

**THE NATURAL HISTORY MUSEUM  
TRADING COMPANY LIMITED**

**Company No. 02909192**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 MARCH 2018**

TUESDAY



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31/07/2018

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# **The Natural History Museum Trading Company Limited**

## **Company Information**

### **Directors**

Sir Michael Dixon  
The Lord Green of Hurstpierpoint  
Mr Neil Greenwood

### **Secretary**

Mr Neil Greenwood

### **Registered Office**

The Natural History Museum  
Cromwell Road  
London  
SW7 5BD

### **Bankers**

The Royal Bank of Scotland

### **Auditors**

Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

# The Natural History Museum Trading Company Limited

## Strategic Report

### Business review

The principal activities of the company throughout the year comprised the commercial activities of the Natural History Museum. Specifically, these are made up of:

Brand Management and Licensing

Image Resources

Functions and Banqueting, including Venue Hire, Events, and Location Filming

Catering at South Kensington and Tring

Retailing at South Kensington and Tring

Wildlife Photographer of the Year Competition

Sponsorship

Scientific & Museum Consultancy including museum development, strategic and operations consultancy

Touring Exhibitions

The key performance indicators for each key area are driven by operating profit and some areas also consider other success factors such as visitor numbers. A summary of the financial results for the year for each significant area of business is set out below. Key performance indicators for the Group are described in the consolidated accounts of the Natural History Museum.

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

### Brand Management and Licensing

The operating profit from Brand Management was £41k (2017: £109k), reflecting an increase in turnover offset by an increase in staffing costs and investment in the business.

### Image Resources

Image Resources made an operating loss of £110k (2017: loss of £96k) which was in line with expectations for the year whilst the business transitioned to a new sales model and platform.

### Functions and Banqueting, Venue Hire and Location Filming

Functions and Banqueting made an operating profit of £1,953k (2017: £2,407k) which is a decrease of 19%. This is primarily due to the closure of Hintze Hall in the first part of the year.

### Catering

The operating profit from Catering decreased to £657k (2017: £738k) reflecting a small reduction in concession turnover to £1,373k (2017: £1,430k) due to the closure of Hintze Hall and reduced visitor numbers in the first part of the year.

### Retailing

The operating profit from Retailing amounted to £764k (2017: £852k) - a decrease of 10%. This is primarily due to the closure of Hintze Hall and reduced visitor numbers in the first part of the year.

### Wildlife Photographer of the Year

The operating loss from the Wildlife Photographer of the Year competition amounted to £295k compared to a prior year loss of £262k. Turnover was lower due to recognition of one year's competition entry fees in 2018 as opposed to two in 2017, due to a change in the timing of the competition judging. The competition continues to generate significant revenue for Retail and for Touring Exhibitions which is included within the figures for those businesses.

# The Natural History Museum Trading Company Limited

## Strategic Report

### Sponsorship

Sponsorship income of £223k (2017: £196k) was received for the special exhibitions programme and Dippy on Tour.

### Touring Exhibitions

Touring Exhibitions made an operating profit of £273k (2017: loss of £136k). This reflects increased turnover from the new "Treasures" exhibition which was held in Tokyo and Singapore this year.

### Science & Museum Consultancy

The operating profit of £281k (2017: £413k) has decreased due to continued investment in staffing and other costs in line with plans to grow the business.

### Principal risks and uncertainties

The Directors consider that the key risks to business performance are:

- those which impact upon the volume of visitors to the Natural History Museum including tourism in London;
- brand and reputation;
- the overall state of the economy;
- the impact of the United Kingdom leaving the European Union; and
- those which relate to carrying out international business.

Risk management is fully embedded within the annual business planning processes carried out by business unit managers, and this includes the development and implementation of risk management strategies.

### Future plans

Following the reopening of Hintze Hall in July 2017 the focus will remain on driving income from onsite operations whilst continuing to invest in and grow income from other business activities.

By Order of the Board



Mr Neil Greenwood  
Secretary

The Natural History Museum  
Cromwell Road  
London SW7 5BD

Date: 02/07/2018

# **The Natural History Museum Trading Company Limited**

## **Directors' Report**

### **Results and dividends**

The operating profit after accounting for an overhead charge for accommodation and support from the Natural History Museum amounted to £3,470k (2017: £4,007k). Turnover increased to £16,672k (2017: £16,073k) and direct costs of sales increased to £8,552k (2017: £7,845k).

No dividend was payable.

### **Payment to the Natural History Museum**

A payment under Deed of Covenant of £3,470k (2017: £4,007k) has been made to the Natural History Museum in respect of the year ended 31 March 2018.

### **Directors and their interests**

The directors who served the company during the period, were as follows:

The Lord Green of Hurstpierpoint  
Sir Michael Dixon  
Mr Neil Greenwood

No director had any interests in the shares of the company.

### **Directors' responsibilities**

The Directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing those financial statements, the Directors are required to select suitable accounting policies and then apply them consistently; make judgments and estimates that are reasonable and prudent; and prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditors**

Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act 2006 it is proposed that they be re-appointed as auditors for the ensuing year.

# **The Natural History Museum Trading Company Limited**

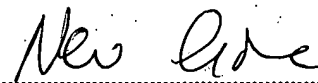
## **Directors' Report**

### **Disclosure of information to auditors**

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. The Directors have taken all reasonable steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

In accordance with section 414(c) of the Companies Act 2006 the Directors have chosen to include information about future developments in the Strategic Report.

**By Order of the Board**



**Mr Neil Greenwood**  
Secretary

The Natural History Museum  
Cromwell Road  
London SW7 5BD

Date: 02/07/2018

# **Independent Auditors' Report to the Members of The Natural History Museum Trading Company Limited**

## **Opinion**

We have audited the financial statements of The Natural History Museum Trading Company Limited for the year ended 31 March 2018 which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

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

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

## **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

# **Independent Auditors' Report to the Members of The Natural History Museum Trading Company Limited**

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



# **Independent Auditors' Report to the Members of The Natural History Museum Trading Company Limited**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

## **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

*Kingston Smith LLP*

Shivani Kothari (Senior Statutory Auditor)  
for and on behalf of Kingston Smith LLP, Statutory Auditor

Devonshire House  
60 Goswell Road  
London

*4th July 2018*

**The Natural History Museum Trading Company Limited**  
**Statement of Income and Retained Earnings**  
**For the year ended 31 March 2018**

	Note	2018 £'000	2017 £'000
<b>Turnover</b>	2	16,672	16,073
Cost of sales		<u>(8,552)</u>	<u>(7,845)</u>
<b>Gross profit</b>		8,120	8,228
Administrative expenses		<u>(4,650)</u>	<u>(4,221)</u>
<b>Operating profit</b>	2 & 3	3,470	4,007
Payment under Deed of Covenant	4	<u>(3,470)</u>	<u>(4,007)</u>
<b>Profit before tax</b>		-	-
Taxation	6	<u>-</u>	<u>-</u>
<b>Profit for the year</b>		<u>-</u>	<u>-</u>
Retained earnings at 1 April 2017		-	-
Total comprehensive income for the year		<u>-</u>	<u>-</u>
<b>Retained earnings at 31 March 2018</b>		<u>-</u>	<u>-</u>

There are no recognised gains or losses in the year other than the profit for the year.

The notes on pages 12 to 20 form part of these financial statements.

# The Natural History Museum Trading Company Limited

## Balance Sheet at 31 March 2018

	Note	2018 £'000	2018 £'000	2017 £'000	2017 £'000
<b>Fixed assets</b>					
Intangible assets	7		254		396
Tangible assets	8		272		338
<b>Current assets</b>					
Stock	9	788		903	
Debtors	10	2,918		1,839	
Cash at bank and in hand		<u>865</u>		<u>690</u>	
		4,571		3,432	
<b>Creditors: amounts falling due within one year</b>	11	<u>(4,797)</u>		<u>(3,866)</u>	
<b>Net current liabilities</b>			<u>(226)</u>		<u>(434)</u>
<b>Net assets</b>			<u>300</u>		<u>300</u>
<b>Capital and reserves</b>					
Called up share capital - equity interests	14		300		300
Profit and loss account	14		<u>-</u>		<u>-</u>
<b>Shareholders' funds</b>	14		<u>300</u>		<u>300</u>

Approved by the Board and authorised for issue on

02/07/2018



.....  
Sir Michael Dixon  
Director

Company Registration No. 02909192

The notes on pages 12 to 20 form part of these financial statements.

**The Natural History Museum Trading Company Limited**  
**Cash Flow Statement**  
**For the year ended 31 March 2018**

	Note	2018 £'000	2017 £'000
<b>Net cash from operating activities</b>	13	3,670	4,346
<b>Cash flow from investing activities</b>			
Purchase of intangible assets	7	-	(35)
Purchase of tangible assets	8	(25)	(78)
<b>Net cash used in investing activities</b>		(25)	(113)
<b>Cash flow from financing activities</b>			
Payment to parent under Deed of Covenant	4	(3,470)	(4,007)
<b>Net cash used in financing activities</b>		(3,470)	(4,007)
<b>Net increase in cash and cash equivalents</b>		175	226
Cash and cash equivalents at the beginning of the year		690	464
<b>Cash and cash equivalents at the end of the year</b>		<u>865</u>	<u>690</u>

# **The Natural History Museum Trading Company Limited**

## **Notes to the Financial Statements**

### **For the year ended 31 March 2018**

#### **1 Accounting policies**

##### **Company information**

The Natural History Museum Trading Company Limited is a limited company domiciled and incorporated in England and Wales. The registered office is The Natural History Museum, Cromwell Road, London, SW7 5BD.

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention. The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest thousand.

##### **Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102, "The Financial Reporting Standard Applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

##### **Going concern**

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

The Company is dependent for its working capital on funds provided by its parent undertaking. The parent has provided an undertaking that for at least 12 months from the date of approval of these financial statements it will continue to make available such funds as are needed by the Company. This should enable the Company to continue in operational existence for the foreseeable future and meet its liabilities as they fall due. As with any company placing reliance on financial support, the Directors acknowledge that there can be no certainty that this will continue although, at the date of approval of these financial statements, they have no reason to believe it will not do so.

On this basis, the Directors consider it appropriate to prepare the accounts on the going concern basis. The accounts do not include any adjustments that would result from the basis of preparation being inappropriate.

##### **Turnover**

Turnover is recognised net of VAT in the following ways for each class of business:

Retail and Catering income is recognised on a cash basis as goods are sold.

Touring Exhibitions income is recognised in line with the period in which the event takes place at the host venue.

Wildlife Photographer of the Year entry fees are recognised in line with the provision of entrance to the competition and judging of entries.

Sponsorship is recognised over the period the sponsor receives the associated benefits.

Consultancy income comprising science, exhibitions and health and safety is recognised on an accruals basis as the consultancy is provided.

Brand Management and Image Resource royalties are recognised as the intellectual property is purchased for use by a third party.

Functions and Banqueting income is recognised when the event date arises.

# **The Natural History Museum Trading Company Limited**

## **Notes to the Financial Statements**

### **For the year ended 31 March 2018**

#### **Intangible fixed assets**

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life.

Image rights	20% straight line
Software and website	10% – 33% straight line

Where factors such as technological advancement or changes in market price indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

#### **Tangible fixed assets**

Individual fixed assets costing £5,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on the following basis:

Office equipment, IT equipment and fixtures and fittings	5%-33% straight line
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The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Tangible assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in profit or loss.

#### **Stock**

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

#### **Financial instruments**

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### **Foreign currencies**

Profit and loss transactions denominated in foreign currencies are translated into Sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the profit and loss account.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held on call with banks.

# The Natural History Museum Trading Company Limited

## Notes to the Financial Statements

### For the year ended 31 March 2018

#### Significant accounting estimates

In the application of the Company's accounting policies, the Directors are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis.

The annual amortisation charge for intangible assets is sensitive to changes in the estimated lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. See note 7 for details of the carrying amount of each class of intangible fixed asset.

The annual depreciation charge for office and IT equipment and fixtures and fittings is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. See note 8 for the carrying amount of each class of tangible fixed asset.

## 2 Analysis by class of business and geographical area

	2018		2017	
	Turnover	Operating Profit/(Loss)	Turnover	Operating Profit/(Loss)
By class of business	£'000	£'000	£'000	£'000
Touring Exhibitions	1,666	273	1,377	(136)
Brand Management	223	41	199	109
Image Resources	89	(110)	78	(96)
Functions and Banqueting	3,611	1,953	3,683	2,407
Catering	1,373	657	1,430	738
Retailing	7,948	764	7,637	852
Central costs	-	(327)	-	(273)
Wildlife Photographer of the Year	61	(295)	137	(262)
Science and Museum Consultancy	1,465	281	1,289	413
Development Sponsorship	223	223	196	196
Other commercial activities	13	10	47	59
	<b>16,672</b>	<b>3,470</b>	<b>16,073</b>	<b>4,007</b>

The operating profit is calculated after accounting for an overhead charge for accommodation and support costs from the Natural History Museum. For 2017-18 this amounted to £2,333k (2017 - £2,047k).

**The Natural History Museum Trading Company Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2018**

By geographical area	2018		2017	
	Turnover £'000	Operating Profit £'000	Turnover £'000	Operating Profit £'000
United Kingdom	14,697	2,462	14,489	3,371
Europe	752	206	867	378
Middle East	10	10	13	13
North America	155	155	109	109
Asia	829	529	504	88
Rest of World	229	108	91	48
	<u>16,672</u>	<u>3,470</u>	<u>16,073</u>	<u>4,007</u>

**3 Operating profit**

	2018 £'000	2017 £'000
The operating profit is stated after charging:		
Depreciation and amortisation of owned tangible and intangible fixed assets	233	233
Loss on disposal of fixed assets	-	9
Stock recognised as an expense	3,687	3,313
Auditors' remuneration:		
- Audit - current year	22	22
- Other	<u>5</u>	<u>2</u>

**4 Payment to the Natural History Museum**

	2018 £'000	2017 £'000
Payment under Deed of Covenant	<u>3,470</u>	<u>4,007</u>

**5 Employee information and Directors' emoluments**

The Company does not employ any persons. Staff and pension costs are instead re-charged from the parent company, the Natural History Museum. No remuneration for directors or key personnel is recharged to the Company.

Staff costs recharged by the Natural History Museum comprise:

	2018 £'000	2017 £'000
Salaries and wages	3,296	2,337
Redundancy costs	22	45
Superannuation	502	441
National Insurance	<u>262</u>	<u>224</u>
	<u>4,082</u>	<u>3,047</u>



# The Natural History Museum Trading Company Limited

## Notes to the Financial Statements

### For the year ended 31 March 2018

Staff costs recharged by the Natural History Museum relate to the following average number of employees for the year:

	2018 Number	2017 Number
Touring Exhibitions	11	11
Brand Management	1	1
Image Resources	3	2
Functions and Banqueting	8	7
Catering	3	1
Retailing	49	40
Wildlife Photographer of the Year	3	3
Museum Consultancy	13	9
	<u>91</u>	<u>74</u>

#### 6 Taxation

	2018 £'000	2017 £'000
<b>Analysis of charge in the period</b>		
Current tax		
UK corporation tax on profits of the period	<u>-</u>	<u>-</u>
<b>Factors affecting the tax charge for the period</b>		
Profit on ordinary activities before tax	<u>-</u>	<u>-</u>
Profit on ordinary activities before tax multiplied by the standard rate of UK corporation tax of 19% (2017 - 20%)	-	-
Effects of:		
Capital allowances	(13)	(162)
Depreciation	26	104
Others	<u>(13)</u>	<u>58</u>
<b>Current tax charge for the period</b>	<u>-</u>	<u>-</u>

**The Natural History Museum Trading Company Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2018**

**7 Intangible assets**

	Image rights £'000	IT Software £'000	Total £'000
<b>Cost</b>			
At 1 April 2017	480	295	775
At 31 March 2018	480	295	775
<b>Amortisation</b>			
At 1 April 2017	232	147	379
Charge for the year	96	46	142
At 31 March 2018	328	193	521
<b>Net book value</b>			
At 31 March 2018	152	102	254
At 31 March 2017	248	148	396

**8 Tangible assets**

	Fixtures & Fittings £'000	Equipment £'000	Total £'000
<b>Cost</b>			
At 1 April 2017	346	620	966
Additions	25	-	25
Disposals	-	(12)	(12)
At 31 March 2018	371	608	979
<b>Depreciation</b>			
At 1 April 2017	200	428	628
Charge for the year	35	56	91
Eliminated on disposal	-	(12)	(12)
At 31 March 2018	235	472	707
<b>Net book value</b>			
At 31 March 2018	136	136	272
At 31 March 2017	146	192	338

**The Natural History Museum Trading Company Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 March 2018**

**9 Stock**

	2018 £'000	2017 £'000
Goods for resale	<u>788</u>	<u>903</u>

**10 Debtors**

	2018 £'000	2017 £'000
Trade debtors	2,162	1,257
Prepayments and accrued income	<u>756</u>	<u>582</u>
	<u>2,918</u>	<u>1,839</u>

**11 Creditors: amounts falling due within one year**

	2018 £'000	2017 £'000
Trade creditors	91	234
Amounts owed to parent undertaking	1,229	1,606
Other creditors	407	292
Accruals and deferred income	<u>3,070</u>	<u>1,734</u>
	<u>4,797</u>	<u>3,866</u>

**12 Financial instruments**

	2018 £'000	2017 £'000
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost		
- Trade debtors	2,162	1,257
- Accrued income	<u>688</u>	<u>512</u>
	<u>2,850</u>	<u>1,769</u>

**The Natural History Museum Trading Company Limited**  
**Notes to the Financial Statements**  
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	2018 £'000	2017 £'000
<b>Carrying amount of financial liabilities</b>		
Debt instruments measured at amortised cost		
- Trade creditors	91	234
- Amounts due to parent undertaking	1,229	1,606
- Accruals	461	359
	<u>1,781</u>	<u>2,199</u>

**13 Net cash from operating activities**

	2018 £'000	2017 £'000
Profit for the year	-	-
Payment to parent under Deed of Covenant	3,470	4,007
Operating profit	3,470	4,007
Depreciation	91	85
Amortisation	142	138
Loss on disposal of fixed assets	-	9
Decrease in stock	115	171
(Increase)/decrease in debtors	(1,079)	66
Increase/(decrease) in creditors	931	(130)
	<u>3,670</u>	<u>4,346</u>

# The Natural History Museum Trading Company Limited

## Notes to the Financial Statements

### For the year ended 31 March 2018

#### 14 Shareholder's funds

	Profit and Loss Account £'000	Called up share capital £'000	Total £'000
<b>2018</b>			
At 1 April 2017	-	300	300
Profit for the year	-	-	-
At 31 March 2018	-	300	-
	Profit and Loss Account £'000	Called up share capital £'000	Total £'000
<b>2017</b>			
At 1 April 2016	-	300	300
Profit for the year	-	-	-
At 31st March 2017	-	300	-
The share capital comprises:			
		<b>2018</b>	<b>2017</b>
		£'000	£'000
Called up, allotted and fully paid:			
300,000 Ordinary shares of £1 each		300	300

#### 15 Parent undertaking and controlling party

The parent undertaking is The Trustees of The Natural History Museum, a body corporate set up by the British Museum Act 1963. The Directors believe there is no ultimate controlling party.

#### 16 Related party transactions

Transactions with the Natural History Museum have not been disclosed under the provisions of FRS 102 as the Natural History Museum Trading Company is a wholly owned subsidiary of the Museum and consolidated accounts are publicly available from its Registered Office.