



# RIAS

The Royal Incorporation  
of Architects in Scotland

# Annual Report 2013

OPERA · NOSTRARUM  
MANUUM · DIRIGERE

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# THE ROYAL INCORPORATION OF ARCHITECTS IN SCOTLAND ANNUAL REPORT 2013

MALCOLM COCHRANE

RIAS COUNCIL, MARCH 2013

THE FOLLOWING REPORT DETAILS THE ACHIEVEMENTS AND PERFORMANCE OF THE INCORPORATION OVER THE

PAST YEAR AND THE FINANCIAL REVIEW AND RESULTS FOR THE YEAR ENDED DECEMBER 2013.

## PRESIDENT'S INTRODUCTION

I suppose the most pleasing statistic in this Annual Report is the record of the Incorporation's steadily rising membership. It is axiomatic that a membership organisation relies on the enthusiasm and engagement of members for its good governance and to deliver a significant proportion of its endeavour. There are many members who continue to put significant voluntary time and effort into the Incorporation's work at national and Chapter level. We must all be sincerely grateful. And although it's not a numbers game, more members and an increasing number of younger members is very positive for the profession. I hope they will all get involved.

The second year of the RIAS' new awards scheme saw a further significant rise in submissions up to a remarkable 75! Although I am straying into the territory of next year's reporting, there were even more entries in 2014 and the quality just keeps on rising. This is not merely indicative of a positive economic trend but the awards and the buildings themselves surely contribute to emphasise our key argument that a high quality built environment is good for everyone in our society.

In addition to membership and awards, the report records ongoing positive political liaison (as ever, huge thanks for the excellent work of the Cross Party Group). Our Convention and CPD offerings continue to offer tremendous quality at significantly subsidised cost (thank you sponsors!) and our practice, consultancy, publishing and public relations endeavours continue to benefit every RIAS member. A big thank you to our excellent staff.

With less than 18 months to go until 2016, our membership and the staff team are becoming increasingly focussed on creating a lively and engaging public programme across Scotland throughout the year. It's a big task and a big ask. With your help I am confident it will mark a step change for Scotland and its architects.

IAIN CONNELLY PRIAS  
PRESIDENT

# 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 *from May 2013*  
Sholto Humphries PRIAS *to May 2013*

### Past President

Sholto Humphries PPRIAS *from May 2013*  
David Dunbar PPRIAS *to May 2013*

### Hon Treasurer

George Wren PPRIAS

## Chapter Presidents

### Aberdeen Society of Architects

Bruce Ballance RIAS *from May 2013*  
Murray Restrup FRIAS *to May 2013*

### Dundee Institute of Architects

Colin Doig RIAS *from May 2013*  
Fraser Middleton FRIAS *to May 2013*

### Edinburgh Architectural Association

Ian Stewart RIAS *from May 2013*  
Dermott Paterson FRIAS *to May 2013*

### Glasgow Institute of Architects

Michael Jarvis FRIAS

### Inverness Architectural Association

Peter McIlhenny FRIAS *from May 2013*  
Andy Bruce FRIAS *to May 2013*

## Stirling Society of Architects

Tommy Thomson RIAS *from November 2013*  
Kevin Spence RIAS *from May 2013 to November 2013*  
Stephen Lynas FRIAS *to May 2013*

## Council Members

### Chapter Representatives/Nationally Elected/Co-options

#### From May 2013

Gordon Anderson, Karen Anderson (from Dec 2013), Richard Atkins, Stuart Bagshaw, Andrew Bruce, Andrew Burrige, Donald Canavan, 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.

#### To May 2013

Gordon Anderson, Richard Atkins, Stuart Bagshaw, Andrew Bruce, Donald Canavan, Iain Connelly, Hugh Crawford, Colin Doig, Allan Cumming, Jocelyn Cunliffe, Jim Cuthbertson, Brendan Diamond, Iain Dickson, Euan Geddes, Michael Goudie, Stewart Henderson, Michael Jarvis, Pavlina Koeva-Ratcheva, Roy Milne, Ken Ralston, Doug Read, Sheila Riddell, Kerr Robertson, Shane Rodgers, Fiona Sinclair, Joan Scott, A Gordon Smith, Kevin Spence, Andrew Stavert, Chris Stewart, Ian Stewart, Mike Towers, Willie Watt, Ged Young.

## Senior Staff Members during the year

### Secretary & Treasurer

Neil Baxter

### Assistant Secretary

Dr. Deborah Mays

## 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

# REPORT OF THE COUNCIL

## FOR THE YEAR ENDED 31 DECEMBER 2013

The members of Council of the Royal Incorporation of Architects in Scotland are pleased to present their report for the year ended 31 December 2013. 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 2 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 3 above.

### Objectives and Activities

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

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

RIAS Services Limited provides a range of services to individual members, architectural practices and other organisations. This includes a subscription service for architectural practices, CPD for members, a bookshop, running events and consultancy services including architectural competitions. There is also a publishing arm, which publishes the RIAS/Landmark Trust Series of Illustrated Architectural Guides and other titles. The Incorporation also 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 116 full members, 179 students and 61 reinstatements. 29 Fellowships and 14 Hon Fellowships were awarded. Regrettably, 34 deaths were reported and 47 members resigned.

Although we had 56 retirements and 19 removals for non-payment, we are up on fee paying membership by 100 and have 145 more members overall than in 2012. The overall

# REPORT OF THE COUNCIL

## FOR THE YEAR ENDED 31 DECEMBER 2013

increase means that our membership count now stands at 4333.

### **Politics and PR and International Liaison**

Our media profile has continued positive, with excellent coverage on television, radio and in specialist and general press, running to 132 substantive articles at national level and a very significant number of items in local press from the Chapters. The President and/or Secretary met a number of SNP backbenchers and senior opposition members, including meetings with Deputy First Minister, Nicola Sturgeon, the Scottish Conservative Leader, Ruth Davidson, Linda Fabiani, Jean Urquhart, Sarah Boyack, Minister for Energy, Enterprise and Tourism, Fergus Ewing, Minister for Local Government and Planning, Derek Mackay, Annabel Goldie as well as several meetings with Cabinet Secretary Fiona Hyslop. The Secretary also had informal meetings with Alistair Darling MP, Annette Brooke OBE MP and Lord McLennan of Rogart. The President and Secretary had constructive exchanges with A+DS Chair, Karen Anderson and CEO, Jim MacDonald and with the RIBA President. Liaison continued with the Dutch Embassy including the President and Secretary's attendance at the Ambassador's Christmas Reception.

### **Events**

The Strathpeffer Convention included presentations from many major international figures, including Prof. Kathryn Findlay FRIAS, Tina Saaby and Ole Wiig FRIAS. Our Cross Party Group at the Parliament hosted lively meetings on *A Design Model for Rural Tourism and Economy*, *NPF3*, *A Landscape Charter for Scotland* and *Sustainable Job Creation and Export Opportunities in*

*the Scottish Construction Industry*. We ran a lunchtime lecture series, with talks from Micheal Holliday, Warren Elsmore, Ewan Hyslop and Nick Charlton-Smith. The Raymond Neutra lunchtime talk and the Neoclassicism seminar, both held in Edinburgh were very well attended. The Fellows' annual Summer and Winter Receptions were busy and convivial. Mona Siddiqui Hon FRIAS addressed the Fellows Dinner.

### **HQ and Governance**

The Practice Directory achieved 769 entries and 379 Chartered Practices were registered. Membership procedures were simplified to be more 'user friendly'. Student nominees for all committees were approved by Council. Complaints were pursued through the Standards Commissioner and the Public Ombudsman (George Square – partially upheld) and to the Chartered Institute of Architectural Technologists regarding misrepresentation of their members as of equal status to architects in public procurement.

A committees review was started. The Incorporation made a substantial contribution to the Government's Procurement Review. One member of staff, Soni Rosendahl, left the Incorporation, to return to her native Germany. Sophie Birch was promoted to the Communications and Events Assistant post and Elaine Dobie was appointed as Practice Assistant.

### **Practice**

The Incorporation is represented on the DPEA (Directorate for Planning and Environmental Appeals) stakeholder groups and is liaising with the Building Standard Division and LABSS (Local Authority Building Standards Scotland).

2013 has built on the growth in Certification of 2012. The number of dwellings covered by a certificate has more than doubled. The total value of warrant works stands at nearly £300m. Members of the Scheme now have the opportunity to produce Energy Performance Certificates (EPCs).

Monitoring has continued in line with the UK statutory bodies' joint re-appraisal agreement, and the RIAS Conservation re-accreditation scheme has seen 28 practitioners successfully re-new their accreditation in 2013. 12 new applications to become accredited were processed, with 10 of these achieving accreditation. The Conservation Committee are piloting a Conservation Accreditation mentoring scheme, with the first interested party currently preparing their documentation.

### **Education/CPD**

The Incorporation continued to support the Association of Scottish Schools of Architecture (ASSA) with financial services and meeting facilities.

### **Awards**

75 submissions for the second year of the RIAS Awards resulted in 12 awards. The Lifetime Achievement Award went to Andrew Merrylees FRIAS at the Awards Dinner in Edinburgh. The touring exhibition of the 2012 Doolan Award visited 14 venues throughout the Chapters. The RIAS Andrew Doolan Best Building in Scotland Award 2013 was judged by Professor Andy MacMillan OBE FRIAS, Karen Anderson FRIAS, Christophe Egret Hon FRIAS and Indira van 't Klooster and the award went to NORD Architecture for WASPS South Block, Glasgow, presented by the Cabinet Secretary and Mrs Margaret Doolan Hon FRIAS at the Parliament in November.

The annual RIAS/A+DS student awards were judged by President Iain Connelly, Lori McElroy MBE Hon FRIAS, Director Sust., Architecture and Design Scotland, Stuart Watson, Senior Architect, Scottish Government and Alan Jones PRSUA. The Rowand Anderson Silver Medal was won by Melissa Lawson from ESALA. The RIAS Scottish Community Projects Fund approved grants for 4 projects to a total of £5,000 and the Incorporation contributed £5,000 to support five BBC Beechgrove Garden community garden projects.

### **Consultancy/Competitions**

George Square, Glasgow Landscape Design Competition won by John McAslan + Partners (project subsequently cancelled by the Council Leader). Ironside Farrar appointed as Landscape Architect for City of Edinburgh Council's Autism Day and Respite Resource Centre. Appointment of (Conservation Accredited) Architect-Led Design Team made for Peter Pan Moat Brae House. New competition launched for adaptations to the Weston Link Building at the National Galleries. BDP appointed to lead the design team on The Music Hall for Aberdeen Performing Arts. RIAS Consultancy booklet was distributed to housing associations, planning departments and former clients.

### **Publishing**

*On Life and Architecture* by David Mackay Hon FRIAS was published at the end of the year and posted to all members with their winter *Quarterly*.

### **Chapters**

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

### **Consultations**

The Incorporation responded to Scottish Government consultations on Lower Carbon Buildings – a review of energy standards; Section 63; Draft Scottish Planning Policy; NPF3; Regulatory Reform Bill and the Draft Scottish Planning Policy, as well as on Wall Details for BRE, Green Deal Assessors looking at Historic Buildings for Asset Skills, BS 7913, Guide to the conservation of heritage assets for BSI, the revised listed building record for Historic Scotland and also commented on the merger of Historic Scotland and the Royal Commission on the Ancient and Historical Monuments of Scotland.

### **Honorary Fellowships**

Honorary Fellowships were awarded to Angela Brady PPRIBA, David Cook, Liz Davidson OBE, Christophe Egret, Baroness Annabel Goldie MSP, Ian McCallum, Anne McChlery, Dr Lori McElroy MBE, Fr Dermot Morrin, Gordon Reid, Mia Scott, Janet Turner and Patrick Tyler.

### **Future Plans**

In addition to improved online communications and continuing its core endeavours in political lobbying, promotion, research, education, technical advice, publishing and awards, the Incorporation has met with a wide range of partner organisations and Government towards the year-long festival of architecture for its centenary year, 2016. The Scottish Government has announced that 2016 will be Scotland's Year of Innovation, Architecture and Design.

### **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 2013.

### **Financial Review and Results for the Year**

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

The overall result for the year, as set out in the SOFA, shows an increase in funds of £38,831 comprising an increase of £7,474 in unrestricted funds an increase of £4,451 in restricted income funds and an increase of £26,906 in the Martin Jones Award endowment fund. The previous year showed an overall increase in funds of £211,851 but this included an amount of £190,961 for the Martin Jones fund, which was transferred in as an endowment fund from the separate charity of that name at 1 January 2012 (see details in note 18 to the accounts). Leaving this aside the comparable figure for 2012 was a net increase in funds of £20,890.

The main source of income for the Incorporation is membership subscriptions and these showed a slight increase in the year of 0.8% providing income of £504,265, which represents 53% of the unrestricted gross income for the year. Some reduction

# REPORT OF THE COUNCIL

## FOR THE YEAR ENDED 31 DECEMBER 2013

in this source had been anticipated but the income has remained steady over the past 2 years, which is an excellent result given the prevailing economic conditions. Income in other areas is broadly similar to the previous year and shows an overall increase of 1.7%, leaving aside the transfer in of the Martin Jones fund as mentioned above.

The Incorporation derives profits from its trading subsidiary, RIAS Services Ltd, 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 18 and show a net profit of £6,841, which is considered satisfactory in present circumstances.

Expenditure also shows a broadly similar pattern to the previous year. There has again been some exceptional expenditure on refurbishment costs, comprising damp-proofing works to the basement area of the building with costs to date of £36,237. This project continues into the next year and an amount of £40,000 has been set aside as a designated fund for costs to completion.

The restricted income funds (see note 14) comprise the awards and prize funds, the benevolent 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 £46,000 in total for the various awards. There was no grant income for SCPF this year and net expenditure on grants awarded has reduced the balance on this fund to £4,363 with alternative sources of funds being actively sought.

The value of the Martin Jones Award endowment fund has increased by £26,906

(13.5%) including a net gain on investments of £23,940. 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 £8,870 on listed investments held in the general fund as well as the increase of £23,940 in the Martin Jones fund referred to above.

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 £16,705 - an increase of £892 in the year (see note 9).

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 14 on page 22. A total of £280,097 is held in designated funds. Of this £234,577 represents tangible fixed assets and unlisted investments, which are not readily realisable and the balance has been set aside as £40,000 for refurbishment costs and £5,520 as a contingency fund for non-routine expenditure by the Chapters. There remains a balance of £236,586 in the general fund 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 £185,054 with the balance of £177,622 in the designated fixed asset fund (£362,676 in total). The written down amounts of £317,703 for heritable property and £23,481 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 2014. 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  
12TH MARCH 2014

# AUDITOR'S REPORT

## INDEPENDENT AUDITORS' REPORT TO THE COUNCIL OF THE ROYAL INCORPORATION OF ARCHITECTS IN SCOTLAND FOR THE YEAR ENDED 31 DECEMBER 2013

We have audited the financial statements of The Royal Incorporation of Architects in Scotland for the year ended 31 December 2013, 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 pages 83-87, 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 material inconsistencies with the audited financial statements. 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 2013 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  
12th March 2014

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

# ACCOUNTING POLICIES

## Basis of Accounting and Consolidation

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

The charity has substantial cash reserves, and 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 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 2013:

Membership activities	57.5% (2012 – 65%)
Trading activities	37.5% (2012 – 30%)
Governance costs	5% (2012 – 5%)

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

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

# ACCOUNTING POLICIES

## Tangible Fixed Assets and Depreciation

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

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 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.

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.

## 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 18.

# FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

THE NOTES ON PAGES 93 TO 97 AND THE ACCOUNTING POLICIES ON PAGE 88 FORM PART OF THESE FINANCIAL STATEMENTS.

## Consolidated Statement of Financial Activities

<b>Incoming Resources</b>	<i>Notes</i>	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Endowment Fund</i>	<i>Total 2013</i>	<i>Total 2012</i>
		£	£	£	£	
<b>Incoming Resources from charitable activities:</b>						
Membership subscriptions	1	504,265	-	-	<b>504,265</b>	500,424
Membership activities		39,499	-	-	<b>39,499</b>	35,849
Awards & grants income	3	37,530	53,500	-	<b>91,030</b>	85,063
<b>Incoming Resources from generated funds:</b>						
<i>Trading activities:</i>						
Services to architects	2	198,924	-	-	<b>198,924</b>	194,298
Publications & products	2	89,968	-	-	<b>89,968</b>	94,798
Consultancy & other services	2	61,699	-	-	<b>61,699</b>	56,631
Investment income	4	12,164	-	4,479	<b>16,643</b>	14,042
<b>Other incoming resources:</b>						
Transfer in of net assets of Martin Jones Award Fund	18	-	-	-	-	190,961
Other income		-	-	-	-	4,181
<b>Total Incoming Resources</b>		<u>944,049</u>	<u>53,500</u>	<u>4,479</u>	<b><u>1,002,028</u></b>	<u>1,176,247</u>
<b>Resources Expended</b>						
<b>Charitable activities:</b>						
Membership activities	6	471,920	2,500	-	<b>474,420</b>	479,502
Awards & grants expenditure	5	49,618	46,549	1,513	<b>97,680</b>	96,488
Building refurbishment		36,237	-	-	<b>36,237</b>	26,432
<b>Costs of generating funds:</b>						
<i>Trading activities:</i>						
Services to architects	2	164,889	-	-	<b>164,889</b>	161,051
Publications & products	2	115,433	-	-	<b>115,433</b>	121,338
Consultancy & other sources	2	63,428	-	-	<b>63,428</b>	60,990
<b>Governance costs</b>	6	43,920	-	-	<b>43,920</b>	43,490
<b>Total Resources Expended</b>		<u>945,445</u>	<u>49,049</u>	<u>1,513</u>	<b><u>996,007</u></b>	<u>989,291</u>
<b>Net Incoming / (Outgoing) Resources before other recognised gains and losses</b>						
		(1,396)	4,451	2,966	<b>6,021</b>	186,956
<b>Other recognised gains and losses</b>						
Net gain / (loss) on investment assets		8,870	-	23,940	<b>32,810</b>	24,895
<b>Net Movement in Funds</b>		7,474	4,451	26,906	<b>38,831</b>	211,851
Funds brought forward		694,263	72,716	199,687	<b>966,666</b>	754,815
<b>Funds carried forward</b>	14	<u>701,737</u>	<u>77,167</u>	<u>226,593</u>	<b><u>1,005,497</u></b>	<u>966,666</u>

# FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

THE NOTES ON PAGES 93 TO 97 AND THE ACCOUNTING POLICIES ON PAGE 88 FORM PART OF THESE FINANCIAL STATEMENTS.

## Consolidated and Charity Income and Expenditure Accounts

	Notes	Group		Charity	
		2013	2012	2013	2012
		£	£	£	£
<b>Income:</b>					
Membership subscriptions	1	504,265	500,424	504,265	500,424
Membership activities		39,499	35,849	39,499	35,849
Awards & grants income	3	91,030	85,063	91,030	85,063
Turnover from trading activities	2	350,591	345,727	-	-
Gift aid donation due from subsidiary		-	-	6,841	2,348
Recharge of support costs to subsidiary		-	-	87,912	73,563
Investment income	4	16,643	14,042	16,643	14,042
Other incoming resources		-	4,181	-	4,181
<b>Total income</b>		<b>1,002,028</b>	<b>985,286</b>	<b>746,190</b>	<b>715,470</b>
<b>Expenditure:</b>					
Membership activities	6	474,420	479,502	474,420	479,502
Awards & grants expenditure	6	97,680	96,488	97,680	96,488
Building refurbishment	6	36,237	26,432	36,237	26,432
Expenditure on trading activities	6	343,750	343,379	87,912	73,563
Governance costs	6	43,920	43,490	43,920	43,490
<b>Total expenditure</b>		<b>996,007</b>	<b>989,291</b>	<b>740,169</b>	<b>719,475</b>
<b>Net operating income / (expenditure) for the year</b>		<b>6,021</b>	<b>(4,005)</b>	<b>6,021</b>	<b>(4,005)</b>
Net realised gain on sale of fixed asset investments		2,026	942	2,026	942
<b>Net income / (expenditure) for the financial year</b>		<b>8,047</b>	<b>(3,063)</b>	<b>8,047</b>	<b>(3,063)</b>

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

## Consolidated Statement of Recognised Gains and Losses

	2013	2012
	£	£
<b>Group and Charity:</b>		
Net income / (expenditure) for the financial year	8,047	(3,063)
Net unrealised gain on fixed asset investments	30,784	23,953
Transfer in of net assets of Martin Jones Award Fund (note 18)	-	190,961
Net recognised gains for the financial year	<b>38,831</b>	<b>211,851</b>
<b>Note of Historical Cost Results</b>		
<b>Group and Charity:</b>		
Reported net income / (expenditure) for the financial year	8,047	(3,063)
Realisation of fixed asset investment gains / (losses) of previous years	698	2,424
Realisation of revaluation gains of prior years relating to antique and fine art furnishings	-	3,877
Difference between the historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	3,000	3,040
<b>Historical cost net surplus for the financial year</b>	<b>11,745</b>	<b>6,278</b>

# FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

THE NOTES ON PAGES 93 TO 97 AND THE ACCOUNTING POLICIES ON PAGE 88 FORM PART OF THESE FINANCIAL STATEMENTS.

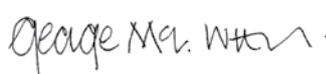
## Consolidated and Charity Balance Sheets at 31 December 2013

	Notes	Group		Charity	
		2013	2012	2013	2012
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	8	362,676	371,537	362,676	371,537
Listed Investments	9	274,903	245,051	274,903	245,051
Unlisted investments	9	56,955	56,063	56,955	56,063
Investment in subsidiary at cost	2	-	-	100	100
		<u>694,534</u>	<u>672,651</u>	<u>694,634</u>	<u>672,751</u>
<b>Current Assets</b>					
Stocks and work in progress	10	50,437	55,500	10,685	7,032
Debtors	11	96,335	101,530	31,609	40,192
Cash at bank and in hand		458,602	383,859	453,425	374,038
		<u>605,374</u>	<u>540,889</u>	<u>495,719</u>	<u>421,262</u>
<b>Creditors</b>					
Amounts falling due within one year	12	<u>294,411</u>	<u>246,874</u>	<u>184,856</u>	<u>127,347</u>
<b>Net Current Assets</b>		<u>310,963</u>	<u>294,015</u>	<u>310,863</u>	<u>293,915</u>
<b>Net Assets</b>		<u>1,005,497</u>	<u>966,666</u>	<u>1,005,497</u>	<u>966,666</u>
<b>Funds:</b>					
<b>Unrestricted Funds:</b>					
General fund	14	236,586	260,663	236,586	260,663
Revaluation reserve	16	185,054	188,054	185,054	188,054
Designated funds	14	280,097	245,546	280,097	245,546
<b>Total Unrestricted Funds</b>		<u>701,737</u>	<u>694,263</u>	<u>701,737</u>	<u>694,263</u>
<b>Restricted Funds:</b>					
Endowment fund	14	226,593	199,687	226,593	199,687
Restricted income funds	14	77,167	72,716	77,167	72,716
<b>Total Restricted Funds</b>		<u>303,760</u>	<u>272,403</u>	<u>303,760</u>	<u>272,403</u>
<b>Total Funds</b>		<u>1,005,497</u>	<u>966,666</u>	<u>1,005,497</u>	<u>966,666</u>

The accounts on pages 90 to 92 were approved by the Council members on 12th March 2014 and are signed on their behalf by:



Iain Connelly  
President



George McL Wren  
Member of Council



Neil Baxter  
Secretary & Treasurer

Date: 12th March 2014

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

## 1. Membership Subscriptions

	2013	2012
	£	£
Joint subscriptions with RIBA	351,069	342,364
RIAS only subscriptions	153,196	158,060
	<b>504,265</b>	<b>500,424</b>

## 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 2013	Total 2012
	£	£	£	£	£
Turnover	198,924	89,968	61,699	350,591	345,727
Direct expenditure	115,008	92,873	47,957	255,838	269,816
Administrative support costs	49,881	22,560	15,471	87,912	73,563
Total expenditure	164,889	115,433	63,428	343,750	343,379
Profit for the year				6,841	2,348
Gift Aid payable to the Incorporation				(6,841)	(2,348)
Retained by subsidiary company				-	-

The assets and liabilities of the subsidiary company at 31 December 2013 were as follows:

	2013	2012
	£	£
<b>Current Assets</b>		
Stocks and work in progress	39,752	48,468
Amount due from the Incorporation	22,328	9,617
Other debtors	64,726	61,338
Cash at bank	5,177	9,821
	<b>131,983</b>	<b>129,244</b>
<b>Current Liabilities</b>		
Creditors & accruals	(18,659)	(27,192)
Deferred income	(115,713)	(104,441)
<b>Net Liabilities</b>	<b>(2,389)</b>	<b>(2,389)</b>
<b>Net deficiency in shareholder's funds</b>	<b>(2,389)</b>	<b>(2,389)</b>

	Unrestricted Funds	Restricted Income Funds	Endowment Fund	Total 2013	Total 2012
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## 3. Awards and Grants Income

	£	£	£	£	£
Doolan Award grant & donation	-	35,000	-	35,000	35,000
Sponsorship & other awards	16,500	11,000	-	27,500	18,790
Awards entry fees & other income	21,030	-	-	21,030	26,273
Scottish Government grant for 2016	-	2,500	-	2,500	-
ASSA contributions	-	5,000	-	5,000	-
SELECT sponsorship	-	-	-	-	5,000
	<b>37,530</b>	<b>53,500</b>	<b>-</b>	<b>91,030</b>	<b>85,063</b>

## 4. Investment Income

	£	£	£	£	£
Income from listed investments	3,090	-	4,461	7,551	7,651
Bank & loan interest	9,074	-	18	9,092	6,391
	<b>12,164</b>	<b>-</b>	<b>4,479</b>	<b>16,643</b>	<b>14,042</b>

## 5. Grants & Awards Costs

	£	£	£	£	£
Doolan Award prize	-	25,000	-	25,000	25,000
Other awards	1,200	10,000	-	11,200	14,490
Martin Jones prize & other costs	-	-	1,513	1,513	8,529
Awards events & staff costs	48,418	10,000	-	58,418	41,151
Community project grants	-	1,549	-	1,549	7,318
	<b>49,618</b>	<b>46,549</b>	<b>1,513</b>	<b>97,680</b>	<b>96,488</b>

## 6. Resources Expended

	Membership Activities	Trading Activities	Governance Costs	Total 2013	Total 2012
	£	£	£	£	£
<b>Membership costs:</b>					
Chapter grants	35,397	-	-	35,397	31,917
RIAS Quarterly journal	46,003	-	-	46,003	46,531
Corporate costs	32,123	-	2,181	34,304	29,744
Events, projects & promotion	25,096	-	-	25,096	15,808
Membership staff costs	149,374	-	-	149,374	160,662
Membership support costs	16,016	-	3,958	19,974	11,793
<b>Direct trading expenditure:</b>					
Services to architects	-	115,008	-	115,008	119,709
Publications & products	-	92,873	-	92,873	101,167
Consultancy	-	47,957	-	47,957	48,940
<b>Administrative support costs:</b>					
Management & admin staff	82,531	49,519	25,938	157,988	159,183
Office admin costs	27,021	11,936	2,049	41,006	42,808
Occupancy costs	28,218	14,387	2,243	44,848	49,445
Audit fee	-	-	5,500	5,500	5,425
Irrecoverable VAT on overheads	16,266	-	-	16,266	13,766
Other administrative costs	16,375	12,070	2,051	30,496	29,473
	474,420	343,750	43,920	862,090	866,371

Awards & grants expenditure (note 5)		97,680	96,488
Building refurbishment costs		36,237	26,432
<b>Total resources expended</b>		<b>996,007</b>	<b>989,291</b>

### Resources expended includes the following costs:

<b>Auditors' remuneration:</b>			
for audit work - current year		5,500	5,500
for audit work - previous year adjustment		-	(75)
		5,500	5,425
Depreciation charge		13,050	13,093
Loss on disposal of tangible fixed assets		2,610	1,081

## 7. Staff Details

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

	2013		2012	
	Number	Cost £	Number	Cost £
Trading activities	5	149,423	5	130,506
Membership activities (including awards)	5	164,182	5	170,663
Management & administrative support	4	157,988	4	159,184
Totals	14	471,593	14	460,353

### Total staff costs are analysed as follows:

	£	£
Salaries	402,987	393,027
Social security costs	38,082	38,835
Pension costs	12,057	10,092
Total employed staff	453,126	441,954
Consultant staff	14,275	15,150
Other staff costs	4,192	3,249
	<b>471,593</b>	<b>460,353</b>

In both 2013 and 2012, one member of staff had emoluments between £70,000 and £80,000. In addition an amount of £3,712 (2012 - £3,778) was paid into a defined contribution pension scheme for this employee. Travel expenses of 4,711 (2012 - £5,523) were reimbursed to members of Council during the year. No remuneration was paid to members of Council.

## 8. Tangible Fixed Assets

	Heritable Property		Furniture, Fittings & Equipment		Total £
	£	£	£	£	
<b>Cost or Valuation</b>					
At 1st January 2013	402,712	41,375	75,656		519,743
Additions	-	-	6,799		6,799
Disposals	-	-	(23,357)		(23,357)
At 31st December 2013	402,712	41,375	59,098		503,185
<b>Depreciation</b>					
At 1st January 2013	79,354	17,066	51,786		148,206
Charge for year	5,655	828	6,567		13,050
On disposals	-	-	(20,747)		(20,747)
At 31st December 2013	85,009	17,894	37,606		140,509
<b>Net Book Value</b>					
At 31st December 2013	317,703	23,481	21,492		362,676
At 31st December 2012	323,358	24,309	23,870		371,537

Details of revaluations are given in note 16 below.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013

## 9. Fixed Asset Investments

	2013	2012
	£	£
<b>Listed UK Securities:</b>		
Market value at 1 January 2013	236,489	57,181
Transferred in from Martin Jones Award Trust (note 18)	-	163,114
Add: Acquisitions in year at cost	48,282	8,502
Less: Disposals at opening book value	(52,985)	(11,804)
Net gain on revaluation	29,892	19,496
	<b>261,678</b>	236,489
Investment cash accounts	13,225	8,562
Market value at 31 December 2013	<b>274,903</b>	245,051
Historical cost at 31 December 2013	<b>229,699</b>	232,280

The above investments are held for the following funds:

Martin Jones Award endowment fund	201,633	179,205
Unrestricted general fund	73,270	65,846
Market value at 31 December 2013	<b>274,903</b>	245,051

In 2013 there are no material investments with a value in excess of 10% of the portfolio.

	SBCC	Rare Book	Total	Total
	Note (a)	Note (b)	2013	2012
Valuation at 1 January 2013	15,813	40,250	56,063	11,357
Add: Acquisitions at cost	-	-	-	40,250
Net gain / (loss) on revaluation	892	-	892	4,456
Valuation at 31 December 2013	<u>16,705</u>	<u>40,250</u>	<u>56,955</u>	<u>56,063</u>

(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 2013.

(b) The rare book is an original volume of poems by Robert Burns, *The Kilmarnock Edition*, purchased as an investment at a cost of £40,250. In the opinion of the trustees the current valuation approximates to the cost.

## 10. Stocks & Work in Progress

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
Bookshop stock for resale	21,188	23,461	-	-
Publishing stock - completed titles	8,423	14,866	-	-
Publishing stock - work in progress	10,141	10,141	-	-
Stationery & medals	10,685	7,032	10,685	7,032
	<b>50,437</b>	55,500	<b>10,685</b>	7,032

## 11. Debtors

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
<b>Due within one year:</b>				
Trade debtors	24,883	36,219	10,398	18,623
Accrued income	50,650	47,265	510	5,141
Prepayments	11,979	13,293	11,878	11,788
Other debtors	8,823	4,753	8,823	4,640
	<b>96,335</b>	101,530	<b>31,609</b>	40,192

## 12. Creditors

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
<b>Amounts falling due within one year:</b>				
Provision for deficiency in subsidiary funds (note 2)	-	-	2,489	2,489
Amount due to subsidiary company	-	-	22,328	9,617
Trade creditors	6,618	39,005	1,399	17,636
Taxation and social security	9,133	9,197	9,133	9,125
Accruals & other creditors	68,111	47,694	54,671	41,943
Deferred income (note 13)	210,549	150,978	94,836	46,537
	<b>294,411</b>	246,874	<b>184,856</b>	127,347

## 13. Deferred Income

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
Opening Balance at 1 January	150,978	167,128	46,537	65,322
Amount released to incoming resources	(72,745)	(88,895)	(46,537)	(65,322)
Amount deferred in year	132,316	72,745	94,836	46,537
Closing Balance at 31 December	<b>210,549</b>	150,978	<b>94,836</b>	46,537

Deferred income at 31 December 2013 comprises income received in advance for publishing, prepaid membership and practice services subscriptions and prepaid advertising.

## 14. Movements in Funds

	Net					At 31/12/13 £
	At 1/1/13 £	Incoming Resources £	Resources Expended £	Investment Gain/(Loss) £	Transfers £	
<b>Endowment Fund:</b>						
Martin Jones Award	199,687	4,479	(1,513)	23,940	-	226,593
<b>Restricted Income Funds:</b>						
Doolan Award	-	35,000	(35,000)	-	-	-
Other award funds	7,334	11,000	(10,000)	-	-	8,334
Benevolent fund	51,646	-	-	-	-	51,646
Sc. Community Projects 2016 grant	5,912	-	(1,549)	-	-	4,363
ASSA fund	-	2,500	(2,500)	-	-	-
	7,824	5,000	-	-	-	12,824
<b>Total Restricted</b>	<b>72,716</b>	<b>53,500</b>	<b>(49,049)</b>	<b>-</b>	<b>-</b>	<b>77,167</b>
<b>Designated Funds:</b>						
Fixed asset fund	183,483	-	(13,050)	-	7,189	177,622
Unlisted investments	56,063	-	-	892	-	56,955
Refurbishment costs	-	-	-	-	40,000	40,000
Chapters contingency fund	6,000	-	(3,480)	-	3,000	5,520
	245,546	-	(16,530)	892	50,189	280,097
<b>General Fund</b>	<b>260,663</b>	<b>944,049</b>	<b>(928,915)</b>	<b>7,978</b>	<b>(47,189)</b>	<b>236,586</b>
<b>Revaluation Reserve</b>	<b>188,054</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,000)</b>	<b>185,054</b>
<b>Total Unrestricted</b>	<b>694,263</b>	<b>944,049</b>	<b>(945,445)</b>	<b>8,870</b>	<b>-</b>	<b>701,737</b>
<b>Total Funds</b>	<b>966,666</b>	<b>1,002,028</b>	<b>(996,007)</b>	<b>32,810</b>	<b>-</b>	<b>1,005,497</b>

### Notes on Restricted Funds:

The **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 **2016 grant** from the Scottish Government funded a series of seminars in preparation for the year 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 9), which is held in a designated fund, as not representing readily realisable assets.

An amount of £40,000 has been designated towards **refurbishment** costs during 2014 for the completion of the damp-proofing works in the basement.

A further £3,000 has been added to the **Chapters contingency fund**, bringing the balance to £5,520.

## 15. Analysis of Net Assets Representing Funds

	Endowment Restricted Fund		Revaluation Reserve		Total Funds
	£	£	£	£	
<b>Fund balances at 31 December 2013 are represented by:</b>					
Tangible fixed assets	-	-	177,622	-	185,054
Investments	201,633	-	56,955	73,270	331,858
Stocks and work in progress	-	-	-	50,437	50,437
Debtors	-	-	-	96,335	96,335
Cash at bank and in hand	24,960	81,167	45,520	306,955	458,602
Creditors due in one year	-	(4,000)	-	(290,411)	(294,411)
<b>Net Assets</b>	<b>226,593</b>	<b>77,167</b>	<b>280,097</b>	<b>236,586</b>	<b>1,005,497</b>

## 16. Revaluation Reserve

The revaluation reserve represents the following:

	Excess over book value £
Heritable property at 15 Rutland Square revalued at open market value of £240,000 in January 1987	225,473
Antique & fine art furnishings valued at open market value of £39,245 in January 1988 (excluding disposals of £6,805 in the year)	37,261
Less accumulated depreciation charged on revalued amount	(77,680)
<b>Balance on revaluation reserve at 31 December 2012</b>	<b>185,054</b>

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.

# NOTES

## FOR THE YEAR ENDED 31 DECEMBER 2013

### 17. Related Party Transactions

Fees and expenses of £4,059 for consultancy work were paid to Richard Atkins, a member of Council, during the year.

### 18. Martin Jones Award Fund

At 1 January 2012 the net assets and operations of the former Martin Jones Award Trust (Scottish charity ref SC 036825) were transferred to the Incorporation as an endowment fund. Details of the net assets and funds transferred are as follows:

	£
Listed investments at market value	163,114
Investment cash account held by investment managers	5,003
Income cash account held by investment managers	29,157
(less) creditors due within one year	(6,313)
<b>Net assets transferred</b>	<b>190,961</b>
represented by:	
<b>Endowment Fund</b>	<b>190,961</b>

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.