



RIAS

The Royal Incorporation
of Architects in Scotland

Annual Report 2014

OPERA · NOSTRARUM
MANUUM · DIRIGERE

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Annual Report

President's Introduction



RIAS Council 2014
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This comprehensive Annual Report testifies to an organisation in good health. Politically connected, media savvy, buoyant, engaged, determined to improve the industry in which we all operate, the RIAS is a strong member-led membership body. All the stuff you will read about here, our events, CPD, awards, tremendous Chapter activity and our detailed responses to ever increasing numbers of Government consultations are, in a sense, the “day job”.

Every so often, however, we are given the chance to make the case for architecture in a much wider forum. Next year’s Festival’s exhibitions and events will all be imaginative, engaging and crammed full of good architecture by good architects. We have the opportunity to meet all of the people of Scotland at events throughout the land.

The excellent strategy for 2016, by Eleanor McAllister OBE Hon FRIAS and

Stuart MacDonald OBE, goes well beyond setting out our stall for a year of architectural celebration. In consultation with the six RIAS Chapters, many members, senior RIAS staff, particularly the Secretary and representatives of many of our partner organisations for the Festival, this strategy is an excellent synopsis of the role of architecture in society. Although I have a certain unease about the word “legacy” the printed and particularly the online productions of the Festival will endure. Our *World Architecture* site will start with 10,000 photographs by Scottish architects, without copyright charges or restrictions. In the longer term, the late, great Charles McKean’s architectural guides will also go online with new photography with the aspiration that Scotland’s architecture will become among the best recorded and promoted on planet earth. Of course, these sites are a celebration of architecture and of Scotland. They will

become a tremendous study and tourism resource. However, the final significant online resource arising out of this Festival, a wholly new, much expanded version of the justly famous *Tenement Handbook* from 1992, under the new heading *Under One Roof*, has the potential to help every tenement and flat dweller in Scotland to care for and maintain their properties – potentially a huge benefit for the future. So this Festival is not simply about PR and partying. It’s also about tangible change. Not, on reflection, such a bad thing for the united architects of Scotland to deliver in their spare time.

Please enjoy your Annual Report.

WILLIE WATT

Willie Watt
President, RIAS

Reference and Administrative Details

Scottish Charity reference

SC 002753

Address of Principal Office

15 Rutland Square
Edinburgh EH1 2BE

Members of Council (Trustees)

President

Iain Connelly PRIAS

Past President

Sholto Humphries PPRIAS

Hon Treasurer

George Wren PPRIAS

Chapter Presidents

Aberdeen Society of Architects

Bruce Ballance RIAS

Dundee Institute of Architects

Colin Doig RIAS

Edinburgh Architectural Association

Ian Stewart RIAS

Glasgow Institute of Architects

Michael Dougall RIAS *from May 2014*

Michael Jarvis FRIAS *to May 2014*

Inverness Architectural Association

Peter McIlhenny FRIAS

Stirling Society of Architects

Tommy Thomson RIAS

Council Members

Chapter Representatives / Nationally
Elected / Co-options

From May 2014 Gordon Anderson, Karen Anderson, Richard Atkins (until June 2014), Stuart Bagshaw, Donald Canavan, Duncan Collin, Martin Cook, David Dunbar, Hugh Crawford, Allan Cumming, Jocelyn Cunliffe, Iain Dickson, Euan Geddes, Marc Haslam, Steven Innes, Michael Jarvis, Sandy McAllister, Fraser Middleton, Stephen Miles, Christine Palmer, Ben Rainger, Doug Read, Lesley Robertson, Joan Scott, Fiona Sinclair, A Gordon Smith, Nigel Somner, Chris Stewart, Mike Towers, Willie Watt.

To May 2014 Gordon Anderson, Karen Anderson, Richard Atkins, Stuart Bagshaw, Andrew Bruce, Andrew Burrige, Donald Canavan, Duncan Collin, David Dunbar, Hugh Crawford, Allan Cumming, Jocelyn Cunliffe, Jim Cuthbertson, Iain Dickson, Michael Dougall, Euan Geddes, Marc Haslam, Steven Innes, Pavlina Koeva-Ratcheva, Fraser Middleton, Stephen Miles, Christine Palmer, Ben Rainger, Doug Read, Kerr Robertson, Lesley Robertson, Shane Rodgers, Joan Scott, A Gordon Smith, Nigel Somner, Chris Stewart, Mike Towers, Willie Watt, Ged Young.

Senior Staff

Secretary & Treasurer

Neil Baxter Hon FRIAS

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 3FB

Accountants

John G. Norman 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

Annual Report

Report of the Council

FOR THE YEAR ENDED 31 DECEMBER 2014

The members of Council of the Royal Incorporation of Architects in Scotland are pleased to present their report for the year ended 31 December 2014. 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, associate, 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 79.

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 79.

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 produces an on-line Directory of Practices with an associated publication and produces a quarterly journal and learned society publications.

Achievements and Performance

Membership

Active recruitment of past students, previous members and new student members saw the Incorporation welcome 178 new full members, 210 students, 4 academic members and 32 reinstatements. 19 Fellowships and 10 Hon Fellowships were awarded. Regrettably, 59 members resigned and 36 deaths were reported.

Although we had 46 retrials and 30 removals for non-payment, we are up on fee paying membership by 53 and by the year end, had 305 more members overall than in 2013. The overall increase means that our member count reached 4638, once again a record!

Politics, PR and International Liaison

Our media profile has continued positive, with excellent coverage on television, radio and in specialist and general press, running to 189 substantive articles at national level, significant social media and a very good number of items in local press from the Chapters. The Incorporation participated in filmed interviews for The National Trust for Scotland, Glasgow Building Preservation Trust, BBC and Channel 4.

The President and/or Secretary met a number of Government Ministers, SNP backbenchers and senior opposition members, including meetings with First Minister, Nicola Sturgeon, and MSPs/MPs Sarah Boyack, Sir Menzies Campbell MP, Alistair Darling MP, the Scottish Conservative Leader, Ruth Davidson, Fergus Ewing, Linda Fabiani, Patricia Ferguson, Baroness Annabel Goldie, Scottish Green Party Co-Convenor, Patrick Harvie, Derek Mackay, Mike Mackenzie, Jim Murphy MP, Drew Smith and Jean Urquhart, as well as meetings with Cabinet Secretary Fiona Hyslop. The Incorporation also participated in a Ministerial Construction Summit.

The President and Secretary had constructive exchanges with A+DS Chair, Karen Anderson and CEO, Jim MacDonald and with the RIAI, RIBA and RSUA Presidents. Liaison continued with international embassies and consulates, in particular with the Dutch and Lithuanian Ambassadors.

The President and Secretary attended the 'Heat in the Delta' conference in Amsterdam at the invitation of the Dutch government. The President and our Conservation Committee Convenor, Jocelyn Cunliffe, welcomed a Chinese delegation from Wuhan Province, with a specific interest in Scottish conservation practice, to Rutland Square. The Secretary gave the address at the annual Edinburgh Ambassador's dinner. An RIAS delegation, led by the President, visited Vilnius at the invitation of the Lithuanian government. During the visit the Incorporation renewed its friendship link with the Architects Association of Lithuania.

Events

The Glasgow Convention included presentations from many major international figures, including Hugh Dutton, Rene Kural, Pernilla Ohrstedt and Alessandro Zoppini. Our Cross Party Group at the Parliament hosted lively meetings on Young People and Places, Community Empowerment and Scotland has a Historic Strategy – so what next?

We ran or contributed to seminars on Perth City Hall, Conservation (Fit for the Future) and on Sir Robert Lorimer (A Dreamer of Dreams). We also held a CPD event on Contract Administration and a Fee Workshop. The Fellows' Summer and Winter Receptions were busy and convivial. Baroness Annabel Goldie Hon FRIAS addressed the Fellows Dinner.

HQ and Governance

The published *Practice Directory* achieved 769 entries with over 8,000 project images included in the online directory. 379 Chartered Practices were registered. Membership procedures were further simplified. Student nominees joined all committees.

The committees review concluded with a special governance structure approved for 2016. The Communications, Events, Awards and Membership (CEAM) Committee was disbanded and the remit of the Government Committee extended. The Incorporation made a substantial contribution to the, post referendum, Smith Commission.

Sophie Birch left the Incorporation to join the Royal College of Physicians and Jack Hugh retired, after two lengthy periods of dedicated service to the Incorporation. Jane Macfarlane joined the Incorporation as Communications and Events Officer, Gerry Grams was appointed as Director: Festival 2016 and Laura Sandilands as RIAS Co-ordinator: Festival 2016.

Practice

The Incorporation is maintaining a dialogue with Local Authority Building Standards Scotland (LABSS) to monitor the consistency and efficiency of the Building Standard system across Scotland. It continues to be represented on the DPEA (Directorate for Planning and Environmental Appeals) stakeholder groups.

Following the introduction of the RIBA Plan of Work 2013 the Incorporation has liaised with RIBA to organise CPD events in Scotland.

In 2014 our Energy Design Certification scheme has continued to grow. The number of dwellings covered by a certificate has now reached more than 4,500 and the total value of warrantable works stands at over £450m. Members of the scheme are now producing Energy Performance Certificates (EPCs) for new dwellings and the scheme will soon launch a non-domestic certification option.

The RIAS responded to a call for written evidence on the Historic Environment Scotland Bill. The RIAS Conservation re-accreditation scheme has seen 17 practitioners successfully renew their accreditation in 2014. 9 new applications to become accredited were processed, and 4 accredited architects successfully upgraded their accreditation to advanced. Assistance is now offered to individuals requesting mentoring in order to prepare their first conservation accreditation application.

Education/CPD

The Incorporation continued to support the Association of Scottish Schools of Architecture (ASSA) with financial services and meeting facilities as required. The President, Education Convenor, A. Gordon Smith FRIAS and the Secretary visited all five Scottish schools of architecture.

Annual Report

Report of the Council

FOR THE YEAR ENDED 31 DECEMBER 2014

Awards

83 submissions for the third year of the RIAS Awards resulted in 13 awards. The Lifetime Achievement Award went to Margaret Richards FRIAS at the Awards Dinner in Glasgow. The touring exhibition of the 2013 Doolan Award visited six Chapter venues.

The RIAS Andrew Doolan Best Building in Scotland Award 2014 was judged by Professor Andy MacMillan OBE FRIAS, Iain Connelly PRIAS, Margaret Richards FRIAS, Fr Dermot Morrin Hon FRIAS and Hanneke Scott-van Wel. Sadly Professor MacMillan died during the judging. The award (which, according to his notes, Andy approved) went to Morgan McDonnell Architecture Ltd for Advocate's Close, Edinburgh, presented by the Cabinet Secretary and Mrs Margaret Doolan Hon FRIAS at the National Museum of Scotland in November. Mrs Angela MacMillan and Mrs Dany Metzstein were awarded Honorary Fellowships at the same event.

The annual RIAS/A+DS student awards were judged by President Iain Connelly, Lori McElroy MBE Hon FRIAS, Director Sust., Architecture and Design Scotland, Ian Gilzean FRIAS, Chief Architect, Scottish Government and Angela Brady PPRIBA Hon FRIAS who spoke at the awards presentation. The Rowand Anderson Silver Medal was won by Andy Stewart from the Scott Sutherland School.

Consultancy/Competitions

Competitions for the National Gallery at The Mound, Edinburgh and Dundee High School were concluded, with Gareth Hoskins Architects and Page/Park Architects, appointed respectively.

Publishing

As reported, the RIAS Directory was printed in the summer and the Incorporation's strategy for 2016, *Shaping Scotland*, was published at the end of the year.

Chapters

The Chapters continue to provide lively and varied CPD, awards, political lobbying, annual dinners and other events which are fully reported in the *Quarterly*.

Consultations / Miscellany

The Incorporation responded to consultations on *Revision of CDM, The Regulation of Architects and the Architects Registration Board, The Historic Environment Scotland Bill, Construction Skills' Investment Plan, The Community Empowerment (Scotland) Bill, Professional Conduct Committee Consent Orders, Managing Change in the Historic Environment – Guidance Notes, Planning Application Validation Standards, The Smith Commission, Historic Scotland/RCAHMS and the First Draft Green Deal and Energy Efficiency Careers Map*.

The Incorporation participated in community initiatives led by the Carnegie Trust and The Royal Town Planning Institute Scotland. The President represented the RIAS in a major housing commission by the Royal Institution of Chartered Surveyors Scotland.

In addition to ongoing consultation with UK and international architectural bodies, the Incorporation continued its management of SBCC and involvement in the governance of this pan-industry contracts body. Close contact continued with many industry bodies (specifically Built Environment Forum Scotland (BEFS), The Civic Trust, The Institution of Civil Engineers (ICE), Landscape Institute Scotland (LIS), Royal Institution of Chartered Surveyors (RICS) and SELECT) and with the Scottish Futures Trust.

Work on the online version of the Tenement Handbook (*Under One Roof*) proceeded, particularly on fundraising for this important initiative.

The President presented RIAS member donations to two Scottish Fire and Rescue Service charities, recognising the Fire and Rescue Services' work in relation to the Glasgow School of Art fire.

Honorary Fellowships

Honorary Fellowships were awarded to artists Charles Anderson and Andy Scott, musician, Marc Ellington, Angela MacMillan, Dany Metzstein and international architects Robert Adam and Hugh Dutton.

Future Plans

2016 is the centenary of the founding of the Royal Incorporation. In addition to a number of events for members which will mark this important anniversary, the Incorporation is also playing host to the Festival of Architecture 2016.

Within the Scottish Government's officially designated Year of Innovation, Architecture and Design, the Festival, with financial support from the Government and industry, will be the most ambitious ever year-long celebration of any nation's architecture. We are fortunate to have been joined in this goal by over fifty partner organisations with an interest in the built environment and the breadth of Scotland's culture. The RIAS Chapters also propose to take an active part in a series of events, educational and community based initiatives and publications. The Festival's main goal will be to engage the widest possible public with Scotland's architecture and its potential to improve lives.

Acknowledgements

RIAS members, who participate in Chapter and HQ committees and activities, RIAS President Connelly, Past President Humphries, our Committee Chairs, PPC and Council, the Secretary and the staff team are commended for their hard work throughout 2014.

Financial Review and Results for the Year

The results for the year are set out in the Statement of Financial Activities (SOFA) on page 88, which shows the consolidated income and expenditure for the charity and its subsidiary trading company, RIAS Services Limited. Separate results for the charity alone are shown in the Income & Expenditure account on page 89 and results for the subsidiary company are summarised in note 2 on page 91.

The overall result for the year, as set out in the SOFA, shows a decrease in funds of £15,843 comprising a decrease of £24,273 in unrestricted funds an increase of £5,983 in restricted income funds and an increase of £2,447 in the Martin Jones Award endowment fund. In comparison the previous year showed an overall increase in funds of £38,831 and the main factors for the change were as follows:

- an excess of expenditure over income of £52,084 for development work in preparation for the 2016 Festival of Architecture;
- an increase of £29,282 in refurbishment costs;
- a reduction of £28,313 in recognised gains on investments;

offset by:

- an increase of £28,300 in members' subscriptions;
- a decrease of £15,582 in expenditure on membership activities

The main source of income for the Incorporation is membership subscriptions and these showed an increase of 5.6% providing income of £532,565, which represents 56% of the unrestricted gross income for the year. This reflects both an increase in membership numbers and a small increase in subscription rates. Grant funding of £27,500 was provided by the Scottish

Government towards development costs for the 2016 Festival of Architecture. There was an increase in awards income but this was offset by a similar increase in awards expenditure. There was some reduction in trading income but an improvement in the net contribution.

The Incorporation derives profits from its trading subsidiary, RIAS Services Limited, which are paid over to the charity under gift aid as a contribution to expenditure on membership activities. The results for the subsidiary company are summarised in note 2 on page 91 and show a net profit of £10,875, which is considered satisfactory. There was some decrease in turnover – notably for the directory, which is biennial, and for RIAS consultancy, but offset by increases in other areas.

Expenditure has increased by 6.5% overall, the main factors being expenditure on the 2016 Festival of Architecture and increased refurbishment costs as outlined above. The exceptional expenditure on refurbishment costs included the completion of damp-proofing works to the basement area of the building and renovation work in the attic to restore it to a suitable state for occupation. A sum of £40,000 had been designated for refurbishment work in the 2013 accounts and this was fully utilised during 2014. There was some reduction in the cost of membership activities, as staff resources were diverted to Festival development, and also an overall reduction in trading expenditure in line with the decrease in income.

The restricted income funds (see note 16) comprise the awards and prize funds, the benevolent fund, the 2016 Festival grants fund, the Scottish Community projects fund (SCPF) and the ASSA fund, held for continuing work of the former Association of Scottish Schools of Architecture. Income in the year includes sponsorship and donations of £51,000 in total for the various awards. Grants of £27,500 were receivable from the Scottish Government for the 2016 festival of

Architecture – £15,000 towards the costs of developing a strategic vision for the festival and £12,500 for staff costs (being the first 3 months of a 12-month grant of £50,000 received for this purpose – the balance of £37,500 has been deferred to 2015). There was no grant income for SCPF this year and the fund is currently closed due to lack of funds.

The value of the Martin Jones Award endowment fund has increased marginally to £229,040, which includes investments at a valuation of £198,752. No prizes were paid out this year.

Investments

The Incorporation relies on advice from external investment advisers in managing its listed investments. There was a net gain over the year of £1,099 on listed investments held in the general fund and a net loss of £1,640 in the Martin Jones investment portfolio.

The Incorporation holds one sixth of the share capital of Scottish Buildings Contract Committee Ltd (SBCC) as an unlisted investment. The estimated valuation of this investment, based on the latest available balance sheet, is £21,743 – an increase of £5,038 in the year (see note 11).

The Incorporation also holds a rare book as a longer term investment – an original volume of poems by Robert Burns, 'The Kilmarnock Edition'. The current market value is considered to approximate to its original cost in 2012 of £40,250.

Funds & Reserves Policy

The various funds of the Incorporation and movements over the year are detailed in note 16 on page 94. A total of £242,502 is held in designated funds. Of this £235,126 represents tangible fixed assets and unlisted investments, which are not readily realisable and the balance of £7,376 has been set aside as a contingency fund for non-routine expenditure by the Chapters. There remains a balance of £252,908 in the general fund

Annual Report

Report of the Council

FOR THE YEAR ENDED 31 DECEMBER 2014

representing the free reserves of the charity. 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 £182,054 with the balance of £173,133 in the designated fixed asset fund (£355,187 in total). The written down amounts of £312,048 for heritable property and £22,653 for antique and fine art furnishings include assets 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 Prospects

A small surplus has been set in the budget for the year 2015. There is a continuing drive to obtain more sponsorship and grant income for the various activities, particularly in the lead up to the Festival of Architecture in 2016, which is also the RIAS centenary year. Balancing the budget continues to be a challenge, but one that the Incorporation is well placed to meet, with a staff team focussed on the task and efficient use of resources.

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 Auditors

So far as the members of Council are aware, there is no relevant audit information of which the Incorporation's auditors are 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.

Approved by the members of Council and signed on their behalf by:



Iain Connelly

President

11th March 2015

Independent Auditors' Report

TO THE COUNCIL OF THE RIAS FOR THE YEAR ENDED 31 DECEMBER 2014

We have audited the financial statements of The Royal Incorporation of Architects in Scotland for the year ended 31 December 2014, 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 84, the members of Council, as trustees of the charity, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as 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 group's and parent 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. In addition, we read all the financial and non-financial information in the Report of the Council to identify any material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2014 and of the group's 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 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

Springfords LLP

Chartered Accountants
and Statutory Auditor
Dundas House, Westfield Park,
Eskbank, Edinburgh
11th March 2015

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

Annual Report

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 this cash position 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 Statements'. Accordingly, no cash-flow statement is required.

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 from bank deposits and current asset investments is accrued to the accounts date. Investment income from dividends and other sources of income are included when receivable.

Income referable to future periods or events is deferred (see note 15 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 2014:

Membership activities	60% (2013 – 57.5%)
Trading activities	35% (2013 – 37.5%)
Governance costs	5% (2013 – 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 8).

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.

Both the heritable property and the antique and fine art furnishings are depreciated at 2% per annum on a straight line basis. The land associated with the property has 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 19).

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.

Investments in unlisted companies are stated at trustees' valuation, based on the net asset value shown by the most recent annual accounts.

Other investments, comprising a rare book, are stated at trustees' valuation and revalued at least every five years, subject to obtaining advice on the possibility of material movements between valuations.

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.

Current Asset Investments

Current asset investments, comprising cash on term deposit, are stated at cost. Interest on deposits is accrued to the accounts date and included in income for the year.

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.

The Martin Jones Endowment Fund is an expendable endowment fund, as more fully described in note 17.

Annual Report

Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2014

Consolidated Statement of Financial Activities

	Notes	Unrestricted Funds £	Restricted Income Funds £	Endowment Fund £	Total 2014 £	Total 2013 £
Incoming Resources						
Incoming Resources from charitable activities						
Membership subscriptions	1	532,565	-	-	532,565	504,265
Membership activities		43,573	-	-	43,573	39,499
Awards & grants income	3	44,000	53,000	-	97,000	88,530
2016 Festival of Architecture – grants for development	4	-	27,500	-	27,500	2,500
Incoming Resources from generated funds						
Trading activities:						
Services to architects	2	209,064	-	-	209,064	198,924
Publications & products	2	74,814	-	-	74,814	89,968
Consultancy & other services	2	40,330	-	-	40,330	61,699
Investment income	5	10,235	-	5,648	15,883	16,643
Total Incoming Resources		<u>954,581</u>	<u>80,500</u>	<u>5,648</u>	<u>1,040,729</u>	<u>1,002,028</u>
Resources Expended						
Charitable activities						
Membership activities	8	453,609	-	-	453,609	469,191
Awards & grants expenditure	6	56,181	47,017	1,561	104,759	97,680
2016 Festival of Architecture	7	52,084	27,500	-	79,584	5,229
Building refurbishment		65,519	-	-	65,519	36,237
Costs of generating funds						
Trading activities:						
Services to architects	2	165,777	-	-	165,777	164,889
Publications & products	2	103,278	-	-	103,278	115,433
Consultancy & other sources	2	44,278	-	-	44,278	63,428
Governance costs	8	44,265	-	-	44,265	43,920
Total Resources Expended		<u>984,991</u>	<u>74,517</u>	<u>1,561</u>	<u>1,061,069</u>	<u>996,007</u>
Net (Outgoing) / Incoming Resources before other recognised gains and losses		(30,410)	5,983	4,087	(20,340)	6,021
Other recognised gains and losses						
Net gain / (loss) on investment assets		6,137	-	(1,640)	4,497	32,810
Net Movement in Funds		<u>(24,273)</u>	<u>5,983</u>	<u>2,447</u>	<u>(15,843)</u>	<u>38,831</u>
Funds brought forward		701,737	77,167	226,593	1,005,497	966,666
Funds carried forward	16	<u>677,464</u>	<u>83,150</u>	<u>229,040</u>	<u>989,654</u>	<u>1,005,497</u>

Consolidated and Charity Income and Expenditure Accounts

	Notes	Group		Charity	
		2014	2013	2014	2013
		£	£	£	£
Income					
Membership subscriptions	1	532,565	504,265	532,565	504,265
Membership activities		43,573	39,499	43,573	39,499
Awards & grants income	3	97,000	88,530	97,000	88,530
Grants for 2016 Festival development	4	27,500	2,500	27,500	2,500
Turnover from trading activities	2	324,208	350,591	-	-
Gift aid donation due from subsidiary		-	-	10,875	6,841
Recharge of support costs to subsidiary		-	-	81,423	87,912
Investment income	5	15,883	16,643	15,883	16,643
Total income		1,040,729	1,002,028	808,819	746,190
Expenditure					
Membership activities	8	453,609	469,191	453,609	469,191
Awards & grants expenditure	6	104,759	97,680	104,759	97,680
2016 Festival of Architecture	7	79,584	5,229	79,584	5,229
Building refurbishment	8	65,519	36,237	65,519	36,237
Expenditure on trading activities	8	313,333	343,750	81,423	87,912
Governance costs	8	44,265	43,920	44,265	43,920
Total expenditure		1,061,069	996,007	829,159	740,169
Net operating (expenditure) / income for the year		(20,340)	6,021	(20,340)	6,021
Net realised gain on sale of fixed asset investments		437	2,026	437	2,026
Net (expenditure) / income for the financial year		(19,903)	8,047	(19,903)	8,047

Consolidated Statement of Total Recognised Gains and Losses

	2014	2013
	£	£
Group and Charity		
Net (expenditure) / income for the financial year	(19,903)	8,047
Net unrealised gain on fixed asset investments	4,060	30,784
Net recognised (losses) / gains for the financial year	(15,843)	38,831

Note of Historical Cost Results

	2014	2013
	£	£
Group and Charity		
Reported net (expenditure) / income for the financial year	(19,903)	8,047
Realisation of fixed asset investment gains of previous years	5,018	698
Difference between the historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	3,000	3,000
Historical cost net (deficit) / surplus for the financial year	(11,885)	11,745

Annual Report

Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2014

Consolidated and Charity Balance Sheets at 31 December 2014

	Notes	Group		Charity	
		2014	2013	2014	2013
		£	£	£	£
Fixed Assets					
Tangible assets	10	355,187	362,676	355,187	362,676
Listed Investments	11	272,549	274,903	272,549	274,903
Unlisted investments	11	61,993	56,955	61,993	56,955
Investment in subsidiary at cost	2	-	-	100	100
		<u>689,729</u>	<u>694,534</u>	<u>689,829</u>	<u>694,634</u>
Current Assets					
Stocks and work in progress	12	52,856	50,437	13,836	10,685
Debtors	13	78,213	96,335	20,963	31,609
Current asset investments	14	85,000	-	85,000	-
Cash at bank and in hand		526,287	458,602	516,287	453,425
		<u>742,356</u>	<u>605,374</u>	<u>636,086</u>	<u>495,719</u>
Creditors					
Amounts falling due within one year	15	442,431	294,411	336,261	184,856
		<u>299,925</u>	<u>310,963</u>	<u>299,825</u>	<u>310,863</u>
Net Current Assets					
		<u>299,925</u>	<u>310,963</u>	<u>299,825</u>	<u>310,863</u>
Net Assets					
		<u>989,654</u>	<u>1,005,497</u>	<u>989,654</u>	<u>1,005,497</u>
Funds					
Unrestricted Funds					
General fund	16	252,908	236,586	252,908	236,586
Revaluation reserve	19	182,054	185,054	182,054	185,054
Designated funds	16	242,502	280,097	242,502	280,097
Total Unrestricted Funds		<u>677,464</u>	<u>701,737</u>	<u>677,464</u>	<u>701,737</u>
Restricted Funds					
Endowment fund	16	229,040	226,593	229,040	226,593
Restricted income funds	16	83,150	77,167	83,150	77,167
Total Restricted Funds		<u>312,190</u>	<u>303,760</u>	<u>312,190</u>	<u>303,760</u>
Total Funds		<u>989,654</u>	<u>1,005,497</u>	<u>989,654</u>	<u>1,005,497</u>

The accounts on pages 91 to 95 were approved by the Council members on 11 March 2015 and are signed on their behalf by:

Iain Connelly PRIAS
President

Doug Read PPRIAS
Member of Council

Neil Baxter Hon FRIAS
Secretary and Treasurer

The notes on pages 93 to 97 and the accounting policies on pages 88 to 89 form part of these financial statements.

Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2014

1. Membership Subscriptions

	2014	2013
	£	£
Joint subscriptions with RIBA	373,907	351,069
RIAS only subscriptions	158,658	153,196
	532,565	504,265

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 15).

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

	Services to architects	Publications & products	Consultancy & other	Total 2014	Total 2013
	£	£	£	£	£
Turnover	209,064	74,814	40,330	324,208	350,591
Direct expenditure	113,272	84,489	34,149	231,910	255,838
Administrative support costs	52,505	18,789	10,129	81,423	87,912
Total expenditure	165,777	103,278	44,278	313,333	343,750
Profit for the year				10,875	6,841
Gift Aid payable to the Incorporation				(10,875)	(6,841)
Retained by subsidiary company				-	-

The assets and liabilities of the subsidiary company at 31 December 2014 were as follows:

	2014	2013
	£	£
Current Assets		
Stocks and work in progress	39,020	39,752
Amount due from the Incorporation	37,015	22,328
Other debtors	57,250	64,726
Cash at bank	10,000	5,177
	143,285	131,983
Current Liabilities		
Creditors & accruals	(20,439)	(18,659)
Deferred income	(125,235)	(115,713)
Net Liabilities	(2,389)	(2,389)
Net deficiency in shareholder's funds	(2,389)	(2,389)

	Unrestricted Funds	Restricted Funds	Endowment Fund	Total 2014	Total 2013
	£	£	£	£	£
3. Awards and Grants Income					
Doolan Award grant & donation	-	36,000	-	36,000	35,000
Sponsorship & other awards	17,250	15,000	-	32,250	27,500
Awards entry fees & other income	26,750	-	-	26,750	21,030
ASSA contributions	-	2,000	-	2,000	5,000
	44,000	53,000	-	97,000	88,530

4. 2016 Festival Income

	£	£	£	£	£
Scottish Government Grants:					
received for Festival development	-	65,000	-	65,000	2,500
(less) deferred	-	(37,500)	-	(37,500)	-
	-	27,500	-	27,500	2,500

5. Investment Income

	£	£	£	£	£
Income from listed investments	3,288	-	5,626	8,914	7,551
Bank & loan interest	6,947	-	22	6,969	9,092
	10,235	-	5,648	15,883	16,643

6. Awards and Grants Expenditure

	£	£	£	£	£
Doolan Award prize	-	25,000	-	25,000	25,000
Other awards	1,200	10,000	-	11,200	11,200
Awards events, judging & other	38,200	11,000	-	49,200	43,611
Staff costs	16,781	-	-	16,781	14,807
Investment management	-	-	1,561	1,561	1,513
Community project grants	-	1,017	-	1,017	1,549
	56,181	47,017	1,561	104,759	97,680

7. 2016 Festival Expenditure

	£	£	£	£	£
Strategic vision	6,011	15,000	-	21,011	-
Staff costs	42,287	12,500	-	54,787	-
Other costs	3,786	-	-	3,786	5,229
	52,084	27,500	-	79,584	5,229

Annual Report

Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2014

8. Resources Expended

	Membership Activities	Trading Activities	Governance Costs	Total 2014	Total 2013
	£	£	£	£	£
Membership costs					
Chapter grants	33,061	-	-	33,061	35,397
RIAS Quarterly journal	53,127	-	-	53,127	46,003
Corporate costs	25,087	-	2,997	28,084	29,075
Events, projects & promotion	14,721	-	-	14,721	25,096
Membership staff costs	126,063	-	-	126,063	149,374
Membership support costs	23,578	-	3,461	27,039	19,974
Direct trading expenditure					
Services to architects	-	113,272	-	113,272	115,008
Publications & products	-	84,489	-	84,489	92,873
Consultancy	-	34,149	-	34,149	47,957
Administrative support costs					
Management & admin staff	81,052	43,644	25,838	150,534	157,988
Office admin costs	24,512	10,601	1,849	36,962	41,006
Occupancy costs	35,233	16,958	2,746	54,937	44,848
Audit fee	-	-	5,500	5,500	5,500
Irrecoverable VAT	23,815	-	-	23,815	16,266
Other administrative costs	13,360	10,220	1,874	25,454	30,496
	453,609	313,333	44,265	811,207	856,861
Awards & grants expenditure (note 6)			104,759	104,759	97,680
2016 Festival expenditure (note 7)			79,584	79,584	5,229
Building refurbishment costs			65,519	65,519	36,237
Total resources expended			1,061,069	1,061,069	996,007

Resources expended includes the following costs:

	2014	2013
	£	£
Auditors' remuneration:	5,500	5,500
Depreciation charge	13,026	13,050
Loss on disposal of tangible fixed assets	131	2,610

9. Staff Details

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

	2014		2013	
	Number	Cost £	Number	Cost £
Trading activities	4.5	130,103	5.0	149,423
Membership activities (including awards)	4.5	142,844	5.0	164,182
2016 Festival of Architecture	1.5	54,787	-	-
Management & administrative support	4.0	150,534	4.0	157,988
Totals	14.5	478,268	14.0	471,593

Total staff costs are analysed as follows:

	2014	2013
	£	£
Salaries	390,598	402,987
Social security costs	35,950	38,082
Pension costs	11,680	12,057
Total employed staff	438,228	453,126
Consultant staff	25,214	14,275
Other staff costs	14,826	4,192
	478,268	471,593

In both 2014 and 2013, one member of staff had emoluments between £70,000 and £80,000. In addition an amount of £3,761 (2013 - £3,712) was paid into a defined contribution pension scheme for this employee.

Travel expenses of £4,458 (2013 - £4,711) were reimbursed to members of Council during the year. No remuneration was paid to members of Council.

10. Tangible Fixed Assets

	Furniture, Heritable Property	Furnishings	Fittings & Equipment	Total
	£	£	£	£
Cost or Valuation				
At 1st January 2014	402,712	41,375	59,098	503,185
Additions	-	-	5,668	5,668
Disposals	-	-	(2,008)	(2,008)
At 31st December 2014	402,712	41,375	62,758	506,845
Depreciation				
At 1st January 2014	85,009	17,894	37,606	140,509
Charge for year	5,655	828	6,543	13,026
On disposals	-	-	(1,877)	(1,877)
At 31st December 2014	90,664	18,722	42,272	151,658
Net Book Value				
At 31st December 2014	312,048	22,653	20,486	355,187
At 31st December 2013	317,703	23,481	21,492	362,676

11. Fixed Asset Investments

	2014	2013
	£	£
Listed UK Securities		
Market value at 1 January 2014	261,678	236,489
Add: Acquisitions in year at cost	21,287	48,282
Less: Disposals at opening book value	(13,396)	(52,985)
Net (loss) / gain on revaluation	(978)	29,892
	268,591	261,678
Investment cash accounts	3,958	13,225
Market value at 31 December 2014	272,549	274,903
Historical cost at 31 December 2014	233,341	229,699

The above investments are held for the following funds:

Martin Jones Award endowment fund	198,752	201,633
Unrestricted general fund	73,797	73,270
Market value at 31 December 2014	272,549	274,903

There were no material investments with a value in excess of 10% of the portfolio in either year.

	SBCC Note (a)	Rare Book Note (b)	Total 2014	Total 2013
	£	£	£	£
Unlisted investments				
Valuation at 1 January 2014	16,705	40,250	56,955	56,063
Net gain on revaluation	5,038	-	5,038	892
Valuation at 31 December 2014	21,743	40,250	61,993	56,955

- (a) The Incorporation holds 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 balance sheet at 30 April 2014.
- (b) The rare book is an original volume of poems by Robert Burns, 'The Kilmarnock Edition', purchased as an investment in 2012 at a cost of £40,250. In the opinion of the trustees the current valuation approximates to the cost.

12. Stocks & Work in Progress

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Bookshop stock for resale	24,081	21,188	-	-
Publishing stock - completed titles	4,798	8,423	-	-
Publishing stock - work in progress	10,141	10,141	-	-
Stationery & medals	13,836	10,685	13,836	10,685
	52,856	50,437	13,836	10,685

13. Debtors

	£	£	£	£
Due within one year:				
Trade debtors	16,043	24,883	7,718	10,398
Accrued income	49,447	50,650	842	510
Prepayments	5,931	11,979	5,611	11,878
Other debtors	6,792	8,823	6,792	8,823
	78,213	96,335	20,963	31,609

14. Current Asset Investments

Cash placed on term deposit during the year	85,000	-	85,000	-
---------------------------------------------	--------	---	--------	---

15. Creditors

	£	£	£	£
Amounts falling due within one year				
Provision for deficiency in subsidiary funds (note 2)	-	-	2,489	2,489
Amount due to subsidiary company	-	-	37,015	22,328
Trade creditors	32,955	6,618	26,891	1,399
Taxation and social security	30,093	9,133	30,093	9,133
Accruals & other creditors	45,235	68,111	30,860	54,671
Deferred income (below)	334,148	210,549	208,913	94,836
	442,431	294,411	336,261	184,856
Movements on deferred income				
Opening Balance at 1 January	210,549	150,978	94,836	46,537
Amount released to incoming resources	(132,316)	(72,745)	(94,836)	(46,537)
Amount deferred in year	255,915	132,316	208,913	94,836
Closing Balance at 31 December	334,148	210,549	208,913	94,836

Deferred income at 31 December 2014 comprises income received in advance for publishing and prepaid membership and practice services subscriptions.

Annual Report

Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2014

16. Movements in Funds

	At 1/1/14	Incoming Resources	Net Resources Expended	Investment Gain/(Loss)	Transfers	At 31/12/14
	£	£	£	£	£	£
Endowment Fund						
Martin Jones Award (Note 17)	226,593	5,648	(1,561)	(1,640)	-	229,040
Restricted Income Funds						
Doolan Award	-	36,000	(36,000)	-	-	-
Other award funds	8,334	15,000	(10,000)	-	-	13,334
Benevolent fund	51,646	-	-	-	-	51,646
Sc. Community Projects	4,363	-	(1,017)	-	-	3,346
2016 Festival grants	-	27,500	(27,500)	-	-	-
ASSA fund	12,824	2,000	-	-	-	14,824
Total Restricted Income	77,167	80,500	(74,517)	-	-	83,150
Designated Funds						
Fixed asset fund	177,622	-	(13,026)	-	8,537	173,133
Unlisted investments	56,955	-	-	5,038	-	61,993
Refurbishment costs	40,000	-	(40,000)	-	-	-
Chapters contingency fund	5,520	-	(1,144)	-	3,000	7,376
	280,097	-	(54,170)	5,038	11,537	242,502
General Fund	236,586	954,581	(930,821)	1,099	(8,537)	252,908
Revaluation Reserve	185,054	-	-	-	(3,000)	182,054
Total Unrestricted	701,737	954,581	(984,991)	6,137	-	677,464
Total Funds	1,005,497	1,040,729	(1,061,069)	4,497	-	989,654

Notes on Restricted funds

The Andrew Doolan Best Building in Scotland award and 'other award funds' are funded by donations and grants and 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 fund is currently closed due to lack of funds.

The **2016 Festival grants** from the Scottish Government funded strategic vision and development staff costs in preparation for the Festival of architecture in 2016.

The **ASSA fund** comprises funds transferred from the former Association of Scottish Schools of Architecture (ASSA) and subsequent contributions, which are to be applied in accordance with the objects of ASSA.

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 fixed asset fund and transfers made for additions and disposals in the year and the movement in the revaluation reserve.

Likewise the **unlisted investment fund** represents the valuation of unlisted investments (see note 11), which is held in a designated fund, as not representing readily realisable assets.

An amount of £40,000, which was designated in the 2013 accounts for **refurbishment costs**, was expended during the year on damp-proofing works in the basement and renovating the attic.

A further £3,000 has been added to the **Chapters contingency fund**, bringing the balance to £7,376.

17. Martin Jones Award Fund

The Martin Jones Award was originally set up as an endowment fund in 1993 from a bequest under the will of Martin Jones. Under the terms of the trust it became an expendable endowment fund after the year 2011.

The object of the fund is to advance education for the public benefit by providing an annual award for an outstanding student of Duncan of Jordanstone College of Art and Design at the University of Dundee, who submits the most creative idea for research in historical, theoretical or modern architecture or a combination of these.

18. Analysis of Net Assets Representing Funds

	<i>Endowment Fund</i>	<i>Restricted Funds Designated</i>	<i>General</i>	<i>Revaluation Reserve</i>	<i>Total Funds</i>	
	£	£	£	£	£	£
Fund balances at 31 December 2014 are represented by:						
Tangible fixed assets	-	-	173,133	-	182,054	355,187
Fixed asset investments	198,752	-	61,993	73,797	-	334,542
Stocks and work in progress	-	-	-	52,856	-	52,856
Debtors	-	-	-	78,213	-	78,213
Current asset investments	-	-	-	85,000	-	85,000
Cash at bank and in hand	30,288	83,150	7,376	405,473	-	526,287
Creditors due in one year	-	-	-	(442,431)	-	(442,431)
Net Assets	<u>229,040</u>	<u>83,150</u>	<u>242,502</u>	<u>252,908</u>	<u>182,054</u>	<u>989,654</u>

19. Revaluation Reserve

The revaluation reserve represents the following:

	<i>Excess over book value</i>
	£
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 £39,245 in January 1988	37,261
Less accumulated depreciation charged on revalued amount	(80,680)
Balance on revaluation reserve at 31 December 2014	<u>182,054</u>

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 10) also include the cost of improvements and acquisitions since the revaluations were carried out.