

RESPONSE RECOVERY RESILIENCE

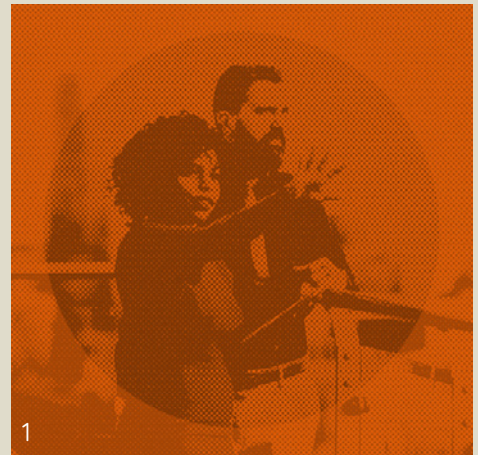
ANNUAL REPORT AND FINANCIAL STATEMENTS

31 DECEMBER 2020



Contents

| | | | |
|--|----|---|----|
| Introduction | 3 | Section Three | |
| | | A Strong Organisation | 18 |
| Section One | | Strategy 3.1 | |
| A Strong Profession | 5 | Engage, nurture and empower talented staff | 19 |
| Strategy 1.1 | | Strategy 3.2 | |
| Lead and support the highest professional and ethical standards | 6 | Enhance the value of our offer to members and others | 20 |
| Strategy 1.2 | | Strategy 3.3 | |
| Attract and retain the best and most diverse talent | 7 | Identify and grow sustainable sources of income to support our strategic purposes | 22 |
| Strategy 1.3 | | Strategy 3.4 | |
| Provide access to education, knowledge and skills | 8 | Strive for operational excellence | 23 |
| Strategy 1.4 | | Strategy 3.5 | |
| Help our members engage with the challenges and opportunities of a changing world | 9 | Adapt our operating model | 24 |
| Strategy 1.5 | | Section Four | |
| Build a body of knowledge and facilitate collaboration, research and innovation in practice | 11 | Financial Review | 25 |
| | | Structure, Governance and Management | 33 |
| | | Independent Auditors' Report | 35 |
| | | Financial Statements | 38 |
| | | Notes to the Financial Statements | 41 |
| | | Legal and Administrative details | 66 |
| | | Council Members | 66 |
| | | RIBA Board | 67 |
| | | Group Executive | 67 |
| | | External | 67 |
| | | Senior Staff | 68 |
| | | Public Benefit | 68 |
| | | Supporters | 69 |
| Section Two | | | |
| A Strong Voice | 12 | | |
| Strategy 2.1 | | | |
| Advocate for architects and architecture | 13 | | |
| Strategy 2.2 | | | |
| Deliver inspiring programmes that celebrate architecture and create wide-reaching public and professional engagement with the value and purpose of architecture | 14 | | |
| Strategy 2.3 | | | |
| Lead innovative growth, use and stewardship of the world's richest and most inspiring architectural collection, ensuring it is recognised for its national and global significance | 15 | | |
| Strategy 2.4 | | | |
| Increase our reach into new and diverse audiences | 16 | | |



Cover image: Recovery Roadmap graphic
 1 Image title: The Way Ahead
 2 Guerilla Tactics © Asako Masunouchi
 3 RIBA 'HELLO CHINA' 2020 Campaign Launch at Capella Hotel, Shanghai, 14 June 2020
 4 Students testing the new PEDR system.

“Even though the COVID-19 impact was greater than anyone imagined we still managed to continue, and in some respect accelerate, the process we started in 2019.”

This report was originally intended to wrap up progress against the final year of our 2016-2020 Advancing Architecture Strategy, however, the impact of COVID-19 and the need to take a deeper engagement process for the development of the next strategy, resulted in RIBA Council and Board extending the current strategy to the end of 2021. So next year's annual report will conclude the progress against the 2016-2021 strategy.

As stated in last year's Annual Report, 2020 was the year that RIBA became a **fully functioning digital entity**, as the UK went into and remained in lockdown. The impact of COVID-19 on our members, the Institute and the wider community could not be predicted when we were developing our 2020 plans and budget.

2020 started well, we continued our focus on the climate emergency and sustainability as enduring challenges. We also knew that the Institute needed to be modernised so that it could be effective in delivering what our members needed to survive and thrive. In March the

focus had shifted to **primarily supporting our members** as they transitioned to working remotely and struggled under a once in a life-time economic impact.

The benefits of the **modernisation programme**, which ranged across governance, systems and processes, were delivered quickly and efficiently. And even though the COVID-19 impact was greater than anyone imagined, we still managed to continue and, in some respect, accelerate the processes we started in 2019.

The big themes remain, building a **sustainable future**, both for society and the Institute, will be with us for long time. Initiatives like the 2030 Climate Challenge are a great start, but there is so much more to do.

Accessibility and Social mobility were brought to the fore in 2020 with the Black Lives Matter campaign. We know that there are high barriers to entry into the architectural profession, especially for those who don't have all of the advantages that our current society

The impact of COVID-19 on our members, the Institute and the wider community could not be predicted when we were developing our 2020 plans and budget.



provides, and a lack of action on our part is not acceptable. The championing of apprenticeships and ‘on the job’ learning pathways is just a start and something that will increasingly be our focus into the future.

As for the Institute, we are committed to getting back to a financially sustainable footing, and that will take the next three years at least. The impact of COVID-19 on our income was offset by savings made in our expenditure as we moved to a digital delivery model.

Overall, 2020 was a challenging but surprising year. We did our best in trying to deliver on the needs of our members, while considering the rapidly changing world around us. We will continue our work to champion architects and architecture and that our members are supported and have the tools to thrive. We have included some highlights of the year in the sections that follow.

Left: © Charlotte Collins
 Top right: © Tverdokhlib
 Bottom right: © Tomas Ragina



Alan Jones,
 President



Alan Vallance,
 Chief Executive

Accessibility and social mobility were brought to the fore in 2020 with the **Black Lives Matter** campaign.

A Strong Profession

We will help our members engage with the challenges and opportunities of a changing world, lead and support the highest professional and ethical standards and facilitate collaboration, research and innovation. We will ensure that our profession thrives by attracting the best and most diverse talent with access to the education, knowledge and skills to succeed.





Image title: The Way Ahead

STRATEGY 1.1 LEAD AND SUPPORT THE HIGHEST PROFESSIONAL AND ETHICAL STANDARDS

We aim to place social purpose, professional standards and ethics at the heart of action and debate about architecture and the profession. We set and maintain the highest professional standards in collaboration with other national and international professional bodies.

In September 2020, we published **The Way Ahead**. This is a milestone document that outlines the RIBA's new Education and Professional Development Framework. It signifies a new direction for architectural education and continuing professional development, with a greater emphasis on health and life safety, the climate emergency and professional ethics. The Framework is based around six key concepts (a single unified pre and post registration education and professional development standard, education themes and values, mandatory competences, career role levels, core CPD curriculum, and specialisms) and will form the basis for future RIBA education, validation, competency, CPD and specialist accreditation requirements.

We completed the **Health and Life Safety Mandatory Competency Knowledge Schedule**, began the development of a pilot online test, and supported the development of the associated guidebook, which will help ensure members are safe on site and can prove they are competent in designing

buildings that are safe to construct, inhabit, use and maintain.

We also prepared consultation responses on **Fire Safety** including a detailed response to the Building Safety Bill, setting out the RIBA's position regarding the future of the regulatory regime for building control where architects and principal designers can enable a safer built environment.

We also published the 2020 **Social Value Toolkit**. This was developed through a research project led by the University of Reading and included representatives from the RIBA and research leaders in architectural practice. The Social Value Toolkit for Architecture was developed to make it simple to evaluate and demonstrate the social impact of design on people and communities.

We maintained our global network of **validated schools of architecture**, with 110 validated schools (59 UK-based and 51 International). Despite the impact of COVID-19 we managed to conduct eight revalidations (seven UK and one international). We also expanded the network by awarding the Sri Lanka Institute of Information Technology full validation. We also completed exploratory visits to the University of Leeds, Anglia Ruskin University and the University of Hertfordshire.

We completed the 2021 Validation Procedures and registered over 6,500 users on our new **Professional Experience Development Record (PEDR)** system which was launched in May. This is 2,400 or 59% more than the total users on the old system.

We continued our support for the UK Government's 2050 net zero greenhouse gas emissions target, by launching our 2030 Climate Challenge, which was developed to help our Chartered Practices meet net zero (or better) whole life carbon for new and retrofitted buildings by 2030.



Contributors to the Inclusion by Design Festival.
© RIBA

The other side of setting standards is the need to enforce them. During 2020, We assisted in the resolution of over 120 construction disputes, including 112 adjudication nominations. At the same time, we received 55 formal complaints against RIBA Members and Chartered Practices, held 12 professional conduct hearings and closed 37 professional conduct cases.

STRATEGY 1.2
ATTRACT AND RETAIN THE BEST AND MOST DIVERSE TALENT

We engage school-age students to inspire an interest in architecture, we work with schools of architecture and practices to engage the next generation of architects in the future of the profession, and we support our members and Chartered Practices in overcoming the barriers to an inclusive profession.

In 2020, we successfully concluded the pilot delivery of the **Future Architects** project in our Northern and Midland regions. RIBA Future Architects is a community for future and emerging architects that provides advice and information about studying architecture. It is designed to support, inspire and provide a voice for students and the recently qualified as they transition from study to practice.

Globally we are casting our reach wider, with over 100 applicants going through stage one of the **Membership Eligibility Assessment Panel (MEAP)** process from China alone which is a significant increase to the number of applications from the previous year.

Our **Diversity and Inclusion (D&I) programme** has progressed significantly in 2020. The strategy formed in 2019 described what we wished to achieve. In April 2020, we worked with Teri Okoro to develop a D&I CPD module which was made available on RIBA Academy.

In the summer, the shocking killing of George Floyd, focussed minds in fulfilling the strategy, and as a result we recruited an independent D&I consultant, who developed the RIBA Inclusion Transparency report and a D&I plan. We also established the RIBA Inclusion Charter and prepared the ground for RIBA Communities (staff and membership lived experience groups), and a Talent Programme for developing under-represented groups in Architecture. The highlight of the year was the **Inclusion by Design Festival** held in September which attracted over 2,100 attendees.

Towards the end of the year, we advertised for a permanent **Director of Inclusion**. We are proud to announce that Marsha Ramroop, formerly of the BBC, was successfully appointed.

We continued our approach into alternative routes to qualification. We now have over **300 architecture apprentices** being educated in **nine different universities** and there are a **further nine universities in discussion** with us about the validation of their apprenticeship courses. In addition, we have **over 160 students registered** on the RIBA's own distance learning scheme (RIBA Studio).



Welcome to RIBA Academy

Enhance your Passivhaus knowledge with our six-part series

STRATEGY 1.3

PROVIDE ACCESS TO EDUCATION, KNOWLEDGE AND SKILLS

We lead and support changes to architectural education to deliver better value, more flexibility, and greater integration with practice. We provide our members with access to skills and knowledge that support effective practice and successful business and we define, promote and maintain the highest global standards for architectural education.

In 2020 our **CPD providers network** added 110 new providers (our biggest year ever) and renewed 215, totalling 601 providers. The network delivered 3,000 digital sessions to more than 20,000 delegates.

Our **Part 3** courses continue to go from strength to strength, in 2020 we delivered Part 3 courses to 368 candidates (297 UK candidates and 71 International candidates). We launched two new courses, one in London and one in China.

We delivered **bursaries and scholarships** for students, allocating £247,000 (the highest ever annual amount in its history), and assisting 100 students by allowing them to complete their Part 1 or Part 2 courses. Our **Research Awards** continued to be a major focus for practice and university-based research, supported by the Research Funds grants scheme.

RIBA Academy © RIBA

In May we launched the **RIBA Academy**, to provide a learning management system for members to access their CPD. By the end of the year, we had over **6200 individual accounts activated**, accessing over **520 hours** of available CPD across 440 modules. Our CPD recording platform had **8,700 Chartered Members** logging their learning, and we had **26,000 attendees** to RIBA CPD courses, double the figures for 2019.



STRATEGY 1.4
HELP OUR MEMBERS ENGAGE WITH THE CHALLENGES AND OPPORTUNITIES OF A CHANGING WORLD

We ensure that our members have access to the information, skills and technology to embrace digital opportunities. We support our members to work around the world to deliver better outcomes for clients, industry and wider society. We help our members to connect with clients, provide improved services and expand business opportunities and we facilitate local, regional and national activity by members.

2020 was a year when the challenges of a rapidly changing world were plainly evident. We know that the majority of our members either work in or own small practices, and

have neither the capacity nor the capability to respond to these changes. We saw it as our duty to focus all of our efforts on ensuring that members had the resources to survive during the early onset of COVID-19. We changed our processes and actions to focus on providing effective content and communications to best support members during this time. We gained insight from all-member surveys, virtual practice visits, and analysis of member enquiries so we could prioritise the most urgent or far-reaching issues with information being published in a COVID-19 Hub.

Early into the COVID-19 crisis we established the **COVID-19 Hub**. This was an online hub where members could assess an extensive amount of information and guidance for Chartered Practices, Chartered

Above right: Guerilla Tactics © Asako Masunouchi

members and students on a range of topics. In addition, we provided information about government policies, related professional features and economic analysis. We developed and launched **the Recovery Roadmap** in June, building on a similar set of resources provided during the General Financial Crisis in 2008.

Our **professional events** programme had a successful year. All of our flagship events, including Future Leaders, the Smart Practice Conference and Guerrilla Tactics, pivoted to online delivery without diminishing the quantity or quality of the programme. Delegate numbers increased across the board, including up 150% for Future Leaders.

In the UK, due to lockdown from March to December 2020, we hosted **722 virtual events**, which were **attended by nearly 28,000 delegates**. Additionally, we held **673 virtual practice visits**. Internationally we delivered over **60 events attended by over 140,000 delegates** from across the globe including keynote talks by leading architects, webinars on exporting architectural services for UK members, an architecture photography competition in China and student design ideas in Colombia.

The weekly RIBA **Professional Features** went from strength to strength in 2020 and established themselves as an indispensable tool for keeping members informed about the changing business environment. Throughout 2020 and the difficulties of the pandemic, professional features on how to practice safely, government support programmes and strategies for increasing practice resilience were delivered (see RIBA Recovery Roadmap). We also launched an ongoing **'Career Resilience'** series to support individual architects in these challenging times.



When the first lockdown was announced four **RIBA competitions** were 'live' and we had to adapt quickly to provide our services digitally to maintain continuity. Despite the pandemic we still managed to deliver 11 out of our planned 18 competitions, those cancelled or delayed being due to clients wanting to wait until there was greater certainty.

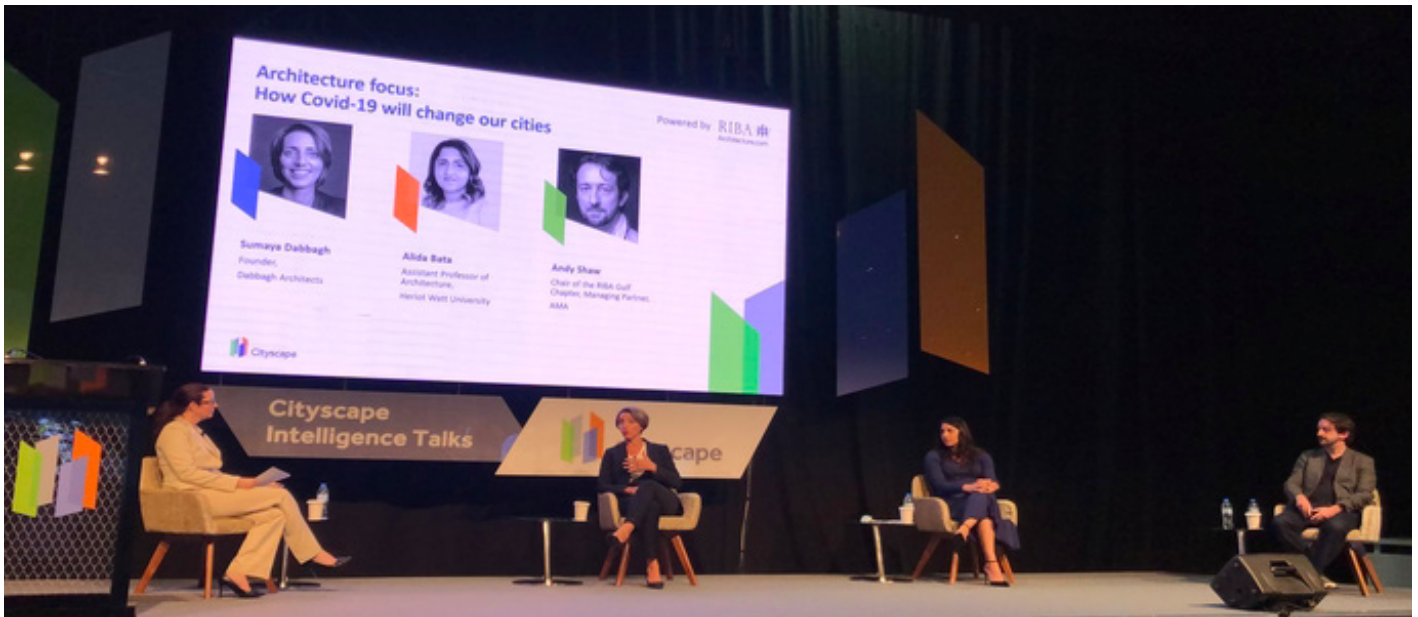
During the year we commenced the building of the **RIBA Fee Calculator**, a new online tool that will help architects prepare resource-based fee calculations, with a number of Chartered Practices engaged in testing the scope and functionality of the new tool. It is due for launch in late spring 2021. We also launched new editions of the **RIBA Professional Services Contracts**, to align with the revised 2020 **RIBA Plan of Work**.

Internationally, in June 2020 we launched **Hello China**, a series of programme of activities which led to a substantial increase of engagement and MEAP submissions from China.

In November 2020, the RIBA was announced as **Cityscape Real Estate's Summit's Architecture Partner**. As one of the few face-to-face events in the region, Cityscape was attended physically by professionals ranging from developers and investors to architects, designers, financiers, and consultants, reinforcing the 'back to business' sentiment for the architecture, real estate and engineering community in the region. We also developed a Global Architecture Exchange series with eight other international institutes to keep conversations going globally.

RIBA 'HELLO CHINA' 2020 Campaign Launch at Capella Hotel, Shanghai, 14 June 2020
Credit: RIBA China team

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STRATEGY 1.5

BUILD A BODY OF KNOWLEDGE AND FACILITATE COLLABORATION, RESEARCH AND INNOVATION IN PRACTICE

We facilitate innovation and improve practice effectiveness and outcomes through research and knowledge sharing. We enable members, the construction industry and academia to collaborate, and share knowledge and information digitally. We also provide a forum for and stimulate theoretical and cultural discourse in the field of architecture.

We continue to make a significant contribution to the UK Government's **Global**

Future Cities Programme. Working with the UK Built Environment Advisory Group, we are acting as a programme partner to deliver a capacity building programme to 19 cities in 10 middle-income countries, encouraging sustainable development and increasing prosperity while helping to alleviate high levels of urban poverty. RIBA's involvement in this programme has demonstrated how, when working collaboratively, our professional institutes can make UK expertise available to those at the sharp end of urbanisation and the climate emergency and how we can demonstrate our commitment to reaching the UN Sustainable Development Goals.

RIBA Intelligence Panel Discussion at Cityscape Dubai Real Estate Summit 16 November 2020
Credit: RIBA Gulf team

In a year of high economic uncertainty, **RIBA provided detailed economic guidance to our members.** The RIBA **Future Trends** report, published monthly, has **provided insight into the levels of confidence** among architects, the varying sectoral performance, and the specific effects of COVID-19, including levels of furlough among practices. We have worked with cross-industry expertise (including the Bank of England and the Construction Products Association) and have **engaged members through on-line meetings** that focus on the current and future architect's market.

A Strong Voice

We will ensure that architecture and architects are better understood and valued by clients, policymakers, the media, the public and a growing network of supporters. We will do this through advocacy and engagement based on our collections, cultural programmes, evidence base and the expertise of architects.





Practical, simple
and perfect.
Our architect
future-proofed
our family home.

Sam, Manchester

RIBA 

Find an architect visit [architecture.com](https://www.architecture.com)

STRATEGY 2.1

ADVOCATE FOR ARCHITECTS AND ARCHITECTURE

We develop an evidence base and analysis and harness the expertise of our members to ensure that clients, potential clients, politicians, other built environment professionals and the public understand the impact and value of architecture and architects. We develop strong relationships with key political and public policy influencers and a national and international network of supporters of architecture. We create a better understanding of the wide-ranging skillset, impact and contribution of the architect's role within the built environment. We support collaboration in the development of the built environment by working with partners across the construction and creative industries. We facilitate debate and the exchange of ideas about architecture and its practice.

Throughout 2020, we ensured that the voices of RIBA members were heard by key decision makers. Through our engagement with politicians and civil servants we secured big wins for RIBA members on issues including COVID-19 support, building regulations and sustainability. We ensured that part-time furlough was made available, successfully campaigned to improve the quality of homes delivered through permitted development by securing a requirement that they meet national minimum space standards and kept up the pressure on government to make changes

to the building regulations for high rise residential buildings.

Work with an Architect campaign.

As part of our promotional programme, we launched the **Work With An Architect' advertising campaign** at the Homebuilding and Renovating Show in September. Disseminated across all social media channels including Twitter, Facebook and Instagram, it featured images and videos of **two RIBA award-winning projects** with the homeowner clients quoting the benefit of employing an architect. The campaign highlighted designing for sustainability, disabled access and clever use of space and **generated 7.5 million impressions and 750,000 clicks and shares**. It also led to a marked increase in the average number of page views for our **Find an Architect**, following the campaign where the average number of page views had been **70,421**, before it peaked at **104,754** in October.



STRATEGY 2.2

DELIVER INSPIRING PROGRAMMES THAT CELEBRATE ARCHITECTURE AND CREATE WIDE-REACHING PUBLIC AND PROFESSIONAL ENGAGEMENT WITH THE VALUE AND PURPOSE OF ARCHITECTURE

We deliver national cultural and learning programmes that interpret and draw on our collections and enable diverse audiences to explore architectural stories, ideas and practice. We deliver a national professional programme that draws on the expertise of our members and showcases and celebrates best practice in architecture. We deliver a national and international awards programme that celebrates and promotes excellence in architecture, education and research to public and professional audiences.

In late February, we followed up with the critically acclaimed FreeStyle: Architectural Adventures in Mass Media, our first ever virtual reality exhibition. Exploring changing tastes in architectural styles, it was created by the innovative young architectural practice Space Popular. Open for just three weeks before the pandemic hit, it attracted over 3,000 visitors. Just in time for the London Festival of Architecture in June, we were able to commission Space Popular to create an online version, hosted within a social VR platform, allowing visitors to engage with the exhibition remotely while the Architecture Gallery remained closed. We look forward to welcoming visitors back Freestyle in the second half of 2021. Also,

due to reopen in 2021 is Forms of Industry, a photographic exhibition of the work of Alastair Philip Wiper and Eric de Maré in our First Floor Gallery.

During the pandemic lockdown, we moved our renowned talks programme online, including the flagship RIBA+VitrA talks series, and began work on a partnership with Google Arts & Culture for launch in 2021. Overall, in the year 2020 we had 21,380 physical and digital visitors, a great testimony to the value of our programmes even in pandemic times.

We were delighted and honoured to celebrate Grafton Architects as the 2020 **Royal Gold Medallist** at a presentation and dinner in February at our headquarters at 66 Portland Place. This was preceded by a sell-out lecture by Grafton's founders Yvonne Farrell and Shelley McNamara the day before. Yvonne and Shelley co-founded Dublin-based Grafton Architects in 1978 and work alongside directors Gerard Carty and Philippe O'Sullivan, who joined the practice in 1992. With an impressive portfolio of projects, the people-centred practice has achieved global recognition most notably for its exemplary education buildings, many of which were commissioned following international competitions.

In 2013 Grafton Architects' University of Limerick Medical School was shortlisted for the RIBA **Stirling Prize**; and in 2016 they won the inaugural RIBA International Prize for their bold new "vertical campus" building

Grafton Architects with Alan Jones and the winners of the 2019 President's Medals. © nickstrugnell.com

Our Public Programmes year began with the final weeks of our exhibition *Beyond Bauhaus: Modernism in Britain 1933-1966*, celebrating the 2019 centenary of the Bauhaus School which attracted **30,683 visitors** to 66 Portland Place during its four-month run.



for Lima's specialist engineering university (UTE) in Peru.

Pam Alexander OBE, Professor Yolande Barnes, Jude Kelly CBE, Sadie Morgan, and Morag Myerscough were all awarded **Honorary Fellowships**. Awarded annually, this Fellowship is given to people who are not architects but who have contributed significantly to the advancement of architecture in their chosen fields. We celebrated them at an event alongside the 2020 Membership Fellows, within the same week as the Royal Gold Medal events.

A strict criterion for our awards process is that the projects are visited in person, as we believe this is the only way to truly assess quality. Therefore, we took the difficult decision to postpone judging for both our **UK and International building awards** for 2020.

For the **UK Awards**, which conclude with the winner of the RIBA Stirling Prize, we moved all of the shortlisted projects to the 2021 Awards and did not open up for additional entries. This also enabled a more strategic change to the process whereby projects now need to be in use for a year before entering, to allow for additional data to be submitted around environmental performance and Post Occupancy Evaluation (POE). Adhering to government guidelines, all projects will be visited, judged and celebrated in 2021.

For our **International Awards for Excellence**, which concluded with the winner of the International Prize, we moved all judging to 2021. The same visiting criteria for our judging applied, and so we had to be very flexible in our approach as countries were

at different stages of the pandemic. In the end it proved too complex, and we made the decision to postpone.

STRATEGY 2.3
LEAD INNOVATIVE GROWTH, USE AND STEWARDSHIP OF THE WORLD'S RICHEST AND MOST INSPIRING ARCHITECTURAL COLLECTION, ENSURING IT IS RECOGNISED FOR ITS NATIONAL AND GLOBAL SIGNIFICANCE

We share the collections with, and enable their use by, the widest possible range of professional, scholarly and public audiences. We develop the collections as a world-class record of contemporary and historic practice and architectural ideas. We care for and preserve the collections to world-class standards, ensuring their availability to present and future generations.

With the **library** closed for much of the year due to the pandemic, attention focused on keeping our collections safe and moving activity online, with over 3.14m engagements via our collections' web pages, the Library online catalogue, RIBApix (our image Library) and through Twitter and Instagram. The online engagement demonstrated the wide interest and continued demand for access to the RIBAs iconic heritage.

We acquired new material for our collections including the practice archive of Dixon Jones Architects and a series of 1:1250 scale models of two variations (scheme A and B) of No. 1 Poultry, London (James Stirling

2020 Honorary Fellows and Fellow Members.
 © nickstrugnell.com

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Digital access to
 our historic archive
 of talks



Michael Wilford Associates) presented to us by Lord Palumbo. Digital access to our historic archive of talks at the RIBA, and a new Soundcloud platform, allowed hundreds of people to listen, for the first time, to talks by Ray Eames, Zaha Hadid and Richard Rogers among others.

We took our first steps towards acknowledging and addressing those aspects of our **collections**, displays and catalogue which reflect outmoded and offensive attitudes, language and iconography as part of a wider work and organisational commitment to diversity and inclusion. 2020 saw a focus on developing prioritised action plans to address these under the banner 'Revisiting the Collections'.

Sir Banister Fletcher's Global History of Architecture, produced in partnership with the University of London, was awarded the Society of Architectural Historians of Great Britain's Colvin Prize. Work on our next major collections publication, *A Complete Catalogue of Drawings by Andrea Palladio (1508-1580)* in the RIBA and other British Collections, continued on a reduced scale due to the pandemic, the end result 'The Catalogue Raisonné' is expected to be published in 2023.

Finally, we have exciting plans for the future consolidation and digitisation of our collections, which we began to develop and will progress further in 2021.

STRATEGY 2.4

INCREASE OUR REACH INTO NEW AND DIVERSE AUDIENCES

Ensure that we have an effective global voice by using digital channels.

Before the pandemic, 2020 had been shaping up to be Learning's best year yet. With the first full year of operation for our dazzling new **Clore Learning Centre** ahead, and our **National Schools Programme** extending further than ever before, by the end of February programme participation was already 10% up over the same period in 2019. From March, our learning team began developing and releasing 'Architecture at Home' a suite of over thirty online resources (Master Planning, Cereal Box City, Building a Biodome, Paper Model Making and more). These were developed for a range of audiences - from the school children who participated in our National Schools

RIBA Learning Resources Image
credit: Rachael Mann

We continued to evolve our digital shopfront, **Architecture.com**, which in 2020 had over **4m visits**, up from **3.5m in 2019**. Our resources and knowledge section had over **1.6m visits**, up from **1.3m in 2019**. This year we started utilising our social media channels more consistently and had **circa 5m sessions**. More specifically our **YouTube videos** attracted **265,000 views**, with a total of **20,800 hours of content** consumed and **2,900 subscribers** to our channel



Programme to senior citizens - and, by year-end, had been downloaded over 10,000 times and been seen and used by unknown numbers of people within classroom and home settings.

A highly successful series of digital learning sessions for adults and children were also developed and delivered, with a standout session in September 2020 for London Open House on revisiting the history RIBA's Headquarters building, 66 Portland Place, to begin the journey of decolonizing which our organization will now undergo.

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A highly successful series of digital learning sessions for adults and children were also developed and delivered, with a standout session in September 2020
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Above: Children's work from RIBA Learning workshops
Below: RIBA Learning summer workshops



A Strong Organisation

We will grow our membership base and ensure that our business model supports our vision, purpose and strategy. We will do this by engaging talented and committed staff, enhancing the value of our offer to members and others, generating diverse and sustainable sources of income and striving for operational excellence.

3



STRATEGY 3.1

ENGAGE, NURTURE AND EMPOWER TALENTED STAFF

We will build a high-performance environment where talented people are valued. We will create a culture where people work collaboratively, are trusted, and are given freedom to decide how to achieve great results.

Throughout 2020 we have offered extensive support in allowing our colleagues to work flexibly and remotely, adapting our systems and processes as necessary. We are proud to have trained 24 Mental Health First Aiders and have provided access to additional resources and support to all colleagues. Mental Health & Wellbeing is something we continually discuss, and we consider this to be a top priority for the RIBA.

We have provided ongoing support and development during knowledge exchange sessions and focus groups, and our colleagues have continued access to online learning through the RIBA Academy, LinkedIn Learning, Webinars and other online platforms. We are also an organisation in transformation and, despite the pandemic, we have continued to engage with our colleagues, seeking input via focus groups, an employee experience (engagement) survey and our staff representatives.

The value of impactful **internal communications** proved more important than ever in 2020, providing an essential line of communication to our colleagues during the pandemic. We utilised our core channels to share information and updates throughout the year, switching our quarterly all staff meetings to more regular live updates via Microsoft Teams, as well as encouraging connection between our colleagues that had to quickly adapt to new ways of working.

Engagement targets were exceeded on both the readership of our monthly newsletters, as well as attendance at all staff meetings. Successful campaigns included Mental Health Awareness Week, which saw our colleagues take part in a week-long series of activities and talks focused on kindness and wellbeing; our new online knowledge exchange events, which provided a platform for our colleagues across the RIBA to share their skills and expertise with each other; and the RIBApix vs. reality campaign, sharing content from the RIBA collections and encouraging our colleagues to share photos of their home working experiences.

One of our new Mental Health First-Aiders introducing themselves to the organisation.

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2020 was a year unlike any other.
 We found ourselves facing a **global pandemic** and had to immediately adjust our ways of working, leaving the office at relatively short notice to work at home. Our colleagues rose to the challenge with **strength and professionalism** and have adapted well to the change in how we all operate.



STRATEGY 3.2

ENHANCE THE VALUE OF OUR OFFER TO MEMBERS AND OTHERS

We will develop and improve our offer to members, clients, customers and professional and public users and align the products and services with our brand, across the RIBA Group. We will design products and services starting from the needs of users and use feedback to continually improve user experience and deliver a customer-focused and digital-first experience.

In February we launched the **RIBA Plan of Work 2020** with support from all RIBA Expert Advisory Groups and wider industry experts. The 2020 edition of the RIBA Plan of Work now incorporates new guidance and key project strategies such as conservation, sustainability, fire safety, inclusive design, plan for use and procurement. The RIBA Plan of Work 2020 is the most viewed page on architecture.com, receiving over 250,000 unique page views since its launch.

Over the year RIBA Members saved over £85k on RIBA Digital Contracts purchases, which brings the total member saving since RIBA Contracts Digital was launched in November 2018 to over £169k.

In 2020, **RIBAJ.com** grew its page views by 44% from 855,000 in 2019 to 1.23m. This was driven by a highly responsive and joined-up content strategy that met the profession's and students' concerns during

the pandemic. Articles in the Intelligence section on everything from coronavirus business issues and climate change to design insights by sector, as well as a wider circulation of the editorial newsletter to include all RIBA members.

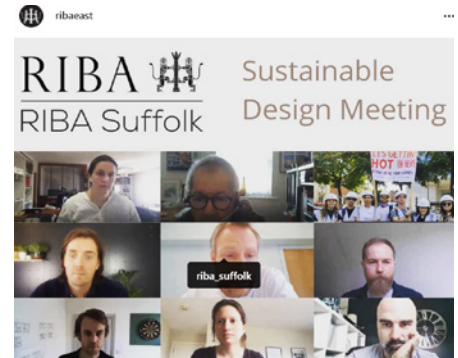
Following comprehensive restructuring the previous year, in 2019 we launched our new, consolidated in-house service, **RIBA Publishing**, which brings together the RIBA Journal, book publishing and retail. RIBA Publishing is integral to our digital transformation, equipping us to engage with new audiences everywhere and in new ways, such as through audio books and podcasts, so that we can thrive in a multi-channel world. In 2020, we had our first full year of e-book sales. Through a publishing partnership e-books were made available to students during the pandemic via their university libraries. A total of 2,289 e-book titles were sold. In 2021, we are launching our first audiobooks and a new series of the RIBAJ Meets podcast.

To support our Chartered Practices, we published a free online **marketing toolkit** in the lead up to the **'Work With An Architect'** campaign. Packed full of straightforward, up-to-date advice, hints and tips about how best to market your business, and with various free to use templates and social media assets it has been downloaded over 3,000 times.

During 2020, RIBA published 23 books including the tenth edition of the RIBA Job Book, wellbeing, sustainability and planning titles, and our first foray into children's publishing, a colouring book for children aged 5+. © RIBA

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Member only content paywall was introduced in June, allowing our members to get insights and information that will give them an advantage in the marketplace.



Virtual Building Visit!



The nations and regions teams moved at pace to support the 90 established local networks of branches and special interest groups during 2020. Their aim, to keep members across the UK connected, informed and inspired, was achieved by holding over 722 regional events, attracting 28,000 attendees.

Proactive engagement with members through virtual practice visits and facilitating group discussions, resulted in the collection and disseminated of over 800 pieces of business critical insight from the profession to inform policy, strategy and local programme delivery.

New networks formed across the regions, bringing together small and emerging practices to discuss critical topics and explore how to share resource and capacity.

Over 800 practice owners, sole practitioners and architects working in small practices joined the Practice Clinic series of events following its launch nationally in 2020.

In 2020 we refined our proposition to support the retention and growth of Chartered Practice membership. A series of events has welcomed guests to discuss valuable member benefits and focus on sign up to the RIBA Climate Challenge 2030.

To inspire our members, we developed the Global Small Talks series. These are a series of conversation style events where we ask RIBA members to pause, over lunch and enjoy a discussion with colleagues from across the globe.

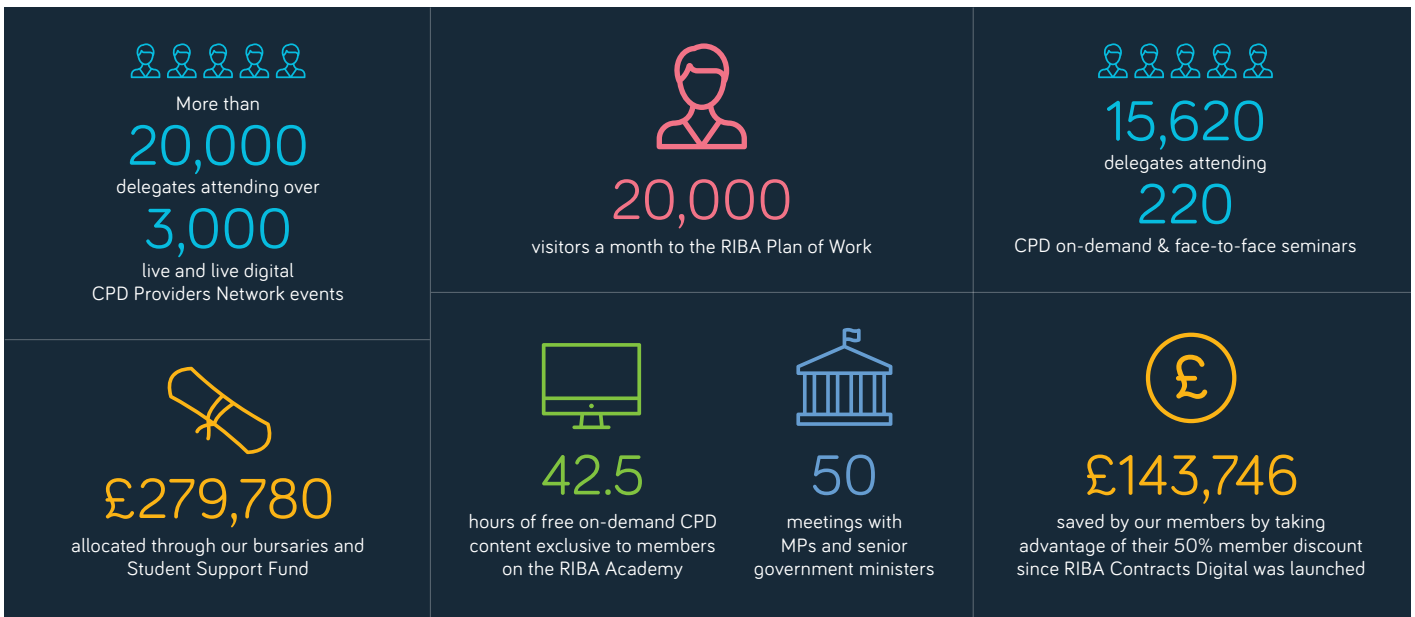
With responsibility for local engagement with universities and students of architecture, the teams delivered Future Architects including a national mentoring programme with over 700 students mentored by local practices.

Our teams adapted and responded to member needs to develop and deliver an engaging programme of events and activities. In the process, our teams developed their skills in the delivery of digital events and we have seen increased engagement levels with our regional digital channels. As well as creating new engaging content we have delivered 36,000 newsletters every month to members and have 61,000 Twitter and 20,000 Instagram followers on our local social media channels.

Our locally-engaged regional councils and members provided us with easily accessible focus groups of influential key stakeholders, enabling us to facilitate round table discussions and consultation forums with policy makers and central government.

Montage of flyers from virtual events created by RIBA branches and local groups in 2020

Our regional teams held over 722 events, attracting 28,000 attendees.



STRATEGY 3.3

IDENTIFY AND GROW SUSTAINABLE SOURCES OF INCOME TO SUPPORT OUR STRATEGIC PURPOSES

We will recruit and retain members in the UK and around the world by providing demonstrable value. Sustainably increase our charitable, voluntary and sponsorship income. Grow and develop profitable commercial activity.

Overall membership was circa 54,000, up approximately 2,000 or 4% on last year. With nearly 7,000 of these members being located internationally.

Despite the challenges presented by both Brexit and the pandemic, we had growth in Affiliate and Chartered Practice membership, with over 17% growth in student membership, which bodes well for the future.

By the end of Q1 we moved our CPD and commercial offers to digital delivery to enable continued support and services to our members and students.

We continued to provide our members with a range of products and services and a significant review of the RIBA Pension resulting in a change of partner at the end of 2020 from the Salvus Master Trust to Smart Pensions. We also successfully launched Human Resource and Health and Safety services.

Despite a challenging retail environment, we increased sales of publications year on year by 10.5%. This was the result of a two-year improvement strategy coming to fruition.

Just some of the key metrics for our members in the 2020 Performance Report and Member material.

Recruitment throughout 2020 was strong, with nearly **7,000 new members**. **Retention** likewise held up remarkably well, with an overall **retention rate of 92%**. These great results, especially when considered within the context, were the outcome of careful planning, including an extension to the usual renewal period of four months and easing the access to reduced rates plus comprehensive multichannel direct communications and advertising campaigns across both retention and recruitment.



STRATEGY 3.4

STRIVE FOR OPERATIONAL EXCELLENCE

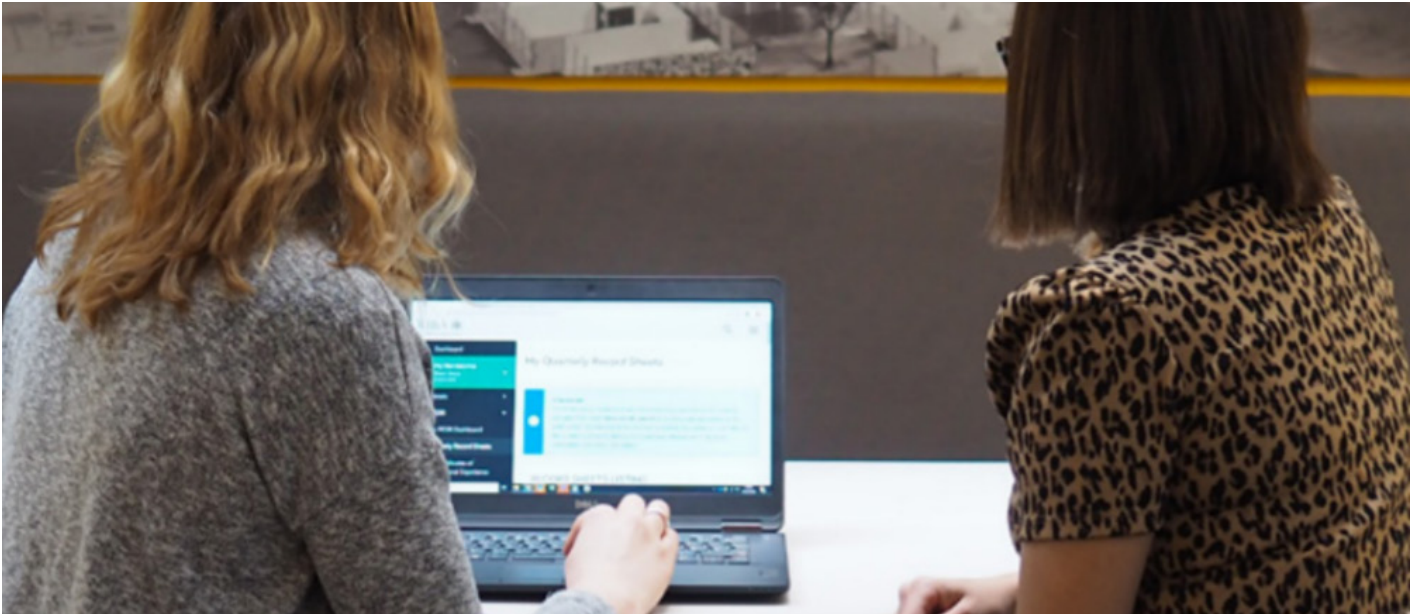
We review processes to facilitate collaborative working and continuous improvement, pool resources and prevent duplication. We create more value for our users with less resource by managing our operations more effectively and efficiently through leaner processes and reduced fixed costs. We develop a business intelligence framework with consistent, qualitative and quantitative measures to assess impact across teams and draw on our data.

In 2020 we established the **Change Authority Board (CAB)** to authorise and manage change projects more effectively across the organisation. The CAB is supported by the Portfolio Management Office, which have enabled the organisation to deliver significant change projects in 2020.

Much of 2020 was a transitional phase with recruitment of a new Board of Trustees and various committee members and updating of internal processes to align with the new constitution. This included the new election rules during COVID-19 which enabled the successful delivery of the first fully digital RIBA Presidential and Council elections and Annual General Meeting.

On 11 March, 2020 we adopted a **new constitution** comprising Charter, Byelaws and Regulations, having obtained Charity Commission and Privy Council approval. The new constitution seeks to simplify the governance structure of the RIBA and to streamline decision-making processes.

RIBA Headquarters at 66 Portland Place, London.



STRATEGY 3.5

ADAPT OUR OPERATING MODEL

We implement an operating model that allows RIBA operations to be more flexible and better able to respond quickly to our business needs and take advantage of opportunities.

The **Transformation Programme** will help us to define and deliver a more effective and efficient organisation that supports the vision and strategy. By restructuring our organisation, reporting lines, ways of working, skills and capabilities needed for the future, we will better serve our members, grow our UK and international membership and increase revenues.

Transformation progress was hindered slightly during 2020, by a combination of the COVID-19 pandemic and by a review of the governance and resulting changes to the Board. Implementation will commence early 2021.

The largest number of website visits originating from outside of the UK came from the United States, followed by India then Australia.

In 2020 Find an Architect on architecture.com matched 51% of Chartered Practices to at least 1 client and was used by over 10,000 clients, indicating through their requests a total construction value of £2.78bn.

We launched our e-learning Academy platform, with over 6,000 people engaged in digital learning across the year, plus a new mobile friendly PEDR system for students.

We also launched a pilot of our Digital Contact Centre to support our members and the wider architecture community. The pilot received an average customer satisfaction score of 80%, with 3 members of staff handling close to 1,000 tickets a month. Underlying this fast-paced digital adoption, we achieved 100% uptime across key critical systems while keeping our technology ecosystem secure and current.

Students testing the new PEDR system.

2020 saw a dramatic shift to **digital** ways of working due to the pandemic. We experienced **13 digital organisational firsts**, including taking online payments from China, holding an online AGM, implementing e-signatures and employing multi-factor authentication. The RIBA's website **architecture.com** received a **22.1% increase in traffic** from 2019 with a **6-fold increase** of video content across the website.

Financial Review

The purpose of this financial review is to assist readers with interpreting the Financial Statements presented later (see pages 38 to 65), the format of which is as specified by the accounting Statement of Recommended Practice (“SORP”) used by Charities. To supplement this, the information presented below in bold are headings used in the Consolidated Statement of Financial Activities (the “SOFA”) shown on page 38.



The RIBA's income and spend were both impacted by Covid-19.

Our income

(excluding the £4m loan note interest shown as gains on investments in associates in the SOFA),

£21m

Down £5m

Down on prior year due to the impact of Covid-19; encouragingly our individual membership income **held** at £9m.

Covid-19 meant some activities such as using our London headquarters to generate venues income stopped whereas as other areas reduced in scale for the year. Consequently trading income was £4m lower than last year - charitable activities also generated £2m less income. Grant income raised through the Coronavirus Job Retention Scheme helped reduce the impact by £1m.

Our expenditure

£29m

Down £2m

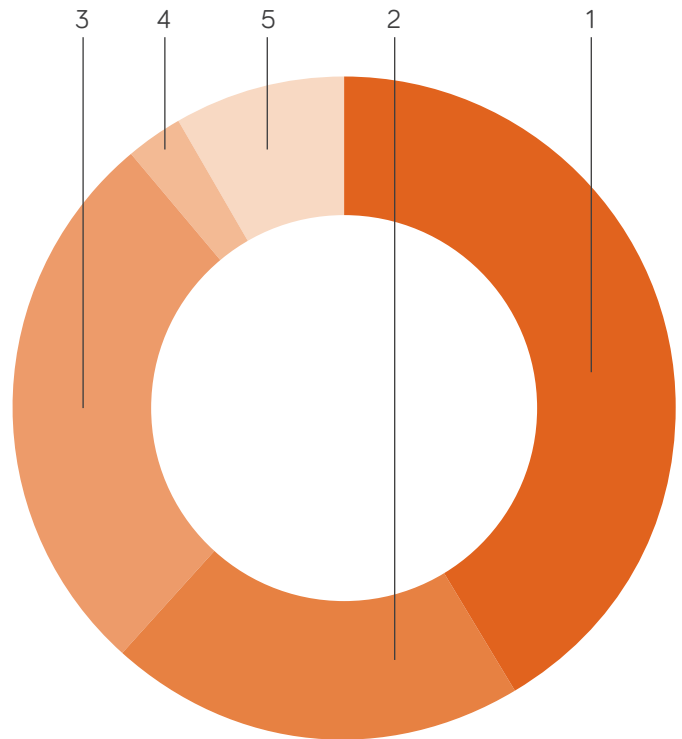
Expenditure on raising funds was £2m lower than last year due to the impact of Covid-19, directly linked to the lower income.

Total Income, excluding the gains on investments in associates

£21.0m

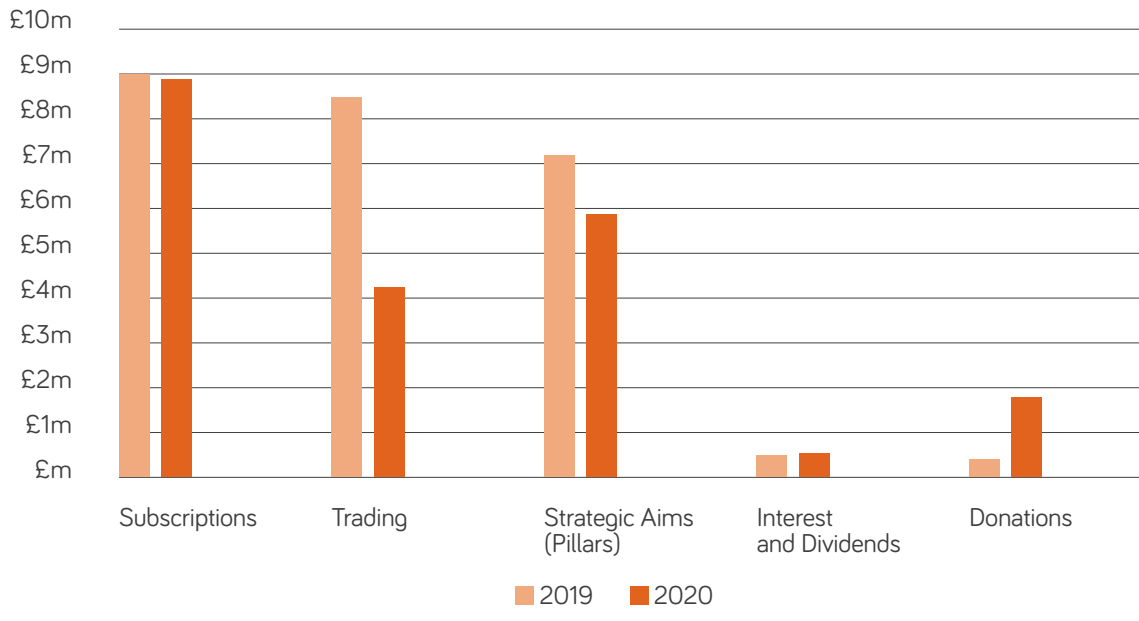
The following chart shows the split of income in 2020 excluding the £3.8m gains on investments in associates.

- 1. Subscriptions £8.7m
- 2. Trading £4.3m
- 3. Strategic Aims (Pillars) £5.7m
- 4. Interest and Dividends £0.6m
- 5. Donations £1.7m



The following chart shows the year on year income movement.

Year on year movement



Total expenditure

£28.8m

1. Total Charitable Expenditure

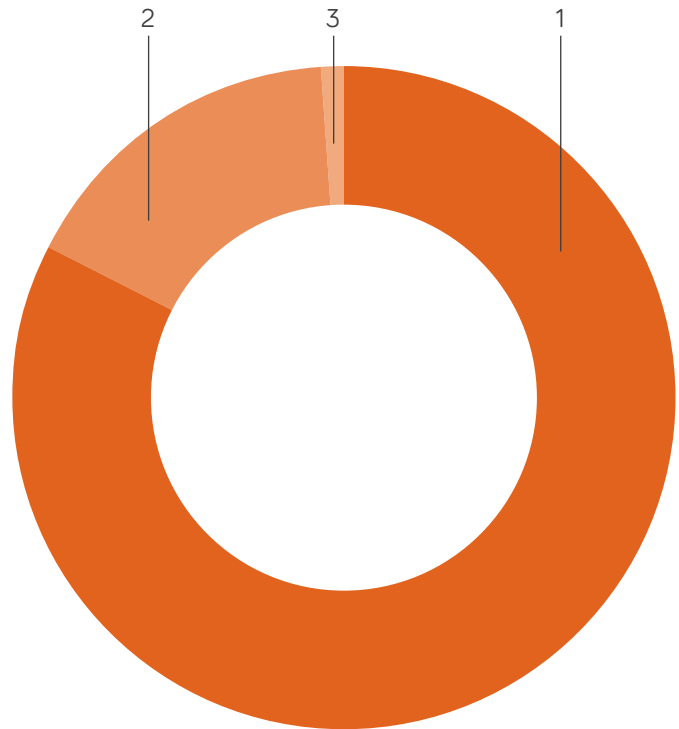
£23.8m

2. Total Cost of Generating Funds

£4.7m

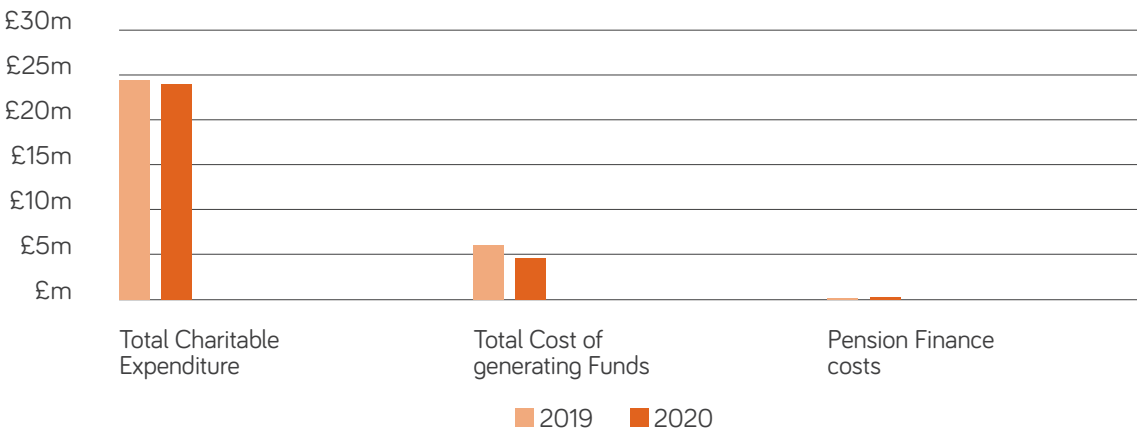
3. Pension Finance costs

£0.3m



The following chart shows expenditure compared to last year.

Year on year movement



Charitable expenditure

£23.8m

Expenditure on Charitable activities, like income, is allocated to one of the three main strategic priorities (pillars), within the strategic plan (Advancing Architecture 2016-2020).

However, the presentation in the Statement of Financial Accounts makes it difficult to identify exactly where or how the money is spent. The chart below shows more specifically where the money (£23.8 million) has been spent.

1. Premises and Facilities
£2,477k

2. Depreciation
£1,762k

3. Governance
£706k

4. President and Group Executive
£1,622k

5. Finance, Business Planning,
HR, ICT
£5,328k

6. Development
£2k

7. Membership
£553k

8. Practice and Profession
£1,826k

9. International
£1,069k

10. Communications,
Policy and Public Affairs
£1,200k

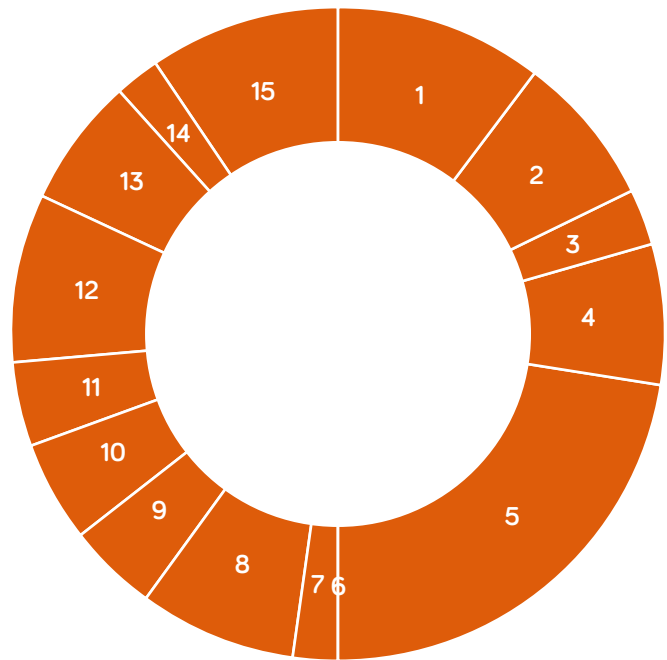
11. Client Services
£978k

12. Library
£2,006k

13. Education and Research
£1,493k

14. Celebration of
Good Architecture
£556k

15. Network of Offices
£2,205k



Financial Review

THE IMPACT OF COVID-19

As the year progressed it was clear that Covid-19 would have a big impact on the RIBA's financial position, as it has on many organisations. Unrestricted income was £7.0 million lower than budget, however expenditure was controlled and mitigating steps taken to produce cost savings of £5.2 million against budget.

The operating deficit for ongoing activities was therefore £1.8 million higher than budget before the benefit of the Coronavirus Job Retention Scheme. By furloughing staff, grant income through the government scheme of £1.1 million was able to reduce the net impact to just £0.7 million; the equivalent of a 3% drop in budgeted income.

THE SALE OF WILLIAMS TOPCO LTD

At the end of 2020 contracts were exchanged to sell 100% of the RIBA's investment in Williams TopCo Ltd. As the sale did not complete until February 2021, the equity accounting method that is used for investments in associates means the gain from the sale will be reflected in the 2021 annual report.

The consideration was for £112.7 million of cash. This included crystallising the £40.9 million investment in associate assets held at December 2020, and a further £1.2 million of income earned in 2021, and a £70.6 million gain on the sale.

This is a fantastic result that secures the RIBA's long-term future. The RIBA Board are finalising an investment policy that will provide the RIBA with a designated endowment fund intended to last in perpetuity. The future financial returns from the fund will support the RIBA's wider cultural activities and investment in supporting its members.

OUR INCOME (I.E. WHERE OUR MONEY COMES FROM)

The RIBA is a charity, it is a membership organisation and has strong commercial businesses; as such, it has wide-ranging streams of income.

The RIBA received **Total income of £21.0 million** (2019: £25.6 million); this figure represents all of the income received but not the gains on the investment in the associate.

Of this total income **£8.7 million came from individual membership subscriptions** (-£0.2m/2% from 2019). **£4.3 million came from other trading activities** (-£4.1m/49% from 2019), which is mainly income generated by the Venues business based in our Headquarters at 66 Portland Place and Publishing and retail income. Trading activities were heavily impacted by Covid-19, in particular the Venues business due to lockdown.

Other **Charitable activities** (i.e. other than subscription and trading income) generated £5.7 million (2019: £7.3 million) income. This income has been allocated to one of the three strategic priorities of the Institute – a strong profession, a strong voice and a strong organisation. These strategic priorities are discussed earlier in the report, but examples of income in respect of each of these are below.

- Profession – Competitions and publications, Continuing Professional Development (CPD) courses, CPD Providers Network, and RIBA Chartered Practice.
- Voice – talks and lectures, architecture festivals, design reviews and the Awards programme, RIBApix sales and royalty income.

Donations and legacies contributed £1.7 million income (2019: £0.4 million), with £1.1 million of grant income from HMRC for furloughing staff the main cause of the increase in 2020. Investment income (interest received and dividends) of £0.6 million (2019: £0.5 million).

OUR EXPENDITURE (I.E. HOW WE SPEND OUR MONEY)

Total expenditure during the year was £28.8 million (2019: £30.9 million).

Expenditure on **raising funds** is effectively the costs of running the RIBA's commercial operations which generate the associated income explained above. Total expenditure on raising funds was £4.7 million (2019: £6.6 million). The decrease offset some of the lost income due to Covid-19.

Expenditure on **charitable activities**, like income, is allocated to one of the three strategic priorities. The chart on page 29 shows more specifically where the £23.8 million (2019: £24.03 million) has been spent.

GAINS AND LOSSES

The **movement on investment in associate** of £3.8 million (2019: £6.3 million) reflects the movement in the valuation of the RIBA's investment in William TopCo Ltd. In 2020 this solely consisted of accrued loan note interest of £3.8 million (2019: £3.5 million). No revision to the impairment of provisions was also made in 2020 (2019: £2.8 million).

PENSION SCHEME FUNDING RESERVE

The RIBA operates a defined contribution pension scheme whereby it pays a percentage of employees' salaries into a pension scheme and has no further liability. However, historically, like many employers, it used to provide a defined benefit (or final salary) pension scheme to its employees, whereby the pension received relates to the number of years' service and the salary paid on leaving the company's employment. Although this latter scheme was closed to new employees in 1994 and now has no active members, it is subject to volatility. Note 26 shows that the actuarial valuation provides a £13.7 million surplus (2019: £10.2 million) resulting in an overall actuarial valuation that is capped to £0 million (2019: £0 million capped).

The Financial Reporting Standard (FRS102) governs some of the assumptions used and how the information is presented, in an attempt to take out any subjectivity in the numbers. However, this is unnecessarily complex and valuations can fluctuate from year to year. The most important point to note is that every three years, the Trustees of the 1974 Pension Scheme reach an agreement with the RIBA Trustees on the valuation of the deficit, using a set of assumptions agreed by both parties and agree a contribution (or

deficit funding) schedule. The last full triennial valuation of the scheme, as at 31 December 2019, valued the surplus at £3.6 million. The next full triennial valuation will be prepared as at 31 December 2022.

NET MOVEMENT IN FUNDS

The actuarial movement on the defined benefit pension scheme was a £0.4 million gain (2019: £0.2 million loss), the fund is still in surplus. The listed investments held by the RIBA generated a £0.5 million net gain (2019: £0.5 million net gain). Overall, the **net movement in funds** during the year was a £3.1 million deficit (2019: £1.7 million surplus).

BALANCE SHEET

The Balance Sheet on page 39, shows the value of the RIBA's assets as at 31 December 2020, the last day of the accounting year. The net assets of the RIBA have decreased by £3.1 million during the last twelve months, to £355.4 million (2019: £358.6 million).

The vast majority of the value in the balance sheet is not readily accessible to RIBA, as reflected in the reserves policy with £341.0m held in designated funds (2019: £346.9 million).

The most significant item is the value placed upon the RIBA's cultural (or heritage) assets comprising drawings, paintings, busts, books, periodicals, photographs and other archives. Whilst the balance sheet includes the value of the materials in the RIBA Collections, this does not mean that either this value could be realised or that the material in the collections could in fact be sold. Conditions relating to the original acquisition of material by RIBA going back to 1834, RIBA's standing as a cultural organisation, and its need as an Accredited museum to follow the Museums Association's Code of Ethics relating to disposal (which presumes against any financially-motivated disposal) mean that disposal of any parts of our collection by sale is not possible.

A heritage asset is defined as "a tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture. The value placed on such assets as at 31 December 2020 is £265.3 million (2019: £265.1 million) and this is a significant figure which clearly dominates the balance sheet. There is no doubt that the RIBA has a world-renowned collection of great architectural significance. The Trustees have a duty to protect these assets, which have been acquired by the RIBA either through donation or by acquisition since its formation in 1834. The RIBA considers itself responsible not only for ensuring the continued preservation of the archives and collections for future generations, but for making them available to a wider audience.

The RIBA's fixed assets also include the investment in associate of Williams TopCo Ltd of £40.9 million (2019: £37.0 million).

Other investments of £19.5 million (2019: £17.2 million) include both restricted and unrestricted investments.

The RIBA has total debtors of £3.5 million (2019: £4.1 million), which includes amounts owed from sponsors, customers and RIBA members, in addition to prepayments and accrued income.

The RIBA has total creditors within one year of £6.6 million (2019: £7.2 million), which includes amounts owed to suppliers, and accrued expenditure.

CASH FLOWS

During the year there was a net decrease in cash of £9.4 million to £3.4 million (2019: £21.1 million decrease). £1.7 million of the reduction was due to transferring cash into investments that would generate a higher return for the RIBA. The remaining £7.7 million of the reduction is for the net cash outflow from funding operating activities and the purchase of fixed assets (2019: £8.5 million).

BASIS OF PREPARATION

The financial statements have been prepared on the basis of the accounting policies set out in note 1 to the financial statements and comply with the Royal Charter, applicable law and the requirements of the Statement of Recommended Practice, 'Accounting and Reporting by Charities' revised and issued in July 2014.

GOING CONCERN

The financial statements have been prepared on the basis that the RIBA has adequate resources to continue in operational existence for the foreseeable future (going concern basis), with assets and liabilities recognised as they will be realised and discharged in the normal course of business. The impact of Covid-19 has been considered. This financial modelling confirms that the RIBA has sufficient reserves to mitigate against the financial impact of Covid-19 in future years and remain a going concern.

In support of this assumption the proceeds from the sale of the associate Williams TopCo Ltd in February 2021 (see note 15) has provided enough funding to cover any financial uncertainties over the following twelve months and beyond.

RISK MANAGEMENT

The Executive Team identified a set of strategic risk, linked to our business priorities and informed by internal developments, external influences and longer-term commitments. These risks, if not managed, would compromise our ability to deliver our strategic aims. Each strategic risk is owned by a member of the Executive Team and they are regularly reviewed by the Executive Team, the RIBA's Board, and the Audit and Oversight Committee.

The resulting strategic risk register consisted of strategic risks with various risk mitigations covering the following risk categories:

- Economic
- Socio-cultural
- Legal-regulatory
- Political
- Technological

The degree of risk is measured by considering likelihood and impact. To describe our appetite for each category of risk, the Executive Team sets the minimum 'residual risk' ratings it expects to achieve once the suite of mitigations have been delivered.

At the end of 2020 the highest risks were:

- As the recession hits we fail to respond to our members needs allowing more nimble individuals and organisations to step in.
- The recession is longer and deeper causing a significant number of our members practices to close thus reducing our membership income.
- The recession is longer and deeper and has a considerable negative impact on our income and we are unable to maintain financial sustainability as our deficit increases.
- We experience an information security incident or cyber-attack.
- We fail to understand and respond to the impact of climate change on architecture, the built environment and profession.
- We are no longer seen as a thought-leader/influencer.
- We lose territory to other professions by not preparing our members for the future.

At the end of 2020 the lowest were:

- The lockdown is extended longer than originally planned and causes significant business disruption.
- We experience significant business delivery impacts due to a critical skill shortage.

We retired one risk as it was mitigated to the stated target, this risk was:

- We fail to respond to changes in the regulatory compliance environment.

We continually assess our operating environment based on the categories listed above and will add or remove risks along with associated mitigations as required.

Identifying and managing risk is not a barrier to efficiency, effectiveness or innovation, and managing our strategic risks has a minimal effect on our activities unless additional controls need to be introduced. As far as possible, we incorporate risk mitigations into our business as usual activities, reinforcing the message that risk management is the responsibility of all staff. Short and medium-term additional governance structures are introduced for high-value projects and programmes as appropriate.

The RIBA is satisfied that we manage and mitigate risks, and where necessary, that we take action to contain the impact of risk. We are confident that our risk management approach has been comprehensive, allowing the Executive Team to identify early, and respond to, any possible threats to ensure the achievement of our objectives.

INVESTMENT POLICY

The RIBA's investment policy for unrestricted funds was implemented in 2019 to ensure the additional cash from the sale of RIBA Enterprises was not put at risk. The policy will ensure that the additional funds generate a higher return, but still within the acceptable levels of risk as it is anticipated that the investments will be required over the next five years. All investments went through a selection programme that also required the Ethical Social

and Governance aims of the RIBA to be fulfilled. In 2021 a new investment policy will be implemented to reflect the large increase in unrestricted investments as a result of the sale of Williams TopCo Ltd (see note 15).

The RIBA's investment policy for restricted funds is based on guidance from the RIBA's investment managers, Schroders. The main investment policy objectives are to maintain the earning value of the capital so that the value of the sum available for disbursement is constant, to ensure risk to the funds is minimised and to otherwise maximise the annual return.

The RIBA defined benefit pension scheme has a separate investment strategy overseen by the pension scheme Trustees.

RESERVES POLICY

All charities need to have reserves to underwrite their day to day activities. The level of reserves held is a matter of judgement for the Trustees, who have decided to take a risk-based approach to determining the level of reserves required, based on their understanding of the business model faced by the Charity. The target level for free reserves has been assessed after considering the following key factors:

- Reliability of its income, and
- Flexibility of its costs in terms of whether they are fixed or variable.

A risk-based approach is taken for all streams of income and expenditure. A percentage risk tolerance is applied to each stream to reflect the likely reduction to income, or increase to costs, in the event of a poor performance. These are then added together to create the target level for free reserves.

The target for **general reserves** at the end of 2020 is between £5,400k - £6,400k. With general reserves of £7,968k at the end of the year the RIBA is above this target. However, given the uncertainties in the economic outlook and the potential for further impact from Covid-19, it is reasonable to hold a prudent buffer in general reserves.

The **Heritage Assets reserves** shows the value of Donated Heritage assets that the RIBA holds.

Whilst the balance sheet includes the value of the materials in the RIBA Collections, this does not mean that either this value could be realised or that the material in the collections could in fact be sold. Conditions relating to the original acquisition of material by RIBA going back to 1834, RIBA's standing as a cultural organisation, and its need as an Accredited museum to follow the Museums Association's Code of Ethics relating to disposal (which presumes against any financially-motivated disposal) mean that disposal of any parts of our collection by sale is effectively not possible.

The **investment in associated company reserve** comprises the value of the investment held in Williams TopCo Ltd per note 15. Williams TopCo Ltd owns 100% of NBS Enterprises Limited (formerly RIBA Enterprises Limited). As at December 2020 the RIBA did not readily have access to the investment in the form of a cash distribution, and therefore it is excluded from the free reserves.

The **fixed assets reserve** covers the capitalised lease and associated capital costs of 76 Portland Place.

The **investment for growth fund** was created to allow the RIBA to strategically invest in activities that will help generate additional income, cost efficiencies, or member benefits. A change in internal reporting in 2020 means that these activities will now be funded either through the two-year deficit cover if they are for one-off transformation spend, or through normal operations and the free reserves.

The **two-year deficit cover fund** provides enough reserves to allow the RIBA to operate with a deficit over the next two years. After this point the RIBA plans to operate without an underlying deficit in its operations.

The **revaluation reserve** was created in 1987 for a revaluation of 66 Portland Place, as described further in note 11.

The level of reserves held provides comfort that the RIBA will remain in a strong financial position even after any financial impacts of Covid-19, as discussed more in the going concern note (1d).

As at the end of 2020 the level of reserves held were:

| Total unrestricted funds | 2020 £'000 | 2019 £'000 |
|----------------------------------|----------------|----------------|
| Heritage Assets reserves | 264,692 | 264,582 |
| Investment in associated company | 40,851 | 37,028 |
| Fixed assets reserve | 15,232 | 13,567 |
| Investment for growth fund | | 15,680 |
| Two-year deficit cover | 13,354 | 9,374 |
| Revaluation reserves | 6,574 | 6,639 |
| General reserves | 7,968 | 5,450 |
| Total unrestricted funds | 348,671 | 352,320 |

FUNDRAISING

Supporters of the RIBA are a key element in the fundraising activities and we are committed to employing a transparent and ethical approach to all our fundraising activities.

To help guarantee the availability of continuing funds to support the work of the RIBA, we aim to maintain a broad base of funding sources. The RIBA does not pressure supporters to make gifts and respects decisions to stop giving. The regulatory landscape for fundraising is evolving and we will continue to monitor and adapt with these changes, as we did with the introduction of General Data Protection Regulation in May 2018.

No professional fundraisers or commercial participators were used to approach individuals on behalf of the RIBA in 2020. As at 31 December 2020 no complaints have been received.

Structure, governance and management

STRUCTURE

The Royal Institute of British Architects (RIBA) was incorporated by Royal Charter (its Trust Deed, by which it is governed) in 1834 and was registered as a Charity on 14 August 1962 (Registration Number 210566). A list of current Trustees is included on page 67, together with a list of principal advisors on page 66.

At the end of 2020 the RIBA has two main subsidiary companies, RIBA 1834 Ltd and RIBA Financial Services Ltd. The RIBA also has twelve administrative regions (including the Royal Society of Architects in Wales), as well as over sixty branches.

GOVERNANCE

In 2019, a review of governance concluded with both the Council and the members in General Meeting agreeing to changes to the Supplemental Royal Charter and a new set of Byelaws. The Privy Council consented to these changes on 11 March 2020 and they came into force on that date together with a new set of Regulations. From that date, the trusteeship of the RIBA transferred from the Council to a new Board of Trustees.

The Board of Trustees are responsible for the management of the RIBA's business and are the charity trustees of the RIBA.

There are up to 12 trustees, the majority of whom must be Council Members. Trustees may, but are not required to be, Chartered Members of RIBA. The President, Honorary Secretary and Honorary Treasurer are Trustees ex officio. The additional 9 trustees are appointed by Council. RIBA Board members serve an initial three year term and may be appointed for further three year terms.

The role of the Council is now to be the representative body of the membership of the RIBA, to provide strategic advice and guidance to the Board and to hold the Board to account. Council appoints Trustees and approves Board and Council committee appointments, following recommendations from the Nominations Committee. Council sets the standards of conduct for members of the RIBA.

There are up to 51 RIBA Council members in total during any session (from 1st September to 31st August). Council Members are elected by RIBA members as stated in the Regulations. Council Members generally serve an initial three year term and may be appointed for further three year terms.

Board and Council may delegate elements of their respective functions, decision-making authority and the implementation of agreed activities to a number of committees, advisory groups and/or individuals. Council has two mandatory committees - the Standards Committee and the Nominations Committee. Board has two mandatory committees - the Audit Committee, which reports to both Council and Board, and the Remuneration Committee. Day to day management of the RIBA is delegated to the CEO. Board, Council and the executive benefit from expertise provided by a large number of advisory groups.

In addition to these mandatory committees, during 2020 there were up to nine main committees at any one time, namely Finance and Operations Committee, Audit and Oversight Committee,

British Architectural Trust Board, Membership Committee, International Committee, Education Committee, Nations and Regions Committee, and Practice & Profession Committee. There are also a number of sub-committees, expert advisory groups and panels. The majority of these groups reported to the RIBA Board during 2020 as part of a transition arrangement. These groups, which numbered 43 in total during 2020, were made up of a combination of Trustees, Council members, RIBA members and external experts/lay members.

The new Board of Trustees and Council Members are reviewing the committee structure, with the majority of changes planned to be implemented ahead of the new session starting 1 September 2021.

MEMBERS VOLUNTEERING

An estimate of the total time given by volunteers to further the RIBA's charitable activities indicates that over 40,000 hours (excluding travel time) were freely given by our members. This reflects very well on all of our members (and others) who give up their time in a wide variety of ways to support the RIBA at all levels and promoting architecture to the public.

MANAGEMENT

Alan Vallance, as Chief Executive has a number of delegated powers and reports directly to the RIBA Board. Members of the Group Executive and Senior Staff teams are listed on pages 67 and 68.

REMUNERATION POLICY

The RIBA Board set the pay of the Chief Executive, based on independent benchmarking advice. The Executive Directors' pay are also independently benchmarked and determined by the Chief Executive and Remuneration Committee where appropriate. Any changes to the remuneration of other posts are made in accordance with internal remuneration policy and procedures. The annual pay review was determined by the RIBA Board. The RIBA set up a new remuneration committee in 2020.

POLICY FOR EMPLOYMENT OF DISABLED PERSONS

Our equality diversity and inclusion policy applies to all employees including those with disabilities; the RIBA has employees with disabilities. We aim to have an approach which is inclusive at recruitment, induction and throughout their employment with the RIBA. To enable employees to give of their best in their role we make appropriate adaptations to the work place to enable the employee to carry out their role.

Selection, promotion and training is based on aptitude and ability and we adapt our processes to ensure that those with a disability are not disadvantaged. All employees are encouraged to develop to their full potential.

RIBA promote an environment in which individual differences are valued and recognised across the organisation. We have in place policies for "Dignity at work" and "Equality, Diversity and Inclusion" which provide further details.

EQUALITY, DIVERSITY AND INCLUSION

The RIBA commits to ensuring that we have an equitable, diverse and inclusive workplace where all visible and invisible difference is valued, accepted and respected.

To this end, the Director of Inclusion has created the Vision: To create a culturally intelligent RIBA and architectural sector which supports inclusion in all its forms.

Mission:

- To use Cultural Intelligence (CQ) as a basis so all staff understand and know how to think and behave inclusively.
- To create policies and structures which support inclusive working behaviours and practice
- To support with data the inclusion message and track the journey
- To improve the attraction, pipeline and progression of under-represented groups in the RIBA and profession
- To provide training, guidance and support to all architectural services on inclusion matters
- To assist, support and guide the RIBA and the architecture sector to offer its services to all

ENGAGEMENT WITH EMPLOYEES

We put in place a range of measures in early 2020, so we could best support our colleagues to work remotely and stay connected. Thanks largely to Microsoft Teams, we were able to adapt quickly, provide any necessary training or resources, and maintain a high level of staff engagement.

Virtual all staff meetings, led by the RIBA CEO, were held fortnightly, with a planned programme of finance and business updates, guest speakers and live Q&As. Meetings were recorded and shared via the intranet, which was regularly updated with information and resources to support our teams. Our Senior Management Team met monthly to hear a detailed update from the CEO, review projects and progress, and to share learnings.

We used a variety of channels to engage with colleagues, including monthly e-newsletters, knowledge exchange sessions, departmental meetings, and all-company emails with key updates. An email was sent to all employees each day to highlight news stories and trends impacting the RIBA and the wider architecture profession.

New colleagues took part in a programme of corporate induction sessions, and all staff were invited to take part in an end of year celebration – to thank them for their hard work during a very challenging year.

We gathered employee opinions through multiple channels, including Q&As, staff focus groups, surveys, meetings with individuals and teams; in addition to consultation with RIBA Staff Representatives – a group of engaged employees from a cross-section of the organisation who champion our employee voice and share feedback with senior leadership.

Every employee was required to have an Individual Activity Plan, with clear objectives. Exceptional performance against the organisation's values was recognised and celebrated at our twice-annual awards ceremonies, for which an unprecedented number of nominations were submitted.

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and the Financial Reporting Standard applicable in the UK and Republic of Ireland (Financial Reporting Standard 102).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the Group and of the incoming resources and application of resources of the Group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Trustees' annual report has been approved by the Trustees and signed on their behalf by:

**Approved by the trustees on 15 July 2021
and signed on their behalf by Jack Pringle
Board Chair**

Independent auditor's report to the members of Royal Institute of British Architects

OPINION

We have audited the financial statements of Royal Institute of British Architects ('the parent charity') for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group and parent charity's affairs as at 31 December 2020 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
- Have been prepared in accordance with the requirements of the Charities Act 2011

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Institute of British Architects' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements
- Sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

CAPABILITY OF THE AUDIT IN DETECTING IRREGULARITIES

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the parent charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the parent 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 parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Date 29 October 2021

Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Financial Statements

Consolidated statement of financial activities

For the year ended 31 December 2020

| | | Unrestricted funds | Restricted and endowed funds | 2020 Total | Unrestricted funds | Restricted and endowed funds | 2019 Total |
|--|------|--------------------|------------------------------|----------------|--------------------|------------------------------|----------------|
| | Note | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Income from: | | | | | | | |
| Donations and legacies | | 1,236 | 474 | 1,710 | 120 | 309 | 429 |
| Charitable activities | | | | | | | |
| Membership subscriptions | | 8,689 | - | 8,689 | 8,907 | - | 8,907 |
| Voice | | 377 | 365 | 742 | 905 | 553 | 1,458 |
| Organisation | | 1 | - | 1 | 39 | - | 39 |
| Profession | | 4,971 | 4 | 4,975 | 5,805 | 2 | 5,807 |
| Other trading activities | 2 | 4,340 | - | 4,340 | 8,460 | - | 8,460 |
| Investments | | 421 | 160 | 581 | 350 | 160 | 510 |
| Total income | | 20,035 | 1,003 | 21,038 | 24,586 | 1,024 | 25,610 |
| Expenditure on: | | | | | | | |
| Raising funds | | 4,657 | - | 4,657 | 6,649 | - | 6,649 |
| Charitable activities | | | | | | | |
| Voice | | 5,924 | 316 | 6,240 | 6,281 | 282 | 6,563 |
| Organisation | | 6,711 | - | 6,711 | 6,346 | - | 6,346 |
| Profession | | 10,550 | 310 | 10,860 | 10,831 | 284 | 11,115 |
| Pension finance costs | | 346 | - | 346 | 211 | - | 211 |
| Total expenditure on ordinary activities | 4 | 28,188 | 626 | 28,814 | 30,318 | 566 | 30,884 |
| Net(expenditure)/income before net gains/(losses) on investments | | | | | | | |
| | | (8,153) | 377 | (7,776) | (5,732) | 458 | (5,274) |
| Movement on investment in associate | 15 | 3,823 | - | 3,823 | 6,253 | - | 6,253 |
| Net gains/(losses) on investments | 16 | 335 | 153 | 488 | 120 | 391 | 511 |
| Net (expenditure)/income before other recognised gains and losses | | | | | | | |
| | 5 | (3,995) | 530 | (3,465) | 641 | 849 | 1,490 |
| Actuarial gains/(losses) on defined benefit pension schemes | 26 | 346 | - | 346 | 211 | - | 211 |
| Net movement in funds | | (3,649) | 530 | (3,119) | 852 | 849 | 1,701 |
| Reconciliation of funds: | | | | | | | |
| Total funds brought forward | | 352,320 | 6,235 | 358,555 | 351,468 | 5,386 | 356,854 |
| Total funds carried forward | | 348,671 | 6,765 | 355,436 | 352,320 | 6,235 | 358,555 |

There were no other recognised gains or losses other than those stated above.
Movements in funds are disclosed in notes 22 to 23 inclusive to the financial statements.

Balance sheets

As at 31 December 2020

| | Note | The group | | The charity | |
|--|------|----------------|----------------|----------------|----------------|
| | | 2020 £'000 | 2019 £'000 | 2020 £'000 | 2019 £'000 |
| Fixed assets: | | | | | |
| Intangible assets | 10 | 1 | 1 | - | - |
| Tangible assets | 11 | 28,878 | 29,004 | 28,878 | 29,004 |
| Heritage assets | 12 | 265,267 | 265,116 | 265,267 | 265,116 |
| Investments in subsidiary undertakings | 13 | - | - | 1 | 1 |
| Investments in associate | 15 | 40,851 | 37,028 | 40,851 | 37,028 |
| Investments – other | 16 | 19,454 | 17,220 | 19,454 | 17,220 |
| | | 354,451 | 348,369 | 354,451 | 348,369 |
| Current assets: | | | | | |
| Stocks | 17 | 1,604 | 1,483 | - | - |
| Debtors | 18 | 3,456 | 4,054 | 5,391 | 6,707 |
| Cash at bank and in hand | | 3,410 | 12,822 | 2,489 | 9,304 |
| | | 8,470 | 18,359 | 7,880 | 16,011 |
| Liabilities: | | | | | |
| Creditors: amounts falling due within one year | 19 | (6,598) | (7,202) | (5,404) | (5,490) |
| Net current assets | | 1,872 | 11,157 | 2,476 | 10,521 |
| Total assets less current liabilities | | 356,323 | 359,526 | 356,927 | 358,890 |
| Creditors: amounts falling due after one year | 20 | (887) | (971) | (887) | (971) |
| Net assets excluding pension liability | | 355,436 | 358,555 | 356,040 | 357,919 |
| Defined benefit pension scheme asset | 26 | - | - | - | - |
| Net assets | 21 | 355,436 | 358,555 | 356,040 | 357,919 |
| Funds: | | | | | |
| Restricted income funds | 22 | 2,713 | 2,336 | 2,713 | 2,336 |
| Endowment funds | 22 | 4,052 | 3,899 | 4,052 | 3,899 |
| Unrestricted income funds: | 23 | | | | |
| Revaluation reserves | | 6,574 | 6,639 | 6,574 | 6,639 |
| Heritage Assets reserves | | 264,692 | 264,582 | 264,692 | 264,582 |
| Investment in associated company | | 40,851 | 37,028 | 40,851 | 37,028 |
| Fixed assets reserve | | 15,232 | 15,680 | 15,232 | 15,680 |
| Investment for growth fund | | - | 13,567 | - | 13,567 |
| Two-year decit cover | | 13,354 | 9,374 | 13,354 | 9,374 |
| General funds | | 7,968 | 5,450 | 8,572 | 4,814 |
| Total unrestricted funds | | 348,671 | 352,320 | 349,275 | 351,684 |
| Total charity funds | | 355,436 | 358,555 | 356,040 | 357,919 |

Approved by the trustees on 15 July 2021 and signed on their behalf by
 Jack Pringle
 Board Chair

Consolidated statement of cash flows

For the year ended 31 December 2020

| | Note | 2020 £'000 | 2019 £'000 | | |
|--|------|-------------------------------|---------------------|------------------------------------|---------------------------------|
| Cash flows from operating activities | | | | | |
| Net cash provided by operating activities | 24 | (10,393) | (10,323) | | |
| Cash flows from investing activities: | | | | | |
| Dividends, interest and rents from investments | | 581 | 510 | | |
| Loan notes interest | | 3,823 | 3,497 | | |
| Purchase of fixed assets | | (1,636) | (2,101) | | |
| Acquisition of Heritage Assets | | (41) | (74) | | |
| Purchase of investments | | (1,746) | (12,596) | | |
| Net cash used in investing activities | | 981 | (10,764) | | |
| Change in cash and cash equivalents in the year | | (9,412) | (21,087) | | |
| Cash and cash equivalents at the beginning of the year | | 12,822 | 33,909 | | |
| Cash and cash equivalents at the end of the year | | 3,410 | 12,822 | | |
| Analysis of cash and cash equivalents and of net debt | | | | | |
| | | At 1 January 2020 £'000 | Cash flows £'000 | Other non-cash changes £'000 | At 31 December 2020 £'000 |
| Cash at bank and in hand | | 12,822 | (9,412) | - | 3,410 |
| Total | | 12,822 | (9,412) | - | 3,410 |

Notes to the Financial Statements

For the year ended 31 December 2020

1. Accounting policies

a) Statutory information

Royal Institute of British Architects is a charity incorporated by Royal Charter registered with the Charity Commission in England & Wales. The registered office address is 66 Portland Place, London, W1B 1AD.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

These financial statements consolidate the results of the charity and its wholly-owned subsidiaries on a line by line basis. Transactions and balances between the charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the group companies are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented as the summary of the result for the year is disclosed in the notes to the accounts.

c) Public benefit entity

The charity meets the definition of a public benefit entity under FRS 102.

d) Going concern

The financial statements have been prepared on the basis that the RIBA has adequate resources to continue in operational existence for the foreseeable future (going concern basis), with assets and liabilities recognised as they will be realised and discharged in the normal course of business. In support of this assumption:

- The sale of the associate Williams TopCo Ltd, with £113m cash received in 2021;
- The negative financial impact of Covid-19 is continuing to unwind;
- Unrestricted reserves are above target;
- The Group has a high level of valuable assets including its long term interests in property;
- The Group has a high level of cash and unrestricted listed investments

The receipt of £113m cash from the sale of Williams TopCo Ltd gives the management a high degree of confidence that the RIBA will be a going concern for the twelve months following the signing of the annual report.

Based on the above, the board consider there are no material uncertainties associated with the Group's ability to remain a going concern.

e) Tangible fixed assets

Depreciation is provided on a straight line basis at an annual rate calculated to write down each asset (which are capitalised if the cost exceeds £500) to its residual value over the term of its expected useful life. The rates in use are as follows:

| | |
|---------------------------|--|
| Long leasehold buildings | 2% per annum |
| Short leasehold buildings | over the remaining period of the lease |
| Property improvements | 3.3% - 20% per annum |
| Motor vehicles | 20% - 25% per annum |
| Office equipment | 10% - 25% per annum |
| Computer equipment | 20% - 33% per annum |
| Website | 10% per annum |
| Website software | 33% per annum |

f) Intangible assets

The copyright is valued at cost and not amortised.

For the year ended 31 December 2020

g) Heritage assets

A heritage asset is defined as “a tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.” The Institute has estimated a value in these financial statements in respect of its various collections of drawings, paintings, busts, books, periodicals, photographs, archives and other heritage assets. The methodology for the valuations, which was reviewed by BDO in 2012, an independent firm of auditors as well as our own auditors, allows for a proportion of these assets to be re-valued on an ongoing rolling basis. The valuations have been carried out using the RIBA’s curatorial staff, recognised as leading experts in the field, using a number of methods, including the use of average costs for certain categories of heritage assets. Any acquisitions are shown either at cost or in the case of donations at an estimated valuation on the date of receipt. Any gains or losses on revaluation will be recognised in the Statement of Financial Activities. Whilst the balance sheet includes the value of the materials in the RIBA Collections, this does not mean that either this value could be realised or that the material in the collections could in fact be sold. Conditions relating to the original acquisition of material by RIBA going back to 1834, RIBA’s standing as a cultural organisation, and its need as an Accredited museum to follow the Museums Association’s Code of Ethics relating to disposal (which presumes against any financially-motivated disposal) mean that disposal of any parts of our collection by sale is not possible.

h) Taxation

The RIBA is a registered charity and benefits from tax exemptions available to charities. The main subsidiaries of the RIBA are subject to corporation tax on their taxable profits. Taxable profits are donated under gift aid to the RIBA where possible.

i) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made,

or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor’s intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

£1,192k of furlough income was received in 2020 from the government. The income is accrued based on the month the staff were on furlough not when the grants were received.

j) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees’ annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

k) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

l) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

The income of Endowment funds is to be used for specific purposes as laid down by the donor. This income forms a Restricted fund of the same name.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

For the year ended 31 December 2020

m) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

n) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- Voice 26%
- Organisation 30%
- Profession 44%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

o) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

p) Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in fair value is recognised in the statement of financial activities and any excess of fair value over the

historic cost of the investments will be shown as a fair value reserve in the balance sheet. The valuation method used to determine fair value will be stated in the notes to the accounts.

q) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

r) Investments in subsidiaries

Investments in subsidiaries are at cost.

s) Investments in associate

Investment in associate is recognised using the equity method. This therefore includes the cost of shares in the associate, plus the share of the associate results, plus the loan notes at the historic cost + accrued interest. Any potential impairment in the share of the associate's results are considered at each balance date against a fair value calculation of the entity.

t) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

u) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

v) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

w) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount

Notes to the Financial Statements continued..

For the year ended 31 December 2020

due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

x) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

y) Pensions

Retirement benefits to employees are funded by contributions from both the Institute and its subsidiaries to a defined benefits scheme. The assets and liabilities of the scheme are held separately from the Institute. The charity has adopted in full the provisions of FRS 102 (retirement benefits). The FRS 102 approach requires the movement in the pension scheme for the year to be reported in the statement of financial activities and the accumulated deficit or surplus to be reported in the balance sheet.

The current service costs of the defined benefit pension scheme together with the scheme interest cost less the expected return on the scheme assets for the year are charged to the statement of financial activities within staff costs. They are allocated to the different categories within resources expended on the statement of financial activities on the same basis as other costs. The scheme actuarial gains and losses are recognised immediately as other recognised gains and losses.

The group also contributes to defined contribution schemes for eligible employees. The cost of the group's contributions to these schemes is charged to the income and expenditure account in the year to which it relates.

z) Regions and branches

Regions' accounts are included in the figures of the RIBA, along with an estimate of assets held in RIBA branches.

2. Analysis of the results of subsidiaries

The RIBA has two main wholly owned subsidiaries, both of which are incorporated in the UK. The other main subsidiary RIBA Financial Services Ltd is 100% owned by RIBA 1834 Ltd. A summary of the results of the main subsidiaries are shown below. Profits made by the subsidiaries are gift aided to the RIBA where possible.

RIBA 1834 Hong Kong Limited and RIBA Business Information Consulting (Shanghai) Company Limited (a Wholly Foreign-Owned Enterprise in China) have been accounted for in RIBA 1834 Ltd as the activities are financially immaterial.

| | Turnover | Expenditure | Profit/(loss) | Retained earnings | Assets | Liabilities |
|----------------------------|----------|-------------|---------------|-------------------|--------|-------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| 2020 | | | | | | |
| Company | | | | | | |
| RIBA 1834 Ltd | 18,579 | 19,820 | (1,241) | (604) | 4,138 | 4,741 |
| RIBA Financial ServicesLtd | 331 | 189 | 142 | - | 461 | 461 |

| | Turnover | Expenditure | Profit/(loss) | Retained earnings | Assets | Liabilities |
|----------------------------|----------|-------------|---------------|-------------------|--------|-------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| 2019 | | | | | | |
| Company | | | | | | |
| RIBA 1834 Ltd | 21,538 | 20,901 | 637 | 637 | 7,017 | 6,379 |
| RIBA Financial ServicesLtd | 389 | 232 | 157 | - | 381 | 381 |

Included above are intra-group sales of £12,508k (2019: £12,666k) included as turnover and £14,455k (2019: £13,328k) included as costs. The parent charity's gross income and the results for the year are disclosed in note 14.

Notes to the Financial Statements continued..

For the year ended 31 December 2020

3. Other similar named organisations

The RIBA is Custodian Trustee to the British Architectural Library Trust (BALT), which is a separately registered but a dormant Charity (Registration number 267936), having transferred all its assets in 2010 to the RIBA.

4a. Analysis of expenditure (current year)

| | Charitable activities | | | | | | 2020 Total £'000 | 2019 Total £'000 | |
|-------------------------------|-----------------------|--------------|--------------|---------------|-----------------------|------------------|------------------------|------------------------|---------------|
| | Cost of raising funds | Voice | Organisation | Profession | Pension finance costs | Governance costs | | | Support costs |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | | | £'000 |
| Staff costs | 1,724 | 2,031 | 2,169 | 3,060 | - | 292 | 6,063 | 15,339 | 14,127 |
| Other | 2,933 | 892 | 785 | 2,324 | 346 | 512 | 3,921 | 11,713 | 15,064 |
| Depreciation | - | 30 | - | - | - | - | 1,732 | 1,762 | 1,693 |
| | 4,657 | 2,953 | 2,954 | 5,384 | 346 | 804 | 11,716 | 28,814 | 30,884 |
| Support costs | - | 3,076 | 3,516 | 5,124 | - | - | (11,716) | - | - |
| Governance costs | - | 211 | 241 | 352 | - | (804) | - | - | - |
| Total expenditure 2020 | 4,657 | 6,240 | 6,711 | 10,860 | 346 | - | - | 28,814 | |
| Total expenditure 2019 | 6,649 | 6,563 | 6,346 | 11,115 | 211 | - | - | | 30,884 |

Other support costs of £3,921k include premises costs (eg rent, rates, utilities and maintenance costs), insurance, training, bank charges and ICT costs. Allocation is made based on staff cost.

Governance costs consist of legal fees, auditors' fees and expenses for trustee meetings.

4b. Analysis of expenditure (prior year)

| | Charitable activities | | | | | | 2019 Total £'000 | |
|-------------------------------|-----------------------|--------------|--------------|---------------|-----------------------|------------------|------------------------|---------------|
| | Cost of raising funds | Voice | Organisation | Profession | Pension finance costs | Governance costs | | Support costs |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | | £'000 |
| Staff costs | 1,683 | 1,881 | 2,099 | 2,795 | - | 189 | 5,480 | 14,127 |
| Other | 4,966 | 1,512 | 403 | 3,204 | 211 | 404 | 4,364 | 15,064 |
| Depreciation | - | 20 | - | - | - | - | 1,673 | 1,693 |
| | 6,649 | 3,413 | 2,502 | 5,999 | 211 | 593 | 11,517 | 30,884 |
| Support costs | - | 2,996 | 3,656 | 4,865 | - | - | (11,517) | - |
| Governance costs | - | 154 | 188 | 251 | - | (593) | - | - |
| Total expenditure 2019 | 6,649 | 6,563 | 6,346 | 11,115 | 211 | - | - | 30,884 |

Other support costs of £4,364k include premises costs (eg rent, rates, utilities and maintenance costs), insurance, training, bank charges and ICT costs. Allocation is made based on staff cost.

Governance costs consist of legal fees, auditors' fees and expenses for trustee meetings.

Notes to the Financial Statements continued..

For the year ended 31 December 2020

5. Net (expenditure)/income for the year

This is stated after charging/(crediting):

| | 2020 £'000 | 2019 £'000 |
|---|---------------|---------------|
| Depreciation | 1,762 | 1,693 |
| Operating lease rentals: | | |
| Property | 517 | 444 |
| Other | - | - |
| Auditors' remuneration (excluding VAT): | | |
| Audit | 67 | 38 |
| Other services | 3 | 2 |

Notes to the Financial Statements continued..

For the year ended 31 December 2020

6. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

| | 2020 £'000 | 2019 £'000 |
|---|---------------|---------------|
| Salaries and wages | 12,631 | 11,934 |
| Redundancy and termination costs | 408 | 62 |
| Social security costs | 1,307 | 1,236 |
| Employer's contribution to defined contribution pension schemes | 993 | 895 |
| | 15,339 | 14,127 |

£311,446 (2019: £36,688) termination payments were made during the year.

All staff members are employed by RIBA 1834 Ltd and costs are charged to the relevant subsidiary company. These are shown under either charitable expenditure or costs of generating funds. The average number of employees (head count based on number of staff employed) during the year was as follows:

| | 2020 No. | 2019 No. |
|---|-------------|-------------|
| RIBA Group | | |
| Raising funds (RIBA 1834 Limited & RIBA Financial Services Limited) | 41 | 39 |
| Voice | 55 | 51 |
| Organisation | 48 | 45 |
| Profession | 65 | 63 |
| Governance | 5 | 3 |
| Support costs | 104 | 108 |
| Total | 318 | 309 |

The number of employees of the RIBA and its subsidiaries whose emoluments (excluding employers national insurance) fell in the following bands were as follows:

| | 2020 | 2019 |
|---------------------|------|------|
| £60,000 - £69,999 | 10 | 14 |
| £70,000 - £79,999 | 7 | 3 |
| £80,000 - £89,999 | 5 | 6 |
| £90,000 - £99,999 | 1 | 1 |
| £100,000 - £109,999 | 4 | 3 |
| £120,000 - £129,999 | 1 | - |
| £130,000 - £139,999 | - | 1 |
| £160,000 - £169,999 | 2 | 1 |
| £170,000 - £179,999 | - | - |
| £280,000 - £289,999 | 1 | - |
| £290,000 - £299,999 | - | 1 |
| £300,000 - £309,999 | 1 | - |

The emoluments for the employee in the £300,000 to £309,999 bracket includes £30,000 remuneration for serving on the Williams TopCo Ltd. board, with 100% of these costs being reimbursed to the RIBA. £47,500 was paid in 2019, with £30,000 relating to 2019 and £17,500 backdated for 2018 (the employee was in the £290,000 to £299,999 band in 2019).

The total employee benefits including employers national insurance and pension contributions of the key management personnel were £1,416,418 (2019: £1,224,638).

Notes to the Financial Statements continued..

For the year ended 31 December 2020

7. Trustee remuneration and expenses

Trustees of the RIBA are reimbursed reasonable expenses incurred when on RIBA business. 9 (2019: 41) claimed such expenses and the total amount reimbursed was £8,057 (2019: £47,743).

In 2019 remuneration was paid by a trading subsidiary of the charity under an existing and long-standing contract of employment to a related party of a trustee, a RIBA member who is not a Board member of the subsidiary. This did not happen in 2020.

In addition as agreed by the privy council the President's employer was paid £60,000 gross to compensate for time spent on RIBA business (2019: £60,000).

No trustees received any contribution to cover costs incurred (2019: One trustee received £15,000).

Trustees have been asked to sign declarations to confirm any payments that need to be disclosed. No other such payments have been declared.

8. Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. Other than as noted shown in note 7, there were no other related party transactions (2019: £nil).

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiaries Gift Aid available profits to the parent charity. Their charge to corporation tax in the year was £1,846 (2019: £151,000).

10. Intangible assets

| | Copyright | Total |
|------------------------|-----------|-------|
| | £'000 | £'000 |
| RIBA Group | | |
| Cost: | | |
| As at 1 January 2020 | 1 | 1 |
| Disposal in year | - | - |
| As at 31 December 2020 | 1 | 1 |
| Amortisation: | | |
| As at 1 January 2020 | - | - |
| Eliminated on disposal | - | - |
| As at 31 December 2020 | - | - |
| Net book value: | | |
| As at 31 December 2020 | 1 | 1 |
| As at 31 December 2019 | 1 | 1 |

Notes to the Financial Statements continued..

For the year ended 31 December 2020

11. Tangible fixed assets

The group & the charity

| | Properties | Office and Computer equipment | Motor vehicles | Total |
|--------------------------|------------|-------------------------------------|-------------------|---------------|
| | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | |
| At the start of the year | 35,943 | 8,610 | 65 | 44,618 |
| Additions in year | 323 | 1,301 | 12 | 1,636 |
| At the end of the year | 36,266 | 9,911 | 77 | 46,254 |
| Depreciation | | | | |
| At the start of the year | 10,410 | 5,139 | 65 | 15,614 |
| Charge for the year | 978 | 784 | - | 1,762 |
| At the end of the year | 11,388 | 5,923 | 65 | 17,376 |
| Net book value | | | | |
| At the end of the year | 24,878 | 3,988 | 12 | 28,878 |
| At the start of the year | 25,533 | 3,471 | - | 29,004 |

Land with a value of £5,000,000 (2019: £5,000,000) is included within freehold property and not depreciated.

The heading Properties includes 66 Portland Place which was last valued on 22 October 1987 when the property was valued at £8,500,000, an upwards revaluation of £7,896,000. In the opinion of the trustees an up to date valuation would not be an appropriate use of the Charity's resources. No indicators for impairment of the property value has been identified. The lease on the 66/68 Portland Place property expires on 6 July 2930.

The lease on the facilities at the Victoria and Albert Museum, which is rent free, may be determined at any time after 2019 (but is subject to compensation if this is before 2034).

For the year ended 31 December 2020

12. Heritage assets

As at 31 December 2011, the RIBA estimated a value in respect of its various collections of drawings, paintings, busts, books, periodicals, photographs, archives and other assets following the introduction of the reporting standard FRS30, now replaced by sections 34.49-34.56 of FRS102. As custodian of one of the finest architectural collections in the world, it was agreed with the auditors that the RIBA's curatorial staff had sufficient detailed knowledge of the collections for it to be valued and accordingly no external valuers were engaged. During the year, the Institute acquired and were also donated further heritage assets. All donations have been included in additions at a fair valuation. The values of all assets are shown below against each category. Whilst the balance sheet includes the value of the materials in the RIBA Collections, this does not mean that either this value could be realised or that the material in the collections could in fact be sold. Conditions relating to the original acquisition of material by RIBA going back to 1834, RIBA's standing as a cultural organisation, and its need as an Accredited museum to follow the Museums Association's Code of Ethics relating to disposal (which presumes against any financially-motivated disposal) mean that disposal of any parts of our collection by sale is not possible.

Heritage assets at valuation

| | Drawing and collections | Books and periodicals | Photographs | Other | Total 2020 |
|-----------------------|----------------------------|--------------------------|-------------|-------|----------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| As at 1 January | 201,983 | 17,808 | 40,003 | 5,322 | 265,116 |
| Additions – purchases | 10 | 31 | - | - | 41 |
| Additions – donations | 108 | - | 2 | - | 110 |
| As at 31 December | 202,101 | 17,839 | 40,005 | 5,322 | 265,267 |

Five year summary

| | Total 2020 | Total 2019 | Total 2018 | Total 2017 | Total 2016 |
|-----------------------|----------------|------------|------------|------------|------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| As at 1 January | 265,116 | 264,983 | 264,277 | 263,796 | 263,665 |
| Additions – purchases | 41 | 74 | 37 | 78 | 22 |
| Additions – donations | 110 | 59 | 669 | 403 | 109 |
| Revaluation | - | - | - | - | - |
| As at 31 December | 265,267 | 265,116 | 264,983 | 264,277 | 263,796 |

Drawings

The RIBA has over one million drawings. The most valuable of these drawings have been valued individually by a staff member, who is deemed to be suitably qualified to be able to do so. All other drawings have been stratified into value ranges and an average value.

Books and periodicals

Books held for permanent retention, which form the majority of books held are regarded as heritage assets and are valued as such. The books available for loan to members are deemed to be operational assets. The periodicals collection includes runs of major journals worldwide. In total, the RIBA owns about 110,000 books and has over 23,000 bound journal volumes.

Photographs

The RIBA holds about 1.5 million photographs in a variety of format and type of medium. An increasing number of these can be viewed on the website www.architecture.com and images can be purchased, which in turn provides funding for more to be made available.

Archives

The archives consist of a number of internal documents, together with letters and other papers relating to individual architects. The internal documents are not considered to have any significant value attached to them and have not been valued. The letters and other papers are organised into about 800 separate collections and have been valued.

Notes to the Financial Statements continued..

For the year ended 31 December 2020

13. Investments in subsidiary companies

RIBA Charity

| | 31 December 2020 | 31 December 2019 |
|--|---------------------|---------------------|
| | £'000 | £'000 |
| Investments in group companies: | | |
| Ordinary shares | | |
| RIBA 1834 Limited | 1 | 1 |
| RIBA Financial Services Limited | - | - |
| | 1 | 1 |

The RIBA owned two main trading subsidiary companies (which are 100% subsidiaries (see note 2) and registered in England and Wales) as at December 2020.

| Name | Company Number | Principal activities |
|-----------------------------|----------------|---|
| RIBA 1834 Ltd | 4604934 | Venues, RIBA Competitions and RIBA Publishing. |
| RIBA Financial Services Ltd | 4604947 | Provision of middleware for customers to access pension solutions and other services. |

The RIBA also owns 100% of RIBA Journals Ltd and 100% of RIBA Enterprises Limited (formally RIBA Dormant Ltd); neither of which traded in 2020. The RIBA has a related company, RIBA Insurance Agency Ltd, which is also dormant. There is no change from 2019.

Notes to the Financial Statements continued..

For the year ended 31 December 2020

14. Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

| | 2020 £'000 | 2019 £'000 |
|---------------------|----------------|---------------|
| Gross income | 20,626 | 23,732 |
| Result for the year | (2,020) | 907 |

15. Investment in associate

On 27 November 2020 contracts were exchanged to sell 100% of the RIBA's investment in Williams Top Co Ltd to Byggfakta Group. The consideration was for £113m of cash which was received at the end of February 2021 after regulatory approvals were given. The consideration included paying off the loan notes, with the remaining surplus representing a gain on the investment held on the balance sheet. The equity accounting method is used for investments in associates and as such the gain will be reflected in the 2021 annual report, the reporting period when regulatory approvals were given.

| | 2020 £'000 | 2019 £'000 |
|-------------------------|---------------|---------------|
| Investment in associate | 40,851 | 37,028 |

16. Listed investments

| | The group | | The charity | |
|---|---------------|---------------|---------------|---------------|
| | 2020 £'000 | 2019 £'000 | 2020 £'000 | 2019 £'000 |
| Fair value at the start of the year | 17,220 | 4,113 | 17,220 | 4,113 |
| Additions at cost | 1,746 | 12,596 | 1,746 | 12,596 |
| Disposal proceeds | - | - | - | - |
| Net gain / (loss) on change in fair value | 488 | 511 | 488 | 511 |
| Fair value at the end of the year | 19,454 | 17,220 | 19,454 | 17,220 |

Investments comprise:

| | The group | | The charity | |
|----------------|---------------|---------------|---------------|---------------|
| | 2020 £'000 | 2019 £'000 | 2020 £'000 | 2019 £'000 |
| Unitised funds | 19,452 | 17,218 | 19,452 | 17,218 |
| Cash | 2 | 2 | 2 | 2 |
| | 19,454 | 17,220 | 19,454 | 17,220 |

17. Stocks

| | The group | | The charity | |
|------------------|---------------|---------------|---------------|---------------|
| | 2020 £'000 | 2019 £'000 | 2020 £'000 | 2019 £'000 |
| Goods for resale | 1,604 | 1,483 | - | - |

Notes to the Financial Statements continued..

For the year ended 31 December 2020

18. Debtors

| | The group | | The charity | |
|----------------------------------|---------------|---------------|---------------|---------------|
| | 2020 £'000 | 2019 £'000 | 2020 £'000 | 2019 £'000 |
| Trade debtors | 1,416 | 1,688 | 648 | 512 |
| Prepayments and accrued income | 1,964 | 1,828 | 1,505 | 1,447 |
| Other debtors | 76 | 538 | 7 | 438 |
| Due from subsidiary undertakings | - | - | 3,231 | 4,310 |
| | 3,456 | 4,054 | 5,391 | 6,707 |

19. Creditors: amounts falling due within one year

| | The group | | The charity | |
|--------------------------------|---------------|---------------|---------------|---------------|
| | 2020 £'000 | 2019 £'000 | 2020 £'000 | 2019 £'000 |
| Trade creditors | 1,023 | 1,432 | 1,015 | 1,424 |
| Corporation tax | - | 151 | - | - |
| Taxation and social security | 594 | 346 | 211 | - |
| Other creditors | 207 | 292 | 56 | 62 |
| Accruals and deferred income | 4,774 | 4,981 | 3,788 | 3,635 |
| Due to subsidiary undertakings | - | - | 334 | 369 |
| | 6,598 | 7,202 | 5,404 | 5,490 |

Deferred income is primarily comprised of membership fees paid in advance:

| | The group | | The charity | |
|---------------------------------------|----------------|---------------|----------------|---------------|
| | 2020 £'000 | 2019 £'000 | 2020 £'000 | 2019 £'000 |
| Balance at the beginning of the year | 2,207 | 2,901 | 2,028 | 2,697 |
| Amount released to income in the year | (2,072) | (2,840) | (1,926) | (2,643) |
| Amount deferred in the year | 1,524 | 2,146 | 1,296 | 1,974 |
| Balance at the end of the year | 1,659 | 2,207 | 1,398 | 2,028 |

20. Creditors: amounts falling due after one year

| | The group | | The charity | |
|----------|---------------|---------------|---------------|---------------|
| | 2020 £'000 | 2019 £'000 | 2020 £'000 | 2019 £'000 |
| Accruals | 887 | 971 | 887 | 971 |
| | 887 | 971 | 887 | 971 |

Notes to the Financial Statements continued..

For the year ended 31 December 2020

21a. Analysis of group net assets between funds (current year)

| | General unrestricted £'000 | Restricted funds £'000 | Endowment funds £'000 | Total funds £'000 |
|--|----------------------------------|------------------------------|-----------------------------|-------------------------|
| Intangible fixed assets | 1 | - | - | 1 |
| Tangible fixed assets | 28,628 | 250 | - | 28,878 |
| Heritage assets | 265,267 | - | - | 265,267 |
| Investments | 14,887 | 515 | 4,052 | 19,454 |
| Investments in associated company | 40,851 | - | - | 40,851 |
| Net current liabilities | (76) | 1,948 | - | 1,872 |
| Long term liabilities | (887) | - | - | (887) |
| Defined benefit pension liability | - | - | - | - |
| Net assets at the end of the year | 348,671 | 2,713 | 4,052 | 355,436 |

21b. Analysis of group net assets between funds (prior year)

| | General unrestricted £'000 | Restricted funds £'000 | Endowment funds £'000 | Total funds £'000 |
|--|----------------------------------|------------------------------|-----------------------------|-------------------------|
| Intangible fixed assets | 1 | - | - | 1 |
| Tangible fixed assets | 28,724 | 280 | - | 29,004 |
| Heritage assets | 265,116 | - | - | 265,116 |
| Investments | 12,784 | 537 | 3,899 | 17,220 |
| Investments in associated company | 37,028 | - | - | 37,028 |
| Net current assets | 9,638 | 1,519 | - | 11,157 |
| Long term liabilities | (971) | - | - | (971) |
| Defined benefit pension liability | - | - | - | - |
| Net assets at the end of the year | 352,320 | 2,336 | 3,899 | 358,555 |

22a. Movements in funds - restricted and endowed funds (current year)

| | At the start of the year £'000 | Income and gains £'000 | Expenditure and losses £'000 | Transfers £'000 | At the end of the year £'000 |
|---|--------------------------------------|------------------------------|------------------------------------|--------------------|------------------------------------|
| Restricted funds (note 22b) | 2,336 | 1,003 | (626) | - | 2,713 |
| Endowment funds (note 22c) | 3,899 | 153 | - | - | 4,052 |
| Total restricted and endowed funds | 6,235 | 1,156 | (626) | - | 6,765 |

For the year ended 31 December 2020

22b. Movements in funds - restricted funds (current year)

| | At the start of the year | Income and gains | Expenditure and losses | Transfers | At the end of the year |
|---|-----------------------------|---------------------|---------------------------|-----------|---------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| RIBA group and RIBA charity – restricted funds | | | | | |
| Goldfinger Trust | 198 | 7 | (7) | - | 198 |
| Boyd Auger Scholarship | - | 6 | (5) | - | 1 |
| RIBA Education Fund | 337 | 42 | (122) | - | 257 |
| Rosenberg Memorial | 4 | 39 | (15) | - | 28 |
| Ayyub Malik Trust | 3 | 31 | (23) | - | 11 |
| Drawings collection fund – London | 5 | (2) | 11 | 10 | 24 |
| Banister Fletcher History of Architecture | 2 | 15 | 5 | - | 22 |
| Schools Programme | - | 5 | - | - | 5 |
| Rare Books Fund | 66 | - | (2) | - | 64 |
| Clore Studio | 230 | 50 | (30) | - | 250 |
| Wilson Catalogue | 85 | 52 | (71) | - | 66 |
| Palladio Catalogue | 35 | 9 | (37) | 26 | 33 |
| Donald and Nancy Notley Legacy | 545 | 75 | - | - | 620 |
| John & David Hubert legacy | - | 125 | (24) | - | 101 |
| Clore Duffield Grant | - | 10 | - | - | 10 |
| Prizes Trust | 10 | 2 | (9) | - | 3 |
| Annie Spink Memorial Scholarship | 116 | 7 | (11) | - | 112 |
| W J Parker Trust | 43 | 15 | (31) | - | 27 |
| Lord Norman Foster Travelling Scholarship | 15 | 10 | (2) | - | 23 |
| Research Trust Funds | 51 | 38 | (34) | - | 55 |
| Sir Banister Fletcher Library Bequest | 24 | 6 | - | (19) | 11 |
| W H Ansell Bequest | 44 | 2 | - | (10) | 36 |
| HM Fletcher Memorial | 15 | 1 | - | - | 16 |
| C McArthur Butler | 1 | - | - | (1) | - |
| Nadine Beddington Trust | 37 | 8 | (1) | (20) | 24 |
| Giles Worsley Fund | 176 | 11 | (7) | - | 180 |
| BALT | 50 | 13 | (37) | 14 | 40 |
| Thomas Malvern Prize | 15 | 1 | - | - | 16 |
| LKE Ozolins Bequest | 49 | 24 | (1) | - | 72 |
| C Jencks Exchange Fund | 15 | 5 | (1) | - | 19 |
| RIBA Award Trust | 40 | 18 | (1) | - | 57 |
| Henry Jarvis Bequest | 28 | 2 | - | - | 30 |
| UN Habitat | - | 343 | (137) | - | 206 |
| Other | 97 | 33 | (34) | - | 96 |
| Total restricted funds | 2,336 | 1,003 | (626) | - | 2,713 |

These funds are held to serve a number of purposes principally educational and funding the Library/Collections. These restricted funds can be only be used for the express purpose for which they have been given.

Funds grouped within Other in 2020 were amended from 2019 to reflect those that now have low levels of movement; hence the opening balance in 2020 of £97k differs to the closing balance of the fund in the 2019 prior year note 22e of £62k. From the closing balance of £62k in 2019, £38k of funds were moved from Other and reported individually, and £73k of funds that were reported individually in 2019 were grouped in other in the opening balance for 2020. All of the funds in Other are still reported internally as discrete fund balances, but are grouped together for presentational purposes in the statutory accounts.

Transfers represent amounts transferred from one fund to another within the same restrictions, to enable a total project spend to be reported under one fund.

Notes to the Financial Statements continued..

For the year ended 31 December 2020

22c. Movement in funds - endowment funds (current year)

Endowment funds are invested to generate income, which is then held in a series of separate restricted funds (see note above).

| | At the start of the year | Incoming resources | Unrealised gain on investments | At the end of the year |
|--|-----------------------------|-----------------------|-----------------------------------|---------------------------|
| | £'000 | £'000 | £'000 | £'000 |
| RIBA group and RIBA charity – endowment funds | | | | |
| Prizes Trust | 75 | - | 3 | 78 |
| Annie Spink Memorial Scholarship | 99 | - | 4 | 103 |
| W J Parker Trust | 448 | - | 18 | 466 |
| Lord Norman Foster Travelling Scholarship | 267 | - | 11 | 278 |
| Research Trust Funds | 1,096 | - | 43 | 1,139 |
| Sir Banister Fletcher Library Bequest | 128 | - | 5 | 133 |
| W H Ansell Bequest | 26 | - | 1 | 27 |
| Nadine Beddington Trust | 196 | - | 8 | 204 |
| Giles Worsley Fund | 140 | - | 5 | 145 |
| BALT | 88 | - | 3 | 91 |
| LKE Ozolins Bequest | 665 | - | 26 | 691 |
| C Jencks Exchange Fund | 139 | - | 5 | 144 |
| RIBA Award Trust | 489 | - | 19 | 508 |
| Henry Jarvis Bequest | 24 | - | 1 | 25 |
| Other | 19 | - | 1 | 20 |
| Total endowment funds | 3,899 | - | 153 | 4,052 |

22d. Movements in funds - restricted and endowed funds (prior year)

| | At the start of the year | Income and gains | Expenditure and losses | Transfers | At the end of the year |
|---|-----------------------------|---------------------|---------------------------|-----------|---------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Restricted funds (note 22e) | 1,878 | 1,024 | (566) | - | 2,336 |
| Endowment funds (note 22f) | 3,508 | 391 | - | - | 3,899 |
| Total restricted and endowed funds | 5,386 | 1,415 | (566) | - | 6,235 |

For the year ended 31 December 2020

22e. Movements in funds - restricted funds (prior year)

| | At the start of the year | Income and gains | Expenditure and losses | Transfers | At the end of the year |
|---|-----------------------------|---------------------|---------------------------|-----------|---------------------------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| RIBA group and RIBA charity – restricted funds | | | | | |
| Drawings collection fund – London | 23 | 5 | (23) | - | 5 |
| Banister Fletcher History of Architecture | 44 | - | (42) | - | 2 |
| Gordon Ricketts Bursary | 19 | - | - | - | 19 |
| Library Exhibition Fund (Heinz Gallery) | 5 | 1 | (1) | - | 5 |
| Heinz Exhibition Fund | 12 | - | - | - | 12 |
| Giles Worsley Fund | 172 | 11 | (7) | - | 176 |
| President's Medal Archive | - | 10 | (3) | - | 7 |
| Clore Studio | 150 | 100 | (20) | - | 230 |
| RIBA Education Fund | 389 | 76 | (128) | - | 337 |
| Wilson Catalogue | 52 | 69 | (51) | 15 | 85 |
| Research Trust Funds | 72 | 38 | (59) | - | 51 |
| Prizes Trust | 7 | 3 | - | - | 10 |
| Annie Spink Memorial Scholarship | 119 | 7 | (10) | - | 116 |
| RIBA Award Trust | 32 | 17 | (9) | - | 40 |
| W J Parker Trust | 33 | 15 | (5) | - | 43 |
| Palladio Catalogue | - | - | (20) | 55 | 35 |
| Sir Banister Fletcher Library Bequest | 30 | 5 | (1) | (10) | 24 |
| W H Ansell Bequest | 42 | 2 | - | - | 44 |
| Nadine Beddington Trust | 55 | 8 | - | (26) | 37 |
| Henry Jarvis Bequest | 26 | 2 | - | - | 28 |
| Goldfinger Trust | 191 | 7 | - | - | 198 |
| LKE Ozolins Bequest | 43 | 23 | (17) | - | 49 |
| C Jencks Exchange Fund | 22 | 6 | (13) | - | 15 |
| R S Reynolds Awards | 14 | - | - | - | 14 |
| Lord Norman Foster Travelling Scholarship | 15 | 9 | (9) | - | 15 |
| Donald and Nancy Notley Legacy | - | 545 | - | - | 545 |
| BALT | 119 | 5 | (24) | (50) | 50 |
| RIBA East – CPD Fund | 18 | - | (2) | - | 16 |
| Rare Books Fund | 74 | - | (8) | - | 66 |
| Other | 100 | 60 | (114) | 16 | 62 |
| Total restricted funds | 1,878 | 1,024 | (566) | - | 2,336 |

These funds are held to serve a number of purposes principally educational and funding the library/collections. These restricted funds can be only be used for the express purpose for which they have been given.

Transfers represent amounts transferred from one fund to another within the same restrictions, to enable a total project spend to be reported under one fund.

Notes to the Financial Statements continued..

For the year ended 31 December 2020

22f. Movement in funds - endowment funds (prior year)

Endowment funds are invested to generate income, which is then held in a series of separate restricted funds (see note above).

| | At the start of the year | Incoming resources | Unrealised gain on investments | At the end of the year |
|--|-----------------------------|-----------------------|-----------------------------------|---------------------------|
| | £'000 | £'000 | £'000 | £'000 |
| RIBA group and RIBA charity – endowment funds | | | | |
| Prizes Trust | 67 | - | 8 | 75 |
| Annie Spink Memorial Scholarship | 89 | - | 10 | 99 |
| W J Parker Trust | 402 | - | 46 | 448 |
| Lord Norman Foster Travelling Scholarship | 241 | - | 26 | 267 |
| Research Trust Funds | 986 | - | 110 | 1,096 |
| Sir Banister Fletcher Library Bequest | 116 | - | 12 | 128 |
| W H Ansell Bequest | 23 | - | 3 | 26 |
| Nadine Beddington Trust | 176 | - | 20 | 196 |
| Giles Worsley Fund | 127 | - | 13 | 140 |
| BALT | 79 | - | 9 | 88 |
| LKE Ozolins Bequest | 598 | - | 67 | 665 |
| C Jencks Exchange Fund | 126 | - | 13 | 139 |
| RIBA Award Trust | 439 | - | 50 | 489 |
| Henry Jarvis Bequest | 22 | - | 2 | 24 |
| Other | 17 | - | 2 | 19 |
| Total endowment funds | 3,508 | - | 391 | 3,899 |

Notes to the Financial Statements continued..

For the year ended 31 December 2020

23a. Unrestricted funds – current year

RIBA Group

| | At the start of the year | Transfers | Net movement – unrestricted funds | At the end of the year |
|----------------------------------|-----------------------------|-----------|--------------------------------------|---------------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Revaluation reserve | 6,639 | (65) | - | 6,574 |
| Heritage assets reserves | 264,582 | - | 110 | 264,692 |
| Investment in associated company | 37,028 | - | 3,823 | 40,851 |
| Fixed assets reserve | 15,680 | - | (448) | 15,232 |
| Investment for growth fund | 13,567 | - | (13,567) | - |
| Two-year deficit cover | 9,374 | - | 3,980 | 13,354 |
| General reserve | 5,450 | 65 | 2,453 | 7,968 |
| | 352,320 | - | (3,649) | 348,671 |

RIBA charity

| | | | | |
|----------------------------------|----------------|------|----------------|----------------|
| Revaluation reserve | 6,639 | (65) | - | 6,574 |
| Heritage assets reserves | 264,582 | - | 110 | 264,692 |
| Investment in associated company | 37,028 | - | 3,823 | 40,851 |
| Fixed assets reserve | 15,680 | - | (448) | 15,232 |
| Investment for growth fund | 13,567 | - | (13,567) | - |
| Two-year deficit cover | 9,374 | - | 3,980 | 13,354 |
| General reserve | 4,814 | 65 | 3,693 | 8,572 |
| | 351,684 | - | (2,409) | 349,275 |

Notes to the Financial Statements continued..

For the year ended 31 December 2020

23b. Unrestricted funds – prior year

RIBA Group

| | At the start of the year | Transfers | Net movement – unrestricted funds | At the end of the year |
|----------------------------------|-----------------------------|-----------|--------------------------------------|---------------------------|
| | £'000 | £'000 | £'000 | £'000 |
| Revaluation reserve | 6,703 | (64) | - | 6,639 |
| Heritage assets reserves | 264,523 | - | 59 | 264,582 |
| Investment in associated company | 30,741 | - | 6,287 | 37,028 |
| Fixed assets reserve | 16,164 | - | (484) | 15,680 |
| Investment for growth fund | 16,000 | - | (2,433) | 13,567 |
| Four-year deficit cover | 12,362 | - | (2,988) | 9,374 |
| General reserve | 4,975 | 64 | 411 | 5,450 |
| | 351,468 | - | 852 | 352,320 |

RIBA charity

| | | | | |
|----------------------------------|---------|------|---------|----------------|
| Revaluation reserve | 6,703 | (64) | - | 6,639 |
| Heritage assets reserves | 264,523 | - | 59 | 264,582 |
| Investment in associated company | 30,741 | - | 6,287 | 37,028 |
| Fixed assets reserve | 16,164 | - | (484) | 15,680 |
| Investment for growth fund | 16,000 | - | (2,433) | 13,567 |
| Four-year deficit cover | 12,362 | - | (2,988) | 9,374 |
| General reserve | 5,134 | 64 | (384) | 4,814 |
| | 351,627 | - | 57 | 351,684 |

24. Reconciliation of net (expenditure)/income to net cash flow from operating activities

| | 2020 | 2019 |
|---|-----------------|----------|
| | £'000 | £'000 |
| Net (expenditure)/income for the reporting period (as per the statement of financial activities) | (3,465) | 1,490 |
| Depreciation charges | 1,762 | 1,693 |
| Amortisation of goodwill | - | - |
| (Gains) on investments | (488) | (511) |
| Heritage assets donated | (110) | (59) |
| Dividends, interest and rent from investments | (4,404) | (4,007) |
| Loss on the disposal of fixed assets | - | 6 |
| Disposal of subsidiary assets | - | - |
| (Increase) in stocks | (121) | (307) |
| Decrease/(increase) in debtors | 598 | (291) |
| (Decrease) in creditors | (688) | (2,261) |
| Pension reserve funding movements | 346 | 211 |
| Movement on investment in associate | (3,823) | (6,287) |
| Net cash provided by operating activities | (10,393) | (10,323) |

For the year ended 31 December 2020

25. Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

| | Property | |
|------------------------------------|--------------|-------|
| | 2020 | 2019 |
| | £'000 | £'000 |
| The group & the charity | | |
| Less than one year | 359 | 428 |
| Between two and five years | 807 | 944 |
| Over five years | 1,188 | 1,380 |
| | 2,354 | 2,752 |

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

| | Property | |
|----------------------------|--------------|-------|
| | 2020 | 2019 |
| | £'000 | £'000 |
| Less than one year | 359 | 428 |
| Between two and five years | 807 | 944 |
| Over five years | 1,188 | 1,380 |
| | 2,354 | 2,752 |

For the year ended 31 December 2020

26. Pension schemes

The RIBA makes contributions to three pension schemes as described in note 1, two of which are stakeholder schemes and one of which is a defined benefit scheme.

Stakeholder pension schemes

The RIBA operates one stakeholder pension schemes for the benefit of all staff who are not members of the defined benefit scheme. They are money purchase schemes where the employee contributes at least 3 - 6% salary and the employer 5 - 12% depending on age. The amount of this contribution was £993,000 (2019: £895,000).

Defined Benefit Scheme

The group operates a defined benefit scheme in the UK. The full triennial actuarial valuation was carried out at 31 December 2019 by a qualified actuary.

Change in defined benefit obligation

| | Year ended 31/12/2020 | Year ended 31/12/2019 |
|---|--------------------------|--------------------------|
| | £'000 | £'000 |
| Defined benefit obligation at beginning of year | 55,036 | 51,021 |
| (Gain)/loss on curtailments/changes/introductions | 10 | - |
| Interest expense | 1,078 | 1,380 |
| Cash flow: Benefit payments from plan assets | (2,310) | (2,981) |
| Remeasurements: | | |
| Effect of changes in assumptions | 4,440 | 5,616 |
| Effect of experience adjustments | 1,170 | - |
| Benefit obligation at end of year | 59,424 | 55,036 |

Change in fair value of plan assets

| | Year ended 31/12/2020 | Year ended 31/12/2019 |
|--|--------------------------|--------------------------|
| | £'000 | £'000 |
| Fair value of plan assets at beginning of year | 65,255 | 60,067 |
| Interest income | 1,277 | 1,626 |
| Cash flows: | | |
| Employer contributions | - | - |
| Benefit payments from plan assets | (2,310) | (2,981) |
| Administrative expenses paid from plan assets | (535) | (457) |
| Remeasurement: Return on plan assets (excluding interest income) | 9,474 | 7,000 |
| Fair value of plan assets at end of year | 73,161 | 65,255 |

Notes to the Financial Statements continued..

For the year ended 31 December 2020

Amounts recognised in the balance sheet

| | Year ended 31/12/2020 | Year ended 31/12/2019 |
|-----------------------------|--------------------------|--------------------------|
| | £'000 | £'000 |
| Defined benefit obligation | 59,424 | 55,036 |
| Fair value of plan assets | 73,161 | 65,255 |
| Funded status | (13,737) | (10,219) |
| Effect of asset ceiling | 13,737 | 10,219 |
| Net defined benefit (asset) | - | - |

Plan assets

| | Year ended 31/12/2020 | Year ended 31/12/2019 |
|-----------------------------------|--------------------------|--------------------------|
| | £'000 | £'000 |
| Fair value of plan assets: | | |
| Debt Instruments | 68,300 | 63,075 |
| Other | 1,489 | 1,446 |
| Cash and cash equivalents | 3,372 | 734 |
| Total | 73,161 | 65,255 |
| Actual return on plan assets | 10,751 | 8,626 |

Notes to the Financial Statements continued..

For the year ended 31 December 2020

Cost relating to defined benefit plans

| | Year ended 31/12/2020 | Year ended 31/12/2019 |
|--|--------------------------|--------------------------|
| | £'000 | £'000 |
| Cost (excluding interest): | | |
| (Gain)/loss on curtailments/changes/introductions | 10 | - |
| Net interest cost: | | |
| Interest expense on DBO | 1,078 | 1,380 |
| Interest (income) on plan assets | (1,277) | (1,626) |
| Total net interest cost | (199) | (246) |
| Administrative expenses and/or taxes (not reserved within DBO) | 535 | 457 |
| Cost relating to defined benefit plans recognized in SOFA | 346 | 211 |
| Remeasurements (recognised in the SOFA): | | |
| Effect of changes in assumptions | 4,440 | 5,616 |
| Effect of experience adjustments | - | - |
| (Return) on plan assets (excluding interest income) | (9,474) | (7,000) |
| Changes in asset ceiling (excluding interest income) | 4,688 | 1,173 |
| Total remeasurements included in other comprehensive income | (346) | (211) |
| Total cost related to defined benefit plans recognized in SOFA | - | - |

Significant actuarial assumptions

| | Year ended 31/12/2020 | Year ended 31/12/2019 |
|---|--------------------------|--------------------------|
| | % | % |
| Weighted-average assumptions to determine benefit obligations: | | |
| Discount rate | 1.40% | 2.00% |
| Price inflation rate (RPI) | 2.90% | 3.00% |
| Pensions-in-payment increase rate | | |
| Pre 1.1.1989 – simple | 7.00% | 7.00% |
| Post 1.1.1989 – compound | 5.00% | 5.00% |
| Assumed life expectations on retirement at age 65 | | |
| Male retiring today (member age 65) | 22.5 | 22.7 |
| Male retiring in 20 years (member age 45 today) | 24.0 | 24.4 |
| Female retiring today (member age 65) | 24.5 | 24.9 |
| Female retiring in 20 years (member age 45 today) | 25.8 | 26.3 |
| Weighted average assumptions used to determine net pension cost: | | |
| Discount rate | 2.00% | 2.80% |
| Rate of pension increase – Pre 1 January 1989 (simple) | 7.00% | 7.00% |
| Rate of pension increase – Post 1 January 1989 (compound) | 5.00% | 5.00% |
| Price inflation rate (RPI) | 3.00% | 3.20% |

Notes to the Financial Statements continued..

For the year ended 31 December 2020

| Expected cash flows for following year | 31/12/2020 | 31/12/2019 |
|---|-------------------|-------------------|
| Expected total benefit payments | | |
| Year 1 | 2,450 | - |
| Year 2 | 2,599 | - |
| Year 3 | 2,758 | - |
| Year 4 | 2,928 | - |
| Year 5 | 3,109 | - |
| Next 5 years | 18,716 | - |

Membership statistics

| Census date | 31/12/2019 | 31/12/2016 |
|---------------------------------|-------------------|-------------------|
| Active: | | |
| a. Number | - | - |
| b. Total annual pensionable pay | - | - |
| c. Average pensionable pay | - | - |
| d. Average age | - | - |
| e. Average past service | - | - |
| Vested deferred: | | |
| a. Number | 57 | 76 |
| b. Average annual pension | 5,564 | 6,420 |
| c. Average age | 57.0 | 55.7 |
| Retirees: | | |
| a. Number | 128 | 125 |
| b. Average annual pension | 16,689 | 15,896 |
| c. Average age | 74.4 | 74.0 |

27. Post balance sheet events

On 27 November 2020 contracts were exchanged to sell 100% of the RIBA's investment in Williams Top Co Ltd to Byggfakta Group. The consideration was for £113m of cash which was received at the end of February 2021 after regulatory approvals were given. The consideration included paying off the loan notes, with the remaining surplus representing a gain on the investment held on the balance sheet. The equity accounting method is used for investments in associates and as such the gain will be reflected in the 2021 annual report.

On the 22 September 2021 the RIBA announced outline plans for a more efficient and resilient corporate structure. The restructure is part of a detailed programme already underway to modernise the organisation, making it even more effective and fit for the future. The streamlined corporate structure has been designed to enable the organisation to increase support and services for members, have greater impact and influence, and to move to a more sustainable business model with reduced operating costs. An estimate of the financial impact of the restructure cannot be made at the date of signing the annual report.

28. Legal status of the charity

The charity is a company incorporated under Royal Charter and has no share capital.

Legal and Administrative details

| Name of charity | Charity number | Registered office and operational address |
|---------------------------------------|----------------|---|
| Royal Institute of British Architects | 210566 | 66 Portland Place London W1B 1AD |

Council Members

Before 11 March 2020 Council Members were also the Trustees of the RIBA. From 11 March 2020 the members of the Board were trustees rather than the Council. Page 33 provides more information on the RIBA's governance.

President

Alan Jones
to 31 August 2021

Victoria Adegoke
(Student)

David Adjei
(London) from 1 September 2020

Sarah Akigbogun
(London) from 1 September 2020

Yemi Aladerun
(National) to 31 Aug 2020

Maryam Al-Irhayim
(Student)

Simon Allford
(President Elect) from 1 September 2020

Alice Asafu-Adjaye
(Middle East & Africa)

John Assael
(National) to 31 Aug 2020

Joanna Bacon
(National)

Duncan Baker-Brown
(South East) from 1 September 2020

Mark Benzie
(South)

Alia Beyg
(London) to 31 Aug 2020

Jason Bill
(National) to 31 Aug 2020

Andrew Bourne
(Wessex) to 31 Aug 2020

Graham Boyce
(Yorkshire)

Yuli Cadney-Toh
(Wessex) from 1 September 2020

Wendy Charlton
(London) to 31 Aug 2020

Aaron Chetwynd
(National) to 31 August 2020

Andrew Claibourne
(South) from 1 September 2019 to 6 March 2020

Tim Clark
(Europe)

Angela Dapper
(London) from 1 September 2020

Catherine Davis
(Americas)

Ben Derbyshire
to 31 Aug 2020. Immediate Past President

Graham Devine
(South West)

Jennifer Dixon
(National) from 1 September 2020

Stephanie Edwards
(London) to 31 Aug 2020

Debbie Flevotomou
(London) to 31 Aug 2020

Simone de Gale
(National)

Christina Gaiger
(RIAS President) from 31 June 2020

Lanre Gbolade
(London) to 31 Aug 2020

Jon Greenfield
(East)

Chris Hampson
(London) to 31 Aug 2020

Indy Johar
(London) to 31 Aug 2020

Anthony Lloyd
(West Midlands) to 31 Aug 2020

Donal MacRandal
(RSUA President) from 1 June 2020

Michael Martin
(London) to 31 August 2020

Joan McCoy
(RSUA President) to 31 May 2020

Fraser Middleton
(RIAS North)

Ewen Miller
(North West)

Nick Mills
(Wessex) to 31 Aug 2020

Alfred Munkenbeck
(National)

Lewis North
(Student)

Femi Oresanya
(London) from 1 September 2020

Elsie Owusu
(National)

Valeria Passetti
(Vice President Membership)

Jack Pringle
(London) from 1 September 2020

Kerr Robertson
(RIAS South) to 31 Aug 2020

Selasi Setufe
(Associate) to 31 Aug 2020

Mark Shipton
(South)

Roger Shrimplin
(East) from 1 September 2020

Maria Smith
(National)

Ian Standen
(RSAW)

Danka Stefan
(South East) from 1 September 2020

Ryan Stuckey
(RSAW President)

Roger Tsan-Sum Wu
(Asia & Australasia) to 31 Aug 2020

Philip Twiss
(West Midlands)

RIBA Board

From 11 March 2020 the members of the Board were trustees of the RIBA. Page 33 provides more information on the RIBA's governance.

Alan Jones
President to 31 August 2021
(Trustee to 15 July 2021)

John Assael
to 31 August 2020
Honorary Treasurer

Jo Bacon
to 11 March 2020, and from 11 April 2020

Nigel Carrington
from 9 April 2020 to 9 July 2020

Wendy Charlton
to 11 March 2020

Simone de Gale
from 30 Sept 2020
Honorary Treasurer

Ben Derbyshire
to 26 March 2020
Immediate Past President

Graham Devine
from 30 March 2020 to 11 April 2020,
and from 30 September 2020

Rob Dickins
to 11 March 2020

Murray Orr
from 9 April 2020
Business and Enterprise

Matt Jones
from 9 April 2020 to 24 Aug 2020

Ruth McIntosh
to 11 March 2020

Valeria Passetti
to 11 March 2020, and from 11 April 2020
Membership Development

Jack Pringle
from 1 Jan 2021
Chair

Ken Wai
(Asia & Australasia) from 1 September 2020

Nicky Watson
(North East)

Anna Webster
(London) from 1 September 2020

Robin Webster
(RIAS President) to 30 June 2020

Marjorie Strachan
from 15 May 2020
Organisational change

Kerr Robertson
to 31 August 2020

MarryAnne Stevens
from 9 April 2020
Heritage

Helen Taylor
to 11 March 2020

Pierre Wassenaar
to 11 March 2020

Nicky Watson
To 11 March 2020, and from
11 April 2020
Learning

Group Executive

Alan Vallance
Chief Executive

Adrian Dobson BArch, MPhil,
RIBA
Executive Director Members

Clem Brohier LLB, MA, FCMA
Chief Operating Officer to 16 April 2021

Avril Chester
Interim Executive Director,
Data & Technology

Clare Corbett
Executive Director External Affairs to
11 January 2021

Maxine McKenzier
Executive Director Marketing and Member
Development

Geoffrey Milton BA M.Ed
Executive Director Human Resources and
Organisation Development to 6 April 2021

John Wilde
(South West) to 31 August 2020

Richard Wooldridge
(North West)

External

Principal Bankers

Barclays Bank
1 Churchill Place
Canary Wharf
London E14 5HP

Auditors

Sayer Vincent LLP
Chartered Accountants and
Statutory Auditors
Invicta House
108-114 Golden Lane
London EC1Y 0TL

Sayer Vincent were re-appointed as the Group and charity's auditors in 2019.

Solicitors

Capsticks Solicitors LLP
1 St George's House East
St George's Road
Wimbledon
London SW19 4DR

Investment Managers

Schroders
12 Moorgate
London EC2R 6DA

Senior Staff

(as at 31st December 2020)

The RIBA's senior staff team is the group executive and:

Azlina Bulmer

Director of International

Mike Clarke

Director of Membership Engagement and Business Development

Steven Cross

Director of Partnerships, RIBA Enterprises

Simon Davidson MBA, MSS

Director Strategy and Business

Jenny Edwards

Director of Governance and Legal Affairs

Wendy Fish PG DipLib

Director of Library

Andrew Forth

Head of Policy & Public Affairs

David Gloster ADip, MSc, DIC,

RIBA Director of Education

Pamela Harding

Transformation Programme Director

William Hawkins BArch, MSc

Director of Nations and Regions

Belinda Irlam-Mowbray

Commercial Director

Juliet Leach

Head of Marketing

Alison Mackinder

Professional Education Programme Director

Melanie Mayfield

Director of Media

Liam McConnell

Head of Estates and Facilities

Steven Plimmer

Head of Marketing - Commercial

David Sawyer FCCA

Director of Finance

Neil Smith

Interim Director of Membership

Linda Stevens

Head of Client Services

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees have considered how planned activities will contribute to the aims and objectives they have set. We provide public benefit in a number of ways – we:

- validate UK and overseas schools of architecture, ensuring a high standard of quality of higher education;
- champion the RIBA Chartered Practice scheme, which encourages universal design excellence and a high level of customer service;
- deliver the RIBA awards programme, which identifies the best newly completed projects, new and renovated, to inspire the profession to raise and maintain the standard of good architecture and a public that is more aware of the benefits of good design;
- run a free telephone Information Line that helps members of the public with matters relating to architecture, architects and construction;
- host RIBApix.com, the online resource with over 85,000 images from the RIBA collections, available free of charge as an educational resource, and to buy;
- offer free public access to the British Architectural Library, which makes available the premier architectural resource in the UK and one of the leading specialist libraries in the world;
- provide free access to the reading and study rooms at the V&A and at the RIBA's outstore, together with free online access to one of the world's premier collections of architectural art and photographs;
- offer free exhibitions at 66 Portland Place, the V&A and as possible elsewhere, which help the RIBA share its collections and promote a better understanding of architecture among a wider public audience;
- devise and deliver events and talks which highlight issues of public interest about the built environment and stimulate debate within the profession and wider community;
- support our members going into schools to talk to students about the role of the architect;
- run architecture.com, a free resource about architecture and a gateway to the British Architectural Library catalogue, which ensures that the RIBA collections are more readily accessible to researchers and the general public;
- partner with other like-minded organisations, such as the BBC and Open University, to extend the reach of our work with the public to target new audiences;
- support our branches through the Local Initiative Fund so that they can create exhibitions and events that engage the public in their area.

Supporters

The following trusts and foundations, individuals and companies have supported the RIBA through donations, gifts in kind, grants and sponsorship of over £1,000 in 2020.

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