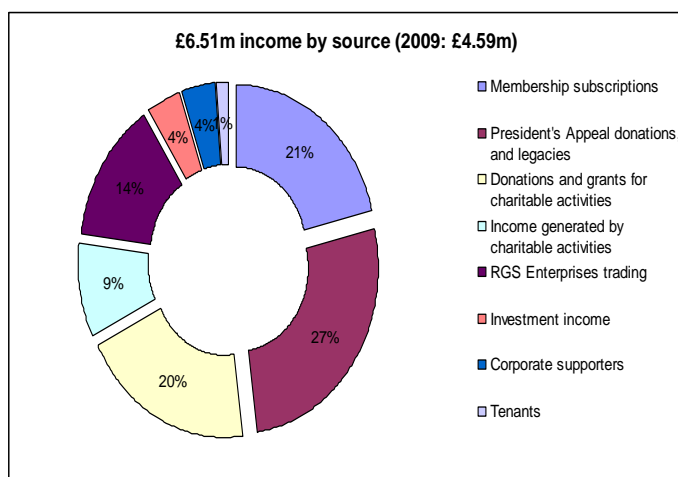
Financial review

As with 2009, the Society took a cautious approach to 2010, aiming to continue to deliver the full range of its activities on a break-even budget. The out-turn on the unrestricted General Fund was a little better, a surplus of £41,000 (2009: £41,000), before taking into account a second year of uplift in investment valuations, and deterioration in the FRS17 pension fund deficit.

Membership headcount held up well given the external environment, generating additional income of £28,000 over 2009 from modest subscription rate increases. But the boost to 2009's income from a one-off Gift Aid 'catch up' campaign was not capable of being repeated, so total income from membership fell from £1,421,000 to £1,383,000. RGS Enterprises saw improving fortunes in its commercial Picture Library sales, as traditional book publishing and advertising customers returned after two years in recession. The Lettings business had a strong year, though not quite reaching the peak turnover of 2009, whilst the income from developing travel-related activity fell short of budget as national tourism boards curtailed or deferred planned events.

The year's incoming resources across all funds totalled £6,513,000 (2009: £4,591,000) and included substantial monies received for Designated and Restricted purposes for the current and future years. The first of the pie charts shows the principal sources of income. Inflows represent fundraising successes for specific charitable projects (£755,000), primarily for *Discovering Britain* and *Hidden Journeys*, and in support of the President's Appeal (£520,000). Legacy receipts totalled £1,216,000 (2009: £51,000), held as Designated Funds pending Council's determination of the appropriate utilisation of monies in accordance with the terms of the relevant wills.

Whilst incoming resources may fluctuate significantly from one year to the next from the outcome of planned fundraising for projects, and from legacy receipts, total resources expended tend to exhibit a more stable pattern across successive years, as they do between 2009 and 2010. The second of the pie charts illustrates the allocation of 2010's total expenditure, excluding depreciation, in delivering the Society's activities. Only the percentage spend in the Education area shows any significant change (reduction) over 2009, as Government-funded projects such as the *Action Plan for Geography II* come closer to contracted completion dates, and others such as the *Who Do We Think We Are?* project were completed. The year's spend includes £250,000 (2009: £nil) on the renovation of the North façade of Lowther Lodge, the first of the works supported by the President's Appeal.



The movement in the Consolidated Balance Sheet over the year, an increase in net assets of £1,590,000 (2009: £146,000 decrease), combines income, expenditure, investment valuation, and pension items as taken through the Consolidated Statement of Financial Activities. As well as project and legacy income noted above, the other principal factors affecting the movement in the year were: regular annual depreciation charges of £307,000 for the capital costs of the *Unlocking the Archives* project, and the refurbishment of the Ondaatje Theatre in 2001; positive investment returns in the year (£401,000): and further deterioration (£422,000) in the FRS17 pension deficit. As reported in 2009, the latest (July 2008) formal actuarial valuation of the Society's final salary pension scheme generated a funding deficit of £1,596,000, a significant debt burden on the Society. Council's response to this difficult

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Financial review (continued)

issue, caused by factors outside of the Society's control, has been, firstly, to commit to the repayment of the deficit with four lump sum payments totalling more than £2 million over the next five years; and, secondly, so as to limit the future risks to the Society, to close the scheme to future service accrual for active scheme members in 2010.

The Consolidated Balance Sheet shows the extent to which the Society's resources are restricted as to their use: Restricted Funds, including those for the new projects referred to above, are subject to donor-imposed conditions; the Designated Research and New Initiatives Funds represent the amounts raised from the Society's Capital Appeal to members, the express purposes of which were set out at the time of the Appeal; Other Designated Funds have been set aside by Council for specific purposes, but may be called upon for general purposes; and the General Fund, net of the pension liability, is the Society's 'free' reserves in support of its general charitable purposes.

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Corporate support

The Society appreciates the longstanding support that it receives from the corporate sector, whether in helping the Society's core activities to thrive or in funding specific projects.

Corporate Benefactors

The Society's four Corporate Benefactors each identify with specific areas of the Society's core work and valued support for them.

Land Rover renewed its support for the Society's outreach work in fieldwork and expeditions through *Geography Outdoors*, including the provision of a Freelander vehicle for visits to schools, colleges, and field centres. A third year of additional £10,000 support and use of a Land Rover for the *Go Beyond* bursary fostered inspirational exploration. In 2010, a small team exploring fault line living 'travelled beyond their normal limits and boundaries'.

Ordnance Survey continued its support of the Society's work to strengthen geography at school. A particular focus on mapping and its use by the public came through Ordnance Survey's engagement with the *Britain from the Air* street gallery. The large format UK 'walk on map' made for a popular feature of the exhibition.

Rolex supports the Collections work, including the curation of the picture library, and activities that use the Collections to engage and inform the public. These include the free exhibitions in the Pavilion at the Society's headquarters in London, and those loaned to schools and local public spaces around the country. Rolex's support was also recognised through the *Britain from the Air* exhibition.

Trailfinders supports activities that promote the wider understanding, relevance and enjoyment of geography, and for knowledge about the world through informed travel. In addition, as part of its 40th Anniversary celebrations, Trailfinders kindly supported the President's Appeal with a donation of £10,000, and a further donation of one per cent of all revenues from travel bookings made by Society members.

Corporate Partners

Corporate partners support the Society through the funding of major projects or programme activities that form part of the Society's strategic plan.

Esri UK, the leading provider of GIS technology, has agreed to support the *Geography Ambassadors* Programme for three years from 2011. The Programme, first established under the *Action Plan for Geography* (p.10), inspires young people with geographical knowledge through classroom visits from Ambassadors. Esri UK will add its own GIS specialists to the Ambassadors team.

Royal Dutch Shell plc completed its support of the International Leadership and Capacity Building project (p.12) this year. The Society would like to take this opportunity to thank the company for its long term support of the Society's capacity building, fieldwork and advisory activities as delivered through *Geography Outdoors*.

Corporate Friend

NYK Line completed its fifth and final year as a Corporate Friend, kindly supporting the *Geography in the News* website that delivers topical and quality education resources to schools and teachers.

W www.rgs.org/corporatesupporters

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Other supporters

The Society received valuable assistance during the year from many individuals, members, and organisations in a range of capacities. People gave what time and money they could afford and all supporters are warmly thanked for their important contributions, however large or small.

Owing to space limitations, not everyone can be mentioned. Those listed below have given substantial support in cash, kind or advice in 2010. Details of corporate supporters are on page 24, and a full list of all supporters can be found on the website. The Society would also like to thank those who provided support in earlier years for projects which are now taking place, those who have chosen to remain anonymous, and the members of our Development Advisory Board for their advice and support during the year. **W** www.rgs.org/supportus

List of supporters and sponsors:

Education

British Antarctic Survey
The British Council
British Foreign & Commonwealth Office
The Department for Education
Royal Meteorological Society
Training and Development Agency for Schools

Exhibitions

Arts Council England
Museums, Libraries and Archives Council
Westminster Arts

Geography Outdoors

Impact
Land Rover Experience
Learning and Leading project supporter
Nomad Travel

Grants

Engineering and Physical Sciences
Research Council
Fleming family (PF Charitable Trust)
The Goldsmiths' Company
The Gumby Corporation
HM Qaboos, Sultan of Oman
Mark Humphreys
Land Rover
John Pilkington and the BBC
Neville Shulman
Paul and Mary Slawson
Rio Tinto plc

Information services and resources

National Association of Decorative and Fine Arts
Societies

Legacies received

Estate of Alan D Falk
Estate of J C Jewell
Estate of Kenneth H Lavender
Estate of Marian K Tebben
Estate of John Watson
Estate of Ronald E Wood
Estate of Kenneth A Wright

Membership services

Cotswold Outdoors
Nomad Travel Store
Phillip's Publishing
Stanfords Maps and Books

President's Appeal

29th May Charitable Trust
Auction prize donors
Priscilla Campbell Allen
Ian Chilvers
Michael J D Davies
Fellows and members in general
Mike Gooley Trailfinders Charity
In memory of Bill Hankinson
Members of Royal Geographical Society (with IBG)
Hong Kong
Stuart Mitchell
Sir Christopher Ondaatje
PF Charitable Trust
The Bernard Sunley Charitable Foundation
Viridor Credits Environmental Company
John Price Williams
The Wolfson Foundation

Public engagement

Britain from the air/Discovering Britain project supporter
The Clothworkers' Company
W David Lyons/Skunkworks Enterprises Limited
Simon Murray

Research and higher education

Wiley-Blackwell Publishing

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Looking ahead

Next year's work will combine forward planning with the ongoing careful management of resources and risks in the current recession. All core charitable activities will continue and the Society will be making the case for geography as the UK government plans and implements new policies. Those policies will indirectly affect many of the Society's areas of activity and the communities with which it works.

The Society has come through the current recession remarkably well so far thanks to a hard-working staff, sound planning and management, and a team spirit that copes well under relentless pressure. The Society's income, while sometimes hard won, has been robust overall, helped by the fact that it is spread across a number of different sources. High levels of activity have been maintained across all departments and a number of new projects have been funded and are in the process of being developed. Membership numbers have been stable; even increasing a little in some categories.

It is anticipated that 2011 and 2012 may be tougher years. As the combination of recession and politics bites deep into the public sector, it brings risks for the Society's house lettings customer base in particular. The statutory sources of grant funding for work with schools will almost certainly fall away. Membership numbers may be affected, but it is recognised that the Society has a loyal membership and that many will understand the need to help support their Society through these uncertain times. Securing the continuing support of existing Corporate Benefactors and Partners and introducing a new Corporate Friends programme will also be essential in 2011 to maintain income levels.

The coming year will undoubtedly be a year in which the Society is called upon heavily to advocate for geography in order to secure its position on many fronts in light of the proposed changes to the school curriculum, university funding, research impact and access to field studies. The Society will be called upon too to demonstrate the relevance of geography to young people and parents in a 'high university fee' world. The consequences of all of these changes coming together, and coming fast, could be far reaching for the discipline and its practitioners in years to come.

Another key area of activity in 2011 will be in formulating the Society's third strategic plan 2012 - 2016. This will, hopefully, see the Society out of the recession, although uncertainties of timing will demand flexibility in the plan and its implementation schedule. It is a major exercise, including consultations with committees, staff, the membership and a number of external stakeholders during the year. A particular focus will be on ways to increase, in a sustainable manner, the Society's outreach and regular income by making good use of technology to reach new audiences.

The Society should be celebrating too, as both the conservation of the North Face of Lowther Lodge and the Members' Room will be completed during the year. It will be the first time for several decades that the membership has a dedicated room in which to relax, meet and network. It is hoped this added feature will be of especial use to Fellows and members who visit from outside London. Add to this the fact that the redevelopment of Exhibition Road will be completed at the north end, making a big improvement for all who visit. It promises to be both an exciting and demanding year.

**TRUSTEES' REPORT TO THE MEMBERS OF THE
ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)**
FOR THE YEAR ENDED 31 DECEMBER 2010
(continued)

Contact Details

Royal Geographical Society (with IBG)

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Director and Secretary Development and Marketing Policy and Public Affairs Public Engagement & Programmes	Dr Rita Gardner CBE director@rgs.org development@rgs.org policy@rgs.org , press@rgs.org , webmaster@rgs.org events@rgs.org
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Finance and Services House Office and Lettings Information Technology Membership Office	David Riviere finance@rgs.org house@rgs.org it@rgs.org membership@rgs.org
Grants	grants@rgs.org
Research and Higher Education Annual Conference Chartered Geographer Research Groups and general Scholarly Journals	Dr Catherine Souch rhed@rgs.org ac2011@rgs.org cgeog@rgs.org rhed@rgs.org journals@rgs.org
The current regional coordinators are: Chair of the Regions Cheshire and North Wales East Anglia Midlands Northern Ireland North West Southern South West West and South Wales Yorkshire and North East	David Hayman David Parsons Mike Hand Martin Haslett Steve Royle Robin Ashcroft John Leonard Chris Brightman Kathryn Monk Sam Watson
Royal Geographical Society (with IBG) Hong Kong	Rupert McCowan

**TRUSTEES' REPORT TO THE MEMBERS OF THE
ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)**

FOR THE YEAR ENDED 31 DECEMBER 2010
(continued)

Major policies of the Society

(a) Reserves

The General Fund comprises those monies that may be used towards meeting the charitable objectives of the charity at the discretion of the Council. The General Fund is regarded as an expendable endowment but investments held by the Fund are only realised in the event of any specific cash constraints. A Pension Reserve Fund, established in 2005 under the requirements of FRS17 on accounting for pension costs (see Note 27 to the financial statements) represents the actuarial surplus or deficit as calculated at each financial year end on the Society's defined benefit pension scheme. Other funds have been analysed in accordance with the Charity Commission guidelines between Unrestricted Designated and Restricted Funds, there being no permanent endowment.

The Unrestricted Designated Funds are monies set aside out of the General Fund and designated for specific purposes by the Council in line with the Society's strategy.

Restricted Funds are classified between restricted income and restricted expendable endowment funds, there being no permanent endowment. These funds are monies raised for, or donations and legacies received, subject to donor-imposed expectations or conditions. Restricted income funds will over time be drawn upon in full for the purposes for which they were established; expendable endowment funds consist of invested capital balances, the income from which is used for restricted purposes.

(b) Investments

The investment objective of the Society's investment portfolios representing the General Fund, Ralph Brown Memorial Fund for Expeditions, Research and New Initiatives Appeal Fund, and Trust Funds is to achieve a balanced return from a broadly diversified blend of assets, with a moderate risk profile. The specific composition of the funds is orientated towards the long term with a spread of exposures in the UK and the wider global market. The investment funds are managed under contract by Newton Investment Management Ltd and Ruffer LLP within the above objectives and certain investment parameters, and with a responsible investment policy. The policy states that "The Council of the Society starts from the premise that its principal overall responsibility is always to act in the best interests of the charitable objectives of the Society. So far as the Society's investment policy is concerned, the Council believes that companies that clearly depart from acceptable environmental, human rights, social, moral or commercial policies are unlikely in the longer term to produce sustained growth in shareholder value. The Society endeavours to avoid material investment in such companies." Reports from Ethical Investment Research Services are obtained in monitoring compliance with the responsible investment policy. The Society's Investment Sub-Committee meets three times a year to review the performance of the funds with the investment manager and to report to the Finance Committee and Council.

Risks

The Society operates systems of internal control designed to provide reasonable, but not absolute, assurance against material misstatement or loss. These include:

1. The identification and management of key risks: governance and management; operational; financial; compliance; and environmental and external. These are reviewed throughout the year by the Society's management team and Finance Committee, and a risk register formally reviewed by the Trustees annually
2. A strategic plan and an annual budget approved by the Society's management team, Finance Committee and Trustees
3. An implementation plan agreed with the Trustees for the delivery of the strategy
4. Regular review by the management team, Finance Committee and Trustees of the financial results against budget, with input as appropriate from the Society's major divisional Committees
5. The delegation of authority at appropriate operating levels; controls over the ordering of, and payment for, goods and services; and the segregation of duties.

The Society seeks at all times to evaluate the financial and other consequences of committing to new projects and activities, as it believes that heightened risk is created during periods of significant change.

**TRUSTEES' REPORT TO THE MEMBERS OF THE
ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)**

FOR THE YEAR ENDED 31 DECEMBER 2010
(continued)

Other legal and administrative information

Bankers:

HSBC plc
94 Kensington High Street
London W8 4SJ

Investment Managers:

Newton Investment Management Ltd
Bank of New York Mellon Centre
160 Queen Victoria Street
London EC4V 4LA

Ruffer LLP
80 Victoria Street
London SW1E 5JL

Solicitors:

Cripps Harries Hall
Wallside House
12 Mount Ephraim Road
Tunbridge Wells
Kent TN1 1EE

CMS Cameron McKenna
Mitre House
160 Aldersgate Street
London EC1A 4DD

Auditor:

Baker Tilly UK Audit LLP
1st Floor, 46 Clarendon Road
Watford
Herts WD17 1JJ

**TRUSTEES' REPORT TO THE MEMBERS OF THE
ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)**

**FOR THE YEAR ENDED 31 DECEMBER 2010
(continued)**

Statement of trustees' responsibilities
--

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 1993, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They 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.

Auditor

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

By order of the Council

Stephen Henwood
Honorary Treasurer

11 April 2011

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE
ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)**

We have audited the financial statements of Royal Geographical Society (with The Institute of British Geographers) for the year ended 31 December 2010 on pages 32 to 61. 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 Society's trustees as a body, in accordance with the Charities Act 1993. Our audit work has been undertaken so that we might state to the Society's trustees 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 Society and the Society's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 30 the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. 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 (APB'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 APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and Society's affairs as at 31 December 2010 and of their 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 1993.

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 1993 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is not consistent with the financial statements; or
- the Society has not kept sufficient accounting records; or
- the Society's 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.

BAKER TILLY UK AUDIT LLP
Statutory Auditor
Chartered Accountants
1st Floor, 46 Clarendon Road
Watford
Herts WD17 1JJ

Date: 27 April 2011

ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (SOFA)
FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	Unrestricted General Fund £'000	Unrestricted Designated Funds £'000	Restricted Funds £'000	Total 2010 £'000	Total 2009 £'000
Incoming resources						
Incoming resources from generated funds:						
Voluntary income:						
Membership subscriptions	2	1,381	2	-	1,383	1,421
Donations and legacies	3	43	1,216	1,368	2,627	435
Activities for generating funds:						
Turnover of RGS Enterprises	7	1,104	-	-	1,104	1,077
Investment income	4	80	62	113	255	243
Incoming resources from charitable activities	5	957	26	66	1,049	1,323
Other incoming resources:						
Tenants' rents and service charges		95	-	-	95	92
Total incoming resources		<u>3,660</u>	<u>1,306</u>	<u>1,547</u>	<u>6,513</u>	<u>4,591</u>
Resources expended						
Costs of generating funds:						
Costs of generating voluntary income	1 d)	139	-	10	149	133
Trading: costs attributable to RGS Enterprises	7	486	-	-	486	512
Investment management costs		11	14	14	39	38
Charitable activities	8 a)	2,922	46	1,134	4,102	4,011
Governance costs	8 b)	83	-	-	83	135
Other resources expended:						
Costs attributable to tenancies		43	-	-	43	40
Total resources expended		<u>3,684</u>	<u>60</u>	<u>1,158</u>	<u>4,902</u>	<u>4,869</u>
Net incoming/(outgoing) resources before transfers		-24	1,246	389	1,611	-278
Transfers						
Gross transfers between Funds:						
Unrestricted Designated Funds	16	3	-3	-	-	-
Restricted Funds	16	55	-18	-37	-	-
Life Fund	16,19 f)	7	-7	-	-	-
Net incoming/(outgoing) resources before other recognised gains/(losses)		41	1,218	352	1,611	-278
Other recognised gains/(losses)						
Gains on investment assets	22 b)	105	135	161	401	636
Actuarial loss on defined benefit pension scheme	27	-422	-	-	-422	-504
Net movement in Funds		<u>-276</u>	<u>1,353</u>	<u>513</u>	<u>1,590</u>	<u>-146</u>
Reconciliation of Funds						
Total Funds brought forward		674	2,593	9,843	13,110	13,256
Total Funds carried forward		<u>398</u>	<u>3,946</u>	<u>10,356</u>	<u>14,700</u>	<u>13,110</u>

*All of the Society's operations are continuing. There were no recognised gains or losses other than those stated above.
The notes on pages 36 to 61 form an integral part of these financial statements.*

ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2010

	Notes	2010 £'000	2010 £'000	2009 £'000	2009 £'000
Fixed Assets	11		7,167		7,467
Investments	12		5,239		4,838
Current Assets					
Publication Stocks		5		10	
Debtors and Payments in Advance	13	683		778	
Cash on Deposit		3,854		1,853	
Cash at Bank and in Hand	14	<u>96</u>	4,638	<u>178</u>	2,819
Current Liabilities					
Creditors and Accruals	15		<u>-805</u>		<u>-808</u>
Net Current Assets			3,833		2,011
Net Assets before Pension Scheme					
Liability			16,239		14,316
Defined Benefit Pension Scheme Liability	27		<u>-1,539</u>		<u>-1,206</u>
Net Assets			<u>14,700</u>		<u>13,110</u>
Represented by:					
Unrestricted General Fund			1,937		1,880
Pension Reserve	27		<u>-1,539</u>		<u>-1,206</u>
			398		674
Unrestricted Designated Funds:					
Research Fund	17	738		679	
New Initiatives Fund	18	1,144		1,054	
Other Funds	19	2,007		800	
Research Groups Funds		<u>57</u>	3,946	<u>60</u>	2,593
			4,344		3,267
Restricted Funds – Income Funds:					
Ondaatje Theatre Fund	20 a)	957		1,046	
Unlocking the Archives Fund	20 b)	4,968		5,207	
President's Appeal	20 c)	515		255	
Special Purposes Funds	20 d)	<u>1,552</u>	7,992	<u>1,127</u>	7,635
Restricted Funds – Other:					
Research Funds	21 a)	715		660	
Trust Funds	21 b)	<u>1,649</u>	2,364	<u>1,548</u>	2,208
Total Funds			<u>14,700</u>		<u>13,110</u>

Approved by Council and authorised for issue on 11 April 2011 and signed on its behalf by:

Michael Palin (President)

Stephen Henwood (Honorary Treasurer)

The notes on pages 36 to 61 form an integral part of these financial statements

ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)

SOCIETY BALANCE SHEET
AS AT 31 DECEMBER 2010

	Notes	2010 £'000	2010 £'000	2009 £'000	2009 £'000
Fixed Assets	11		7,154		7,449
Investments	12		5,239		4,838
Current Assets					
Publication Stocks		5		10	
Debtors and Payments in Advance	13	607		631	
Cash on Deposit		3,854		1,853	
Cash at Bank and in Hand	14	<u>69</u>	4,535	<u>176</u>	2,670
Current Liabilities					
Creditors and Accruals	15		<u>-689</u>		<u>-641</u>
Net Current Assets			3,846		2,029
Net Assets before Pension Scheme Liability			16,239		14,316
Defined Benefit Pension Scheme Liability	27		<u>-1,539</u>		<u>-1,206</u>
Net Assets			<u>14,700</u>		<u>13,110</u>
Represented by:					
Unrestricted General Fund			1,937		1,880
Pension Reserve	27		<u>-1,539</u>		<u>-1,206</u>
			398		674
Unrestricted Designated Funds:					
Research Fund	17	738		679	
New Initiatives Fund	18	1,144		1,054	
Other Funds	19	2,007		800	
Research Groups Funds		<u>57</u>	3,946	<u>60</u>	2,593
			4,344		3,267
Restricted Funds – Income Funds:					
Ondaatje Theatre Fund	20 a)	957		1,046	
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Restricted Funds – Other:					
Research Funds	21 a)	715		660	
Trust Funds	21 b)	<u>1,649</u>	2,364	<u>1,548</u>	2,208
Total Funds			<u>14,700</u>		<u>13,110</u>

Approved by Council and authorised for issue on 11 April 2011 and signed on its behalf by:

Michael Palin (President)

Stephen Henwood (Honorary Treasurer)

The notes on pages 36 to 61 form an integral part of these financial statements

**ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)**

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	2010 £'000	2009 £'000
Net cash inflow/(outflow) from operating activities	23	1,737	-111
Returns on investments	24	248	251
Capital expenditure and financial investment	25	-66	-61
Increase in cash		<u>1,919</u>	<u>79</u>
Reconciliation of net cash flow to balance of cash at bank and in hand and cash held on deposit			
Change in cash		1,919	79
Cash held at 1 January		2,031	1,952
Cash held at 31 December		<u>3,950</u>	<u>2,031</u>

ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

1 Accounting Policies

(a) Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the inclusion of investments at market value. Applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities (Revised 2005)" ('SORP 2005') issued in March 2005 have been followed in the preparation of the financial statements.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary company Royal Geographical Society Enterprises Ltd on a line by line basis. A separate detailed SOFA is not presented for the charity itself following the exemptions afforded by paragraph 397 of SORP 2005. However, in compliance with Charity Commission expectations, a summary SOFA for the charity itself is presented in Note 10 below, with the turnover and resources expended for RGS Enterprises in the consolidated SOFA replaced in the charity's SOFA by the amount of the Gift Aid income payable to the charity by RGS Enterprises. A separate balance sheet of the charity, i.e., excluding the separate assets and liabilities of RGS Enterprises, is presented in compliance with applicable accounting standards.

The Trustees confirm that at the time of approving the financial statements, there is a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. In arriving at this conclusion the Trustees have taken account of current and anticipated financial performance in the current economic conditions, and the Society's reserves position. For this reason, the going concern basis continues to be adopted in the preparation of the Society's financial statements.

(b) Trading in support of the Society's charitable activities

Commercial trading activities in support of the Society's charitable activities are carried out by the subsidiary company Royal Geographical Society Enterprises Ltd. The income and expenditure of the company is shown as two rows in the SOFA because the nature of those activities is different from the remainder of the Society's operations. The cash flows of the company are not disclosed separately, but are included within the Consolidated Cash Flow Statement.

(c) Incoming resources

Membership subscription income is accounted for on an accruals basis. Amounts received in the year in respect of life subscriptions are taken to the Life Composition Fund. Each year a transfer is made back to the General Fund, equal to one tenth of the Life Fund balance, to finance general expenditure.

Grants and sponsorship receivable are credited to the SOFA in the period to which they relate. Amounts deferred to future accounting periods as a result of conditions imposed by the funder, or received in advance of the estimated value of work to which the grant relates being carried out, are included as deferred income in the balance sheet.

Donations and legacies are credited to the SOFA in the year in which they are received. No financial value has been placed on the support given to the Society by way of volunteer assistance and donations due to the difficulties of attributing an economic value to such support.

Investment income consists of dividends and distributions from the investment portfolios, and interest earned on bank deposits and current accounts. Dividends from the holdings in the M&G Charifund are credited to the SOFA when received by the investment manager. In respect of all other investments, excluding the holding in the Barclays Bank plc Protected Equity-Linked Securities, 3.5% (2009: 3.0%) of the value of the respective portfolios at 30 November each year is distributed from the portfolios and credited to the respective Funds in the SOFA. Bank interest is credited to the SOFA on an accruals basis.

(d) Resources expended

Charitable activities in furtherance of the Society's charitable objects in the following operational areas:

- Public Understanding, Policy, and Public Affairs
- Education and Outdoor Learning
- Research and Higher Education

ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)

1. Accounting Policies (continued)

d) Resources expended (continued)

- Information Services and Resources
- Membership Services

comprise both direct expenses incurred on the defined charitable purposes of the Society and the support costs of the spending department in each operational area. Direct expenses include a proportion of staff costs where the staff concerned are directly associated with the dissemination of geographical information, education and advice.

Grants payable in furtherance of the Society's charitable objects, included within expenditure on charitable activities, comprise grants and awards payable to individuals and institutions in support of expeditions and fieldwork, research and higher education, secondary education and teaching. Liability for the grant is recognised when approved for payment by the relevant grants committee and the grantee is capable of fulfilling the work for which the grant is awarded.

Costs of generating voluntary income comprise direct expenditure, staff, and support costs associated with fundraising activity, including in respect of encouraging donations and legacies, and in marketing with the purpose of attracting new members to the Society, together with an allocation of central support costs.

Governance costs consist of expenditure on compliance with constitutional and statutory requirements, including costs of trustee and Society general meetings, legal advice in respect of the Society's constitutional affairs, and preparation and external audit of the Society's report and financial statements. Costs include a proportion of the staff and support costs of those engaged in ensuring that compliance, together with an allocation of central support costs.

Central support costs incurred in running the Society's premises, on finance (including irrecoverable VAT and Society staff recruitment costs), information technology, and depreciation of fixed assets, whilst necessary to assist in the delivery of the core charitable activities, are not in themselves the output of that charitable activity. Finance and information technology costs have been allocated to each of the Society's core charitable activities, costs of generating voluntary income, and governance costs, in the proportion that each activity's directly-identifiable costs have to the total of all such costs. Premises costs and depreciation have been allocated to each of the Society's core charitable activities, costs of generating voluntary income, governance costs, and tenants based on estimates of the use of the premises and of the depreciable fixed assets.

Investment management costs represent the investment fees charged by the investment managers in respect of the management of the Society's investment portfolios. Dealing costs associated with the purchase, and sale, of investments within the portfolios are included within the costs of acquisition of the investments, and in reducing the disposal proceeds, respectively.

(e) Foreign exchange

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of transaction. No material assets or liabilities are held in foreign currencies at the year-end.

(f) Tangible fixed assets and depreciation

Expenditure of a capital nature below £500 is not capitalised, but charged to the SOFA in the year of expenditure.

Freehold property – the historic property

The freehold property, consisting of the Society's historic Grade 2* Listed building Lowther Lodge and associated 1930's additions, is stated at its 1912 cost plus all material additions since 1 January 1985. No depreciation is provided because, in the opinion of the Trustees, any depreciation charged would be immaterial. In arriving at this opinion, the Trustees have carried out an impairment review in accordance with the provisions of FRS 15, based on estimates of value in use of the property in the absence of any reliable valuation information.

Freehold property – new 'Unlocking the Archives' building

The new basement, pavilion and entrance reception completed in June 2004 are stated at cost. Depreciation is charged at rates between 2% - 4% p.a. on a straight line basis from that date.

ROYAL GEOGRAPHICAL SOCIETY
(with the Institute of British Geographers)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)

1. Accounting Policies (continued)

(f) Tangible fixed assets and depreciation (continued)

Plant and equipment; fixtures and fittings

Plant and equipment, consisting of mechanical and electrical plant and equipment, furniture including collections' storage equipment, computer hardware and software, and audio-visual equipment; and fixtures and fittings; comprise additions since 1 January 1985, including the costs of refurbishment of the Ondaatje Theatre in 2001, and assets other than freehold property acquired under the 'Unlocking the Archives' project.

Depreciation is charged on these additions at the following rates on a straight line basis having regard to their estimated useful economic lives.

Plant and equipment – mechanical and electrical equipment	4% - 10% p.a.
Plant and equipment – builders work in connection with	2% p.a.
Plant and equipment – furniture and storage equipment	3% - 10% p.a.
Plant and equipment – computer hardware	20% - 33% p.a.
Plant and equipment – computer software	10% - 25% p.a.
Plant and equipment – audio-visual equipment	15% - 25% p.a.
Fixtures and fittings	4% - 10% p.a.

No depreciation is charged on assets when under construction, but is charged on the above rates as applicable from the date when the assets are first brought into use.

The Society's historic collections of heritage assets

No capitalised cost or depreciation is provided in the financial statements for the Society's collections of maps and atlases, photographs, books, manuscript archive and artefacts, as the collections are the result of donations or bequests of materials to the Society. Insignificant expenditure on the acquisition of collection items is written off as incurred. The Trustees are of the opinion that it would be of no practical purpose and costly to attribute a cost or valuation to such heritage assets and therefore the assets are excluded from the balance sheet.

(g) Investments

Investments are included in the balance sheet at their market value at the end of the financial period. Realised and unrealised gains and losses are credited or debited to the SOFA in the year in which they arise. Investment income is accounted for on an accruals basis. Portfolio cash held for investment is included in the value of investments.

(h) Publication stocks

Stocks of publication are included in the balance sheet at the lower of cost or net realisable value.

(i) Fund accounting

The General Fund is an unrestricted income fund that is used towards meeting the charitable objectives of the charity at the discretion of the Trustees.

Designated Funds are unrestricted income funds set aside out of the General Fund and designated for specific purposes by the Trustees in line with the Society's strategy. The Designated Funds currently comprise the following:

Unrestricted Research Fund	Monies raised from the Capital Appeal, without restriction as to use by the donor, invested for the long-term to generate investment return to support research and education grants
New Initiatives Fund	Monies raised from the Capital Appeal, together with amounts transferred from the legacies fund in 2004, invested for the long-term to generate investment return to support new initiative projects identified and approved by the Trustees
Major Repairs Fund	For property repairs projects
Contingency Fund	For contingency purposes and for short-term new initiative projects
Website Development Fund	Monies raised from the Capital Appeal for expenditure on the re-development of the Society's website from 2005
Legacies Fund	Monies received from legacies

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**NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting Policies (continued)

(i) Fund accounting (continued)

2015 Appeal Endowment Fund	Monies raised from the Appeal launched in 2008 with the purpose of providing support for the development and growth of the Society's core activities for the longer term
Life Composition Fund	Held in accordance with Life membership receipts (Note 1 c)
Research Projects Funds	Relating to specific overseas research projects carried out directly by the Society
Special Purposes Funds	For specific purposes in support of grants and other projects
Research Groups Funds	Amounts held on reserves (principally cash balances) by the Society's research groups

Restricted Funds are analysed between restricted income and other restricted funds, there being no permanent endowment. These funds are monies raised for, or donations and legacies received, subject to donor-imposed expectations or conditions. Restricted income funds will over time be drawn upon in full for the purposes for which they were established; other restricted funds consist of invested capital balances, the income from which is used for restricted purposes. In addition to certain Special Purposes Funds established in support of providing grants for research, expeditions and fieldwork, or education and teaching, and Funds relating to specific funded projects, the two principal restricted income funds are:

Ondaatje Theatre Fund	Donations received in respect of the costs of the refurbishment project, less revenue costs not capitalised. Capitalised costs are depreciated in accordance with the Society's depreciation policy.
'Unlocking the Archives' Fund	Donations received and Heritage Lottery Fund grants receivable, less revenue costs not capitalised. Capitalised costs are depreciated in accordance with the Society's depreciation policy.

Other restricted funds comprise the President's Appeal, the Restricted Research Fund, and the Trust Funds including the Ralph Brown Memorial Fund. With minor exception within the Trust Funds, all of these Funds have conditions on the use of the monies given for the purpose of providing grants in support of research, expeditions and fieldwork, or education and teaching.

(j) Pension costs

The Society operates a defined benefit pension scheme ('the Scheme'), which until 31 August 2010, provided benefits to certain staff on permanent employment contracts based on pensionable annual salary. The Scheme was closed to new entrants with effect from 1 August 2003, and was closed to future service accrual at 31 August 2010. The funding of the Scheme is reviewed by an actuary every three years, and contributions are adjusted in accordance with the actuary's advice. Pension cost is included in the SOFA in accordance with FRS17 'Retirement Benefits'. Contributions are charged to expenditure so as to spread the regular cost of pensions over the expected working lives of the employees in the Scheme. Any difference between the cumulative amounts charged and contributions paid is included as an asset or liability in the balance sheet.

The Society also operates a group personal plan for those staff: i) on fixed-term employment contracts; ii) from 1 August 2003, employed by the Society on permanent contracts; and iii), from 1 September 2010, who were formerly members of the Society Scheme (see above). The Society also contributes to the Universities Superannuation Scheme for certain other staff. The amounts charged to expenditure represent payments made by the Society into these schemes during the year.

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	2010	2009
	£'000	£'000
2 Membership subscriptions		
Subscriptions	1,167	1,139
Taxation recovered under Gift Aid	208	264
Joining fees	6	10
Life membership (Note 19 f))	2	8
	<u>1,383</u>	<u>1,421</u>
3 Donations and legacies		
General Fund - general donations including corporate benefaction (Note 6)	43	68
Designated Funds - legacies (Note 19 d))	1,216	51
Restricted Funds – President’s Appeal donations (Note 20 c))	520	175
Restricted Funds – donations for projects (Note 20 d))	755	50
Restricted Funds – donations for grants (Note 20 d) and 21 b))	93	91
	<u>2,627</u>	<u>435</u>
4 Investment income (gross of investment management costs)		
Dividends and investment portfolio distributions	187	194
Bank interest	68	49
Total	<u>255</u>	<u>243</u>
Earned by:		
General Fund	80	63
Designated Funds	62	63
Restricted Funds	113	117
	<u>255</u>	<u>243</u>
5 Incoming resources from charitable activities		
Conferences and events, including RGS-IBG Annual International Conference	218	255
Research group activities/grants for research	43	59
Funded education projects	300	453
Academic journals	242	183
Exhibitions, other outreach	144	269
Geography Outdoors courses and activities	69	77
Books, maps and other sales	33	27
	<u>1,049</u>	<u>1,323</u>
Arising from:		
Grants awarded in support of charitable activities	455	736
Income generated by charitable activities	594	587
	<u>1,049</u>	<u>1,323</u>

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6 Corporate supporters (for information)

	2010	2009
	£'000	£'000
Benefactors		
Land Rover (including £10k for Land Rover bursary)	70	70
Ordnance Survey	50	50
Rolex	46	46
Trailfinders	40	41
Project supporter		
Royal Dutch Shell plc: donation, including £14k (2009: £12k) for ILCB grants	35	62
Friend		
NYK Line (donation)	-	5
	241	274
Included in:		
General Fund donations (Note 3)	35	67
Restricted Funds donations – for grants (Note 20 c))	10	10
Turnover of RGS Enterprises (Note 7)	196	197
	241	274

7 Trading in support of the Society's charitable activities – RGS Enterprises

The Society beneficially owns the entire share capital of Royal Geographical Society Enterprises Limited, a company incorporated in England, and through which the Society's commercial activities are carried out. The annual profits of the company are paid in full to the Society as Gift Aid, in support of the Society's charitable activities.

Summary of profit and loss account

Turnover	1,104	1,077
Cost of sales	-481	-506
Gross profit	623	571
Administrative expenses	-5	-6
Operating profit	618	565
Gift Aid payable to the RGS-IBG	-618	-565
Retained profit for the financial year	-	-

Turnover includes a total of £196,000 corporate benefaction from Land Rover, Ordnance Survey, Rolex and Trailfinders (2009: £197,000) (see Note 6). The Consolidated SOFA incorporates the turnover and trading expenditure of RGS Enterprises, and the Consolidated Balance Sheet includes the separate assets and liabilities of RGS Enterprises after elimination of the net amount due to the Society of £89,000 (2009: £105,000 due to the Society) and the share capital of £100 (2009: £100).

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NOTES TO THE FINANCIAL STATEMENTS
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8 a) Charitable expenditure by core activity	Grants and awards £'000 Note 9	Direct charitable costs £'000	Activity support costs £'000	Central support costs £'000	2010 Total £'000
2010					
Core Society activity					
Public Understanding, Policy, and Public Affairs	-	576	151	271	998
Education and Outdoor Learning	1	689	122	157	969
Research and Higher Education	177	327	64	77	645
Information Services and Resources	-	170	46	404	620
Membership Services	-	357	141	122	620
Sub-total (see note below)	178	2,119	524	1,031	3,852
N façade renovation (Note 20 c)	-	-	-	250	250
Total charitable expenditure	178	2,119	524	1,281	4,102
2009					
Core Society activity					
Public Understanding, Policy, and Public Affairs	-	509	136	255	900
Education and Outdoor Learning	2	929	125	170	1,226
Research and Higher Education	181	372	68	77	698
Information Services and Resources	-	176	42	409	627
Membership Services	-	304	143	113	560
Total charitable expenditure	183	2,290	514	1,024	4,011

Grants and awards, whilst as disclosed in Note 9 a) made in support of research, expeditions and fieldwork, and education and teaching, are principally included under Research and Higher Education above to reflect the responsibilities for the management and administration of grants.

Activity support costs above include the directly-identifiable costs of generating and supporting the charitable activities. Central support costs of premises, finance (including irrecoverable VAT and recruitment costs), information technology, and depreciation of fixed assets, whilst necessary to assist in the delivery of the core activities, are not in themselves the output of that charitable activity. As explained in Note 1, these central costs have been allocated to each of the Society's core charitable activities, governance costs, and costs of generating voluntary income, as well as to costs indirectly attributable to premises tenants, as per the table on the following page.

Costs in respect of the renovation of the historic North façade of Lowther Lodge, funded from monies raised under the President's Appeal (Note 20 c)), are not capable of direct attribution to any of the Society's core charitable activities, and have not been allocated across those activities in the analysis in the table in Note 8 a) below.

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8 a) Charitable expenditure by core activity (continued)

Allocation of central support costs (excluding N façade renovation)	Premises £'000	Finance £'000	IT £'000	Dep'n £'000	2010 Total £'000
Core charitable activity					
Public Understanding, Policy, and Public Affairs	109	60	15	87	271
Education and Outdoor Learning	38	66	17	36	157
Research and Higher Education	16	32	8	21	77
Information Services and Resources	211	18	4	171	404
Membership Services	31	41	10	40	122
Sub-total	405	217	54	355	1,031
Costs of generating voluntary income	10	9	3	3	25
Governance costs	6	6	1	1	14
Tenancies	34	7	-	2	43
Total central costs 2010	455	239	58	361	1,113

					2009 Total
Core charitable activity					
Public Understanding, Policy, and Public Affairs	110	47	12	86	255
Education and Outdoor Learning	39	75	20	36	170
Research and Higher Education	16	31	8	22	77
Information Services and Resources	212	17	4	176	409
Membership Services	32	33	8	40	113
Sub-total	409	203	52	360	1,024
Costs of generating voluntary income	10	7	2	3	22
Governance costs	6	5	1	1	13
Tenancies	34	4	-	2	40
Total central costs 2009	459	219	55	366	1,099

8 b) Governance costs

	2010 £'000	2009 £'000
Normal annual governance: compliance with regulations, Council and committee meetings, audit, strategy	83	82
Special General Meeting May 2009: membership mailings, Electoral Reform Services management of the ballot process, legal costs in respect of the Society's constitution and other matters	-	39
Review of how the Society supports research and scientific expeditions: membership mailing, consultation, and review committee	-	14
Total governance costs	83	135

The costs of the 2009 Special General Meeting shown above do not include any allowance for the substantial amount of senior management time incurred in managing the process principally in the period March to May 2009.

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9 a) Analysis of grants and awards payable

The table below analyses the Society's grants and awards between the principal activities which the grants are supporting, and between grants and awards made to individuals, and to institutions. All of the Society's grants and awards are applied for by, and made to, named individuals. However, in compliance with the definitions in SORP 2005, grants made to individuals for the purposes of carrying out research projects are regarded as a grant to the institution to which the individual is connected, unless, in the opinion of the Society, the grant is of direct primary benefit to the individual's personal development.

	2010 Indiv £'000	2010 Instit £'000	2010 Total £'000	2009 Indiv £'000	2009 Instit £'000	2009 Total £'000
Support for:						
Research	1	110	111	1	115	116
Expeditions & fieldwork	26	40	66	24	38	62
Education & teaching	1	-	1	1	4	5
	<u>28</u>	<u>150</u>	<u>178</u>	<u>26</u>	<u>157</u>	<u>183</u>

No one grant or award to an individual or an institution is considered material in the context of the Society's overall grant-making in 2010 or 2009.

The direct costs of administering and monitoring the Society's grants and awards programme were £42,000 (2009: £39,000). Attributable support costs, included within the allocation of such costs within the Research and Higher Education division in Note 8 above, amounted to £6,400 (2009: £4,400).

The full list of the Society's grants and awards by source is as set out in Note 9 b) below.

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	2010	2009
	£	£
9 b) Grants and awards programme – grants payable (for information)		
Andrews Bequest (TF)	2,100	1,000
Barling Fisher Bequest (TF)	1,000	-
Margaret and Mark Collins	-	576
David Cross Expedition Award (SPF)	1,900	1,000
Engineering and Physical Sciences Research Council (SPF)	16,625	20,029
Geographical Club Award (SPF)	1,000	1,000
Geographical Congress Fund (TF)	2,538	5,980
The Goldsmith's Company Award (SPF)	500	4,000
Gough Island Fund (TF)	300	250
Gumby Award (SPF)	4,750	2,000
Henrietta Hutton Memorial Fund (TF)	1,000	1,000
Hong Kong Branch Research Grant (SPF)	2,500	2,500
IGC 30 th Awards (SPF)	3,560	4,030
Jasmin Leila Award (TF)	-	500
Jeremy Willson Award (SPF)	1,000	1,000
'Journey of a Lifetime' Award (SPF)	4,000	4,000
Land Rover 'Go Beyond' Bursary (SPF)	10,000	10,000
H R Mill Trust Fund (TF)	1,500	2,500
Marjorie Sweeting Bequest (TF)	4,500	-
Mark Humphreys Award (SPF)	14,000	16,000
Monica Cole Bequest (TF)	1,000	1,000
Neville Shulman Challenge Award (RF)	12,005	9,500
Penruddocke Park-Lander Fund (TF)	100	450
Peter Fleming Award (SPF)	9,000	9,000
Ralph Brown Memorial Fund (TF)	10,636	12,500
RGS-IBG Research Endowment Fund (RF)	13,291	9,383
Rio Tinto Award (SPF)	9,500	10,500
Rob Witney Ward Award (RF)	1,000	1,500
Royal Dutch Shell plc International Capacity Building Grants (SPF)	14,010	12,010
Royal Institute of Chartered Surveyors Education Trust (SPF)	500	-
Slawson Award (SPF)	5,000	5,000
Stephens Bequest (TF)	350	-
Thesiger-Oman International Research Fellowships (RF)	14,000	15,000
Violet Cressy-Marcks Fisher Fund (TF)	-	800
	<u>163,165</u>	<u>164,008</u>
The source of each grant is shown above as either: drawn from the balance of a Special Purposes Fund (SPF) (Note 20 d)) generated from on-going fundraising activity; earned from the investment return on a restricted Trust Fund capital balances (TF) (Note 21 b)); or earned from the investment return on one of the two Research Funds (RF) (Notes 20 and 21 a)).		
In addition to the above grants, the Society also provided grant and award funding from its core funds in respect of the following:		
Society research group support	13,577	12,522
Ordnance Survey GIS Research Group grant	750	750
Ordnance Survey Geography Award	250	500
Innovative geography teaching awards	-	4,300
School geography prizes	710	985
	<u>15,287</u>	<u>19,057</u>
Total grants and awards	<u>178,452</u>	<u>183,065</u>

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NOTES TO THE FINANCIAL STATEMENTS
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10 Summary Statement of Financial Activities for the charity (Society) only

As set out in Note 1 (a), a separate detailed SOFA is not required to be presented for the charity itself following the exemptions afforded by paragraph 397 of SORP 2005. However, in compliance with Charity Commission expectations, a summary SOFA for the charity itself is presented below, with the turnover and resources expended for RGS Enterprises in the consolidated SOFA replaced in the charity's SOFA by the amount of the Gift Aid income payable to the charity by RGS Enterprises.

	Unrestricted General Fund	Unrestricted Designated Funds	Restricted Funds	Total 2010 £'000	Total 2009 £'000
	£'000	£'000	£'000	£'000	£'000
Total incoming resources per consolidated SOFA	3,660	1,306	1,547	6,513	4,591
Less: turnover of RGS Enterprises	-1,104	-	-	-1,104	-1,077
Add: Gift Aid payable by RGS Enterprises (Note 7)	618	-	-	618	565
Total charity incoming resources	3,174	1,306	1,547	6,027	4,079
Total resources expended per consolidated SOFA	3,684	60	1,158	4,902	4,869
Less: direct costs of RGS Enterprises (Note 7)	-486	-	-	-486	-512
Total charity resources expended	3,198	60	1,158	4,416	4,357
Net incoming/(outgoing) resources before Transfers	-24	1,246	389	1,611	-278
Total transfers (as Consolidated)	65	-28	-37	-	-
Net incoming/(outgoing) resources after transfers	41	1,218	352	1,611	-278
Total other recognised gains/(losses) (as Consolidated)	-317	135	161	-21	132
Net movement in Funds	-276	1,353	513	1,590	-146
Charity - total Funds brought forward	674	2,593	9,843	13,110	13,256
Charity - total Funds carried forward	398	3,946	10,356	14,700	13,110

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11 Fixed assets - Consolidated	Freehold Property	Plant & Equipment	Fixtures & Fittings	Members' Room - assets in course of construction	2010 Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January	4,538	4,291	1,145	-	9,974
Additions	-	37	4	25	66
Disposals	-	-40	-	-	-40
At 31 December	4,538	4,288	1,149	25	10,000
Depreciation					
At 1 January	364	1,632	511	-	2,507
Charge for the year	65	247	54	-	366
Eliminated on disposals	-	-40	-	-	-40
At 31 December	429	1,839	565	-	2,833
Net Book Value					
At 31 December 2010	4,109	2,449	584	25	7,167
At 31 December 2009	4,174	2,659	634	-	7,467

As at 31 December 2010, capital expenditure contracted but not yet incurred amounted to £nil (2009: £nil).

Expenditure incurred to date on the conversion of the former Library on the first floor of the premises into a Members' Room is in respect of professional design and survey fees. Subject to obtaining the necessary planning and listed building consents, the contract for the works is expected to be tendered for in spring 2011, and the works completed in summer 2011. The costs of the works will be capitalised as fixed assets, and depreciated over their estimated useful lives, with the annual depreciation charge arising charged against the President's Appeal Fund (Note 20 c).

Fixed assets – Society only	Freehold Property	Plant & Equipment	Fixtures & Fittings	Members' Room - assets in course of construction	2010 Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January	4,538	4,246	1,135	-	9,919
Additions	-	37	4	25	66
Disposals	-	-40	-	-	-40
At 31 December	4,538	4,243	1,139	25	9,945
Depreciation					
At 1 January	364	1,601	505	-	2,470
Charge for the year	65	243	53	-	361
Disposals	-	-40	-	-	-40
At 31 December	429	1,804	558	-	2,791
Net Book Value					
At 31 December 2010	4,109	2,439	581	25	7,154
At 31 December 2009	4,174	2,645	630	-	7,449

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12 Investments – Consolidated and Society	General Fund £'000	Designated Funds £'000	Restricted Funds £'000	Total 2010 £'000	Total 2009 £'000
Market Value					
At 1 January	1,216	1,596	1,979	4,791	4,197
Acquisitions at cost	25	33	32	90	2,961
Disposals at opening book value	-3	-4	-3	-10	-3,847
Net gains on revaluation	92	120	147	359	1,480
At 31 December	<u>1,330</u>	<u>1,745</u>	<u>2,155</u>	<u>5,230</u>	<u>4,791</u>
Portfolio cash	3	3	3	9	47
Total value at 31 December	<u><u>1,333</u></u>	<u><u>1,748</u></u>	<u><u>2,158</u></u>	<u><u>5,239</u></u>	<u><u>4,838</u></u>
Historical Cost at 31 December (including portfolio cash)					
	<u>1,144</u>	<u>1,503</u>	<u>1,729</u>	<u>4,376</u>	<u>4,334</u>

In May 2009, the Society terminated its investment mandate with Barclays Private Bank, and appointed Newton Investment Management Ltd and Ruffer LLP to each manage the funds between them. Holdings in the Barclays Multi-Manager UK Growth Portfolio and the Cazenove Absolute Return Trust were sold, and the proceeds split between Newton and Ruffer. Newton invested the monies in the Newton Global Growth & Income Fund for Charities, a common investment fund with an objective of maximising total returns for charities in terms of capital growth and income. The monies held by Ruffer were invested in a portfolio designed to meet Ruffer's overall house objective of the preservation of capital in all market conditions. The Society retained its existing investments in Barclays Bank plc Protected Equity-Linked Securities, and in the M&G Charifund, which are held on behalf of the Society on a non-discretionary basis by Newton.

The value of the portfolio analysed by the investment holdings (excluding portfolio cash) is as follows:

	2010 £'000	2010	2009 £'000	2009
Newton Global Growth & Income Fund for Charities	1,931	37%	1,763	37%
Newton Liquidity Fund	-	-	10	-
Ruffer portfolio	1,803	34%	1,610	34%
Barclays Protected Equity-Linked Securities	1,124	22%	1,061	22%
M&G Charifund	372	7%	347	7%
Market value at 31 December	<u>5,230</u>	<u>100%</u>	<u>4,791</u>	<u>100%</u>

The value of the portfolio analysed by the types of underlying investment is as follows:

Fixed interest – UK	244	4.7%	249	5.2%
Fixed interest – overseas	28	0.5%	109	2.3%
Index-linked – UK	300	5.7%	265	5.5%
Index-linked – overseas	424	8.1%	318	6.6%
UK equities	1,607	30.8%	1,379	28.8%
Overseas equities	1,250	23.9%	1,100	23.0%
Structured product (equity-linked)	1,124	21.5%	1,061	22.1%
Other	253	4.8%	310	6.5%
Market value at 31 December	<u>5,230</u>	<u>100%</u>	<u>4,791</u>	<u>100%</u>

The total return (investment income plus net realised and unrealised movements) on the combined investment portfolios was a positive 11.3 % in 2010 (2009: positive 18.8%).

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	Consolidated		Society only	
	2010 £'000	2009 £'000	2010 £'000	2009 £'000
13 Debtors and payments in advance				
Trade debtors	163	277	27	55
Other debtors	216	219	211	212
Prepayments	166	141	166	141
Accrued income	138	141	114	118
Amounts due from RGS Enterprises	-	-	89	105
	683	778	607	631
14 Cash at bank and in hand				
Cash at bank	29	111	2	109
Cash in hand	10	7	10	7
Cash held by research groups	57	60	57	60
	96	178	69	176
15 Creditors and accruals				
Trade creditors	183	116	183	116
Other creditors	67	99	67	96
Accruals	71	85	64	78
Membership subscriptions received				
In advance	243	161	243	161
Deferred income (see below)	241	347	132	190
	805	808	689	641
Deferred income (analysis):				
At 1 January	347	294	190	230
Amount released to incoming resources	-167	-253	-104	-190
Transfer to Restricted SPF (Note 20 d) i))	-	-10	-	-10
Amount deferred in year	61	316	46	160
At 31 December	241	347	132	190

Deferred income represents amounts received by the Society and RGS Enterprises in advance of the accounting period in which the income is entitled to be earned, primarily in respect of amounts received in advance from corporate benefactors and from grants received in advance of contracted work being completed.

16 Analysis of consolidated transfers between Funds	2010	2009
	£'000	£'000
To/(from) Unrestricted Designated Funds:		
Research Fund (Note 17) – grant admin fees	-1	-1
New Initiatives Fund (Note 18) – new project support	-18	-26
Major Repairs Fund (Note 19 a)) – premises repairs	-	-8
Life Composition Fund (Note 19 f)) – transfer from Life Fund	-7	-8
Legacies Fund – transfer to President's Appeal (Note 20 c))	-	-99
Restricted Research Fund (Note 21 a)) – research grant	-2	-
	-28	-142
To/(from) Restricted Funds:		
President's Appeal – transfer from Legacies Fund (Note 19 d))	-	99
Restricted Funds (Note 20 d) – overhead contribution	-32	-28
Restricted Funds (Notes 20 d) and 21) – grants admin support	-23	-21
Restricted Funds (Note 20 d) – New Initiatives Fund support	16	-
Unrestricted Designated Funds (Note 17) – research grant	2	-
	37	50

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NOTES TO THE FINANCIAL STATEMENTS
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17 Unrestricted Research Fund	£'000	2010 £'000	£'000	2009 £'000
At 1 January	679		581	
Allocated investment return:				
Interest and dividends	26		26	
Realised capital gain/(loss)	6		-92	
Unrealised capital gain	49		180	
Investment management costs	-6		-6	
Research grants payable	-13		-9	
General Fund transfers – grant admin fees	-1		-1	
Transfer to Restricted Research Funds (Note 21 a))	-2		-	
At 31 December		738		679
18 Unrestricted New Initiatives Fund				
At 1 January	1,054		922	
Allocated investment return:				
Interest and dividends	36		37	
Realised capital gain/(loss)	9		-131	
Unrealised capital gain	71		260	
Investment management costs	-8		-8	
Expenditure transferred from Special Purposes Fund	-16		-	
Net expenditure transferred from General Fund	-2		-26	
At 31 December		1,144		1,054
19 Other Unrestricted Designated Funds				
a) Major Repairs Fund				
Balance at 1 January	88		96	
Expenditure transferred from General Fund	-		-8	
		88		88
b) Contingency Fund				
Balance at 1 January	192		192	
Transfer from General Fund	-		-	
		192		192
c) Website Development Fund				
Balance at 1 January	48		48	
Expenditure in the year	-1		-	
		47		48
d) Legacies Fund				
Balance at 1 January	307		355	
Legacies received (see note on next page)	1,216		51	
Transfer to President's Appeal (Note 20 c))	-		-99	
		1,523		307
e) 2015 Appeal Unrestricted Endowment Fund				
Balance at 1 January	62		62	
Donations and Gift Aid received	-		-	
Appeal costs	-		-	
		62		62
Sub-total c/fwd to next page		1,912		697

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NOTES TO THE FINANCIAL STATEMENTS
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19 Other Unrestricted Designated Funds (continued)

	£'000	2010 £'000	£'000	2009 £'000
Sub-total b/fwd from previous page		1,912		697
f) Life Composition Fund				
Balance at 1 January	69		69	
Amount received during the year	2		8	
Transfer to General Fund (10%)	-7		-8	
Balance at 31 December		64		69
g) Research Projects Funds				
Balance at 1 January	3		6	
Expenditure in year	-3		-3	
Balance at 31 December		-		3
h) Special Purposes Funds (see analysis below)				
Balance at 1 January	31		31	
Transfer from General Fund	-		-	
Balance at 31 December		31		31
Total Other Funds		2,007		800

Legacies received in the year include on-account monies of £800,000 from the estate of the late Alan D Falk, pending completion of the affairs of the estate. On account amounts are included in the Legacies Fund, but on completion, the full sum received will be designated by Council and held as the Alan D Falk Trust in accordance with the terms of the will.

Special Purposes Funds h) above) are analysed further as follows:

	Balance 1.1.10 £'000	Income £'000	Expenditure £'000	Transfers £'000	Balance 31.12.10 £'000
Annual International Conference	22	-	-	-	22
1851 Commissioners grant	9	-	-	-	9
	31	-	-	-	31

20 Restricted Funds – Income Funds

	£'000	2010 £'000	£'000	2009 £'000
a) Ondaatje Theatre Fund				
At 1 January	1,046		1,132	
Expenditure (VAT adjustment)	-1		-	
Depreciation charge for the year	-88		-86	
At 31 December		957		1,046

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FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)

20 Restricted Funds – Income Funds (continued)

	2010		2009
	£'000	£'000	£'000
b) Unlocking the Archives Fund			
At 1 January	5,207		5,448
Expenditure (VAT adjustment)	-20		-16
Depreciation charge for the year	-219		-225
At 31 December		<u>4,968</u>	<u>5,207</u>
c) President's Appeal			
Balance at 1 January	255		-
Donations and Gift Aid	520		175
N façade renovation - project expenditure	-250		-
Transfer from Legacies Fund (Note 19d))	-		99
Appeal costs	-10		-19
Balance at 31 December		<u>515</u>	<u>255</u>

Note 1 (i) Accounting Policies explains that the Ondaatje Theatre Fund and the Unlocking the Archives Fund represent monies received in respect of the two capital projects, less revenue expenditure on the projects that has not been capitalised. The balance on each Fund is broadly matched by fixed assets, which are depreciated in accordance with the Society's accounting policies. The combined balance of £5,925,000 (2009: £6,253,000) on these two Funds at 31 December 2010 is therefore not available for use by the Society for any other purpose.

The President's Appeal was launched in the summer 2009 with the purpose of raising the sum of £860,000 to create a new Members' Room out of the old library, and to renovate the North façade of the Grade II* listed building. The Appeal reached its target in June 2010. The works to renovate the North façade were tendered for, and commenced, in the summer. Expenditure incurred on those works in 2010, which are planned to complete in April 2011, has been charged directly to the President's Appeal Fund. The amounts contracted in respect of the completion of the works in 2011 total approximately £82,000.

Note 11 on Fixed Assets sets out the proposed timing of the works to the Members' Room in 2011, and the accounting treatment of the costs of those works when incurred.

d) Special Purposes Funds - Summary

At 1 January	1,127		1,250
Income:			
Donations including Gift Aid	848		141
Project grants	59		191
Interest	33		32
Event income	7		8
Expenditure:			
Project expenditures	-419		-373
Grants and awards	-84		-91
Transfers from New Initiatives Fund	16		-
Transfers to General Fund	-35		-31
At 31 December		<u>1,552</u>	<u>1,127</u>

Restricted Special Purposes Funds are further analysed in the two following tables between those Funds held for the making of Grants and Awards (see also Note 9 b)) and those held for the delivery of Funded Projects where funder conditions or expectations require.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)

20 d) Restricted Funds – Income Funds (continued)

i) Special Purposes Funds – Grants and Awards

	Balance 1.1.10 £	Income £	Expenditure £	Transfers £	Balance 31.12.10 £
Grants:					
Gumby Award	18,089	-	-4,750	-	13,339
Journey of a Lifetime Award	15,155	25,641	-4,000	-400	36,396
John Radford Award	133	-	-	-	133
Peter Fleming Award	10,400	10,000	-9,000	-900	10,500
Slawson Award	-77	5,000	-5,000	-	-77
EPSRC Geographical Research Grants	2,693	16,625	-16,625	-	2,693
Geographical Club Award	-	1,100	-1,000	-100	-
Mark Humphreys Award	15,811	20,262	-14,000	-	22,073
IGC2004 Fund	70,450	809	-3,964	-356	66,939
David Cross Expedition Award	500	1,692	-1,900	-	292
Goldsmith's Company Award	500	5,000	-500	-	5,000
Hong Kong Research Grant	112	2,750	-2,500	-250	112
Jeremy Willson Award	-	1,100	-1,000	-100	-
Land Rover 'Go Beyond' Bursary	10,000	10,000	-10,000	-	10,000
Rio Tinto Award	8,650	9,500	-9,500	-950	7,700
RICS Education Trust Award	-	500	-500	-	-
Medals & Awards:					
Cherry Kearton	156	-	-60	-	96
Sir Douglas Busk	15	-	-	-	15
Edward Heath Award	9	-	-	-	9
Ordnance Survey Geography Award	-250	250	-	-	-
	152,346	110,229	-84,299	-3,056	175,220

ii) Special Purposes Funds – Funded Projects

	Balance 1.1.10 £	Income £	Expenditure £	Transfers £	Balance 31.12.10 £
Projects:					
BAT/FCO: Antarctica/Arctic website resources	17,000	10,000	-10,700	-11,800	4,500
<i>Learning and Leading</i>	893,207	28,244	-122,931	-12,293	786,227
<i>C21st Challenges</i>	32,983	7,296	-56,166	15,887	-
City Lectures	10,590	-	-6,040	-	4,550
<i>Hidden Journeys</i>	20,520	194,283	-60,768	-3,342	150,693
<i>Discovering Britain</i>	-	564,364	-128,611	-4,501	431,252
<i>Creative Compass</i>	-	24,271	-24,528	257	-
<i>Rediscovering African Geographies</i>	-	8,595	-8,621	26	-
	974,300	837,053	-418,365	-15,766	1,377,222
Totals	1,126,646	947,282	-502,664	-18,822	1,552,442

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21 Restricted Funds – Other

	£'000	2010 £'000	£'000	2009 £'000
a) Restricted Research Funds				
At 1 January	660		576	
Allocated investment return:				
Interest and dividends	29		29	
Realised capital gains/(losses)	5		-78	
Unrealised capital gains	52		165	
Investment management costs	-5		-5	
Grants payable	-27		-26	
General Fund transfer – grant admin fees	-1		-1	
Transfer from Unrestricted Research Fund	2		-	
At 31 December		715	660	

Movements on the individual funds in the year were as follows:

	Income Balance 1.1.10 £	Income in year £	Expenditure and transfers in year £	Income Balance 31.12.10 £	Capital Balance 31.12.10 £
Thesiger Oman Research Fellowships	3,052	14,021	-15,400	1,673	438,901
Neville Shulman Challenge Award	5,729	6,585	-9,505	2,809	128,023
Dr Ray Gildea Jr Award	-457	2,326	-	1,869	72,705
Rob Witney Ward Award	1,136	582	-1,100	618	17,465
Totals	9,460	23,514	-26,005	6,969	657,094

Accumulated unrealised investment gains	50,475
Total Capital	707,569

Summary:	£'000
Income	7
Capital	708
Total	715

	£'000	2010 £'000	£'000	2009 £'000
b) Trust Funds				
At 1 January	1,548		1,380	
Allocated investment return:				
Interest and dividends	51		56	
Realised capital gains/(losses)	9		-240	
Unrealised capital gains	95		406	
Investment management costs	-9		-9	
Grants payable	-26		-27	
Event and other costs	-		-1	
General Fund transfers – grant admin fees and grants office support	-19		-17	
At 31 December		1,649	1,548	

Movements on the individual Trust Funds in the year were as follows:

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)

21 Restricted Funds – Other (continued)

b) Trust Funds	Income Balance 1.1.10 £	Income in year £	Expenditure and transfers in year £	Income Balance 31.12.10 £	Capital Balance 31.12.10 £
Expeditions and travel grants					
Penruddocke-Park Lander Fund	111	151	-110	152	2,001
Stephens Bequest	350	85	-385	50	1,129
Gough Island Fund	348	155	-330	173	2,061
Henrietta Hutton Memorial Fund	1,886	748	-1,100	1,534	9,928
Barling Fisher Bequest	1,087	156	-1,100	143	2,073
Violet Cressy-Marcks Fisher Trust Fund	132	225	-	357	2,987
H.R. Mill Trust Fund	1,740	2,122	-1,650	2,212	28,155
Andrews Bequest	2,132	1,035	-2,310	857	13,734
Monica Cole Bequest	12,246	1,355	-1,100	12,501	17,979
Majorie Sweeting Bequest	25,857	4,386	-4,950	25,293	58,200
Jasmin Leila Award	-	50	-	50	18,702
Ralph Brown Memorial Fund for Expeditions	2,842	28,832	-28,636	3,038	900,133
	<u>48,731</u>	<u>39,300</u>	<u>-41,671</u>	<u>46,360</u>	<u>1,057,082</u>
Medals and awards					
Murchison Bequest	3,244	150	-100	3,294	1,989
Back Bequest	3,659	162	-100	3,721	2,146
Cuthbert Peek Fund	3,633	150	-100	3,683	1,984
Gill Memorial Fund	3,823	169	-100	3,892	2,249
Mrs Patrick Ness Award	4,285	182	-100	4,367	2,420
	<u>18,644</u>	<u>813</u>	<u>-500</u>	<u>18,957</u>	<u>10,788</u>
Lecture funds					
Dickson Asia Lecture Foundation	1,643	47	-	1,690	625
Mrs Will Gordon Foundation	2,744	78	-	2,822	1,036
Eva G.R. Taylor Lecture Fund	8,024	450	-205	8,269	5,971
	<u>12,411</u>	<u>575</u>	<u>-205</u>	<u>12,781</u>	<u>7,632</u>
Publications and Collections					
Sir George Fordham Fund	3,140	116	-	3,256	1,534
Advancement of geography in the UK					
Geographical Congress Fund	11,062	1,485	-2,792	9,755	102,257
Trust Funds – Income	<u>93,988</u>	<u>42,289</u>	<u>-45,168</u>	<u>91,109</u>	
Trust Funds Capital					1,179,293
Accumulated unrealised investment gains					378,886
Trust Funds – Capital					<u>1,558,179</u>
Summary:					£'000
Income					91
Capital					1,558
Total					<u><u>1,649</u></u>

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NOTES TO THE NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)

22	a) Analysis of consolidated net assets between Funds	General Fund	Designated Funds	Restricted Funds	Total
		£'000	£'000	£'000	£'000
	Fund balances at 31 December 2010 are represented by:				
	Tangible fixed assets	1,092	-	6,075	7,167
	Investments	1,333	1,748	2,158	5,239
	Other net assets	2,178	57	1,598	3,833
	Pension scheme liability	-1,539	-	-	-1,539
	Inter-fund accounts	-2,666	2,141	525	-
	Net assets	<u>398</u>	<u>3,946</u>	<u>10,356</u>	<u>14,700</u>

The balances on inter-fund accounts principally represent amounts set aside from the General Fund or credited to designated and restricted funds for which no corresponding assets are identified or held separately. The principal funds to which the inter-fund account balances arise are in respect of the unrestricted designated funds in Note 19.

b) Reconciliation of movements in unrealised gains on investment assets:

Unrealised gains at 1 January 2010	97	125	282	504
Add: Net gains arising on revaluations in year less amounts deducted in respect of disposals in the year	92	120	147	359
Unrealised gains at 31 December 2010	<u>189</u>	<u>245</u>	<u>429</u>	<u>863</u>

Analysis of net gains in the year:

Realised gains	13	15	14	42
Unrealised gains	92	120	147	359
Total	<u>105</u>	<u>135</u>	<u>161</u>	<u>401</u>

23	Reconciliation of net incoming resources to net cash inflow from operating activities	2010	2009
		£'000	£'000
	Net incoming/(outgoing) resources before transfers	1,611	-278
	Depreciation of fixed assets	366	373
	Loss on write-off of fixed assets	-	3
	Recovery Plan payment to pension scheme (Note 27 a))	-100	-
	Net FRS17 pension movements, excluding actuarial surplus or deficit	11	-13
	Investment income	-254	-243
	Decrease in publications stock	5	2
	Decrease/(increase) in debtors and payments in advance, excluding accrued investment income	101	-24
	(Decrease)/increase in creditors and accruals, excluding defined benefit pension scheme liability	-3	69
	Net cash inflow/(outflow) from operating activities	<u>1,737</u>	<u>-111</u>

24	Returns on investments		
	Dividends and distributions received	187	199
	Interest received	61	52
		<u>248</u>	<u>251</u>

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	2010	2009
	£'000	£'000
25 Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	-66	-61
Receipts from disposals of fixed assets	-	-
Payments to acquire investments including portfolio cash	-52	-3,003
Receipts from sales of investments	52	3,003
	-66	-61
26 Staff costs and emoluments		
Salaries and wages	1,706	1,703
National Insurance	170	163
Employer pension cost (Note 27)	345	203
	2,221	2,069

The average number of full-time equivalent employees was 53 (2009: 53). 1 employee's emoluments were in the salary band £100,001 - £110,000, 2 in the band £70,001 - £80,000, 1 in the band £60,001 - £70,000 (2009: 1 in the band £100,001 - £110,000, 2 in the band £70,001 - £80,000, 1 in the band £60,001 - £70,000). 1 (2009: 3) of these employees had benefits accruing under defined benefit pension schemes as at 31 December 2010.

27 Pension scheme disclosures

The Society operates a contributory defined benefit pension Scheme, which until the cessation of future service accrual as at 31 August 2010, provided benefits to certain permanent staff based on pensionable annual salary. The Scheme is reviewed by an independent actuary every three years, and contributions are adjusted in accordance with the actuary's advice. Contributions are charged to expenditure so as to spread the regular cost of pensions over the expected working lives of the employees in the Scheme. The Scheme was closed to new members with effect from 1 August 2003, and closed to future service accrual for all remaining members as at 31 August 2010.

Two sets of disclosure information are required to be presented in respect of the Scheme: the first (a) below provides information on the triennial actuarial valuations of the Scheme from which the actual funding levels and contributions to the Scheme, as recommended by the Scheme actuary, are derived; the second (b) below provides an annual valuation of the Scheme's assets and liabilities under the more prescriptive requirements of Financial Reporting Standard FRS17, carried out by a consulting actuary.

a) Triennial actuarial valuations and regular pension cost

The most recent triennial actuarial valuation was at 1 July 2008 and was carried out using the attained age method. In addition to the assumptions on mortality, two other fundamental assumptions made relate to the expected longer-term investment yield on the assets of the fund, and the expected rate of increase in pensionable salaries. The yield on the assets was assumed to exceed the rate of pensionable salaries by 1.2% per annum. The valuation indicated that the Scheme was 67% (1 July 2005 valuation: 82%) funded, with a deficit in respect of past service pension benefits of £1,596,000 (2005 valuation: deficit of £407,000). The significant deterioration in the funding level since the 2005 valuation was principally the result of the change in the mortality assumptions to the more conservative levels now used by actuaries to reflect increasing longevity trends in the UK population. The Society agreed a Recovery Plan with the Scheme trustees in respect of the past service deficit, and will make the following lump sum contributions to the Scheme by the dates shown:

31 January 2010	£100,000
31 December 2011	£695,100
31 December 2013	£695,100
31 December 2015	£695,100

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27 Pension scheme disclosures (continued)

a) Triennial actuarial valuations and regular pension cost (continued)

The sum of these contributions, £2,185,300, is greater than the amount of the deficit £1,596,000, as assumed investment return is foregone by the whole of the deficit not being paid off at the July 2008 valuation date. The first of these contributions was paid as scheduled by the Society in January 2010.

In respect of contributions for the accrual of pension benefits for pensionable service from 1 July 2008, the Scheme actuary recommended a total rate of 40.28% of pensionable salaries, with effect from 1 November 2009. Until the cessation of future service accrual as at 31 August 2010, those employees remaining in the Scheme contributed 6.88%, the Society the balance of 33.4%. The next triennial actuarial valuation is to be carried out as at 1 July 2011.

The net assets of the Scheme at 30 June 2010 were £2,186,776 (2009: £1,989,675).

b) FRS17 disclosures

In November 2000 the Accounting Standards Board issued FRS17 'Retirement Benefits', which became fully effective for accounting periods beginning on or after 1 January 2005 and was adopted in full in the financial statements of the Society for the year ended 31 December 2005. The disclosures in support of the amount charged to the SOFA and in respect of the Pension Reserve included in the Balance Sheet, updated to reflect the requirements of the 2006 Amendment to FRS17, are shown below:

The actuarial valuation of the Scheme for FRS17 purposes was updated to 31 December 2010. The principal actuarial assumptions used as at 31 December 2010 and for the previous year are shown below:

Assumptions	2010 % p.a.	2009 % p.a.
Rate of general increase in salaries	4.90	5.00
Rate of increase to pensions in payment (pre 1 August 2003 service)	5.00	5.00
Rate of increase to pensions in deferment	3.60	3.60
Discount rate for Scheme liabilities pre-retirement	5.40	5.70
Discount rate for Scheme liabilities post-retirement	5.40	5.70
Inflation	3.60	3.70
Expected return on assets (a weighted average of assumed rates for the main asset classes)	5.80	5.90
Mortality tables:		
Pre-retirement – males	PCMAC00 Long cohort min 1.5%	PCMAC00 Long cohort min 1.5%
Pre-retirement – females	PCFAC00 Long cohort min 1.5%	PCFAC00 Long cohort min 1.5%
Post-retirement – males	PCMAC00 Long cohort min 1.0%	PCMAC00 Long cohort min 1.0%
Post-retirement – females	PCFAC00 Long cohort min 1.0%	PCFAC00 Long cohort min 1.0%

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27 Pension scheme disclosures (continued)

b) FRS17 disclosures (continued)

Assets and liabilities of the Scheme at each year-end in accordance with FRS17 were:

	2010	2009	2008	2007	2006
	£'000	£'000	£'000	£'000	£'000
Present value of the liabilities	3,755	3,275	2,473	2,509	2,473
Total market value of assets	2,216	2,069	1,758	1,614	1,646
FRS17 deficit	-1,539	-1,206	-715	-895	-827
Experience adjustments on Scheme liabilities	107	-28	-12	72	55
Experience adjustments on Scheme assets	77	39	-124	8	14

The amounts recognised in the SOFA are:

	2010	2009
	£'000	£'000
Current service cost	74	70
Interest on liabilities	181	154
Expected return on assets	-120	-104
Past service cost	-	-
Loss on curtailments and settlements	-	-
Total expense	135	120

Changes in the present value of the defined benefit liabilities are:

Opening value of liabilities	3,275	2,473
Service cost (including member contributions)	99	105
Interest cost	181	154
Experience loss/(gain) on liabilities	107	-28
Actuarial loss due to change in assumptions	392	571
Loss on settlements and curtailments	-	-
Benefits paid	-299	-
	3,755	3,275

Changes in the fair value of Scheme assets are:

Opening value of assets	2,069	1,758
Expected return	120	104
Actuarial gain	77	39
Gain on settlements and curtailments	-	-
Contributions (employer and member)	249	168
Benefits paid (including expenses)	-299	-
Closing value of assets	2,216	2,069
Actual return on Scheme assets	197	143

The total actuarial loss for the period was:

Experience (loss)/gain on liabilities	-107	28
Actuarial loss on change in assumptions	-392	-571
Actuarial gain on assets	77	39
Total loss	-422	-504

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27 Pension scheme disclosures (continued)

b) FRS17 disclosures (continued)

The cumulative amount of actuarial gains and losses recognised in the Consolidated Statement of Financial Activities as at 31 December 2010 is £1,608,000.

The total value of Scheme assets at each year-end was as follows:

	2010	2009
	£'000	£'000
Equities	1,024	884
Bonds and gilts	920	730
Property	164	190
Cash and other	108	265
Total	<u>2,216</u>	<u>2,069</u>

The assets do not include any property occupied by the Society. The amount expected to be contributed to the Scheme in 2011 is £703,000.

c) Other pension schemes

The Society also contributes to a group personal plan for those staff on fixed-term employment contracts; from 1 August 2003, for new members of permanent staff; and from 1 September 2010, for former members of the Society's defined benefit pension Scheme. 40 employees were in the plan at 31 December 2010 (2009: 28 employees).

The Society also makes contributions to the Universities Superannuation Scheme ('USS') in respect of two staff (2009: two staff) who are not members of the Society's own Scheme. The Society is a participating institution in USS, which is the principal pension scheme for employees of UK universities and other higher education and research institutions. USS does not hold identifiable assets and liabilities in respect of the Society's participation.

28 Trustees' expenses

Trustees' travel expenses of £2,587 for 15 Trustees (2009: £4,350 – 15 Trustees) were reimbursed in the year. No Trustees received any remuneration during the year (2009: No Trustees). The Society has an insurance policy that, inter alia, protects the charity from incurred losses arising from the wrongful acts and omissions of the Trustees and officers, and provides indemnity to the Trustees and officers against incurred losses arising from wrongful acts and omissions committed by them in their capacity as Trustees and officers of the Society. The approximate cost of the policy attributable to this insurance cover was £1,455 (2009: £1,323).

29 Auditors' remuneration and other professional fees

Auditors' remuneration in respect of audit fees amounted to £28,400 (Society: £24,150, RGS Enterprises: £4,250) and £28,400 in 2009 (Society: £24,150; RGS Enterprises: £4,250). The auditors were remunerated £900 (2009: £900) for other services.

30 Contingent liability

There is a cross-guarantee in favour of HM Revenue and Customs to and from the Society and RGS Enterprises in respect of their joint membership of the Society's VAT Group. At 31 December 2010, the amount of VAT due to HMRC in respect of the fourth quarter 2010 was £12,666, which was settled on 10 February 2011.

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**NOTES TO THE NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010 (continued)**

31 Related party transactions

Transactions with Royal Geographical Society Enterprises Limited have not been disclosed under the exemption afforded by Financial Reporting Standard 8 from disclosing such amounts when group financial statements have been prepared.