



RIAS

The Royal Incorporation
of Architects in Scotland

Annual Report 2009

OPERA · NOSTRARUM
MANUUM · DIRIGERE

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RIAS Quarterly issue 2, Summer 2010.

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 *from May 2009*
Arnie Dunn PRIAS *to May 2009*

Past President

Arnie Dunn PPRIAS *from May 2009*
Doug Read PPRIAS *to May 2009*

Hon Treasurer

George Wren PPRIAS

Chapter Presidents

Stirling Society of Architects

Sandy Dawson *from May 2009*
Paul Stephen *to May 2009*

Aberdeen Society of Architects

Gordon G Smith *from May 2009*
Allan Cumming *to May 2009*

Dundee Institute of Architects

Willie Watt *from May 2009*
Ged Young *to May 2009*

Glasgow Institute of Architects

Martin McKay

Edinburgh Architectural Association

Robert Black

Inverness Architectural Association

Scott Donald

Council Members

Chapter Representatives/Nationally Elected/Co-options

From May 2009

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

To May 2009

Gordon Anderson, Richard Atkins,
Andrew Bruce, Stuart Campbell,
Rob Campbell, Donald Canavan,
Ian Connelly, Hugh Crawford,
Frank Crichton Wood, Jim Cuthbertson,
Jo Dagen, Iain Dickson, David Dunbar,
Sandy Dawson, Kieran Gaffney,
Tim Gray, Mike Goudie, Gillian Hanley,
Sholto Humphries, Gloria Lo,
Sandy McAllister, John M McLean,
Roy Milne, Adrian Neville, Ken Ralston,
Shiela Riddell, Shane Rodgers, Joan Scott,
Gordon G Smith, Gordon Smith,
Ian Stewart, Willie Watt.

Staff Members during the year

Secretary & Treasurer

Neil Baxter

Depute Secretary

Sharon McCord

Depute Secretary

Andrew Leslie *to June 2009*

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

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 an autonomous membership organisation whose key role is to promote the benefits of architecture within Scotland, the Incorporation relies upon the endeavours of its members and on key relationships within Scotland and beyond. Since its foundation in 1916 the RIAS has worked effectively with its sister institute, the RIBA, to deliver services on behalf of its members and to work proactively in the fields of education, practice, public/political relations, events, publications and legislation. Our new agreement with the RIBA results from lengthy and constructive negotiations. Among much else the agreement establishes, for the first time, a joint committee which will review membership matters and the respective roles of the Incorporation and the RIBA to ensure that our activities are mutually supportive and that the architectural profession within the UK speaks with a united voice on key issues.

One of the most crucial tasks of the Incorporation is to ensure that we have a voice at the heart of Government. The process of engaging politicians and persuading them of the importance of sensible procurement mechanisms and indeed giving them a better understanding of the role of our profession in, quite literally, building a better society, is a slow and at times painful process.

The loss of The Lighthouse at the end of 2009 was a significant blow, removing what could have been a highly effective vehicle for public and political communication and participation in the process of architecture from the Scottish scene. Over the same period A+DS was being rebuilt from the ground up with a new board and new senior executive structure. A+DS now has a new Chair and a new Chief Executive and has taken responsibility for a considerably slimmed down Lighthouse. We are hopeful that once the dust fully settles

we can work with A+DS on joint initiatives which will reinforce our respective roles and strengthen both voices.

For our own part, the last year has seen a number of significant political meetings with ministers and leaders of the various opposition parties. Our Cross Party Group which we share with the RTPI, hosts lively and constructive meetings within the Parliament. In 2009, for the first time, the Group also masterminded an event within the Festival of Politics. All of these activities ensure that Scotland's politicians are regularly reminded of the breadth of involvement and the crucial role of architects within our small nation.

A further aspect of continuing political involvement is the RIAS' participation in public and professional consultations over new legislation and other Government proposals. Within the last year the Incorporation has advised on numerous aspects of the Government programme, key among which are the sustainability agenda, the new technical standards which will come into force in October 2010, planning and proposed cuts in student funding. Happily the reduction in educational funding has for the moment, been held at bay.

Architectural education is a continuing strand of RIAS activity. The contribution of the profession to the tertiary education of architects is insufficiently recognised by Government. Recent international financial travails and the consequent difficulty of supporting student placements within Scottish architectural practices have highlighted this very substantial and relatively unsung contribution by architectural practices in bringing on the next generation. Our Education Committee and significantly increased liaison with ASSA and APEAS have all contributed to focussing on this specific

problem and endeavouring to find solutions. This is an ongoing challenge. The danger that talent will be lost to the profession through architects pursuing alternative careers or departing these shores is an issue which we are impressing upon Government. It is also an issue which connects with our concerns over architectural procurement and the absurdity of the hurdles within current public commissioning.

One very positive strand of RIAS activity over recent years has been the visibly improving standard of submissions to architectural awards. This was particularly evident in the seven RIBA Awards within Scotland last year and the fantastic standard of the Doolan Award submissions. International assessor Ian Ritchie commented that many of these submissions stand comparison with the very best currently being built in Europe. This is a strong argument for encouraging Scottish endeavour and further support from the public purse to assist Scottish architects both at home and in achieving international commissions.

The Doolan winner, Archial Architect's Small Animal Hospital in Glasgow, is an extraordinary achievement. This is a building which is almost the antithesis of recent so called "signature architecture" in its understatement and its integration within its parkland setting.

The role of RIAS Consultancy in providing good procurement practice continues. While the RIAS team is involved in a limited number of projects, these do provide good evidence on PQQs and fee structure which will feed into the RIAS procurement initiative which has been launched and will proceed through this year.

Among the more notable and high profile projects undertaken over the last year by RIAS

Consultancy were competitions for Stornoway, for the Nuclear Archive at Dounreay and for a new pavilion at Ardrossan. Although relatively modest in scale the emphasis on quality in each of these processes demonstrates priorities which should be more widely applied to the long term benefit of Scotland. Each of these projects provides a case study, contributing to the evidence in support of an improved and more cost effective procurement regime.

It has taken some time but the RIAS Accreditations in Sustainability, Conservation and our Energy Design Certification programme all now have clear and workable mechanisms in place. The number of accredited practitioners within each is steadily increasing which should deliver significant benefits to the profession. There are of course aspects of the Sustainability and Energy Design programmes which connect with Building Standards legislation. Our improved liaison with BSD will deliver enhanced CPD for architects and strengthens our role in ensuring cogent and effective Building Standards for the future.

The Incorporation is a coming together of its Chapters. Its constitution empowers Chapter Presidents and Councils and ensures that there is good proportional representation from members from throughout the whole of Scotland's spread geography. The Chapters continue to provide local CPD programmes. In 2009/2010 for the first time ever, all of the RIAS Chapters had awards programmes of their own which feed in to the Doolan and RIBA processes. This will ensure that the best endeavours of Scottish architects are both recognised and well publicised. This and Chapter social programmes deliver crucial outreach and member engagement.

On the PR front, the Incorporation continues to have a significant presence in the Scottish press and media. Although the

process of building public awareness is a slow one, this PR endeavour reinforces our standing with politicians and in the wider public forum. A continuing series of monographs and new/updated guides is also helping to reinforce public awareness of architecture and the understanding of the work of specific historic Scottish architects. Our re-launched Quarterly magazine is also proving effective in this regard.

The Annual Convention and participation in other conferences connects with the profession and with senior representatives of partner bodies. The Dundee Convention, while playing to reduced numbers was rich in ideas. This event reinforced the reputation of the Annual Convention as a highlight of the calendar, both stimulating and rewarding for all who attended its plenary and social events. The Incorporation's contributions to Historic Scotland's listed buildings conference and the Mackintosh Centenary celebrations gave further weight to the Incorporation's standing as a learned society.



David Dunbar PRIAS

April 2010



ELEANOR McALLISTER Hon FRIAS



ARCHIAL WIN DOOLAN AWARD 2009



CONVENTION 2009, DUNDEE



DR JOYCE B. DEANS CBE PPRIAS

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2009

The Council of the Royal Incorporation of Architects in Scotland is pleased to present its report for the year ended 31 December 2009. This report is prepared in accordance with the Charter and Bye-Laws of the Incorporation and complies with applicable law.

The Council has 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 02753).

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 113 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 113 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 other client 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, a regular members' newsletter and produces learned society publications.

Achievements and Performance

Member Services

At the end of 2009 the RIAS and the RIBA signed an historic new agreement. This recognises the autonomy of each organisation, strengthens their respective roles and provides a more equitable division of income. The new agreement will ensure more effective collaboration and bring significant member benefits. The RIBA's new appointment documents have been legally "kilted" and will shortly be available in Scotland, alongside the RIAS' suite. We are also working to improve both databases and align our information with the RIBA's, towards improving member communications.

Politics and PR

The Incorporation's media profile is steadily increasing with significant television, radio and press coverage in general media and specialist journals. Ministerial meetings with Mike Russell and John Swinney and meetings with leading opposition MSPs, including Annabel Goldie and Tavish Scott, have ensured that the Incorporation's role and member concerns are more widely understood at Holyrood. We have also held meetings with COSLA and STUC towards enhancing the standing of the profession and improving opportunities. UK and International liaison has included the President's attendance at a reception at 10 Downing Street, a Presidential dinner for the Dutch Ambassador to the UK and meetings with other consular and governmental representatives. A continuing positive

endeavour has been the RIAS Community Projects Fund which has contributed to a further fourteen projects over the last year.

Events

The Dundee Convention was a notable success at a time when many organisations opted to cancel similar annual events. The summer and winter Fellows' receptions and the annual dinner marked the significant role of this professional forum in advising and informing the Incorporation's activities. Other notable events were the inauguration of the new members' room, named in honour of Dr Joyce B Deans CBE PPRIAS and the RIBA awards evening at Rutland Square, a significant celebration of Scottish architectural success with no less than seven awards for 2009.

HQ and Governance

The major works programme has ensured that 15 Rutland Square is more welcoming with improved facilities for members. The recession has resulted in significantly reduced income and imposed four redundancies. Inevitably, the workload continues to be very substantial. The Strategic Plan has been adopted by Council and a new Council handbook has been published.

Practice

Work on Conservation and Sustainability Accreditation continues towards a major re-launch. The RIAS-regs scheme has been renamed RIAS Energy Design Certification. Closer liaison with the Building Standards Division and much work on the process has greatly improved its efficacy. The Incorporation has promoted Strathclyde University's Standard Assessment Procedure (SAP) training to reinforce the Energy Design scheme.

Education/CPD

A limited number of major CPD events have been well attended, including a joint meeting with Swiss energy design experts and Practice Essentials CPD. The Incorporation continues to work closely with APEAS and ASSA and has helped the latter to greatly reduce its annual financial liabilities. The Incorporation has played a central role in a concerted reaction against proposed funding cuts.

Awards

The annual student awards, previously administered by The Lighthouse, are now jointly coordinated. The Incorporation's Lifetime Achievement for 2009 went to Bob Steedman FRIAS, one of our most distinguished European modernists. The Doolan Award, which prompted judge Ian Ritchie to comment on a Scottish architectural renaissance, was won by Archial and has been the subject of a successful Scotland-wide touring exhibition.

Consultancy/Competitions

Successful competitions have been organised for Stornoway Inner Harbour, for the Dounreay Archive at Wick and for Ardrossan. Alongside these, Consultancy has been involved in significant education, health and housing procurement initiatives.

Publishing

A new guide to Glasgow's Merchant City, highlighting its connections with slavery, was published in the autumn. *It Wisnae Us* has been very well received. The London launch of David Mackay's *A Life in Cities* formed part of a major Spanish season at the Building Centre. Historic royalty liabilities for most RIAS publications were fully settled in 2009 with new, fee-based, payments introduced to reduce administration and on-costs.

Chapters

Local CPD and Chapter events continue to play a crucial part in the Incorporation's endeavours for its members. The inaugural Stirling architectural prize has now been presented and Aberdeen has also launched a Chapter award. This will ensure that, for the first time, all RIAS Chapters present their own awards which then feed into the annual Doolan prize.

Consultations

The RIAS has been consulted by Government and Public Authorities on: Active Travel, Ancient Monuments/Listed Buildings, Architectural Derivatives, BSD Technical Standards, CEC Parking Standards, Energy Efficiency Action Plan, Fair Access to the Professions, Scottish Planning Policy, SFC Proposed Funding Cuts (to architectural education) and Building Control Verifiers.

Honorary Fellowships

The Incorporation's fellowship has been awarded to Stefan King, Tom Macartney and Ian Ritchie CBE.

Future Plans

On-going work includes the production of a new RIAS quarterly, tendering towards the total renewal of the RIAS on-line presence and the production of a new on-line and published architectural directory to offer unprecedented flexibility and adaptability with direct input from practices. The Incorporation is also working on a major procurement initiative, gathering information for review and consulting with practices. A group of senior industry figures has been invited by the President to present their findings to Government. The continuing improvement of the Incorporation's historic HQ will include

REPORT OF THE COUNCIL

FOR THE YEAR ENDED 31 DECEMBER 2009

the re-cataloguing of the Library and a second dedicated large meeting room which will be available for hire and for use by members.

Acknowledgements

RIAS members who participate in Chapter and HQ committees, the RIAS PPC and Council, Secretary Neil Baxter and the staff team are commended for their hard work through 2009.

Financial Review and Results for the Year

The results for the year are set out in the Statement of Financial Activities (SOFA) on page 123, 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 124 and results for the subsidiary company are summarised in note 2 on page 126.

The result for the year, as set out in the SOFA, shows net outgoing resources of £206,540 before investment gains. However this includes exceptional expenditure of £229,746 on refurbishment of the external fabric of the building at 15 Rutland Square. Leaving aside this exceptional item, there were net incoming resources of £23,206 on normal activities and this breaks down into a surplus of £31,659 in unrestricted funds and a decrease of £8,453 in restricted funds. This compares to an overall surplus on normal activities of £42,685 in the previous year, after adjusting for exceptional refurbishment expenditure in that year. This is a better result than was anticipated in the present economic climate.

The main source of income for the Incorporation is membership subscriptions

and these decreased by just over 5% to provide income of £457,624, representing 44% of the gross income for the year.

The Incorporation also relies on 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 net profit of £14,522 from this source. This is a comparable result to the previous year, when there was a profit of £16,481.

Generally administrative expenditure has decreased compared to the previous year, reflecting the move to a smaller, but more focussed, staff team during the year and awareness of the need to reduce expenditure wherever possible without compromising the service to members. This is evidenced by a 12% reduction in membership costs, which includes an allocation of staff costs and administrative overheads.

Governance costs have increased due to expenditure of £28,303 on termination payments arising from the staff reduction exercise. Consequently a reduction in governance costs can be expected in future years.

The building refurbishment cost of £229,746, expended in the SOFA, represents the major part of a contract for external fabric repairs to the building at 15 Rutland Square, which was started in the previous year. In addition a contract for internal improvements to the building has been carried out during the year and the cost of £130,055 has been added to fixed assets. An amount of £287,500 for the refurbishment work was designated in the 2008 accounts and this has now been transferred back to general reserves.

The restricted funds comprise the awards and prize funds, the benevolent fund and the

Scottish Community projects fund (SCPF). Further grants totalling £30,000 were received from the Robertson Trust for the SCPF, and grants totalling £38,837 were awarded from the fund during the year. A total of £68,044 is carried forward for restricted funds (see note 14, page 129).

Investments

The Incorporation relies on advice from external investment advisers in managing its listed investments. There was a net gain of £8,644 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 £11,508, a reduction of £3,024. 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 21. A total of £209,429 is held in designated funds, representing fixed assets which are not readily realisable. The balance of £286,555 in the general fund represents the free reserves of the charity and these have reduced by £25,305 over the past year due to additional costs of the refurbishment work. Generally it is the policy of the trustees to build up 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

£201,229 with the balance of £197,921 in the designated fixed asset fund (£399,150 in total). This includes written down amounts of £340,323 and £30,336 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 2009. The actual reduction was considerably less than feared, but there is expected to be a continuing knock on effect in 2010. A further reduction of 10% in gross subscription income has been budgeted for 2010, though a revised membership agreement with the RIBA should mitigate the effect to some extent. Balancing the budget in the year ahead will continue to be a challenge but the efficiencies put in place during 2009 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, 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:



David Dunbar
President
17 March 2010

AUDITOR'S REPORT

INDEPENDENT AUDITORS' REPORT TO THE COUNCIL OF THE ROYAL INCORPORATION OF ARCHITECTS IN SCOTLAND FOR THE YEAR ENDED 31 DECEMBER 2009

We have audited the financial statements of The Royal Incorporation of Architects in Scotland for the year ended 31 December 2009, 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. These financial statements have been prepared under the accounting policies set out therein.

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 the Council and the Auditors

The responsibilities of the Council members, as trustees of the charity, for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Council members.

We have been appointed as auditors 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 the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

We also report to you if, in our opinion, the information given in the Annual Report of the Council is not consistent with the financial statements, if the charity has not kept proper accounting records, if the charity's statement of account is not in agreement with these accounting records, or if we have not received all the information and explanations we require for our audit.

We read the other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. The other information contains only the Annual Report of the Council and the President's Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting

policies are appropriate to the Incorporation's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or any other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the affairs of the charity and the group at 31 December 2009 and of its incoming resources and application of resources for the year then ended; and
- the financial statements have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Springfords LLP
Dundas House
Chartered Accountants and Statutory
Auditors
Westfield Park, Eskbank
Edinburgh
17 March 2010

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 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.

Some of the expenditure in note 6 to the accounts has been allocated differently in 2009, in order to reflect more accurately the activities of the charity, and the 2008 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 2009:

Membership activities	55% (2008 – 55%)
Trading activities	40% (2008 – 40%)
Governance costs	5% (2008 – 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.

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 2009

THE NOTES ON PAGES 126 TO 129 AND THE ACCOUNTING POLICIES ON PAGE 121 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 2009</i>	<i>Total 2008</i>
		£	£	£	£
Incoming Resources from charitable activities:					
Membership subscriptions	1	457,624	-	457,624	482,800
Membership activities		17,367	-	17,367	18,312
A. Doolan Best Building in Scotland Award		40,110	-	40,110	39,240
Incoming Resources from generated funds					
<i>Trading activities:</i>					
Services to architects	2	246,378	-	246,378	299,196
Publications & products	2	132,803	-	132,803	182,590
Consultancy & other	2	93,901	-	93,901	54,518
<i>Voluntary income:</i>					
Grants & donations	3	5,000	36,020	41,020	15,020
Investment income	4	6,378	408	6,786	38,808
Total incoming resources		<u>999,561</u>	<u>36,428</u>	1,035,989	<u>1,130,484</u>
Resources Expended					
<i>Charitable activities:</i>					
Membership activities	6	362,217	-	362,217	414,105
A. Doolan Best Building in Scotland Award	6	40,452	-	40,452	40,187
Other grants & awards	5	38,451	44,881	83,332	53,087
Building refurbishment	6	229,746	-	229,746	28,900
<i>Costs of generating funds</i>					
<i>Trading activities:</i>					
Services to architects	2	191,580	-	191,580	221,676
Publications & products	2	170,163	-	170,163	224,920
Consultancy & other	2	96,817	-	96,817	73,227
<i>Governance costs</i>	6	68,222	-	68,222	60,597
Total Resources Expended		<u>1,197,648</u>	<u>44,881</u>	1,242,529	<u>1,116,699</u>
Net Incoming / (Outgoing) Resources before other recognised gains and losses		(198,087)	(8,453)	(206,540)	13,785
<i>Other recognised gains and losses</i>					
Net (losses) / gains on investment assets		5,517	103	5,620	(23,839)
Net Movement in Funds		<u>(192,570)</u>	<u>(8,350)</u>	(200,290)	<u>(10,054)</u>
Funds brought forward		889,783	76,394	966,177	976,231
Funds carried forward	14	<u>697,213</u>	<u>68,044</u>	765,257	<u>966,177</u>

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

THE NOTES ON PAGES 126 TO 129 AND THE ACCOUNTING POLICIES ON PAGE 121 FORM PART OF THESE FINANCIAL STATEMENTS.

Consolidated and Charity Income and Expenditure Accounts

	Notes	Group		Charity	
		2009	2008	2009	2008
		£	£	£	£
Income:					
Membership subscriptions	1	457,624	482,800	457,624	482,800
Membership activities		17,367	18,312	17,367	18,312
A. Doolan Best Building in Scotland Award		40,110	39,240	40,110	39,240
Turnover from trading activities	2	473,082	536,304	-	-
Grants & donations	3	41,020	15,020	41,020	15,020
Gift aid donation due from subsidiary		-	-	14,522	16,481
Recharge of support costs to subsidiary		-	-	107,037	111,236
Investment income	4	6,786	38,808	6,786	38,808
Total income		1,035,989	1,130,484	684,466	721,897
Expenditure:					
Membership activities	6	362,217	414,105	362,217	414,105
A. Doolan Best Building in Scotland Award	6	40,452	40,187	40,452	40,187
Other grants & awards	5	83,332	53,087	83,332	53,087
Building refurbishment	6	229,746	28,900	229,746	28,900
Expenditure on trading activities	6	458,560	519,823	107,037	111,236
Governance costs	6	68,222	60,597	68,222	60,597
Total expenditure		1,242,529	1,116,699	891,006	708,112
Net operating income / (expenditure) for the year		(206,540)	13,785	(206,540)	13,785
Net realised gains on sale of fixed asset investments		1,635	-	1,635	-
Net income / (expenditure) for the financial year		(204,905)	13,785	(204,905)	13,785

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

Consolidated Statement of Recognised Gains and Losses

	2009	2008
	£	£
Group and Charity:		
Net income / (expenditure) for the financial year	(204,905)	13,785
Net unrealised (losses) / gains on fixed asset investments	3,985	(23,839)
Net recognised (losses) for the financial year	(200,920)	(10,054)
Note of Historical Cost Results		
Group and Charity:		
Reported net income / (expenditure) for the financial year	(204,905)	13,785
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	(200,557)	16,914

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

THE NOTES ON PAGES 126 TO 129 AND THE ACCOUNTING POLICIES ON PAGE 121 FORM PART OF THESE FINANCIAL STATEMENTS.

Consolidated and Charity Balance Sheets at 31 December 2009

	Notes	Group		Charity	
		2009	2008	2009	2008
		£	£	£	£
Fixed assets					
Tangible assets	8	399,150	275,891	399,150	275,891
Listed investments	9	58,176	49,831	58,176	49,831
Unlisted investment	9	11,508	14,532	11,508	14,532
Investment in subsidiary at cost	2	-	-	100	100
		<u>468,834</u>	<u>340,254</u>	<u>468,934</u>	<u>340,354</u>
Current Assets					
Stocks and work in progress	10	76,844	75,900	7,666	7,415
Debtors	11	110,566	105,121	21,442	32,625
Cash at bank and in hand		444,278	676,871	437,547	676,871
		<u>631,688</u>	<u>857,892</u>	<u>466,655</u>	<u>716,911</u>
Creditors					
Amounts falling due within one year	12	335,265	231,969	170,332	91,088
Net Current Assets		<u>296,423</u>	<u>625,923</u>	<u>296,323</u>	<u>625,823</u>
Net Assets		<u>765,257</u>	<u>966,177</u>	<u>765,257</u>	<u>966,177</u>
Funds:					
Unrestricted Funds:					
General fund	14	286,555	311,860	286,555	311,860
Revaluation reserve	16	201,229	204,358	201,229	204,358
Designated funds	14	209,429	373,565	209,429	373,565
Total Unrestricted Funds		<u>697,213</u>	<u>889,783</u>	<u>697,213</u>	<u>889,783</u>
Restricted Funds:					
Restricted income funds	14	68,044	76,394	68,044	76,394
Total Restricted Funds		<u>68,044</u>	<u>76,394</u>	<u>68,044</u>	<u>76,394</u>
Total Funds		<u>765,257</u>	<u>966,177</u>	<u>765,257</u>	<u>966,177</u>

The accounts on pages 123 to 125 were approved by the Council members on 17 March 2010 and are signed on their behalf by:



David Dunbar
President



Douglas Read
Member of Council



Neil Baxter
Secretary & Treasurer

Date: 17 March 2010

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

1. Membership Subscriptions

	2009	2008
	£	£
Joint subscriptions with RIBA	290,879	293,853
RIAS only subscriptions	166,745	188,947
	457,624	482,800

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 2009	Total 2008
	£	£	£	£	£
Turnover	246,378	132,803	93,901	473,082	536,304
Direct expenditure	136,925	140,703	75,987	353,615	406,412
Administrative support costs	54,655	29,460	20,830	104,945	113,411
Total expenditure	191,580	170,163	96,817	458,560	519,823
Profit for the year				14,522	16,481
Gift Aid payable to the Incorporation				(14,522)	(16,481)
Retained by subsidiary company				-	-

The assets and liabilities of the subsidiary company at 31 December 2008 were as follows:

	2009	2008
	£	£
Current Assets		
Stocks and work in progress	69,178	68,485
Amount due from the Incorporation	13,970	-
Other debtors	89,124	95,517
Cash at bank	6,731	-
	179,003	164,002
Current Liabilities		
Amount due to the Incorporation	-	(23,021)
Bank overdraft	-	(5,005)
Other creditors	(181,392)	(138,365)
Net Liabilities	(2,389)	(2,389)
Net deficiency in shareholder's funds	(2,389)	(2,389)

	Unrestricted Funds	Restricted Funds	Total 2009	Total 2008
	£	£	£	£
3. Grants & Donations Receivable				
Community projects grant (Robertson Trust)	-	30,000	30,000	15,000
James Millar award	-	6,000	6,000	-
Donations & sponsorship	5,000	20	5,020	20
	5,000	36,020	41,020	15,020

4. Investment Income

	£	£	£	£
Income from UK listed investments	2,331	408	2,739	4,164
Bank interest	4,047	-	4,047	34,644
	6,378	408	6,786	38,808

5. Grants & Awards Costs

	£	£	£	£
Chapter grants	35,000	-	35,000	35,000
Architectural awards	-	6,000	6,000	2,500
Awards medals & other costs	3,451	-	3,451	1,460
Community project grants & expenses	-	38,881	38,881	14,127
	38,451	44,881	83,332	53,087

6. Resources Expended

	Membership Activities	Trading Activities	Governance Costs	Total 2009	Total 2008
	£	£	£	£	£
Membership costs:					
Promotion & publications	21,386	-	-	21,386	13,964
Corporate costs	18,623	-	4,446	23,069	34,429
Events & projects	6,857	-	-	6,857	6,471
Membership staff costs	122,526	-	-	122,526	151,149
Membership support costs	12,711	-	4,214	16,925	24,294
Direct trading expenditure:					
Services to architects	-	136,925	-	136,925	158,406
Publications & products	-	140,703	-	140,703	186,308
Consultancy	-	75,987	-	75,987	61,698
Administrative support costs:					
Management & admin staff	84,223	59,777	18,101	162,101	181,178
Termination payments	-	-	28,303	28,303	10,000
Office admin costs	32,814	13,941	2,461	49,216	45,019
Occupancy costs	40,642	24,996	3,455	69,093	70,708
Audit fee	-	-	6,650	6,650	6,550
Legal & financial consultancy	986	-	-	986	9,761
Irrecoverable VAT on overheads	13,306	-	-	13,306	24,876
Other administrative costs	8,143	6,231	592	14,966	9,714
	<u>362,217</u>	<u>458,560</u>	<u>68,222</u>	<u>888,999</u>	<u>994,525</u>
A. Doolan Best Building in Scotland award				40,452	40,187
Other grants & awards (note 5)				83,332	53,087
Building refurbishment (see note below)				229,746	28,900
Total resources expended				1,242,529	1,116,699

Resources expended includes the following costs:

Auditors' remuneration:		
for audit work	6,650	6,550
for other services (accountancy and consultancy)	-	19,635
	<u>6,650</u>	<u>26,185</u>
Depreciation charge	18,219	17,296
Loss on disposal of tangible fixed assets	284	1,751

The Building refurbishment comprised major repairs to the external fabric of 15 Rutland Square during the year. In addition an amount of £130,055 was expended on internal improvements to the building and this has been added to fixed assets (note 8). Both costs include a share of irrecoverable VAT amounting to £20,366 in total.

7. Staff Details

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

	2009		2008	
	Number	Cost	Number	Cost
		£		£
Trading activities	5	128,051	5	145,298
Membership activities	4	130,526	5	139,787
Management & administrative support	5	162,789	6	178,178
Termination payments		28,303		10,000
Totals	<u>14</u>	<u>449,669</u>	<u>16</u>	<u>473,263</u>
Total staff costs are analysed as follows:				
Salaries		378,438		376,746
Social security costs		36,609		33,943
Pension costs		5,310		4,090
Total employed staff		<u>420,357</u>		<u>414,779</u>
Consultant staff		14,012		40,867
Redundancy payments		8,372		10,000
Other staff costs		6,928		7,617
		<u>449,669</u>		<u>473,263</u>

In 2009, one member of staff had emoluments between £60,000 and £70,000 and payments of £3,125 into a defined contribution pension scheme. There were no such higher paid employees in 2008.

Travel expenses of £3,649 (2008 - £2,846) 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 2009	272,657	47,400	78,034	398,091
Additions	130,055	-	11,707	141,762
Disposals	-	-	(9,606)	(9,606)
At 31st December 2009	<u>402,712</u>	<u>47,400</u>	<u>80,135</u>	<u>530,247</u>
Depreciation				
At 1st January 2009	56,734	16,116	49,350	122,200
Charge for year	5,655	948	11,616	18,219
On disposals	-	-	(9,322)	(9,322)
At 31st December 2009	<u>62,389</u>	<u>17,064</u>	<u>51,644</u>	<u>131,097</u>
Net Book Value				
At 31st December 2009	<u>340,323</u>	<u>30,336</u>	<u>28,491</u>	<u>399,150</u>
At 31st December 2008	<u>215,923</u>	<u>31,284</u>	<u>28,684</u>	<u>275,891</u>

Details of revaluations are given in note 16 below.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2009

9. Fixed Asset Investments

	2009	2008
	£	£
Listed UK Securities:		
Market value at 1 January 2009	49,579	71,268
Add: Acquisitions at cost	8,513	-
Less: Disposals at opening book value	(12,880)	-
Net gain / (loss) on revaluation	7,009	(21,689)
	<u>52,221</u>	<u>49,579</u>
Cash at bank awaiting investment	5,955	252
Market value at 31 December 2009	58,176	49,831
Historical cost at 31 December 2009	63,076	60,595

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	8,706
20,000 Schroder Income Maximiser Fund A Inc	8,598
4,500 Aberdeen Asian Inc trust ord NPV	6,143
Unlisted investment:	
Valuation at 1 January 2009	14,532
(Loss) on revaluation	(3,024)
Valuation at 31 December 2009	<u>11,508</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 2009.

10. Stocks & Work in Progress

	Group		Charity	
	2009	2008	2009	2008
	£	£	£	£
Bookshop stock for resale	22,962	23,270	-	-
Publishing stock - completed titles	36,418	36,327	-	-
Publishing stock - work in progress	9,798	8,888	-	-
Stationery & other stock	7,666	7,415	7,666	7,415
	<u>76,844</u>	<u>75,900</u>	<u>7,666</u>	<u>7,415</u>

11. Debtors

	Group		Charity	
	2009	2008	2009	2008
	£	£	£	£
Due within one year:				
Amount due from subsidiary company	-	-	-	23,021
Trade debtors	36,256	30,955	8,453	727
Accrued income	61,999	65,038	1,020	-
Prepayments	1,906	3,934	1,564	3,683
Other debtors	10,405	5,194	10,405	5,194
	<u>110,566</u>	<u>105,121</u>	<u>21,442</u>	<u>32,625</u>

12. Creditors

	Group		Charity	
	2009	2008	2009	2008
	£	£	£	£
Amounts falling due within one year:				
Provision for deficiency in subsidiary funds (note 2)	-	-	2,489	2,489
Amount due to subsidiary company	-	-	13,970	-
Bank overdraft	-	5,005	-	-
Trade creditors	34,372	38,135	3,832	9,591
Taxation and social security	27,605	11,967	29,223	12,060
Accruals	102,084	59,933	76,628	58,151
Deferred income (note 13)	167,066	108,132	40,052	-
Amount held for Martin Jones Award Trust	4,138	8,797	4,138	8,797
	<u>335,265</u>	<u>231,969</u>	<u>170,332</u>	<u>91,088</u>

13. Deferred Income

	Group		Charity	
	2009	2008	2009	2008
	£	£	£	£
Opening Balance at 1 January	108,132	146,009	-	-
Amount released to incoming resources	(42,149)	(80,026)	-	-
Amount deferred in year	101,083	42,149	40,052	-
Closing Balance at 31 December	<u>167,066</u>	<u>108,132</u>	<u>40,052</u>	-

Deferred income at 31 December 2009 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 31/12/09 £
	At 1/1/09 £	Incoming Resources £	Resources Expended £	Investment Gain/(Loss) £	Transfers £	
Restricted Income Funds:						
Awards and prizes	7,314	6,020	(6,000)	-	-	7,334
Benevolent fund	51,135	408	-	103	-	51,646
Community Projects	17,945	30,000	(38,881)	-	-	9,064
Total Restricted	76,394	36,428	(44,881)	103	-	68,044
Designated Funds:						
Refurbishment fund	287,500	-	-	-	(287,500)	-
Fixed asset fund	71,533	-	(18,503)	-	144,891	197,921
Unlisted investment	14,532	-	-	-	(3,024)	11,508
	373,565	-	(18,503)	-	(145,633)	209,429
General Fund	311,860	999,561	(1,179,145)	5,517	148,762	286,555
Revaluation Reserve	204,358	-	-	-	(3,129)	201,229
Total Unrestricted	889,783	999,561	(1,197,648)	5,517	-	697,213
Total Funds	966,177	1,035,989	(1,242,529)	5,620	-	765,257

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.

Notes on Designated funds:

The **Refurbishment fund** was set aside to cover the estimated cost of refurbishment and improvement works to the building at 15 Rutland Square. These works were completed during the year.

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.

15. Analysis of Net Assets Representing Funds

	Restricted Funds		Revaluation Reserve		Total Funds £
	Designated £	General £	General £	Reserve £	
Fund balances at 31 December 2008					
are represented by:					
Tangible fixed assets	-	197,921	-	201,229	399,150
Investments	-	11,508	58,176	-	69,684
Stocks and work in progress	-	-	76,844	-	76,844
Debtors	-	-	110,566	-	110,566
Cash at bank and in hand	103,794	-	340,484	-	444,278
Creditors due in one year	(35,750)	-	(299,515)	-	(335,265)
Net Assets	68,044	209,429	286,555	201,229	765,257

16. Revaluation Reserve

The revaluation reserve represents the following:

Heritable property at 15 Rutland Square revalued at open market value of £240,000 in January 1987.	225,473	<i>Excess over book value</i>
Antique & fine art furnishings valued at open market value of £46,050 in January 1988.	43,722	
Less accumulated depreciation charged on revalued amount.	(67,966)	
Balance on revaluation reserve at 31 December 2009	201,229	£

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 £2,528 for consultancy work were paid to Richard Atkins, a member of Council, during the year.

Publications for resale at a cost of £3,750 were purchased from Neil Baxter Ltd, a company controlled by the Secretary & Treasurer, Neil Baxter.