



RIAS

The Royal Incorporation
of Architects in Scotland

Annual Report 2010

OPERA · NOSTRARUM
MANUUM · DIRIGERE

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RIAS Quarterly issue 6, Summer 2011.

REFERENCE AND ADMINISTRATIVE DETAILS

Scottish Charity Reference

SC 002753

Address of Principal Office

15 Rutland Square
Edinburgh EH1 2BE

Members of Council (Trustees)

President

David Dunbar PRIAS

Past President

Arnie Dunn PPRIAS

Hon Treasurer

George Wren PPRIAS

Chapter Presidents

Aberdeen Society of Architects

Gordon G Smith

Dundee Institute of Architects

Willie Watt

Edinburgh Architectural Association

Kenneth Ralston *from May 2010*

Robert Black *to May 2010*

Glasgow Institute of Architects

Fiona Sinclair *from May 2010*

Martin McKay *to May 2010*

Inverness Architectural Association

Calum Maclean *from May 2010*

Scott Donald *to May 2010*

Stirling Society of Architects

Sandy Dawson

Council Members

Chapter Representatives/Nationally Elected/Co-options

From December 2010

Replacement of David Chouman with Murray Restrup

From September 2010

Gordon Anderson, Richard Atkins, Stuart Bagshaw, Roderick Binns, Andrew Bruce, Stuart Campbell, Donald Canavan, David Chouman, Iain Connelly, Hugh Crawford, Colin Doig, Frank Crichton Wood, Allan Cumming, Jim Cuthbertson, Brendan Diamond, Iain Dickson, Kieran Gaffney, Euan Geddes, Michael Goudie, Ian Hamilton, Fiona Harvey, Stewart Henderson, Sholto Humphries, Michael Jarvis, Stephen Lynas, Fraser Middleton, Roy Milne, Dermot Patterson, Doug Read, Sheila Riddell, Shane Rodgers, Joan Scott, A Gordon Smith.

To September 2010

Gordon Anderson, Richard Atkins, Stuart Bagshaw, Andrew Bruce, Stuart Campbell, Donald Canavan, David Chouman, Iain Connelly, Hugh Crawford, Frank Crichton Wood, Allan Cumming, Jim Cuthbertson, Iain Dickson, Kieran Gaffney, Euan Geddes, Mike Goudie, Sholto Humphries, Gloria Lo, Sandy McAllister, John M MacLean, Roy Milne, Adrian Neville, Dermot Patterson, Doug Read, Sheila Riddell, Shane Rodgers, Joan Scott, Gordon Smith, Paul Stephen, Ian Stewart.

Staff Members during the year

Secretary & Treasurer

Neil Baxter

Depute Secretary

Sharon McCord

Bankers

The Royal Bank of Scotland plc
Edinburgh West End Office
142-144 Princes Street
Edinburgh EH2 4EQ

Auditors

Springfords LLP
Dundas House
Westfield Park, Eskbank
Edinburgh EH22 3FBV

Accountants

Norman, Downie & Kerr Ltd
The Courtyard
130 Constitution Street
Edinburgh EH6 6AJ

Investment Managers

Murray Asset Management
39 Castle Street
Edinburgh EH2 3BH

Legal Advisors

Simpson & Marwick
Albany House
58 Albany Street
Edinburgh EH1 3QR

PRESIDENT'S INTRODUCTION

As the Incorporation's fully audited "Report Card" our Annual Report is a key document for all of the Incorporation's members. The headlines are that we're in the black, membership numbers are increasing (marginally), our political connections are steadily improving, our media profile is also on the up and, through these tough times, the RIAS is still managing to deliver a range of CPD and a lively Convention.

We are also still organising and presenting awards, recognising achievement at all levels, still promote the odd competition, remain a dedicated architectural publishing house, provide technical advice on a whole breadth of issues to our members, Government and public organisations and endeavour to ensure that our archive and the architectural record for the latter half of the Twentieth Century in Scotland is as comprehensive as possible.

However, this report is about significantly more than these bald, substantially positive, facts. It encompasses the governance through which we ensure that the RIAS remains a member-owned and member-led organisation which encompasses all of the spread geography of Scotland. Those members from all of the Chapters who serve on Council, Chapter Councils and our many committees in Edinburgh and locally are contributing a hugely significant voluntary effort which guides all of the RIAS' activities.

While we do employ a dedicated and talented staff at Rutland Square, there is no way that the sheer volume of activity undertaken by the RIAS, centrally and at Chapter level, could ever be delivered without the skills, knowledge and time given willingly by very many members to whom the rest of us are beholden.

While the key endeavour of the RIAS is to promote architecture and architects in Scotland, we are well connected internationally through our network of Honorary Fellows. The willingness of speakers from throughout the world to address our annual Convention without fee (although we do try to give them excellent hospitality) indicates a store of goodwill for the Incorporation. Similarly the warmth of the various national embassies and Scottish consulates with which we regularly interact demonstrates real international credibility.

At the Parliament, our Cross Party Group on Architecture and the Built Environment, whose convenorship transferred last year from Robin Harper MSP to Linda Fabiani MSP, does excellent work, promoting events with contributions from experts focussed upon issues which are pertinent to our politicians and the Group's members from both RIAS and RTPI. Eugene Mullan FRIAS' continuing endeavour in organising the Group is a major service to the Incorporation, gratefully received. Annual membership of the Cross Party Group is only £10 (for 4/5 meetings at the Parliament per year) so it does represent excellent value for money and provides great CPD, as well as being a real opportunity to highlight issues in the political forum (contact Eugene: E.Mullan@smith-scott-mullan.co.uk to join).

The role of the architect in society has changed markedly in the last few years. One reason for our increasing membership roll and the relatively steady incomes from Practice Services and RIAS Insurance Services is the increasing number of new, in the main small, practices in Scotland. Hopefully they see real benefits in the breadth of services and technical support

offered by the Incorporation.

One very positive outcome of publishing our new magazine is its comprehensive reporting of all the Incorporation's activities. In times past, submissions to awards tended to disappear into relative obscurity, unless you were among the fortunate few winners. The magazine is a mechanism whereby shortlisted schemes get an airing. They are usually depicted with photographs, showing them at their best, alongside citations which reflect the judges' thinking. There is even the odd plan.

The RIAS journal is, of course, unusual in that, unlike other architectural magazines, it cannot simply focus on a particular project on the whim of a journalist or editor. Any buildings featured in RIAS Quarterly are there because they have been the subject of an award or at the very least (as in the Kengo Kuma article in this issue) at the centre of a major architectural or public event. Of course projects outwith Scotland, particularly in continental Europe, are easier game.

Because annual reports conform to standard accountancy practice, they tend to be less than entirely stimulating. Financial data usually gets little more than a cursory glance. However it must be reassuring to our members that, for the third year running, the outturn of the Incorporation's many and varied operations left us marginally in the black in 2010. The operation overall generated £46,592. Profits from our trading subsidiary, RIAS Services Ltd (which are paid to the charity under gift aid) were a modest £2,294. While the intention is always to keep our finances positive, this respectable outturn is indicative of careful management which has ensured that our endeavours are entirely focussed on

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2010

generating benefits for our membership through promoting architecture. A small profit, particularly in the current climate, is exactly the right fiscal scenario for an organisation like the RIAS.

While the Incorporation is certainly not wealthy, the original benefaction from Sir Robert Rowand Anderson, which has provided us with rent-free accommodation for the last nine decades, is now, as described elsewhere in this magazine, being given the care it deserves. We have assets enough to help us through hard times and allow us to continue to support community endeavour, provide benefits for students, offer our retirees entirely free membership and to ensure that, while sponsorship is always appreciated and the Government contribution to the Doolan Award particularly so, we are never beholden to external funders. Therefore the Incorporation's voice is that of our members, agreed through a Council which is always accessible.

Please give these accounts a careful reading. They are a summary of the Incorporation's activities, reflective of an organisation which endeavours to support, encourage and nurture its nearly 4000 members throughout Scotland. There is no room for complacency. We certainly don't emerge from 2010 with significantly more than an awareness of delivering a steadily improving service and a determination to build upon our positive endeavours to date. We can and will try harder – the inevitable pay-off line of any report card worth the name.



SHOLTO HUMPHRIES
PRESIDENT

The members of Council of the Royal Incorporation of Architects in Scotland are pleased to present their report for the year ended 31 December 2010. This report is prepared in accordance with the Charter and Bye-Laws of the Incorporation and complies with applicable law.

The members of Council have applied the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005, in preparing the annual report and financial statements.

Structure Governance and Management

The Incorporation is operated under the rules of its Royal Charter and Byelaws, originally granted in May 1922 and most recently revised in December 2003. It is a registered Scottish charity (reference SC 002753).

The Incorporation is a membership body with six Chapters and six categories of membership: honorary fellow, fellow, member, honorary affiliate, affiliate and student membership. Applications for membership are approved by the Council and members sign a declaration confirming adherence to the RIAS Charter and Byelaws.

Management of the Incorporation is the responsibility of the members of the Council, who are elected or co-opted under the terms of the Byelaws and who are charity trustees for the purposes of charity law. Members of Council may be appointed by election from the membership, by Chapter nomination or by co-option by Council, in accordance with

the rules set out in the Byelaws. The names of officers and other members of Council who served during the year are shown on page 81 above.

The Council is required to meet at least four times each year and has overall responsibility for the strategic management and operations of the Incorporation (including governance responsibilities under charity law). A formal induction for Council members is given at the beginning of the first meeting each year, which includes training on relevant regulations and the responsibilities of trustees. Management in specific areas is overseen by means of sub-committees and day to day management is delegated to the Secretary & Treasurer and staff of the Incorporation. Senior members of staff during the financial year are listed on page 81 above.

Objectives and Activities

The principal object of the Incorporation is to promote the value of architecture and architects in Scotland. The full list of Objects is set out in paragraph 5 of the Charter. There have been no changes in objectives since the last annual report.

Much of the activity supporting the objectives is undertaken by the subsidiary trading company, RIAS Services Limited which pays its profits over to the charity by gift aid.

RIAS Services Limited provides a range of services to individual members, architectural practices and other organisations. This includes a subscription service for architectural practices, CPD for members, a bookshop, running events and consultancy services including architectural competitions. There is also a publishing arm which publishes the RIAS/Landmark Trust Series of Illustrated

Architectural Guides and other titles. The Incorporation also publishes a biennial Directory of Practices and produces a quarterly journal and learned society publications.

Achievements and Performance

Membership

The RIAS welcomed 80 new members and 17 re-joined. 27 deaths were reported with regret, 35 members resigned and 5 were removed for non-payment. On balance, membership is up by 30. However a total of 58 transfers to “retired” mean that fee paying membership is down by 28 (about 1%). In the prevailing climate we are very grateful to our members for their tenacity and continuing goodwill. The first four issues of the new RIAS Quarterly were positively received and member input has delivered lively and varied content. Online communications seem effective. A new website and online Practice Directory were commissioned in 2010 for launch mid 2011. The membership database is also being renewed.

Our September 2010 SGM agreed that “ARIAS” be replaced by “RIAS” and to abolish the term “Associate” (which internationally means unqualified). Joint RIAS/RIBA members received a single joint renewal letter, avoiding the habitual confusion of separate letters.

Politics and PR and International Liaison

Our media profile has continued to be positive, with good coverage on television, radio and in the specialist and general press. In addition to ministerial meetings with Fiona Hyslop and John Swinney, the President met a number of senior opposition members,

including Tavish Scott, Iain Gray and Pauline McNeill. The President and Secretary had constructive meetings with new A+DS Chair, Karen Anderson and CEO, Jim MacDonald and with RIBA President, Ruth Reed and CEO, Harry Rich. Liaison continued with the Dutch Embassy and the Swiss Consulate. In September the Swiss Government hosted a Scottish delegation led by the RIAS President and including Government representatives.

Events

The Stirling Convention included presentations from Tim Macfarlane Hon FRIAS, Louis Becker Hon FRIAS and Edgar Gonzalez Hon FRIAS. Our Cross Party Group at the Parliament hosted lively meetings on the Historic Environment Bill, Planning for a Sustainable Environment and Apprenticeship. Our Festival of Politics debate on further new towns (consensus against) was chaired by BBCs Pauline McLean. The Group’s Chair, Robin Harper Hon FRIAS, stood down and Linda Fabiani Hon FRIAS was voted in. The Fellows’ Annual Dinner and Summer Reception were both very convivial. Ian Ritchie CBE Hon FRIAS addressed the former.

HQ and Governance

The Incorporation’s corporate strategy is being revisited for 2012 to 2016. Les Hutt stood down as RIBA Council Representative for Scotland North. ASA President, Gordon G. Smith accepted the nomination to serve on RIBA Council. A programme of repairs to the basement and sub-basement areas of 15 Rutland Square was approved. The improved quality of our financial reporting has enabled the audit to be carried out more efficiently and a renegotiated fee basis was approved by the AGM.

Practice

Marjorie Appleton re-joined the Incorporation’s staff, part-time, to contribute her expertise to Practice Information. Our conservation and sustainability accreditation schemes continue to grow steadily. The former has been limited to two categories – ‘Accredited’ and ‘Advanced’. The sustainability assessors list has been expanded to nine. Our Energy Design Certification Scheme has 44 accredited certifiers and received a positive Government audit. The RIAS adjudicators list has been refreshed through an induction/refresher course, an examination and interview. The President’s Commission on Procurement, chaired by Roy Martin QC Hon FRIAS, diverted its focus onto the Scottish Futures Trust’s HubCo initiative. Detailed negotiation ensued with the aim of benefiting small and medium scale practices.

Education/CPD

Four James Miller (hardship) Awards were given. The President, Education Convenor and Secretary visited four Schools of Architecture, meeting staff and students and undertaking interviews towards the 2010 Scottish Design Tutor Award. The Association of Scottish Schools of Architecture (ASSA) was re-grouping during 2010. The Incorporation continues to support the Association with financial services and meeting facilities. The APEAS Reception at the Stirling Convention was a positive engagement with newly qualified Scottish architects.

Awards

41 RIBA Award submissions resulted in eight awards. The student awards were renamed ‘A+DS & RIAS Scottish Student Awards’ and judged by the President with Prof Iain Docherty, Ian Gilzean RIAS and Ian McKnight

from Belfast. Two Lifetime Achievement Awards were given, Richard Gibson's at the Convention and Jonathan Speirs', in recognition of his worldwide pre-eminence in lighting design, at a special Parliamentary reception, hosted by Presiding Officer, Alex Fergusson. From four nominees the inaugural Scottish Design Tutor Award went to Kathy Li at Strathclyde with a Special Lifetime Achievement in Education Award for Iain Ramsay at Scott Sutherland.

The RIAS Andrew Doolan Best Building in Scotland Award was judged by the President, Professor Andy MacMillan FRIAS, Edgar Gonzalez Hon FRIAS and Jonathan Speirs FRIAS, with the award going to Elder and Cannon Architects for Shettleston Housing Association's offices. The touring exhibition of the 2009 Doolan Award visited nine venues.

Consultancy/Competitions

Winners were announced for three competitions – Ardrossan Beach was won by Cooper Architects, the new nuclear archive at Dounreay by Reiach and Hall Architects and the Scottish Sustainable Communities Initiative Competition by Malcolm Fraser Architects. The Shetland Sustainable Housing Competition was launched.

Publishing

The monograph on Matt Steele of Bo'ness, generously funded by Falkirk Council and the Bo'ness Townscape Heritage Initiative, was launched at a half-day seminar at the superbly restored Hippodrome Cinema with contributions from Bill Cadell FRIAS, Historic Scotland and co-author Roger Emmerson.

Chapters

The Chapters continue to provide lively and varied CPD, awards, political lobbying and other events. All the Chapters now have awards programmes which feed into the Doolan.

Consultations

The Incorporation responded to consultations on Air and Noise Testing, Sustainability Labelling within Building Standards, Tree Preservation Orders and Verification. The Incorporation also liaised with the Scottish Government over the proposed Scottish Arbitration Centre (ultimately agreeing support without a financial subvention).

Honorary Fellowships

Honorary Fellowships were awarded to Louis Becker, Stuart Campbell, Mrs Margaret Doolan, George Ferguson CBE PPRIBA, Dr Anne Lorne Gillies, Edgar Gonzalez, Professor Malcolm Horner, Tim Macfarlane Hon FRIBA, Sharon McCord, Brian Moore, Ian Rankin, Reto Renggli and Alistair Salvesen CBE.

Collections/Archive

Historic Scotland has funded filmed interviews with senior members, including Ian Begg FRIAS, Dr Joyce Deans CBE PPRIAS, Jack McDougall CBE FRIAS and Andrew Merrylees FRIAS and Robert Steedman OBE FRIAS. More interviews are scheduled. Distinguished international Fellows were asked to contribute to the RIAS drawings collection, with contributions gratefully received from Tadao Ando, Sir Nicolas Grimshaw, Bernat Klein CBE, Richard Meier, Ian Ritchie CBE, Lord Rogers, Moshe Safdie, Alvaro Siza and Robert Venturi.

Future Plans

In addition to ongoing restoration of 15 Rutland Square, the introduction of radically improved online communications and a continuation of its core endeavours in political lobbying, education, technical advice, publishing and awards, the Incorporation has met with a wide range of partner organisations and with Government towards a year-long festival of architecture in its centenary year, 2016.

Acknowledgements

RIAS members who participate in Chapter and HQ committees and activities, the RIAS President, PPC and Council, the Secretary and the staff team are commended for their hard work throughout 2010.

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2010

Financial Review and Results for the Year

The results for the year are set out in the Statement of Financial Activities (SOFA) on page 91, which shows the consolidated income and expenditure for the charity and its subsidiary trading company, RIAS Services Ltd. Separate results for the charity alone are shown in the Income & Expenditure account on page 92 and results for the subsidiary company are summarised in note 2 on page 94.

The result for the year, as set out in the SOFA, shows net incoming resources of £46,592 before investment gains compared to net outgoing resources of £206,540 in the previous year. However the latter included exceptional expenditure of £229,746 on refurbishment costs and, leaving that aside, there were net incoming resources of £23,206 on normal activities in the previous year.

The result for the year is better than was anticipated in the present economic climate. However various items of expenditure, which were planned during 2010, have been carried over in part to 2011. These include £30,000 for IT development (comprising website development, an improved members' database and setting up an online directory) and a balance of £34,000 for internal refurbishment works out of a total of £45,000 approved by Council. These amounts have been set aside as designated funds out of the general fund (see note 14).

The main source of income for the Incorporation is its membership subscriptions and these show an increase of 14% to provide income of £521,120, representing 51% of the gross income for the year. This has been the first year of a revised agreement with the RIBA on joint subscriptions.

The Incorporation benefits from profits generated by its trading subsidiary, RIAS Services Ltd, which are paid over to the charity under gift aid and which contribute to expenditure on membership activities. The results for the subsidiary company are summarised in note 2 on page 17 and show a decrease in both income and expenditure and a net profit of £2,294.

There has been a further reduction of 4% in administrative expenditure during the year, continuing the move to a smaller, more focussed, staff team and awareness of the need to reduce expenditure wherever possible without compromising the service to members.

Governance costs have decreased, as the previous year included expenditure of £28,303 on termination payments arising from the staff reduction exercise.

The restricted funds comprise the awards and prize funds, the benevolent fund, the Scottish Community Projects Fund (SCPF) and the ASSA fund, held for the Association of Scottish Schools of Architecture. Further grant income of £15,000 was received from the Robertson Trust for the SCPF and grants totalling £17,178 were awarded from this fund during the year. A total of £71,190 is carried forward in restricted funds (see note 14, page 97).

Investments

The Incorporation relies on advice from external investment advisers in managing its listed investments. There was a net gain of £5,144 on listed investments over the year reflecting some improvement in the value of the stock market.

Also included is an unlisted investment in Scottish Buildings Contract Committee Ltd (SBCC) at an estimated valuation of £11,982,

an increase of £474. The Incorporation owns one sixth of the share capital of SBCC (see note 9 for further details).

Funds & Reserves Policy

The various funds of the Incorporation and movements over the year are detailed in note 14 on page 97. A total of £271,643 is held in designated funds. Of this £200,043 represents tangible fixed assets and investments which are not readily realisable. The balance of £71,600 has been set aside for expenditure in the next year, as described in note 14. There remains a balance of £276,534 in the general fund representing the free reserves of the charity, a reduction of £10,021 compared to the previous year. Generally it is the policy of the trustees to maintain the level of these free reserves to provide a reasonable cushion for unknown contingencies and enable the Incorporation to participate in opportunities for the benefit of the profession.

Asset Valuation

The book value of tangible fixed assets is represented by the revaluation reserve of £198,100 with the balance of £188,061 in the designated fixed asset fund (£386,161 in total). This includes written down amounts of £334,668 and £29,388 for the heritable property and antique and fine art furnishings, which were revalued in 1987 and 1988 respectively. In the opinion of the trustees the current market value of these assets is considerably in excess of the current book values shown in the accounts. A valuation for the heritable property in July 2007 indicated a market value in the range £1.2 to £1.3 million at that time.

Future Funding

Given the difficult economic climate, the Incorporation budgeted for a significant reduction in income from members' subscriptions in 2010. The actual reduction was considerably less than feared, but there could well be a downturn in 2011 and a reduction of 8% in gross subscription income has been budgeted for 2011. Balancing the budget in the year ahead will continue to be a challenge, but the efficiencies put in place during the last two years mean that the Incorporation is well placed to meet this challenge.

Risk Management

The President and senior members meet with staff on a regular basis to review the activities and to ensure that objectives are met. At each of their meetings, the members of Council are presented with a report on the financial performance based on the agreed budget for the year.

The members of Council confirm that the major risks to which the Incorporation is exposed have been reviewed and that systems have been established to mitigate those risks.

Statement of Responsibilities of the Council Members in Relation to Financial Statements and Accounting Records

The members of Council, as trustees of the charity, are responsible for preparing the Report of the Council and the financial statements in accordance with applicable law and regulations.

The Council members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Scottish charity law requires the trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Incorporation, including its wholly owned subsidiary and of its net incoming or outgoing resources for the year.

In preparing those financial statements, the Council members are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice for charities;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Incorporation will continue to operate.

The Council members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Incorporation and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the Incorporation's constitution. They are also responsible for safeguarding the assets of the Incorporation and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Disclosure to Auditor

So far as the members of Council are aware, there is no relevant audit information of which the Incorporation's auditor is unaware. Additionally, the Council members have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the Incorporation's auditors are aware of that information.

DAVID DUNBAR, PRESIDENT

16 March 2011

AUDITOR'S REPORT

INDEPENDENT AUDITORS' REPORT TO THE COUNCIL OF THE ROYAL INCORPORATION OF ARCHITECTS IN SCOTLAND FOR THE YEAR ENDED 31 DECEMBER 2010

We have audited the financial statements of The Royal Incorporation of Architects in Scotland for the year ended 31 December 2010, which comprise the statement of financial activities, the income and expenditure account, the balance sheet, the statement of total recognised gains and losses, the note of historical profits and losses and related notes. 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 members of Council (the charity's trustees) as a body, in accordance with section 44(1)(c) of the *Charities and Trustee Investment (Scotland) Act 2005* and regulation 10 of the *Charities Accounts (Scotland) Regulations 2006*. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 Incorporation and the Incorporation'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 Responsibilities of the Council members set out on page 87, the members of Council, as trustees of the charity, are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the *Charities and Trustee Investment (Scotland) Act 2005* and report in accordance with regulations made

under 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2010 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the *Charities and Trustee Investment (Scotland) Act 2005* and regulation 8 of the *Charities Accounts (Scotland) Regulations 2006*.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the *Charity Accounts (Scotland) Regulations 2006* (as amended) requires us to report to you if, in our opinion:

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

Springfords LLP
Dundas House
Chartered Accountants and Statutory
Auditor
Westfield Park, Eskbank
Edinburgh
16 March 2011

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

ACCOUNTING POLICIES

Basis of Accounting and Consolidation

The financial statements have been prepared under the historic cost convention, as modified by the revaluation of certain fixed and current assets and in accordance with applicable accounting standards in the United Kingdom, the *Charities and Trustee Investment (Scotland) Act 2005*, the *Charities Accounts (Scotland) Regulations 2006* and the *Statement of Recommended Practice Accounting and Reporting by Charities*, issued in March 2005 (SORP 2005).

The charity has substantial cash reserves and has reported a surplus for the year and this is expected to continue in the future. Through the nature of its operations the trustees assess that the charity is not unduly exposed to current general economic difficulties. The trustees consider that the charity will continue in operational existence for the foreseeable future and they therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

The financial statements are a consolidation of the Royal Incorporation of Architects in Scotland ('the charity') and its wholly owned subsidiary company, RIAS Services Limited (see note 2). No separate statement of financial activities is shown for the charity, in accordance with the exemption afforded by paragraph 397 of SORP 2005, but separate results are shown for the charity in the income & expenditure account.

The Group meets the size exemption criteria of *Financial Reporting Standard No 1 (revised 1996) Cash Flow Statement*. Accordingly, no cash-flow statement is required.

Some of the expenditure in note 6 to the accounts has been allocated differently in 2010, in order to reflect more accurately the activities of the charity and the 2009 comparatives have been adjusted accordingly.

Trading Activities

The trading activities in the subsidiary company, comprising in the main services to architects, conferences and events and the sale or production of publications related to architecture, are considered to be ancillary to the primary purpose of the charity. Consequently the income and expenditure from these activities has been classified as "charitable activity" in the Statement of Financial Activities (the SOFA).

Incoming Resources

Grants and donations are included when receivable unless there are imposed pre-conditions on use of the funds or the income is for a future accounting period. Any grants or donations received for a particular purpose are allocated to restricted funds.

Membership subscriptions are included in the year for which they are due.

Turnover from trading activities is stated at invoice value, excluding VAT and is included in the period when a service is delivered, goods are made available or an event takes place.

Investment income and other income is included when receivable.

Income referable to future periods or events is deferred (see note 13 for details).

Resources Expended

All expenditure is accounted for on an accruals basis. Wherever possible costs are attributed directly to membership activities, trading activities or governance costs. The remaining administrative support and central management costs are allocated on the basis of estimated staff time and use of facilities, which amounted to the following proportions in 2010:

Membership activities	55% (2009 – 55%)
Trading activities	40% (2009 – 40%)
Governance costs	5% (2009 – 5%)

Grants payable to projects are fully charged in the period when the award is made, unless the offer is conditional in which case the grant is recognised once the conditions have been fulfilled.

The Incorporation is registered for VAT and expenditure excludes VAT. Irrecoverable VAT, arising from exempt membership activities, is shown as a separate item under membership costs (see note 6).

ACCOUNTING POLICIES

Tangible Fixed Assets and Depreciation

From 1 January 2000 all new tangible fixed assets are recorded at historic cost less accumulated depreciation and any provisions for impairment. Prior to that date, the company's heritable property and its antiques and fine art furnishings had been restated at their open market values at January 1987 and January 1988 respectively and had subsequently reduced by depreciation on those new values. Under the transitional arrangements of *Financial Reporting Standard 15 Tangible Fixed Assets*, the property, antiques and fine art furnishings continue to be treated on that basis. The assets are stated at open market value at the respective valuation dates less accumulated depreciation to date and those valuations have not been updated.

The heritable property is depreciated at 2% per annum on a straight line basis and the antique and fine art furnishings at 2% per annum on a straight line basis. The land associated with the property and improvement work in progress have not been depreciated. Other furniture, fittings and office equipment are stated at cost less depreciation which is charged by the straight line method over the estimated useful life of each asset at the following rates:

Furniture & Fittings	10%-25% per annum
Office Equipment	10%-20% per annum
Computer Equipment	25%-50% per annum

Generally assets costing less than £250 are not capitalised in the balance sheet.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the general fund (refer to note 16).

Fixed Asset Investments

Listed investments are stated at market value at the balance sheet date. Gains and losses on revaluation or disposal of investments are recognised in aggregate in the Statement of Financial Activities.

Unlisted investments are stated at trustees' valuation, based on the net asset value shown by the most recent annual accounts.

Stocks and Work in Progress

Stocks and work in progress of publications, products and stationery are stated at the lower of cost and net realisable value.

Pension Costs

Pension costs represent contributions payable for the accounting period under defined contribution schemes.

Taxation

As a registered charity, the Incorporation is exempt from corporation tax on its charitable activities. Profits of the trading subsidiary are paid over to the charity as gift aid and consequently no provision for corporation tax is required.

Fund Accounting

The *Unrestricted general fund* is available to be used for any of the charitable objects at the discretion of the trustees.

Designated funds are set aside by the trustees out of unrestricted funds for specific purposes or projects.

Restricted funds can only be used for particular purposes within the objects of the charity as specified by the donor or by the terms of an appeal for the funds.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

THE NOTES ON PAGES 94 TO 97 AND THE ACCOUNTING POLICIES ON PAGE 89 FORM PART OF THESE FINANCIAL STATEMENTS.

Consolidated Statement of Financial Activities

Incoming Resources	<i>Notes</i>	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total 2010</i>	<i>Total 2009</i>
		£	£	£	£
Incoming Resources from charitable activities:					
Membership subscriptions	1	521,120	-	521,120	457,624
Membership activities		30,831	-	30,831	17,367
A. Doolan Best Building in Scotland Award		39,295	-	39,295	40,110
Incoming Resources from generated funds					
<i>Trading activities:</i>					
Services to architects	2	217,466	-	217,466	246,378
Publications & products	2	91,808	-	91,808	132,803
Consultancy & other sources	2	86,616	-	86,616	93,901
<i>Voluntary income:</i>					
Grants & donations	3	-	29,324	29,324	41,020
Investment income	4	6,709	-	6,709	6,786
Total incoming resources		<u>993,845</u>	<u>29,324</u>	<u>1,023,169</u>	<u>1,035,989</u>
Resources Expended					
<i>Charitable activities:</i>					
Membership activities	6	421,044	-	421,044	362,217
A. Doolan Best Building in Scotland Award	6	38,467	-	38,467	40,452
Other grants & awards	5	39,883	26,178	66,061	83,332
Building refurbishment	6	11,179	-	11,179	229,746
<i>Costs of generating funds</i>					
<i>Trading activities:</i>					
Services to architects	2	167,515	-	167,515	191,580
Publications & products	2	133,731	-	133,731	170,163
Consultancy & other sources	2	92,350	-	92,350	96,817
<i>Governance costs</i>	6	46,230	-	46,230	68,222
Total Resources Expended		<u>950,399</u>	<u>26,178</u>	<u>976,577</u>	<u>1,242,529</u>
Net Incoming / (Outgoing) Resources before other recognised gains and losses					
		43,446	3,146	46,592	(206,540)
<i>Other recognised gains and losses</i>					
Net (losses) / gains on investment assets		5,618	-	5,618	5,620
Net Movement in Funds		49,064	3,146	52,210	(200,920)
Funds brought forward		697,213	68,044	765,257	966,177
Funds carried forward	14	<u>746,277</u>	<u>71,190</u>	<u>817,467</u>	<u>765,257</u>

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

THE NOTES ON PAGES 94 TO 97 AND THE ACCOUNTING POLICIES ON PAGE 89 FORM PART OF THESE FINANCIAL STATEMENTS.

Consolidated and Charity Income and Expenditure Accounts

	Notes	Group		Charity	
		2010	2009	2010	2009
		£	£	£	£
Income:					
Membership subscriptions	1	521,120	457,624	521,120	457,624
Membership activities		30,831	17,367	30,831	17,367
A. Doolan Best Building in Scotland award		39,295	40,110	39,295	40,110
Turnover from trading activities	2	395,890	473,082	-	-
Grants & donations	3	29,324	41,020	29,324	41,020
Gift aid donation due from subsidiary		-	-	2,294	14,522
Recharge of support costs to subsidiary		-	-	102,411	107,037
Investment income	4	6,709	6,786	6,709	6,786
Total income		1,023,169	1,035,989	731,984	684,466
Expenditure:					
Membership activities	6	421,044	362,217	421,044	362,217
A. Doolan Best Building in Scotland award	6	38,467	40,452	38,467	40,452
Other grants & awards	5	66,061	83,332	66,061	83,332
Building refurbishment	6	11,179	229,746	11,179	229,746
Expenditure on trading activities	6	393,596	458,560	102,411	107,037
Governance costs	6	46,230	68,222	46,230	68,222
Total expenditure		976,577	1,242,529	685,392	891,006
Net operating income / (expenditure) for the year		46,592	(206,540)	46,592	(206,540)
Net realised gains on sale of fixed asset investments		-	1,635	-	1,635
Net income / (expenditure) for the financial year		46,592	(204,905)	46,592	(204,905)

All income and expenditure is attributable to continuing operations in each financial year.

Consolidated Statement of Recognised Gains and Losses

	2010	2009
	£	£
Group and Charity:		
Net income / (expenditure) for the financial year	46,592	(204,905)
Net unrealised (losses) / gains on fixed asset investments	5,618	3,985
Net recognised (losses) for the financial year	52,210	(200,920)
Note of Historical Cost Results		
Group and Charity:		
Reported net income / (expenditure) for the financial year	46,592	(204,905)
Realisation of fixed asset investment gains of previous years	-	1,219
Difference between the historical cost depreciation charge and the actual depreciation charge of the year calculated on the relevant amount	3,129	3,129
Historical cost net surplus / (deficit) for the financial year	49,721	(200,557)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

THE NOTES ON PAGES 94 TO 97 AND THE ACCOUNTING POLICIES ON PAGE 89 FORM PART OF THESE FINANCIAL STATEMENTS.

Consolidated and Charity Balance Sheets at 31 December 2010

	Notes	Group		Charity	
		2010	2000	2010	2009
		£	£	£	£
Fixed Assets					
Tangible assets	8	386,161	399,150	386,161	399,150
Listed investments	9	63,023	58,176	63,023	58,176
Unlisted investment	9	11,982	11,508	11,982	11,508
Investment in subsidiary at cost	2	-	-	100	100
		<u>461,166</u>	<u>468,834</u>	<u>461,266</u>	<u>468,934</u>
Current Assets					
Stocks and work in progress	10	66,202	76,844	6,391	7,666
Debtors	11	112,087	110,566	38,538	21,442
Cash at bank and in hand		472,921	444,278	463,128	437,547
		<u>651,210</u>	<u>631,688</u>	<u>508,057</u>	<u>466,655</u>
Creditors					
Amounts falling due within one year	12	<u>294,909</u>	<u>335,265</u>	<u>151,856</u>	<u>170,332</u>
Net Current Assets		<u>356,301</u>	<u>296,423</u>	<u>356,201</u>	<u>296,323</u>
Net Assets		<u>817,467</u>	<u>765,257</u>	<u>817,467</u>	<u>765,257</u>
Funds:					
Unrestricted Funds:					
General fund	14	276,534	286,555	276,534	286,555
Revaluation reserve	16	198,100	201,229	198,100	201,229
Designated funds	14	271,643	209,429	271,643	209,429
Total Unrestricted Funds		<u>746,277</u>	<u>697,213</u>	<u>746,277</u>	<u>697,213</u>
Restricted Funds:					
Restricted income funds	14	<u>71,190</u>	<u>68,044</u>	<u>71,190</u>	<u>68,044</u>
Total Restricted Funds		<u>71,190</u>	<u>68,044</u>	<u>71,190</u>	<u>68,044</u>
Total Funds		<u>817,467</u>	<u>765,257</u>	<u>817,467</u>	<u>765,257</u>

The accounts on pages 91 to 97 were approved by the Council members on 16 March 2011 and are signed on their behalf by:



David Dunbar
President



Richard Atkins
Member of Council



Neil Baxter
Secretary & Treasurer

Date: 16 March 2011

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

1. Membership Subscriptions

	2010	2009
	£	£
Joint subscriptions with RIBA	347,476	290,879
RIAS only subscriptions	173,644	166,745
	521,120	457,624

2. Trading Activities and Subsidiary Company

The trading activities of the Royal Incorporation of Architects in Scotland are run by its wholly owned subsidiary company, RIAS Services Limited, which pays over its taxable profits to the Incorporation by gift aid. The Incorporation owns the entire issued share capital of RIAS Services Ltd, comprising 100 ordinary shares of £1 each, which is shown at its cost of £100 in the balance sheet of the charity.

The Incorporation has undertaken to provide financial support to the subsidiary to meet the deficiency in its funds (see below). In view of this, a provision of £2,489 has been made against the valuation of the investment, which is included in creditors in the charity balance sheet (see note 12).

The summarised results of RIAS Services Limited for the year are as follows:

	Services to architects	Publications & products	Consultancy & other	Total 2010	Total 2009
	£	£	£	£	£
Turnover	217,466	91,808	86,616	395,890	473,082
Direct expenditure	111,238	109,972	69,935	291,145	353,615
Administrative support costs	56,277	23,759	22,415	102,451	104,945
Total expenditure	167,515	133,731	92,350	393,596	458,560
Profit for the year				2,294	14,522
Gift Aid payable to the Incorporation				(2,294)	(14,522)
Retained by subsidiary company				-	-

The assets and liabilities of the subsidiary company at 31 December 2010 were as follows:

	2010	2009
	£	£
Current Assets		
Stocks and work in progress	59,811	69,178
Amount due from the Incorporation	28,322	13,970
Other debtors	73,549	89,124
Cash at bank	9,793	6,731
	171,475	179,003
Current Liabilities		
Creditors and accruals	(18,773)	(54,378)
Other creditors	(155,091)	(127,014)
Net Liabilities	(2,389)	(2,389)
Net deficiency in shareholder's funds	(2,389)	(2,389)

	Unrestricted Funds	Restricted Funds	Total 2010	Total 2009
	£	£	£	£
3. Grants & Donations Receivable				
Community projects grant (Robertson Trust)	-	15,000	15,000	30,000
James Millar student award	-	9,000	9,000	6,000
Transfer of funds from ASSA (see note 14)	5,324	5,324	-	-
Donations & sponsorship	-	-	-	5,020
	5,324	29,324	29,324	41,020

4. Investment Income

	£	£	£	£
Income from UK listed investments	2,891	-	2,891	2,739
Bank interest	3,818	-	3,818	4,047
	6,709	-	6,709	6,786

5. Grants & Awards Costs

	£	£	£	£
Chapter grants	35,000	-	35,000	35,000
James Millar student awards	-	9,000	9,000	6,000
Awards medals & other costs	4,883	-	4,883	3,451
Community project grants & expenses	-	17,178	17,178	38,881
	39,883	26,178	66,061	83,332

6. Resources Expended

	Membership Activities	Trading Activities	Governance Costs	Total 2010	Total 2009
	£	£	£	£	£
Membership costs:					
RIAS Quarterly journal	54,949	-	-	54,949	-
Promotion & publications	21,327	-	-	21,327	21,386
Corporate costs	18,871	-	5,468	24,339	23,069
Events & projects	7,625	-	-	7,625	6,857
Membership staff costs	142,770	-	-	142,770	122,526
Membership support costs	12,028	-	3,655	15,683	16,925
Direct trading expenditure:					
Services to architects	-	111,238	-	111,238	136,925
Publications & products	-	109,972	-	109,972	140,703
Consultancy	-	69,935	-	69,935	75,987
Administrative support costs:					
Management & admin staff	81,533	56,858	21,512	159,903	162,101
Termination payments	-	-	-	-	28,303
Office admin costs	28,384	14,591	2,262	45,237	49,216
Occupancy costs	27,418	16,573	2,903	46,894	51,378
Audit fee	-	-	5,700	5,700	6,650
Irrecoverable VAT on overheads	11,958	-	-	11,958	13,306
Other administrative costs	14,181	14,429	4,730	33,340	33,667
	421,044	393,596	46,230	860,870	888,999
A. Doolan Best Building in Scotland award				38,467	40,452
Other grants & awards (note 5)				66,061	83,332
Building refurbishment (see note below)				11,179	229,746
Total resources expended				976,577	1,242,529

Resources expended includes the following costs:

Auditors' remuneration:		
for audit work – current year	5,650	6,650
for audit work – prior year	50	-
	5,700	6,650
Depreciation charge	15,362	18,219
Loss on disposal of tangible fixed assets	-	284

The Building refurbishment in 2009 comprised major repairs to the external fabric of 15 Rutland Square.

7. Staff Details

The average numbers of staff and costs (including consultant staff) in each area during the year were as follows:

	2010		2009	
	Number	Cost	Number	Cost
		£		£
Trading activities	4	101,320	5	128,051
Membership activities	4	148,770	4	130,526
Management & administrative support	4	159,903	5	162,789
Termination payments	-	-	-	28,303
Totals	12	409,993	14	449,669

Total staff costs are analysed as follows:

	2010	2009
	£	£
Salaries	354,536	378,438
Social security costs	34,720	36,609
Pension costs	5,909	5,310
Total employed staff	395,165	420,357
Consultant staff	17,502	14,012
Redundancy payments	-	8,372
Other staff costs	1,500	6,928
Previous year adjustment	(4,174)	-
	409,993	449,669

In both 2010 and 2009, one member of staff had emoluments between £60,000 and £70,000. In addition an amount of £3,231 (2009 - £3,125) was paid into a defined contribution pension scheme for this employee. Travel expenses of £4,532 (2009 - £3,649) were reimbursed to members of Council during the year. No remuneration was paid to members of Council.

8. Tangible Fixed Assets

	Office			
	Heritable Equipment & Property	Furnishings	Fittings	Total
	£	£	£	£
Cost or Valuation				
At 1st January 2010	402,712	47,400	80,135	530,247
Additions	-	-	2,373	2,373
Disposals	-	-	(7,956)	(7,956)
At 31st December 2010	402,712	47,400	74,552	524,664
Depreciation				
At 1st January 2010	62,389	17,064	51,644	131,097
Charge for year	5,655	948	8,759	15,362
On disposals	-	-	(7,956)	(7,956)
At 31st December 2010	68,044	18,012	52,447	138,503
Net Book Value				
At 31st December 2010	334,668	29,388	22,105	386,161
At 31st December 2009	340,323	30,336	28,491	399,150

Details of revaluations are given in note 16 below.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

9. Fixed Asset Investments

	2010	2009
	£	£
Listed UK Securities:		
Market value at 1 January 2010	52,221	49,579
Add: Acquisitions at cost	4,137	8,513
Less: Disposals at opening book value	-	(12,880)
Net gain / (loss) on revaluation	5,144	7,009
	<u>61,502</u>	<u>52,221</u>
Cash at bank awaiting investment	1,521	5,955
Market value at 31 December 2010	63,023	58,176
Historical cost at 31 December 2010	62,718	63,076

The following investments are considered material, having a market value in excess of 10% of the total value of the portfolio:

	Market Value
	£
20,000 Threadneedle Invs Equity Alpha Income 'B' Inc	9,560
20,000 Schroder Income Maximiser Fund A Inc	8,712
4,500 Aberdeen Asian Inc trust ord NPV	7,661
Unlisted investment:	
Valuation at 1 January 2010	11,508
Gain on revaluation	474
Valuation at 31 December 2010	<u>11,982</u>

The unlisted investment comprises 2,500 shares, at a historical cost of £2,500, in Scottish Building Contract Committee Ltd, representing a one sixth share. The valuation has been based on the net asset value of the company according to its latest available audited balance sheet at 30 April 2010.

10. Stocks & Work in Progress

	Group		Charity	
	2010	2009	2010	2009
	£	£	£	£
Bookshop stock for resale	21,626	22,962	-	-
Publishing stock - completed titles	24,966	36,418	-	-
Publishing stock - work in progress	13,219	9,798	-	-
Stationery & medals	6,391	7,666	6,391	7,666
	<u>66,202</u>	<u>76,844</u>	<u>6,391</u>	<u>7,666</u>

11. Debtors

	Group		Charity	
	2010	2009	2010	2009
	£	£	£	£
Due within one year:				
Trade debtors	38,533	36,256	16,548	8,453
Accrued income	62,221	61,999	11,452	1,020
Prepayments	9,584	1,906	9,284	1,564
Other debtors	1,749	10,405	1,254	10,405
	<u>112,087</u>	<u>110,566</u>	<u>38,538</u>	<u>21,442</u>

12. Creditors

	Group		Charity	
	2010	2009	2010	2009
	£	£	£	£
Amounts falling due within one year:				
Provision for deficiency in subsidiary funds (note 2)	-	-	2,489	2,489
Amount due to subsidiary company	-	-	28,322	13,970
Trade creditors	31,998	34,372	21,322	3,832
Taxation and social security	24,458	27,605	24,080	29,223
Accruals & other creditors	79,274	102,084	71,555	76,628
Deferred income (note 13)	158,598	167,066	3,507	40,052
Amount held for Martin Jones Award Trust	581	4,138	581	4,138
	<u>294,909</u>	<u>335,265</u>	<u>151,856</u>	<u>170,332</u>

13. Deferred Income

	Group		Charity	
	2010	2009	2010	2009
	£	£	£	£
Opening Balance at 1 January	167,066	108,132	40,052	-
Amount released to incoming resources	(78,779)	(42,149)	(38,748)	-
Amount deferred in year	70,311	101,083	2,203	40,052
Closing Balance at 31 December	<u>158,598</u>	<u>167,066</u>	<u>3,507</u>	<u>40,052</u>

Deferred income at 31 December 2010 comprises income received in advance for publishing, prepaid membership and practice services subscriptions and funding received in advance for projects and events.

14. Movements in Funds

	Net					At 31/12/10 £
	At 1/1/10 £	Incoming Resources £	Resources Expended £	Investment Gain/(Loss) £	Transfers £	
Restricted Income Funds:						
Awards and prizes	7,334	9,000	(9,000)	-	-	7,334
Benevolent fund	51,646	-	-	-	-	51,646
Community projects	9,064	15,000	(17,178)	-	-	6,886
ASSA fund	-	5,324	-	-	-	5,324
Total Restricted	68,044	29,324	(26,178)	-	-	71,190
Designated Funds:						
Fixed asset fund	197,921	-	(15,362)	-	5,502	188,061
Unlisted investment	11,508	-	-	474	-	11,982
IT development	-	-	-	-	30,000	30,000
Refurbishment costs	-	-	-	-	34,000	34,000
Other designated funds	-	-	-	-	7,600	7,600
	209,429	-	(15,362)	474	77,102	271,643
General Fund	286,555	993,845	(935,037)	5,144	(73,973)	276,534
Revaluation Reserve	201,229	-	-	-	(3,129)	198,100
Total Unrestricted	697,213	993,845	(950,399)	5,618	-	746,277
Total Funds	765,257	1,023,169	(976,577)	5,618	-	817,467

Notes on Restricted Funds:

The **awards and prize funds**, arising from donations, are applied for designated areas of architectural achievement. The **Benevolent Fund** is for the assistance of architects or their dependents who are in financial need. The **Scottish Community Projects Fund** (SCPF) provides assistance with feasibility studies for projects intended to benefit local communities. The **ASSA fund** comprises funds transferred from the Association of Scottish Schools of Architecture (ASSA) during the year and to be used for their benefit.

Notes on Designated Funds:

The **fixed asset fund** represents the net book value of tangible fixed assets, net of the revaluation reserve. This distinguishes the book value of these assets from the more readily realisable assets represented by the **general fund** (being the value of net current assets and unrestricted listed investments).

Annual depreciation is charged to the fund and adjustments made by transfers for additions and disposals in the year and the movement in the revaluation reserve.

Likewise the **unlisted investment fund** represents the valuation of the unlisted investment (see note 9), which is held in a designated fund, as not representing a readily realisable asset.

The **IT development fund** has been designated for website

development, an improved members' database and costs of setting up the online directory in the coming year.

An amount of £34,000 has been designated for **refurbishment costs**, being the balance of the budget approved by Council for installation of emergency and feature lighting and other internal upgrading work.

Other designated funds comprise £5,000 for the visit of Pasqual Maragall to Scotland in February 2011 and £2,600 for restoration of furnishings, the latter arising from the proceeds sale of antiques during the year.

15. Analysis of Net Assets Representing Funds

	Restricted Funds		Revaluation General Reserve		Total Funds £
	Designated £	£	£	£	
Fund balances at 31 December 2010 are represented by:					
Tangible fixed assets	-	188,061	-	198,100	386,161
Investments	-	11,982	63,023	-	75,005
Stocks and work in progress	-	-	66,202	-	66,202
Debtors	-	-	112,087	-	112,087
Cash at bank and in hand	104,178	71,600	297,143	-	472,921
Creditors due in one year	(32,988)	-	(261,921)	-	(294,909)
Net Assets	71,190	271,643	276,534	198,100	817,467

16. Revaluation Reserve

The revaluation reserve represents the following:

	Excess over book value £
Heritable property at 15 Rutland Square revalued at open market value of £240,000 in January 1987.	225,473
Antique & fine art furnishings valued at open market value of £46,050 in January 1988.	43,722
Less accumulated depreciation charged on revalued amount.	(71,095)
Balance on revaluation reserve at 31 December 2010	198,100

Since the original revaluations, the trustees have adopted a policy not to revalue fixed assets which are for the Incorporation's own use. However, in their opinion, current valuations are considerably in excess of those included in the accounts. The fixed asset figures (note 8) also include the cost of improvements and acquisitions since the revaluations were carried out.

17. Related Party Transactions

Fees and expenses of £2,014 for consultancy work were paid to Richard Atkins, a member of Council, during the year.