



# Trustees' Report and Financial Statements

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# Our Objectives, Strategic Priorities & Vision

## Objectives

The objectives of the RIBA, as set out in its Charter, are the advancement of architecture and the promotion of the acquiring of knowledge of the arts and sciences connected therewith.

Put simply, the RIBA champions better buildings, communities and the environment through architecture and our members.

## Strategic Priorities and Vision

Our vision is that by 2017, the RIBA will be recognised as the leading authority on architecture and the built environment.

In particular, we will be known for excellence in the promotion of architecture, setting standards, stimulating innovation, sharing knowledge and demonstrating the economic, social and environmental benefits of good architecture.

The RIBA seeks to achieve its vision through these strategic priorities:

### **Clients** — *Stimulating demand for architecture:*

Creating an appetite for architecture that delivers economic, social and environmental value;

### **Members** — *Meeting the needs of the 21st Century:*

Architecture is evolving and we're evolving with it. We're working with our members to transform the practice of architecture to meet future need, and helping to support practices in achieving success now;

### **Leadership** — *Influencing to improve the built environment:*

We are influencing, lobbying and leading the way to inspire improvements in the built environment locally, nationally and internationally;

### **Knowledge, Innovation and Culture** —

*The hub for knowledge, innovation, research and debate:*

Being the heart for knowledge, innovation, research and debate on the built environment.

More information on these strategic priorities is given later in this review.

# Building Tomorrow's World

In February 2014, six of Britain's biggest names in architecture – Richard Rogers, Norman Foster, Nicholas Grimshaw, Terry Farrell, Patty Hopkins and Michael Hopkins – joined us for a truly memorable occasion. It was the official opening of the RIBA's new Architecture Gallery at our headquarters building in London, 66 Portland Place. This is a wonderful free gallery in which to tell the story of architecture and the impact it has on everyone's lives. It is the first time we have had a museum-quality public space in our landmark building since it was completed 80 years ago.

In many respects the opening of the gallery and the first exhibition, *The Brits Who Built the Modern World*, captured the spirit of the year. Because this was a year of innovation and new ideas, when we reached out to a wider audience and paved the way for all those who will build tomorrow's world. A year when we brought the message of how and why architecture matters not just to clients but to the general public, to political leaders and opinion formers, and to fast-growing audiences in other countries.

The opening of the Architecture Gallery also highlighted another key theme, how our policy of maintaining investment in the depths of the recession began yielding tangible benefits. We committed to a programme of change during those difficult times and in 2014 the investments we made started coming to fruition. A second gallery at Mann Island in Liverpool will enable us to tour exhibitions between the two venues and beyond in 2016.

As our members emerge from the recession, the RIBA's strategy, *Leading Architecture*, ensures we are equipped to help them to get back on their feet again in the new economic environment. The strategy focuses on promoting architecture, setting standards, stimulating innovation, sharing knowledge and demonstrating the economic, social and environmental benefits of good architecture. Our vision is for the RIBA to be recognised internationally as the leading authority on architecture and the built environment.

### Public Appetite

There is no doubting the level of public interest in the work of our profession. The reaction to the opening of the Architecture Gallery revealed a huge appetite to find out more. Our expectations were exceeded when 23,000 people came to see the first exhibition. Over a million viewers watched the accompanying television series on BBC Four, one of the growing fruits of our partnership with the BBC. We also extended the engagement for this and subsequent shows by running a sustained programme of associated exhibitions and events such as talks and workshops, which kept up the momentum throughout the year.

We experienced the same enthusiasm at events large and small across the country. This is where our members play such an important part through their sheer commitment and passion for architecture. They volunteered to help organise many events with support from RIBA teams and seed funding from our Local Initiative Fund. A real highlight of the year was when the North Yorkshire Society of Architects asked local primary schoolchildren to design a bicycle stand for the Tour de France cycle race and then had the winning design built for thousands to see at the opening weekend.

Engaging the public at events like these is an increasingly important aspect of our work. We want to involve everyone in the story of architecture and how the world around us is improved by the work that architects do. This outreach supports our members because it helps more people to understand the value of architects' professional skills and the profound contribution they make to the quality of the built environment.

### Inspiring and Connecting

We reached out just as vigorously in the digital world in 2014. The renewal of architecture.com transformed it from just another corporate website into the leading destination for everyone interested in architecture and the built environment. The new site is editorially led, highly visual and brimming with ideas. It lives up to its name as a place to find inspiration and fresh thinking about architecture. Naturally the exhibitions we are staging in the Architecture Gallery are available on architecture.com too, giving people everywhere an opportunity to experience them online, and this has generated very large numbers of visitors.

A key component of the website for clients and members is the new Find an Architect service, launched in beta but achieving an immediate impact, with an 86% increase in enquiries and 24% growth in opportunities for chartered practices.

Find an Architect is part of a radical overhaul of the RIBA's client services, which connect clients with the right architect for their project. Talking to clients, understanding their needs and communicating those needs to members is one of the most valuable roles the RIBA has to play and our initiatives in this area gathered pace in 2014.

The RIBA for Clients engagement programme yielded fresh insights into major client sectors such as housing, local government and schools, and we shared these insights with members and the public. We are capturing all of this valuable information in a new report, Client and Architect: The Essential Relationship, for publication in 2015. This will support our members as they consider how best to shape their services in response to the feedback we are getting from clients.

During 2014 the Competitions Task Group completed its review of the use of competitions in the UK. We put in place a five-year vision and plan for growth of RIBA Competitions, which runs highly successful architectural competitions and competitive selection processes for clients.

### Centre of Debate

We placed architecture at the centre of national debate by expressing a clear point of view about issues that architects and architecture can affect. Our approach is to lead the debate rather than follow it, and this is already making a difference. To give one notable example, the government responded positively to our sustained HomeWise campaign, which highlights the lack of space in too many new homes, by announcing that it will develop a national space standard to be implemented by local authorities across England.

Our latest report on cities, City Health Check, was also widely welcomed. It examined the impact of architecture and urban design of our cities on public health and called for a new approach by local authorities to encourage healthier lifestyles. Our ongoing work on cities will inform national policy on key issues that our society must get to grips with such as design for an ageing population.

In our "White Paper", Building a Better Britain, launched at the 2014 party conferences, we called for the next government to develop a long-term architecture policy and appoint a minister to deliver it. We encouraged our members in every constituency to join the conversation on Twitter and ask their local Parliamentary candidates to sign up to a pledge to help.

### Images

Stephen Hodder MBE, President  
Harry Rich, Chief Executive



“We committed to a programme of change and investment during the recession and in 2014 these investments began coming to fruition.”

#### **Working with Members**

Having made it a priority to support our members during the recession we are proud of the fact that so many maintained their RIBA membership. Our strategy is to build on our thriving partnership with them, working together to transform the practice of architecture and ensure their success in the new business environment.

At the heart of current initiatives is the membership review, which is the biggest that any of us can recall. It is making sure the RIBA membership categories are fit for purpose and meet the needs of members and future members. We completed the work in 2014 in readiness to start introducing new classes of membership in 2015. This is not about change for changes sake. It ensures our membership offer is relevant to a changing profession. It will make RIBA membership more accessible and inclusive without diminishing standards or undermining the status of chartered members.

Core to making RIBA membership more relevant is our renewed activity to promote equality and diversity in the profession and be more representative of society as a whole. Valuable work is being done here by Architects for Change, our equality, diversity and inclusion forum, and the RIBA Role Model Project, a new initiative to give practical advice and profile successful role models.

Education is another top priority in our strategy. The education review completed its examination of UK architectural education, the most comprehensive and collaborative in half a century. The changes, agreed at a special RIBA Council meeting, will modernise the education of future generations of architecture students, widen the path towards inclusivity and work to remove the obstacles faced by aspiring architects. It will also forge a closer link between academia and practice. This much needed reform will start in 2015 and extend over two years. We are confident that the changes will ensure the RIBA-validated architecture course remains the benchmark for future generations.

During the year we extended our services for members, helping them to meet changing legislative requirements. There has been much interest from within and outside the profession in the new RIBA pension. This is a class-leading product to help members comply with the new requirement for employers to enrol all eligible employees into a qualifying pension scheme.

#### **International Dimension**

Around the world, demand for RIBA validation continues to grow rapidly. In fact we validated more schools in other countries than in the UK in 2014. We also undertook a record number of visiting boards to examine the content of courses and work of students. There was a high level of interest too in the RIBA President's Medals, which drew entries from more than 300 schools of architecture in over 60 countries.

Overseas markets are increasingly important to our 40,000 members, around 20% of whom now work on international projects and 4,500 are based outside the UK. We have a growing network of international chapters, with India preparing to join Hong Kong, the Gulf and the United States in 2015. With China, India and the US expected to deliver 60% of world construction growth in the next decade, our international strategy reflects the growing importance of these markets to our members. It aims to achieve a 30% increase in international fee turnover from £300m to £400m over six years, and for twice as many practices to be working internationally, particularly SMEs. We will help to equip practices with the knowledge, contacts and skills they need to trade around the world, working closely with partners including UK Trade & Investment and other international institutes.

International engagement sometimes raises difficult issues and the work of the International Task Group has been invaluable in this respect. As a result of their deliberations we now have a constructive plan for the RIBA to support international communities confronted with natural disaster, civil conflict and human rights violations. This provides the clarity we need to manage our involvement in humanitarian and diplomatic matters in the future.

#### **Increasing Efficiency**

Just as the opening of the Architecture Gallery at 66 Portland Place symbolised how we are reaching out to a wider audience, so the opening of our offices at 76 Portland Place in 2014 demonstrates our commitment to greater effectiveness. It brings our London teams together and will save millions of pounds in the years ahead. We are making similar improvements at our other premises around the country.

During the year we also updated our approach to HR, rebuilt our back-office systems and developed new income sources while reviewing our operations and their effectiveness.

All of this was delivered through the dedicated hard work of our staff team across the country working with expert and committed members. After three years of deficit to enable investment during the recession, we once again ran a surplus on our finances in 2014. This adds to our reserves for the next rainy day.

By the end of the year the RIBA was in good shape to meet the needs of our members and their clients in the future. We are now better equipped and better organised. Above all we are focused on our strategy to champion better buildings, communities and the environment, joining with all our partners to build tomorrow's world.

**Stephen Hodder MBE**  
President

**Harry Rich**  
Chief Executive

# Our Strategic Priorities

# Clients

## Stimulating demand for architecture

By stimulating demand from clients, the RIBA helps the architectural profession to deliver economic, social and environmental value. We make it easier for clients to commission good design by coming to us to find a practice that is right for their project, offering information and guidance. And we help our members to understand clients' changing needs so they can provide them with a better service.



The launch of Find an Architect in October was one of the biggest achievements of 2014. The new service is much more visually dynamic and user friendly than the online directory it replaces. It enables prospective clients to search more than 3,000 RIBA-accredited chartered practices by name, location, project experience and services offered. It provides new guidance and information for clients, while chartered practices can profile their work on their own pages with up to 10 project case studies and supporting images.

Development of the project was more technically challenging and complex than originally envisaged. Although this delayed the launch, we were able to make the service available in beta initially so we could respond to feedback and make further improvements. Even without the benefit of significant promotion, the service was an immediate success, receiving 260,000 hits in the first three months and generating national media interest.

Find an Architect represents an important step in our programme to carry out a radical overhaul of our online directory of chartered practices and make it more client-led. Over the year as a whole, referrals of chartered practices grew by 22.5% to 980. With targeted marketing of the service in 2015, the number of client enquiries and referrals is expected to increase greatly.

#### Understanding Client Needs

Listening to clients is the key to improving our understanding of their needs and helping our members to serve them better. In an ongoing initiative, the RIBA for Clients programme provides structured feedback in easily accessible form, via architecture.com and the RIBA Journal, enabling our members to tailor their services accordingly.

During the year we held six round-table discussions and 45 one-to-one client interviews. We shared these insights with members through articles in the RIBA Journal and a new RIBA for Clients section of architecture.com. Key sectors include contractors, housing developers, local authorities, retrofit, schools and workplace clients. The website summarises challenges and opportunities in each sector, complete with top tips from clients.

We published a new booklet and a short film for less experienced clients, Working With an Architect for Your Home, offering guidance on the various stages of a domestic project from drawing up the initial brief to completion and handover.

#### Improving Architectural Competitions

RIBA Competitions manages and promotes design competitions and competitive selection processes on behalf of clients, ensuring they are managed according to EU procurement regulations and best practice standards.

A Competitions Task Group was set up in 2013 to review the use of competitions in the UK compared to the rest of Europe and explore how they might be improved. The group brought together clients, architects, client advisers, competition organisers and members of the RIBA executive.

In 2014 the group published its recommendations. It concluded that clear, fair, rigorous and flexible competitive selection processes benefit and strengthen the design environment, and that the RIBA should actively support and promote them. The review called for improved guidance for clients and competition entrants, improved systems to reduce waste and proactive marketing and promotion of best practice competitions. We developed a five-year plan for investment and growth which will enable RIBA Competitions to manage and promote a higher number of best practice competitions in future.

#### Aims for 2015

1. Deliver a range of valued services, support and information to clients.

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2. Launch the new Find an Architect.

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3. Continue client engagement programme and publish client feedback to the profession.

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4. Publish Client and Architect: The Essential Relationship.

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5. Reposition RIBA Competitions as the market leading provider of high quality competitive selection processes.

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“The new Find an Architect service on architecture.com was an instant success. It received 260,000 hits in the first three months, with an 86% increase in enquiries.”

**Image**  
Manchester School of Art at Manchester Metropolitan University, winner of the RIBA Client of the Year Award 2014  
© Hufton and Crow



# Members

## Meeting the needs of the 21<sup>st</sup> century

The RIBA supports all its members, from students to chartered architects, by providing a wide range of benefits and services. We work with them to enhance and promote the profession and champion good design throughout the world. We do this by upholding world-leading professional standards, advancing education and professional development and empowering our members to succeed in changing UK and international markets.

Maintaining our support for members during the depths of the recession underpinned our success in retaining and recruiting members as the economy strengthened in 2014. During the year we exceeded our membership and recruitment targets: individual subscriptions totalled £7.32m, 4.5% ahead of target, and chartered practices contributed £496k.

We pressed ahead with our major programme of work to understand how the architectural profession is changing and ensure we meet the needs of all of our members, at every stage of their careers. The RIBA Membership Review completed an 18-month consultation among all 40,000 individual and practice members and the wider construction industry, the most comprehensive reappraisal for a quarter of a century.

The RIBA Council approved the review's recommendations for key changes to our membership structure to take effect from 2015. These include the introduction of two new classes of membership – Graduate, recognising academic achievement, and Fellow, reserved for architects who have made a significant contribution to their profession. We are also extending the Affiliate class to professionals from the wider construction and creative industries who have trained in architecture. The changes to our membership offer will encourage greater diversity and accessibility to the profession while maintaining the high standards and status of RIBA chartered membership.

The RIBA has been influential in the government's review of the Architects Registration Board (ARB) and architects' regulation in the UK. We submitted detailed evidence and made representations to promote our policy of continued statutory protection of title for architects, but with more effective and efficient regulation by the ARB. This includes streamlining the prescription of qualifications for architects, better defending of the title from misuse by non-architects and fairer professional conduct procedures.

#### Education and Leadership

We pressed ahead with the RIBA Education Review, the most comprehensive review of architectural education in half a century, in response to the transformation of building production and professional practice. The review team completed an 18-month consultation with architects, students, academics and clients to map out new structures, teaching strategies, and course content. They made recommendations to the RIBA Council in readiness for proposals to be implemented in consultation with UK schools of architecture.

By developing the agenda for change in the structure, content and delivery of UK architectural education, the review aims to ensure schools retain their competitive advantage at a time of dramatic change in UK higher education combined with unprecedented international growth. It also addresses changes in EU law setting out minimum standards for all member states. Record numbers of delegates attended the Future Leaders programme, designed to ensure senior architects of the future have the leadership and management skills to succeed in an increasingly complex profession. Attendances were higher than ever at the RIBA small practice conference, Guerrilla Tactics, and the Design for Ageing symposium.

In 2014 RIBA Part 3 in the UK supported 194 candidates, with 162 successfully undertaking and passing their final exam. For the second year RIBA Part 3 courses were delivered overseas supporting a further 28 students; 19 have successfully passed their final exam. Both UK and overseas courses continue to expand and are attracting interest from beyond the current locations.

We supported members throughout the country by ensuring our continuing professional development (CPD) programme maintains and develops the competencies of the profession. The programme, which provides essential support for architects and other construction professionals, remains accessible and relevant and met its income target in challenging conditions. The Royal Society of Architects in Wales (RSAW) was able to deliver 60% of the core CPD curriculum free with funding from the Built Environment Sustainability Training (BEST) programme. Elsewhere, more CPD was tailored to local needs, notably by the Truro and Salisbury city clubs. We held 12 conservation courses at locations including Hong Kong.

Our local centre in Manchester city centre, the Manchester Hub, failed to generate enough usage and we took the decision to terminate the lease.

“The changes to our membership offer will encourage greater diversity and accessibility to the profession while maintaining the high standards and status of RIBA chartered membership.”

### Contracts and Pensions

The launch of two new RIBA building contracts for smaller projects was the first step towards a new suite of project contracts that can be prepared and stored digitally and are aligned with the RIBA appointment agreements for architects. Designed in response to feedback from members, the new contracts are easier to use and reduce risks to both parties. The RIBA domestic building contract is suitable for all types of non-commercial work, including renovations, extensions, maintenance and new buildings. The RIBA concise building contract covers straightforward small scale commercial building projects. We also went ahead with work to update the suite of RIBA agreements and make these available online.

We launched a pension product for architects' practices enabling them to comply with new legislation requiring automatic enrolment into a workplace pension scheme. Independently assessed as best in class, the RIBA pension provides a market-leading solution for all practices regardless of size. It is open to all employees and offers a wide choice of funds with freedom to transfer accumulated savings in and out without charge.

We also extended our support for practices with the launch of third-party opinion and fixed-costs mediation services.

### International Strategy

In 2014 we refocused our international strategy, responding to strong growth of activity and expressions of interest in many countries. As well as facilitating international practice by our members, we aim to develop professional standards, extend our branch network and share knowledge globally.

International chapters of the RIBA were very active. Hong Kong, the Gulf and USA were prominent in promoting architecture and supporting members who work locally in generating new business and learning business skills. We made progress with plans to launch a new chapter in India in 2015 and interest grew in Shanghai and Sri Lanka.

UK Trade & Investment supported a regional CPD programme on working internationally. Also held in association with UKTI, the Partnering for Success conference in February 2014 encouraged architects to work in other countries with international and local partners. More than 200 delegates attended the conference, which attracted delegations from Malaysia, Libya, China, France, Portugal and Middle East. We also supported trade missions in Mexico, China and Malaysia and signed memorandums of understanding with the institutes in Brazil and Libya.

RIBA delegations played an active role at the general assemblies of the International Union of Architects (UIA) in Durban and the Architects' Council of Europe (ACE) in Brussels, and the conference of the Architects Regional Council Asia (ARCASIA) in Malaysia.

During the year we built on our close links with the UIA, the ACE and the Commonwealth Association of Architects (CAA). We published the second edition of updated validation procedures, undertook a record 11 international visiting boards and renewed the validation contract with the UIA. We began work to organise an International Summit on Resilient Cities and to host the CAAs 50th anniversary general assembly in 2015.

We validated more educational courses at international schools of architecture than the UK for the first time in 2014, reflecting the high regard in which RIBA validation is held worldwide. We received a record number of entries for the RIBA President's Medals awards, which are widely regarded as the most prestigious international awards in architectural education. The awards exhibition visited Australia, Bulgaria, Chile, Cyprus, Ireland, Kuwait, Romania, Saudi Arabia, Serbia, Singapore, Sri Lanka, Turkey, and the UAE.

We published the sixth edition of the RIBA Education Yearbook, an illustrated review of the work of students and researchers supported by the RIBA. The RIBA student hardship funds allocated more than £80,000 with the aim of alleviating financial hardship, widening participation in architectural education and reducing student drop-out rates.



## Eye-catching Shop Windows

In its fifth year, the Regent Street Windows project twinned 15 architectural practices with flagship retailers to create eye-catching architectural installations in the windows of shops, restaurants and cafés during London Fashion Week and the London Design Festival. As well as receiving commissions for future work, participating practices reached an estimated audience of 1.2 million pedestrians. We worked with Apple on a public talk at their store and we gained attention from consumer media titles including HELLO! magazine and Harper's Bazaar.

The Shanghai Windows Project, modelled on Regent Street, presented an opportunity for 10 teams of British architects to showcase their skills to a design-conscious audience at Xintiandi, a prestigious fashion, art and shopping destination in the city. Their imaginative creations, including interactive sound clouds, oversized origami sculptures and artificial landscapes, attracted enthusiastic attention during the event, which was generously supported by the British Council and Chinese property developer Shui On Land.



## First UK MIPIM

We took part in the first UK spin-off of MIPIM, the international real-estate event held annually in France. Working with RIBA Competitions, RIBA London held a competition to design an architectural lounge for MIPIM UK at Olympia. The winner was the NEON architectural practice, whose sculptural interior featured hundreds of architectural images from the RIBA archive and submitted by our members.

**Image**  
The RIBA Lounge at MIPIM UK 2014, designed by NEON





## Local Creativity

The RIBA has 86 branches and other groupings of members who work with allied professionals and others across England, Wales and internationally, all delivering activities which help us to achieve our strategic priorities. Our members came up with a host of their own creative ideas to promote good architecture in 2014. We provided £89,000 of seed-corn grants to 92 projects through the RIBA local initiative fund, which helped members to generate a further £350,000 of funding and achieve immense impact.

Among the successful projects was Birmingham's Hidden Spaces exhibition at the Grade 1 listed entrance building to the former Curzon Street railway station. Led by the Birmingham Architectural Association, the exhibition gave a fresh insight into the city's rich and diverse architectural heritage. More than 3,500 people came to see the exhibition, which was widely covered by local media including the Birmingham Post and BBC Midlands Today.

The North Yorkshire Society of Architects ran workshops and challenged local primary schoolchildren to design a bicycle stand to coincide with the Tour de France cycle race. Ten-year-old William Hunt's winning design, inspired by the terrain of the Yorkshire Dales, captured the imagination of thousands of visitors during the Grand Départ weekend in Harrogate. His design was fabricated by Stage One, the Yorkshire-based company who built the 2012 Olympic Cauldron.



**Image**  
Will Hunt's winning design for a bicycle stand used in the Tour de France in Yorkshire

### International Task Group

We set up an international task group to consider the ways in which the RIBA should engage with communities facing natural disaster and civil conflict. It identified a range of opportunities for the institute and our members to contribute in areas such as disaster response, human rights and ethical standards.

The RIBA Council supported the task group's recommendations and we will implement them in 2015 and beyond. First steps include a commitment to join the United Nations Global Compact and the International Ethics Standards Coalition (IESC), which seeks to develop an international code of ethics for all those involved in the built environment. We also undertook to host an international summit on designing city resilience in 2015, highlighting its importance in disaster prevention.

The review also concluded that the resolution, passed by the RIBA Council in March calling for suspension of the Israeli Association of United Architects from the International Union of Architects, had not made a constructive contribution to the situation in the Middle East. The policy was therefore rescinded by Council.

### Aims for 2015

1. Influence the second stage of the Government's ARB review to achieve improvements to the regulation of architects in the UK.
2. Establish new eligibility criteria and code of conduct for RIBA Chartered Practices as part of an improved chartered practice scheme.
3. Review CPD delivery and accreditation across the RIBA.
4. Develop our work on equality, diversity and inclusion in the profession, including mentoring guidance for practices and a role model programme.

5. On-going implementation of the membership review, including the launch of the Fellows Class and improved chartered practice offer with a pilot scheme for international chartered practices outside of the UK.
6. Develop a long term strategy to grow our international membership.
7. Complete the Education Review to establish a new integrated system of architectural education, qualification and professional practice experience.
8. Create a step change in our member communications including redeveloping the membership side of architecture.com.
9. Build on and develop our successful 2014 regional award activity.
10. Invest in successful regional participation in local festivals to deliver maximum impact.
11. Work with our members on local public facing activity to communicate the value of architecture and increase the engagement of members.
12. Look at our approach to the shifting political landscape in Wales.
13. Support the growth of activity in our branches in England and Wales and international members groups; continue the Local Initiative Fund.
14. Bring the emerging RIBA India Chapter to formal recognition.
15. Deliver design review programmes in North West and North East England, pilot a training module about the quality of urban design in the planning system.

# Leadership

Offering solutions to improve the built environment

The RIBA is committed to improving the built environment – locally, nationally and internationally. We believe good design should be at the heart of policy making and regulation. We provide leadership, informing government policy and debate, and offering solutions that will help architects to improve the quality of our buildings and communities.

In 2014 we published Building a Better Britain – a Vision for the Next Government, a major report bringing together in one place the policies we have been promoting to politicians of all parties throughout the last Parliament. The report calls for a cross-cutting architecture policy and a national spatial strategy as part of a long-term strategic plan to address major decisions around housing, infrastructure, flooding and energy. It gives a clear summary of our ideas on why a clear vision for architecture and the built environment is so important, and articulates what we hoped to see in the parties' manifestos for the 2015 election campaign. The initiative was well received at the 2014 party conferences where we held three fringe events and met with ministers, MPs and special advisers.

The report's recommendations tackle key issues including the need for economic growth, the shortage of new homes, an ageing population putting pressure on the NHS and the design and condition of Britain's schools. The report explains how focusing on architecture and the built environment is vital to address these issues and improve the places where we live and work. Among the ideas are improvements in the planning system and reform of green belts. The report highlights the importance of long-term value in planning – setting planning aspirations above short-term financial returns.

In the run-up to the 2015 general election we launched the #BuildaBetterBritain social media campaign. This encouraged our members to ask their local Parliamentary candidates to sign up to a pledge to champion a better built environment for every community in their constituency if they are elected.

Building a Better Britain includes some of the ideas we submitted to the independent national review of architecture and the built environment carried out by Sir Terry Farrell for DCMS, whose launch we hosted. We welcomed the endorsement of our view that there is a need for a more consistent and coordinated approach to design across government and stronger leadership from decision makers.

### Campaigning for Better Homes and Cities

In 2014 we extended our HomeWise campaign, which highlights the need for new homes to be built to higher standards. HomeWise engaged the public in demanding better space and light in new UK homes, which are the smallest in western Europe. As a direct result of our campaign, the government introduced national housing standards, including space standards, for the first time since the 1960s.

During the year we also became one of the founding partners of Homes for Britain, which campaigns for more affordable homes and an end to the housing crisis. Our partners are the National Housing Federation, the Chartered Institute of Housing, Crisis, the Home Builders Federation, the National House Building Council, the Residential Landlords Association and the Royal Town Planning Institute. Hundreds of other housing organisations are actively involved, ranging from Shelter and Citizens Advice to the Royal Institution of Chartered Surveyors and the Town and Country Planning Association. The campaign built up to a rally in March 2015 which was attended by 2,500 people and addressed by speakers from the main political parties, demonstrating how housing had become a major election issue.

Our third report on cities, City Health Check, was well received. The report established a clear link between land use and public health in cities and found that people are encouraged to walk more by the quality of streets and parks than by the number of them.

In Manchester, RIBA North West and local partners linked up with the Danish Embassy in the UK to find new ways in which cities can be made better places to live, work and play. Held over five days, the Liveable City conference was attended by 800 delegates, addressed by 35 international speakers.



## RIBA Stirling Prize

Tickets were sold out when we held the RIBA Stirling Prize award presentation and reception at 66 Portland Place for the first time since 1998. Widespread media coverage and our partnership with the BBC helped to raise awareness of the prize on the national and international stage. The announcement of the winner was covered live by BBC News, while BBC News Online profiled each of the six shortlisted buildings and staged a public vote, and BBC World showed a documentary on the six projects.

The winner was the new Everyman Theatre in Liverpool, designed by Haworth Tompkins. In their citation the judges said the new Everyman "is truly for every man, woman and child. It cleverly resolves so many of the issues architects face every day."

**Image**  
Liverpool's Everyman Theatre, winner of the 2014 RIBA Stirling Prize  
© Philip Vile







“There is a need for a more consistent and coordinated approach to design across government and for stronger leadership from decision makers.”

We worked closely with our members during the consultation over the periodic review of the ARB being carried out by the Department for Communities and Local Government (DCLG). We made the case for effective, streamlined maintenance of statutory protection of the title “architect” that would offer value for money for architects, reduce unhelpful bureaucracy for architects and schools of architecture and protect the consumer. The review accepted the need for light-touch regulation of the architectural profession based on protection of title.

We produced an action plan identifying where the RIBA can help to deliver the targets set out in the joint government and industry Construction 2025 strategy. The plan, which was also endorsed and promoted by the Construction Industry Council (CIC), highlighted the need for the strategy to give greater recognition to the importance of good design.

With the work of the profession widely regarded as a bellwether for the economy, the RIBA Future Trends Survey and annual RIBA Business Benchmarking report were used by the Bank of England and HM Treasury in their economic forecasts, and received widespread coverage in the trade press and wider media.

#### Consultations in Wales

The RSAW responded to the Welsh government’s consultation on design guidance for the Active Travel (Wales) Act 2013 and also to key aspects of the Planning (Wales) Bill, arguing for the retention and improvement of design and access statements in secondary legislation.

The RSAW supported the recommendations of the Commission on Devolution in Wales (the Silk Commission Part 2 Report) for the existing conferred powers model of devolution to be replaced by a reserved powers model.

At the RSAW annual conference we explored how architects and professional colleagues can contribute to the Welsh government’s Well-being of Future Generations (Wales) Bill, laid before the Assembly in July 2014.

#### Raising our Profile

Once again we celebrated architectural excellence and great design through the RIBA Awards, which generated more attention than ever. The RIBA National and EU Awards for architectural excellence, which give recognition to our best new buildings, were presented at a special event held at the Serpentine Pavilion in London’s Hyde Park. The list of 44 UK winners, which became eligible for the RIBA Stirling Prize shortlist, included The Shard in London, the new Library of Birmingham, the London Aquatics Centre, Manchester School of Art and the Mary Rose Museum in Portsmouth.

Regional awards events were held around the country, also generating great interest with ticket sales up by 84%. Stormy Castle, on the Gower Peninsula in Wales, went on to win the 2014 RIBA Manser Medal for the best new private home. House No 7, Isle of Tiree, Scotland, one of 13 RIAS Award winners, won the Stephen Lawrence Prize, which encourages fresh talent working with smaller budgets. Manchester Metropolitan University won RIBA Client of the Year, which recognises the role good clients play in the delivery of fine architecture.

We achieved significant professional, national and international media coverage for all our major projects in 2014. In addition to our work with the BBC, we built on partnerships with The Times and The Architects’ Journal and increased our number of Twitter followers by a third to more than 80,000. The Architects’ Journal provided valuable support as media partner for the RIBA Awards, including the Stephen Lawrence Prize, and professional media partner for the RIBA Stirling Prize.

Our partnership with BBC World Service delivered the second series of Dream Builders featuring architects and designers in conversation with Razia Iqbal at the RIBA to sell-out audiences.

In our talks programme, architects shortlisted for the RIBA Stirling Prize joined us to reveal the stories behind their buildings at a special event in partnership with Times+. Architect David Adjaye presented the 14th Annual Stephen Lawrence Trust Lecture.

#### Aims for 2015

- <sup>1</sup> Launch the new RIBA International Prize.
- <sup>2</sup> Empower our members in the General Election through the ‘pledge’ campaign.
- <sup>3</sup> Continue the HomeWise campaign to persuade local authorities to adopt the national space standard.
- <sup>4</sup> Develop a campaign for good school design.
- <sup>5</sup> Develop policy and influencing campaign on the value of architecture.

# Knowledge, Innovation & Culture

The hub for  
knowledge,  
innovation,  
research  
& debate

The RIBA champions great architecture – past, present and future. Our aim is to be the hub for knowledge, innovation, research and debate about the built environment. We share our enthusiasm and understanding with everyone from expert practitioners to the general public and promote new thinking and networks between architects, the wider construction industry and policymakers.

One of the key aims of our strategy is to showcase our world-class library collections to both architects and the public and we made significant progress in 2014. The year's headline event was the launch of the new Architecture Gallery at 66 Portland Place, our new public gallery to host regular, free public exhibitions in the heart of London. With the gallery now firmly established on the cultural map, we achieved a step change in our outreach to wider audiences.

The gallery opened in February as the centrepiece of a high-profile season of events, *The Brits Who Built the Modern World*, which told the fascinating story of how British architecture developed globally from 1750 to the present day. As many as 23,000 people came to see the exhibition and more than a million watched the accompanying three-part TV series on BBC Four, an outcome of our highly successful partnership with the BBC. Also part of the season were two complementary exhibitions – *Empire Builders: 1750-1950* at the Victoria and Albert Museum and *New British Works in Gallery One* at 66 Portland Place. A series of talks and workshops extended the discussion among a wide audience. BBC Radio 3 broadcast the *In Conversation* event with Norman Foster, Richard Rogers, Terry Farrell, Nicholas Grimshaw, Patty Hopkins and Michael Hopkins.

The second show at the Architecture Gallery also attracted a lot of interest when it was held in the autumn. More than 20,000 people came to see *Ordinary Beauty: The Photography of Edwin Smith*, which told the story of one of Britain's finest architectural and topographical photographers. The exhibition and retrospective featured more than 100 images from the RIBA collection, accompanied by a series of talks, events and workshops inspired by his unique images. An academic symposium was well attended and critically well-received.

The press and marketing teams worked hard to attract audiences through editorial coverage and a carefully targeted advertising campaign on the London Underground. But the real breakthrough was the impact of digital media, which exceeded our targets by more than 1,000%. Our innovative website content linked to the show attracted 170,000 unique users. We made good use of social media to encourage people to engage with content on architecture.com, and our partnership with cloud-based file transfer service WeTransfer generated more internet traffic. Their site featured Edwin Smith's photography as its backdrop, crediting the RIBA and enabling users to click straight through to the photographs on our site.

The opening of two further spaces, the Open Space and the Practice Space, enabled us to make even better use of 66 Portland Place. The small Open Space, outside the Bistro on the first floor, was launched with a display on *What Makes a Great Building?*

The Practice Space is designed for professional displays and available for hire commercially. It opened with *Places & Spaces: Urban Realm and Development on the Crossrail Route*, an exhibition on the new London rail link project looking at how the stations integrate into the urban environment. This was followed by *Tonkin Liu: The Evolution of Shell Lace Structure*, charting the evolution of the pioneering structural technique which integrates the structural principles of sea shells with the art of tailoring and the latest digital research tools. Next came *Tall Storeys: Evolution in Hong Kong Architecture 1965-2014*, an exhibition produced by the Hong Kong Institute of Architects about the evolution of tall buildings in the city.

Our library team faced an unexpected logistical challenge during the year when a major mechanical fault developed with storage units housing the bulk of our drawings collections at the Victoria & Albert Museum. More than half a million drawings were affected, all of which had to be audited, decanted and stored off-site for over six weeks while repairs were made to the shelving. It was a mammoth but ultimately successful exercise which was completed without incident.

Despite these storage challenges, the library welcomed almost 7,500 visitors to the reading rooms at Portland Place, at the V&A and, by appointment, to the off-site store in west London. For those unable to visit, our Information Centre answered more than 36,000 enquiries from RIBA members, from members' clients and from the general public. The team also created over 11,000 new entries in the *Architectural Periodicals Index*. The index is a key resource for those who rely on access to the most up-to-date literature about architecture and design and numbers in excess of 500,000 records dating back to the 1930s.

More than 3,000 visitors of all ages and interests took part in our popular Learning Programme, which draws inspiration from the Library's 4.5 million-strong collections and from our seasonal exhibitions. We ran numerous successful events for children, young families and adults: these included 'Run, Jump, Shoot', a series of workshops combining architectural photography with parkour (the art of free running and obstacle climbing) using the streets and buildings of London as a canvas. We also ran 'Skill-Up Portfolio', sessions for young people with an interest in training as architects. Building tours of 66 Portland Place grew in popularity and new tour guides were recruited and trained to help deliver the programme. The RIBA's headquarters building continued to be a popular draw during the Open House London festival. In 2014, as in previous years, visitors were able to roam the building enjoying access to events and workshops and a close-up look at some of our special collections.

**Image**  
The Brits Who Built the Modern World exhibition  
© Philip Vile



“With the Architecture Gallery now firmly established on the cultural map, we achieved a step change in our outreach to wider audiences.”



## Digital Destination

The relaunch of the architecture.com website was the culmination of nearly two years' work. We have sought to make the site the go-to digital destination for everyone interested in architecture and the built environment, offering more for members and the public. We carried out a complete re-design, re-organised the navigation and added new content for a public audience. All this was achieved within budget and the result has been well received. In September 2014 the new home page received 72,600 page views, an increase of 8.6% on the previous year. The new website is more dynamic, visually led and with editorial content at the forefront. The second phase of the project in 2015 will introduce further improvements for RIBA members.

We made major progress towards the transformation of RIBApix (ribapix.com), representing a key milestone on our digital roadmap. RIBApix offers online access to more than 82,000 digitised images from the British Architectural Library, the world's greatest collection of architectural drawings, books, photographs and models. The service attracted more than 204,000 unique visitors during the year and we continued to expand the collection with the addition of more than 5,800 new images.

We appointed two expert suppliers to help us relaunch RIBApix as a full e-commerce service in time for the tenth anniversary in June 2015. Designed to be intuitive and user-friendly, the new RIBApix will make it much easier to search for the right pictures. For the first time, users will be able to download medium-resolution unwatermarked images free of charge for non-commercial purposes. With the back-office and webshop services fully automated, our staff will be free to focus on expanding our digital collections and on building new audiences.

In preparation for another digital publishing innovation, we signed a contract with Bloomsbury Publishing to produce the 21st edition of Sir Banister Fletcher's A History of Architecture, the seminal architectural history publication, first published in 1896. Nearly 100 authors will contribute to the new edition, due to appear in 2017. The classic work will then be made available in digital format for the first time as a subscription website.



**Image**  
The Brits Who Built the  
Modern World exhibition  
© Philip Vile

## Events around the UK

We introduced members of the public to architects and architecture in entertaining ways through a diverse programme of activities and events. Love Architecture festivals celebrating architecture and the built environment staged events ranging from film screenings and local exhibitions to city tours and children's workshops.

Our Beat the Architect Lego competitions and sandcastle challenges were popular and attracted a lot of local coverage. In St Ives, Cornwall, for example, 40 teams and five chartered practices raced against approximately 200 members of the public in the sandcastle competition. There was a high level of interest in Margate too, where the Turner Contemporary art gallery lent their support and 30 teams took part.

The annual Eisteddfod Exhibition of Architecture took place in Llanelli, where a specially commissioned timber 'cabin' within the Visual Arts pavilion, designed by Hyde + Hyde Architects, displayed the finalists' schemes and the Gold Medal winner.

Across the country we gave people the opportunity to go behind the scenes of some of the UK's best new buildings. Modelled on the successful Talks & Tours model pioneered by RIBA East, the Great British Buildings programme offered a first-hand insight into more than 25 buildings, ranging from Poole's Twin Sails Bridge to the Royal William Yard staircase in Portsmouth. This highly popular initiative will be expanded in 2015.

## Valued Support

As a registered charity, we received valuable support for our work to achieve architectural excellence through a range of schemes including corporate partnerships, individual giving, legacies and opportunities to become patrons and friends of the RIBA.

By the end of 2014 more than 90% of our corporate partnerships had been renewed. Sponsors who attended the small practice conference, Guerrilla Tactics, were very positive about the refreshed event and the return on their investment.

We rebranded the Patrons Scheme as RIBA Patrons of Architecture with the strapline "Unrivalled Access to Architecture". We held a full programme of events and enlarged the pool of prospects.

In the United States, the American Friends of the British Architectural Library became operational and made its first grant to RIBA of \$45,000. A special event hosted by Daniel & Nina Libeskind at 7 World Trade Center showcased star objects from the collections and resulted in nine new US friends.

At the end of the year we launched a new RIBA Friends of Architecture scheme with help from the Fidelity Foundation. Membership costs £45 per year and offers benefits including an events programme, a new magazine which has been well received, quarterly e-newsletters and discounts.

We continued to develop the Education Fund, which provides grants to architecture students suffering financial hardship, and received valuable legacy and gift pledges. We successfully raised funds for a schools programme officer who will engage young people with the built environment in innovative ways.

Sir John Tusa agreed to chair the British Architectural Trust Board and to support and guide the work of the reconstituted Development sub-Committee.

## Aims for 2015

- 1 Relaunch the RIBApix service.
- 2 Progress the 'Revealing the Collections' project.
- 3 Develop an externally funded learning programme.
- 4 Further develop the public programme with Mackintosh Architecture, The Brutalist Playground and Palladio exhibition seasons.

# Business Services

Generating  
resources  
& improving  
efficiency

Business Services provides support in all areas of RIBA activity, including the teams responsible for finance, HR, venues, facilities and maintenance and ICT. It ensures delivery of our aims through efficient and effective governance, premises and staff development.

The RIBA's policy of investing during the recession delivered growing benefits in 2014 as big projects began coming on stream. The investment has enabled us to address longstanding concerns around the storage, collection and exhibition of our special collections.

One of our key objectives is to ensure that our premises support the RIBA's aims efficiently and we made significant progress towards achieving this aim in 2014. We delivered the Architecture Gallery at 66 Portland Place to specification and on budget in time for the opening in February. This new public gallery meets a strategic need to showcase our collections more effectively. Designed by architects Carmody Grooke, it also exemplifies our commitment to quality design, craftsmanship and attention to detail, even to the extent of re-opening a Derbyshire quarry to supply matching limestone for the floor.

The venues team re-established the business after a partial closure during the construction of the gallery and delivered a net profit of £1.48m, 18% ahead of the full year target of £1.25m.

Although the opening was delayed until 2016, we finalised the lease and procurement of RIBA Mann Island, our new architecture centre on the waterfront in Liverpool. Among the facilities will be a museum standard exhibition space of the same volume as the Architecture Gallery, making it easy to transfer shows between the two locations.

We prepared for the expiry of leases on our other London premises, 77 Portland Place and Bonhill Street. We purchased a long lease on offices at 76 Portland Place and carried out planning and refurbishment in readiness for London staff from RIBA and RIBA Enterprises to take up occupation in 2015. The move brings the entire London team together and will achieve significant savings, expected to exceed £¾m per year.

During 2014 we also facilitated several regional office moves as part of a complete programme to overhaul and refresh the way we look after our people.

#### Modern Pay Structures

The HR team undertook a comprehensive job evaluation programme as we prepare to implement modern pay structures across the RIBA. This was a difficult and lengthy exercise but the new structures are now in place and working well.

During the year we also carried out planning for the next stage in our strategic renewal process and a digital transformation programme that will review all of the RIBA's systems and processes over the next two years, starting in 2015. The programme will transform the way we meet the needs of RIBA members and other audiences as well as reforming our business systems and IT services.

We were awarded Carbon Smart certification in recognition of our commitment to sustainability and the action we have taken to manage the RIBA's environmental impact.

#### Aims for 2015

1. Ensure 76 Portland Place provides the best possible working environment for the RIBA team and its visitors.
2. Launch the digital transformation programme, reviewing all of the RIBA's systems and processes to ensure that we provide the best experience for our members and the public.
3. Ensure the fit-out of Mann Island in Liverpool matches RIBA requirements and the space is ready to be occupied in early 2016.
4. Develop our financial services offer to RIBA members, including pensions, insurance and business support.

“The move to 76 Portland Place will achieve significant savings, expected to exceed £750,000 per year.”

Image  
The Forum at  
76 Portland Place



RIBA

Enterprises





“Updating our product portfolio paid dividends in meeting the needs of the industry as it emerged from the recession.”



Image  
NBS BIM Toolkit launch

At the start of 2014, we reorganised our business into two areas, knowledge and information management and support services for architects. This improved our performance and had a significant impact on profits, all of which are ploughed back into the RIBA. Profit growth exceeded 10%, supported by good management of the cost base and strong growth in revenues from both the NBS and RIBA Services including RIBA Appointments. Updating our product portfolio paid dividends in meeting the needs of the industry as it emerged from the recession.

NBS played a key role in driving the adoption of BIM by the construction industry. BIM streamlines project collaboration through coordinated digital models that contain all the information needed to design, construct and maintain a building. It will be mandatory on all public sector contracts from April 2016.

#### Investment in BIM

Our investment and product development in BIM over a number of years ensured that architects, engineers and surveyors gained access to a growing range of information in 2014. Major developments included the relaunch of the National BIM Library website, nationalbimlibrary.com. This became the fastest growing UK BIM object library, recording a 180% increase in downloads.

The NBS also introduced a global standard for BIM objects, designed to ensure crucial data consistency for complicated building models. The NBS BIM Object Standard was launched in September 2014 and downloaded more than 3,600 times in three months.

In another major landmark, NBS was awarded a £1m government contract to develop a free-to-use BIM toolkit for public sector construction projects, which is being rolled out in 2015. The toolkit will make it possible to check and validate projects online through a digital plan of work and classification system. The NBS-led consortium, which includes the BIM Academy, BDP, Laing O'Rourke, Microsoft and Newcastle University, secured the contract from Innovate UK (formerly the Technology Strategy Board) in an open competition. Construction institutes in other countries expressed keen interest in the project, which will be a world first, giving the UK construction industry first-mover advantage in global markets.

Future development will be focused on the new BIM hub in Newcastle, which will be the national hub for knowledge and technical expertise. Purchase of the remainder of the site and planning for a major redevelopment of the RIBA's premises in the city centre began during 2014.

During the year NBS also won a second £1m contract to work on the next generation of digital product information for construction projects, due to start in 2015.

#### Inspirational Site

This was RIBA Enterprises' second year producing the monthly RIBA Journal. The major development was the relaunch of the magazine's website, ribaj.com, building on the success of the new-look print journal we unveiled in 2013. The new website is much more visual and easier to navigate. It celebrates the beauty of architecture and is a place where everyone with an interest in the subject will find inspiration and want to return. The site is simple and flexible. It adapts automatically to different devices, from widescreen desktops to tablets and phones, with no need for a separate mobile app.

After the launch we recorded an 88% increase in visits to ribaj.com and doubled the number of stories published online. We are continuing to develop the site, extending the range of content and making it part of the day-to-day lives of architects and their work. Building studies, profiles and some technical articles now appear first online.

The print edition of the RIBA Journal continued to attract good reviews in 2014. It won the International Building Press award for magazine of the year in the non-weekly category.

#### Contracts Launch

The launch of the RIBA Contracts range marked an important step forward in our support for RIBA members undertaking smaller projects. The new contracts are designed to be clear and simple to use, and they can be prepared and stored digitally. We began by introducing two contracts as the first phase in the development of a complete portfolio. The RIBA Domestic Building Contract provides a simple, comprehensive and legally appropriate solution for non-commercial work such as renovations, extensions, maintenance and new buildings. The RIBA Concise Building Contract covers small-scale commercial building projects.

#### Aims for 2015

1. Driving growth of both revenues and profits.
2. Launch of the NBS BIM toolkit.
3. Deliver the new NBS website.
4. Relaunch of the Construction Information Service.

# Financial Review

The purpose of this financial review is to make it easier for readers to understand the main accounts presented later (see page numbers 63 to 83), the format of which is as specified by the accounting Statement of Recommended Practice (SORP) used by Charities. To help in this process, words presented in bold on page 58 are headings used in the **Consolidated statement of financial activities** (the SOFA) shown on page number 63.

£36.6m

Up £1.5m

£34.2m

Up 1%

Total Income

# £36.6m

5
4
3
2
1

- 1. Subscriptions  
£7.3m
- 2. Net Trading  
£24.6m
- 3. Core Aims  
£3.4m
- 4. Voluntary  
£1.1m
- 5. Interest and Dividends  
£0.2m

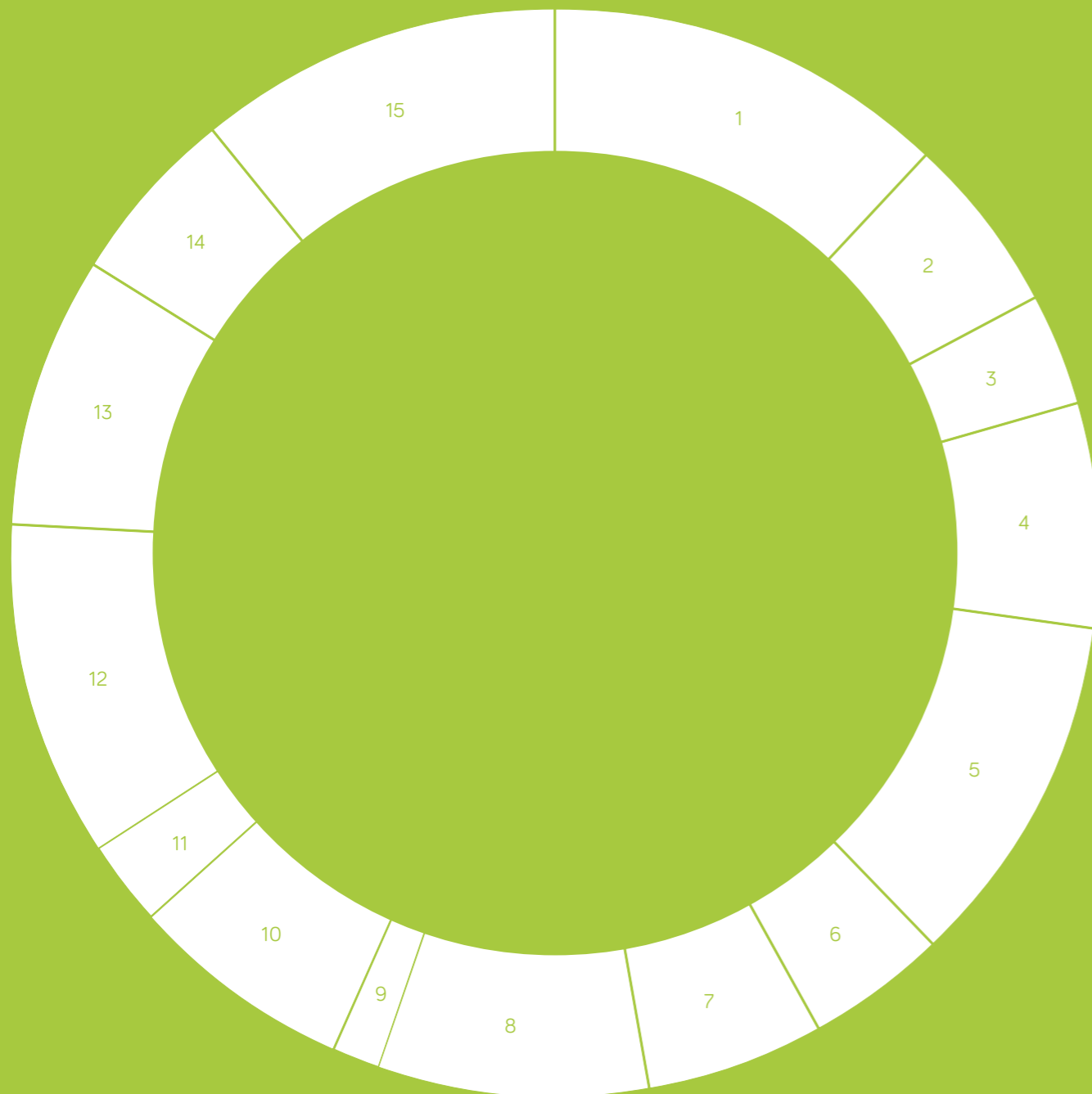
Total Expenditure

# £34.2m

3
2
1

- 1. Total Costs of Generating Funds  
£19.2m
- 2. Total Charitable Expenditure  
£15m
- 3. Surplus  
£2.4m

# £15m



Charitable expenditure, like income, is allocated to one of the four main strategic priorities (core aims). However, this makes it difficult to identify exactly where or how the money is spent. The chart below shows more exactly where the money (£15.0 million) has been spent.

1. Premises and Facilities £1.8m	7. Membership £0.9m	13. Education and Research £1.2m
2. Depreciation £0.8m	8. Practice and Profession £1.2m	14. Celebration of Good Architecture £0.8m
3. Governance £0.5m	9. International £0.2m	15. Network of Offices £1.6m
4. President and Group Exec £1m	10. Communications, Policy and Public Affairs £1m	
5. Finance, HR & ICT £1.6m	11. Competitions £0.4m	
6. Development £0.5m	12. Library £1.5m	

## Financial Review

### Our Income (ie. where our money comes from)

The RIBA is a charity, it is a membership organisation and it has strong commercial businesses in RIBA Enterprises Ltd and in its venues business. As such, it has wide-ranging streams of income, which performed well in 2014. This can be seen in the SOFA, which shows the RIBA received **total incoming resources** of £36.6 million, compared with £34.1m in 2013. This figure represents all of the monies received before allowing for any costs incurred to generate the income, and is sometimes called ‘gross income.’

Out of this total income, £7.3 million came from **Subscription income** (up 2.2 per cent compared with 2013) and £24.6 million from **Activities for generating funds (Trading income)**, which mainly represents income generated by both RIBA Enterprises Ltd and by the Venues business, based at our Headquarters at 66 Portland Place. These two sources of income (subscriptions and trading) account for £31.9 million or 87.2 per cent of the **total incoming resources**. As these are consolidated accounts, all intra-group trading and balances are eliminated.

Although RIBA Enterprises continued to operate in a challenging economic environment, sales of £21.3m were achieved, an increase of 3.9% on the previous year’s £20.5m, with a similar increase in turnover after deducting intra-group sales (which are always excluded from the consolidated accounts because these show the overall position of the RIBA Group’s relationship with the outside world). The RIBA Venues business is derived from the letting of rooms and from the supply of food and beverages. Taken together the total in 2014 was up 45% on 2013.

A total of £3.4 million came from other **activities in furtherance of the charity’s objects** (i.e. other than subscription income). This income has been allocated to one of the four strategic priorities (core aims) of the Institute – **clients, members, leadership** and **knowledge**. These four strategic priorities (core aims) are discussed earlier in the report.

A total of £1.1 million came from donations (shown under **Voluntary income**), while £0.2 million came from **interest received and dividends** (shown under investment income).

### Our Expenditure (ie. how we spend our money)

The SOFA describes all expenditure as **Resources Expended**. **Total Resources Expended** during the year was £34.2 million, an increase on 2013 of 1 per cent. This total consists of two areas: firstly **total costs of generating funds** of £19.2 million and secondly; **total charitable expenditure** of £15.0 million.

The **costs of generating funds** are effectively the costs of running the RIBA’s commercial operations spent to generate the associated income explained above. The most significant area of **trading expenditure** relates to RIBA Enterprises. All the profits (£3.8 million) generated by both RIBA Enterprises and by RIBA 1834 Ltd were given to the RIBA by Gift Aid to support the wider charitable work of the RIBA.

Charitable expenditure, like income, is allocated to one of the four main strategic priorities (core aims). However, this makes it difficult to identify exactly where or how the money is spent. The chart on page 56 and 57 shows more exactly where the money (£15.0 million) has been spent.

### Pension Scheme Funding Reserve

The Institute operates a defined contribution scheme whereby it pays a percentage of a employees’ salary into a pension fund and has no further liability. However, historically, like many employers, it used to offer a final salary scheme to its employees, whereby the pension they receive relates to the number of years worked by that employee and how much they were paid when they left the company’s employment. This is now considered to have been very generous and although this latter scheme was closed to new employees in 1994 and now has no active members, it is subject to great volatility as demonstrated by the figures presented on the accounts. On the SOFA on page 63, a separate column has been used to separate out the effects of this volatility. This shows a pension scheme actuarial loss of some £7.9 million, increasing the overall deficit to £7.9 million.

The Financial Reporting Standard (FRS17) 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 makes it unnecessarily complex, while valuations can fluctuate from year to year. The most important point to be made is that every three years, the trustees of the 1974 pension scheme come to an agreement with the RIBA trustees on the valuation of the deficit, using a set of assumptions agreed by both parties and an agreed contribution schedule. The last full triennial valuation of the scheme, as at 31 December 2013, valued the deficit at £2.3 million. It was agreed to pay off that deficit by 31 December 2017 by making a number of regular monthly payments to eliminate the anticipated deficit. All payments in 2014 were in line with the agreed schedule, with all payments in 2015 similarly being paid. The next full triennial valuation is as at 31 December 2016.

### Summary

Looking at income and expenditure together gives the final picture. This can be seen most clearly on the line entitled **Net (outgoing) / incoming resources before other recognised gains**. The chart on page 54 summarises where the RIBA generates income from (including its two key commercial businesses – RIBA Enterprises and its Venues operations). **Total incoming resources available for charitable applications** of £17.4 million compares with **Total charitable expenditure** of £15.0 million, leaving a surplus of £2.4 million.

Although the four core aims are discussed above, it might be useful to give examples of income in respect of each of these:

- **Clients** – Competitions and publications.
- **Members** – Continuing Professional Development (CPD) courses and RIBA Chartered Practice.
- **Leadership** – talks and lectures, architecture festivals, design reviews and the Awards programme.
- **Knowledge** – RIBApix sales and royalty income.

### Balance Sheet

The Balance Sheet is shown on page 64. This shows the value of the Institute’s assets as at 31 December 2014, the last day of the accounting year, also known as the balance sheet date.

The most significant item on the balance sheet is the value placed upon the RIBA’s cultural (or heritage) assets comprising drawings, paintings, busts, books, periodicals, photographs and other archives. This was introduced in 2011 as a result of a new Financial Reporting Standard on Heritage Assets, known as FRS30. The RIBA decided that it had an obligation to adopt the spirit, as well as the letter of the new reporting standard and therefore put in a great deal of effort to come up with a realistic valuation, notwithstanding all the difficulties associated with valuing a collection of this size and nature.

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 these assets as at 31 December 2014 is £263.4 million. This is a significant figure and clearly dominates the balance sheet. Putting it into perspective though, there is no doubt that the RIBA has a world-renowned collection of great architectural significance, which by being valued can be recognised as such. It is of great importance and it is the duty of the trustees to protect these assets, which have been acquired 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 current audience.

### Basis for Accounts Preparation

The financial statements have been prepared on the accounting policies set out in note 1 to the financial statements and comply with the charity’s trust deed, applicable law and the requirements of the Statement of Recommended Practice, ‘Accounting and Reporting by Charities’ revised and issued in March 2005.

### Investment Policy

The RIBA’s investment policy is overseen by the Finance & Operations Committee on behalf of the trustees 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 final salary scheme has a separate investment strategy overseen by the pension scheme trustees.

### Reserves Policy

All charities need to have reserves in order 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. In particular, the target level has been assessed after considering the following key factors:

- reliability of its income;
- flexibility of its costs in terms of whether they are fixed or variable;
- availability of cash; and
- requirements to invest in order to deliver its objectives.

The RIBA has defined ‘free reserves’ as the Unrestricted general reserves less an estimate for its anticipated commitments. The RIBA then compares this figure against the assessed target level of reserves at the balance sheet date.

The level of reserves at the end of the year is approximately 10% above target, which is deemed to be within acceptable tolerances.

As at the end of 2014 the level of reserves held was:

	2014 £’000	2013 £’000
General reserves	<b>5,056</b>	4,779
Less commitments	<b>(1,247)</b>	(1,221)
Free reserves	<b>3,809</b>	3,558
Target level of reserves as at 31 December	<b>3,448</b>	3,473
Free reserves as a percentage of anticipated liabilities (Target = 100%)	<b>110.5%</b>	102.5%

## 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 84, together with a list of principal advisors.

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

### Governance

Members of the RIBA Council are also the Trustees of the RIBA. The Council is responsible for deciding major issues of architectural policy as well as a number of matters specifically related to a membership body, as set out in the Byelaws (including control of the heritage assets of the Institute and its main building at 66 Portland Place). It also decides on the appointment (and removal) of members of the RIBA Board and Directors of the subsidiary companies.

RIBA Council members generally serve three year terms and are elected by the membership in accordance with the Byelaws, which are available on the RIBA website.

A formal trustee induction procedure is in place and all new trustees are provided with a full induction pack.

The RIBA Board is responsible for group co-ordination and the direction of operational matters.

RIBA Board members consist of Honorary Officers, non-executive members and others appointed by RIBA Council.

In addition to the council and Board, there are eight main committees, namely Finance and Operations Committee, British Architectural Trust Board, Membership Committee, International Committee, Education Committee, Nations and Regions Committee, Practice & Profession Committee and Communication Committee. There are also a number of sub-committees. All main committees report to the RIBA Board. They are chaired by the relevant vice-president. All Boards and committees consist of trustees, Council members, RIBA members, lay members and, in some cases, executives.

The committees advise on the formulation of policy and strategy relevant for their areas, recommending priorities for the business plan and budget (both income and expenditure). They also review the implementation of Council policies and the progress of work against agreed objectives. They appoint task groups and specialist advisers for relevant projects and subjects.

### Members Volunteering

An estimate of the total time given by volunteers to further the RIBA's charitable activities indicates that, as in 2013, over 40,000 hours (excluding travel time) were freely given by our members, which when costed out would come to over £1.8 million in value. 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

Harry Rich, 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 page 85.

### Risk Management

The management of risk is an integral part of the RIBA's operational management and a series of systems of internal controls, procedures and checks operate in order to identify and mitigate risk. These include:

- An integrated skills based board with effective separation of duties and regular reporting of management information;
- Local operational risks are reported on a regular quarterly basis;
- Strategic risks, defined as those which could prevent the RIBA from achieving its strategic objectives are reviewed every six months by the Senior staff team and the RIBA Audit Committee and also by trustees at least once a year;
- The Board has adopted and reviews at least once a year a Risk policy, which clearly outlines the RIBA's risk appetite and ensures risks carried out remain in line with this appetite.

The trustees have considered the major risks that could affect the RIBA and prioritised them in terms of the likelihood of their occurrence and the potential impact on the RIBA. They then considered the existing systems designed to mitigate those risks. This work has satisfied the trustees that the systems in place adequately mitigate the RIBA's exposure to the identified major risks. In addition, the RIBA Audit Committee reviews the effectiveness of internal financial controls and risk management systems.

The main risks identified and managed during the year were:

- recession, including exposure to the Construction industry and the impact on subscription and other income;
- failure to raise sufficient funds to allow the RIBA to implement its revised strategy;
- damage to, or deterioration of, the RIBA's library and special collections;
- breach of trust, infringement of IP and passing-off;
- a lack of adequate and appropriate business continuity;
- adverse publicity, including damage to the RIBA brand and reputation; and
- funding of the 1974 pension scheme.

### Statement of the Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 proper 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 RIBA is committed to ensuring that, within reason, no person will suffer less favourable treatment than others on the grounds of disability.

Signed for and on behalf of the Board of Trustees:

**Stephen Hodder, President**

25 June 2015



## Independent Auditors' Report

We have audited the financial statements of Royal Institute of British Architects for the year ended 31 December 2014 which comprise the Group Statement of Financial Activities, the Group and Parent Charity Balance Sheets, the Group cashflow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 trustees those matters we are required to state to them in an auditors' 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 charity and the trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective Responsibilities of Trustees and Auditors

As explained more fully in the Statement of responsibilities of the trustees set out in the report of the trustees, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the trustees to identify material inconsistencies with the audited financial statements. In addition, we read all the financial and non-financial information in the report of the trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 December 2014, and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the report of the trustees is inconsistent in any material respect with the financial statements; or
- 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.

### Date: 17 August 2015

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

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

## Financial Statements

### SOFA – Consolidated Statement of Financial Activities (incorporating an income and expenditure account)

For the year ended 31 December 2014

	Note	Unrestricted funds	Pension Scheme funding reserve	Restricted funds	Endowment funds	Total 2014	Total 2013
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Incoming Resources from Charitable Activities</b>							
Activities in furtherance of the charity's objects:							
Subscription income	–	7,320	–	–	–	7,320	7,159
Clients	–	580	–	–	–	580	706
Members	–	2,134	–	–	–	2,134	2,017
Leadership	–	525	–	–	–	525	601
Knowledge	–	181	–	–	–	181	168
	–	10,740	–	–	–	10,740	10,651
<b>Voluntary Income</b>							
Donations, legacies and similar income	–	532	–	553	–	1,085	378
<b>Activities for Generating Funds</b>							
Trading income	2	24,578	–	–	–	24,578	22,883
<b>Investment Income</b>							
Interest received and dividends	–	46	–	146	–	192	227
Total incoming resources	–	35,896	–	699	–	36,595	34,139
<b>Resources Expended</b>							
Costs of generating funds:							
Trading expenditure	–	19,943	(560)	–	–	19,383	18,635
Pension finance costs	23	–	(221)	–	–	(221)	287
Total costs of generating funds	–	19,943	(781)	–	–	19,162	18,922
Total incoming resources available for charitable applications	–	15,953	781	699	–	17,433	15,217
<b>Charitable Expenditure</b>							
Clients	–	1,187	(51)	–	–	1,136	1,138
Members	–	6,457	(324)	183	–	6,316	6,514
Leadership	–	3,049	(157)	20	–	2,912	2,975
Knowledge	–	4,209	(258)	270	–	4,221	3,900
Governance costs	7	451	–	(1)	–	450	275
<b>Total Charitable Expenditure</b>	4	15,353	(790)	472	–	15,035	14,802
<b>Total Resources Expended</b>	–	35,296	(1,571)	472	–	34,197	33,724
<b>Net (outgoing) / incoming resources before other recognised gains</b>							
	–	600	1,571	227	–	2,398	415
Gains on investments	11	–	–	–	21	21	364
Revaluation of heritage assets	10	33	–	–	–	33	–
Pension scheme actuarial (loss)/gain	23	–	(7,913)	–	–	(7,913)	6,076
<b>Net Movement in Funds</b>	–	633	(6,342)	227	21	(5,461)	6,855
<b>Funds Brought Forward</b>	17 to 19	274,554	(1,582)	1,663	3,295	277,930	271,075
<b>Total Funds Carried Forward</b>	–	275,187	(7,924)	1,890	3,316	272,469	277,930

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Notes 17 to 19 inclusive to the financial statements.

## Balance Sheets

As at 31 December 2014

	Note	The RIBA Group		The RIBA Charity	
		2014 £'000	2013 £'000	2014 £'000	2013 £'000
<b>Fixed Assets</b>					
Intangible assets	8	465	523	-	-
Tangible assets	9	32,193	13,489	28,131	10,957
Heritage assets	10	263,407	262,906	263,407	262,906
Investments - in subsidiary undertakings	11	-	-	1,319	1,319
Investments - other	11	3,927	3,906	3,927	3,906
		299,992	280,824	296,784	279,088
<b>Current Assets</b>					
Stocks and work in progress	12	1,037	969	-	-
Debtors	13	5,282	6,361	4,484	4,475
Short-term cash deposits at bank		256	275	-	-
Cash at bank and in-hand		10,594	8,249	4,529	2,754
		17,169	15,854	9,013	7,229
Creditors: amounts falling due within one year	14	(16,459)	(13,589)	(5,756)	(3,723)
Net current assets		710	2,265	3,257	3,506
Total assets less current liabilities		300,702	283,089	300,041	282,594
Creditors: amounts falling due after more than one year	15	(20,309)	(3,577)	(19,616)	(3,050)
Net assets excluding pension liability		280,393	279,512	280,425	279,544
Pension Scheme liability	23	(7,924)	(1,582)	-	-
Net assets including pension liability		272,469	277,930	280,425	279,544
<b>Represented By:</b>					
Restricted funds	17	1,890	1,663	1,890	1,663
Endowment funds	18	3,316	3,295	3,316	3,295
<b>Unrestricted Funds:</b>					
Revaluation reserves		6,965	7,030	6,965	7,030
Heritage Assets reserves		263,166	262,745	263,166	262,745
General reserves		5,056	4,779	5,088	4,811
Total unrestricted funds	19	275,187	274,554	275,219	274,586
Total charity funds excluding pension reserve		280,393	279,512	280,425	279,544
Pension Scheme Funding Reserve		(7,924)	(1,582)	-	-
Total charity funds		272,469	277,930	280,425	279,544

Approved by the trustees on 25 June 2015 and signed on their behalf by:

**Stephen Hodder, President**

## Consolidated Cash Flow Statement

For the year ended 31 December 2014

	Note	2014 £'000	2013 £'000
<b>Net Cash Inflow/(outflow) from Operating Activities</b>	21	5,207	(942)
<b>Returns on Investments and Servicing of Finance</b>			
Interest and dividends received		192	227
		192	227
<b>Less Corporation Tax Paid</b>		-	30
<b>Capital Expenditure and Financial Investment</b>			
Purchase of tangible fixed assets		(19,784)	(3,784)
Acquisition of Heritage Assets		(85)	(68)
Purchase of investment securities		-	(3)
Sale of tangible fixed assets		2	-
		(19,867)	(3,855)
<b>Net Cash Outflow Before Financing</b>		(14,468)	(4,540)
<b>Financing</b>			
Issue of loan		16,794	3,050
<b>Increase/(Decrease) in Cash</b>	22	2,326	(1,490)

# Notes to the Financial Statements

For the year ended 31 December 2014

## 1. Accounting Policies

The financial statements have been prepared under the historical cost convention except for the revaluation of a long leasehold property and investments, which are shown at market value. They have been drawn up in accordance with applicable accounting standards and the Charities Act 2011. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).

### Basis of Consolidation

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 charitable company 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 because the charity has taken advantage of the exemptions afforded by paragraph 397 of SORP 2005.

### Depreciation and Amortisation

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

### Intangible Assets

Goodwill arising on the acquisition of investments is amortised over 20 years from the date of acquisition. Goodwill is calculated as the difference between the fair value of the assets acquired, and the consideration paid on acquisition.

### 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, 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.

### Investment Policy

Investments held as fixed assets are valued at mid-market value at the balance sheet date. The gain or loss for the period is taken to the statement of financial activities. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value. Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value.

### Taxation

The RIBA is a registered charity and benefits from tax exemptions available to charities. The main subsidiaries of the RIBA, RIBA Enterprises Ltd and RIBA 1834 Ltd are subject to corporation tax on their taxable profits. The majority of these taxable profits are donated under gift aid to the RIBA.

### Stocks and Work in Progress

Stocks are valued at the lower of cost and net realisable value.

## Notes to the Financial Statements Continued...

For the year ended 31 December 2014

### Deferred Costs

Deferred costs represent costs incurred against products and events due to be published or take place in the following financial year and are carried forward in prepayments.

### Grants, Donations and Sponsorship Income

Income from the above sources is credited to the statement of financial activities in the period when the RIBA is legally entitled to the income and the amount can be quantified with reasonable accuracy.

### Subscriptions

Subscriptions are credited to the statement of financial activities in the period to which they relate.

### Regions and Branches

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

### Leasing and Purchase Agreements

Rentals under operating leases are charged directly to the Statement of Financial Activities on a straight line basis over the lease term.

### 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 17 (Retirement benefits). The FRS 17 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 statement of financial activities account in the year to which it relates.

### Apportionment of Expenditure

All charitable expenditure is apportioned to four main areas of activity, being clients, members, leadership and knowledge on the basis of the principal involvement for each individual department. All support costs are allocated to one of the four main areas of activity. For further details, see note 4 to the accounts.

All expenses are accounted for on an accruals basis. Any irrecoverable VAT is included with the item of expense to which it relates.

### Restricted Funds

The funds of the charity include restricted income funds, which comprise unexpended balances of donations and grants and subsequent related investment income, and endowment funds which comprise capital funds donated to the charity together with subsequent related investment gains and losses. These funds are all held on trust to be applied for specific purposes in accordance with the wishes of the individual donors.

These funds have been accumulated over the years from donations and are each subject to donors' restrictions mainly relating to education, library and similar activities. Unspent accumulated income from the endowments is held in separate restricted funds, as shown in note 17, available for expenditure on the relevant specific purposes.

## Notes to the Financial Statements Continued...

For the year ended 31 December 2014

### 2. Analysis of the Results of Subsidiaries

The RIBA has two main wholly owned subsidiaries, both of which are incorporated in the UK. Both of these companies, RIBA 1834 Ltd and RIBA Enterprises Ltd, are 100% owned by the RIBA. A summary of the results of the two main subsidiaries are shown below. Profits made by RIBA Enterprises Ltd and RIBA 1834 Ltd are gift aided to the RIBA.

Company	Turnover £'000	Expenditure £'000	Profit / (Loss) £'000	Retained Earnings £'000	Assets £'000	Liabilities £'000
RIBA Enterprises Ltd	21,340	18,880	2,714	(32)	12,861	11,575
RIBA 1834 Ltd	12,571	11,515	561	-	1,471	1,470

Included above are intra-group sales of £9,086k included as turnover and £9,775k included as costs. The parent charity's gross income and the results for the year are disclosed in note 11.

### 3. Other similar named organisations

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

This Charity is not consolidated into these accounts.

### 4. Analysis of Charitable Expenditure

Company	Staff Costs £'000	Other £'000	Depreciation £'000	Allocation of Support Costs £'000	2014 £'000	2013 £'000
Clients	70	509	-	506	<b>1,136</b>	1,138
Members	1,437	1,308	-	3,571	<b>6,316</b>	6,514
Leadership	663	520	-	1,729	<b>2,912</b>	2,975
Knowledge	1,091	182	110	2,838	<b>4,221</b>	3,900
Support costs	4,680	3,279	736	(8,695)	-	-
Governance costs	-	450	-	-	<b>450</b>	275
<b>Total</b>	<b>7,941</b>	<b>6,248</b>	<b>846</b>	<b>-</b>	<b>15,035</b>	14,802

Other support costs (£3,279k) include premises costs (e.g. rent, rates, utilities and maintenance costs), insurance, training, bank charges and ICT costs. Allocation is made based on staff cost.

## Notes to the Financial Statements Continued...

For the year ended 31 December 2014

### 5. Staff Costs and Numbers

Staff costs were as follows:

	2014 £'000	RIBA Group 2013 £'000
Wages and salaries	<b>15,707</b>	15,181
Social security costs	<b>1,550</b>	1,498
Other pension costs – stakeholder schemes	<b>1,031</b>	865
Other pension costs – defined benefit	<b>1,350</b>	1,350
	<b>19,638</b>	18,894
Total emoluments paid to staff were:	<b>16,738</b>	16,046

All staff members are employed by either RIBA 1834 Ltd or RIBA Enterprises Ltd and costs are charged to the relevant company (further detail is available in the individual companies accounts). These are shown under either charitable expenditure or costs of generating funds. The average number of persons employed on the activities of the companies during the year was:

	2014 No.	RIBA Group 2013 No.
Royal Institute of British Architects	<b>191</b>	198
RIBA 1834 Limited	<b>11</b>	11
RIBA Enterprises Limited	<b>250</b>	265
<b>Total</b>	<b>452</b>	474

The number of employees of the RIBA and its subsidiaries whose emoluments fell in the following bands were as follows:

Emoluments	2014 No.	RIBA Group 2013 No.
£60,000 – £69,999	<b>16</b>	10
£70,000 – £79,999	<b>9</b>	7
£80,000 – £89,999	<b>5</b>	4
£90,000 – £99,999	<b>3</b>	3
£100,000 – £109,999	<b>2</b>	1
£110,000 – £119,999	<b>1</b>	2
£140,000 – £149,999	<b>1</b>	1
£150,000 – £159,999	<b>1</b>	1
£160,000 – £169,999	-	-

In relation to the employees in the bandings shown above, £272,610 was paid to defined contribution pension schemes (2013: £197,845).

## Notes to the Financial Statements Continued...

For the year ended 31 December 2014

### 6. Trustee Expenses

Trustees of the RIBA are reimbursed reasonable expenses incurred when on RIBA business. 37 current and former trustees (2013 - 14) claimed such expenses and the total amount reimbursed was £87,730 (2013 - £65,602).

Remuneration was paid by RIBA 1834 Ltd 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.

In addition, the following amounts were paid in the normal course of business by RIBA to firms or practices, in which trustees are directors or partners or to them as individuals: during 2014 £219 for Royalties, £13,000 for CPD assessment and pre-assessment work, £750, £1,866, £23,375 and £500 for other types of work or bursaries at the same rate as would be paid to other architects for these items.

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

### 7. Governance Costs

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

	2014 £'000	RIBA Group 2013 £'000
<b>Auditors' Remuneration – as Auditors</b>		
Current year	62	54
Prior year	–	–
Auditors' remuneration – for other services	3	4

### 8. Intangible Assets

#### RIBA Group

	Goodwill £'000	Copyright £'000	Total £'000
<b>Cost:</b>			
As at 1 January and 31 December 2014	2,194	1	2,195
<b>Amortisation:</b>			
As at 1 January 2014	1,672	–	1,672
Charge for the year	58	–	58
As at 31 December 2014	1,730	–	1,730
<b>Net Book Value:</b>			
As at 31 December 2014	464	1	465
As at 31 December 2013	522	1	523

## Notes to the Financial Statements Continued...

For the year ended 31 December 2014

### 9. Tangible Fixed Assets

#### RIBA Group

	Properties & property investment £'000	Motor Vehicles £'000	Office & computer equipment £'000	Total £'000
<b>Cost or Valuation:</b>				
As at 1 January 2014	18,288	131	9,667	28,086
Additions	19,058	–	726	19,784
Disposals	–	(28)	(157)	(185)
As at 31 December 2014	37,346	103	10,236	47,685
<b>Depreciation:</b>				
As at 1 January 2014	6,463	118	8,016	14,597
Charge for the year	484	6	590	1,080
Eliminated in respect of disposals	–	(28)	(157)	(185)
As at 31 December 2014	6,947	96	8,449	15,492
<b>Net Book Value:</b>				
As at 31 December 2014	30,399	7	1,787	32,193
As at 31 December 2013	11,825	13	1,651	13,489

The net book value at 31 December 2014 represents fixed assets used for:

#### RIBA Group

	Properties & property improvements £'000	Motor Vehicles £'000	Office & computer equipment £'000	Total £'000
Charity assets	26,819	7	1,305	28,131
Trading subsidiaries	3,580	–	482	4,062
	30,399	7	1,787	32,193

The heading Property and property improvements 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, the value of the property is in excess of this amount, but they do not consider an up to date valuation to be an appropriate use of the Charity's resources. The lease on the 66/68 Portland Place property expires on 6 July 2930.

The finance costs capitalised in the year were £478,000 for the charity and £571,000 for the group.

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).

## Notes to the Financial Statements Continued...

For the year ended 31 December 2014

### 9. Tangible Fixed Assets

#### RIBA Group

	Properties & property improvements £'000	Motor Vehicles £'000	Office & computer equipment £'000	Total £'000
<b>Cost or Valuation:</b>				
As at 1 January 2014	15,934	84	7,274	23,292
Additions in year	17,519	-	501	18,020
Disposals	-	-	-	-
As at 31 December 2014	33,453	84	7,775	41,312
<b>Depreciation and Amortisation:</b>				
As at 1 January 2014	6,195	73	6,067	12,335
Charge for the year	439	4	403	846
Eliminated in respect of disposals	-	-	-	-
As at 31 December 2014	6,634	77	6,470	13,181
Net book value as at 31 December 2014	26,819	7	1,305	28,131
Net Book Value as at 31 December 2013	9,739	11	1,207	10,957

### 10. Heritage Assets

As at 31 December 2011, the RIBA estimated a value in these financial statements in respect of its various collections of drawings, paintings, busts, books, periodicals, photographs, archives and other assets following the introduction of the new reporting standard FRS30. 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. Those that were purchased have been added to the Heritage Assets valuation at purchase price, while those that were donated have been valued as above and also impact the Heritage Assets reserve. The values of all assets are shown below against each category.

#### Heritage Assets at Valuation

	Drawings & Collections £'000	Books & Periodicals £'000	Photographs £'000	Other £'000	Total £'000
As at 1 January	200,286	17,440	39,881	5,299	262,906
Additions - purchases	5	75	5	-	85
Additions - donations	376	-	4	3	383
Revaluation	-	33	-	-	33
As at 31 December	200,667	17,548	39,890	5,302	263,407

#### Four Year Summary

	Total 2014 £'000	Total 2013 £'000	Total 2012 £'000	Total 2011 £'000
As at 1 January	262,906	262,667	261,740	261,531
Additions - purchases	85	68	107	94
Additions - donations	383	171	651	115
Revaluation	33	-	169	-
As at 31 December	263,407	262,906	262,667	261,740

## Notes to the Financial Statements Continued...

For the year ended 31 December 2014

### 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](http://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.

### 11. Investments

In subsidiary companies

#### RIBA Charity

	31/12/2014 £'000	31/12/2013 £'000
<b>Investments in Group Companies:</b>		
Ordinary shares	1,319	1,319
Provision against investment	-	-
	1,319	1,319

The RIBA owned two main trading subsidiary companies (both of which are 100% subsidiaries and registered in England and Wales) throughout 2013 and 2014:

Name	Principal activities
RIBA 1834 Ltd	Venues and RIBA Competitions.
RIBA Enterprises Ltd	Publications and information services for use in architecture, construction and design.

**Notes to the Financial Statements Continued...**

For the year ended 31 December 2014

A summary of the results of the subsidiaries named on the previous page, are shown below:

	RIBA 1834 Ltd		RIBA Enterprises Ltd	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Turnover	12,571	12,053	21,340	20,470
Cost of sales	-	-	(3,463)	(3,333)
Gross Profit	12,571	12,053	17,877	17,137
Administrative expenses	(11,515)	(11,492)	(15,260)	(14,837)
Operating profit	1,056	561	2,617	2,300
Interest receivable	-	-	29	57
Exceptional income	-	-	58	59
Profit on ordinary activities before taxation	1,056	561	2,704	2,415
Taxation	-	-	10	44
Profit on ordinary activities after taxation	1,056	561	2,714	2,459
Gift aid to parent undertaking	(1,056)	(561)	(2,714)	(2,459)
Profit for financial year	-	-	-	-
Accumulated loss - start of year	-	-	(32)	(32)
Accumulated loss - end of year	-	-	(32)	(32)

The aggregate of the assets, liabilities and funds were:

	RIBA 1834 Ltd		RIBA Enterprises Ltd	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Assets	985	1,471	15,701	12,861
Liabilities	(984)	(1,470)	(14,415)	(11,575)
Funds	1	1	1,286	1,286

**Notes to the Financial Statements Continued...**

For the year ended 31 December 2014

**Parent Charity**

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

	RIBA Enterprises Ltd	
	2014 £'000	2013 £'000
Gross income	15,574	14,180
Results for the year	881	(284)
	16,455	13,896

The RIBA also owns 100% of RIBA Building Better Futures Ltd and RIBA Journals Ltd, neither of which traded in 2014. The RIBA has a related company RIBA Insurance Agency Ltd, which is also dormant.

**Other**

**RIBA Group and RIBA Charity – Fixed Asset Investments:**

	2014 £'000	2013 £'000
Market value at 1 January	3,906	3,538
Additions	-	100
Net investment gains	21	364
Increase in cash held for investment	-	(96)
Market value at 31 December	3,927	3,906
Historical cost at 31 December	3,616	3,608

The following investments (all of which are UK held) are held as follows:

	2014 £'000	2013 £'000
Unitised funds	3,923	3,903
Cash	4	3
	3,927	3,906

Investments valued at over 5% of the market value at 31 December 2014 are as follows:

	Holding	Market value 31/12/2014 £'000
Schroder's Charity Multi-Asset Fund	6,898,711	3,520
Schroder's Global Climate Change	399,810	313

**Notes to the Financial Statements Continued...**

For the year ended 31 December 2014

**12. Stocks and Work in Progress**

	RIBA Group		RIBA Charity	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Goods for resale	1,037	969	-	-

**13. Debtors**

	RIBA Group		RIBA Charity	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Trade debtors	3,545	3,456	334	380
Prepayments and accrued income	972	2,444	455	1,976
Other debtors	765	461	376	176

**Due from Subsidiary Undertaking:**

	2014 £'000	2013 £'000	2014 £'000	2013 £'000
within one year	-	-	156	244
in one to two years	-	-	1,150	141
in three to five years	-	-	2,013	1,558
	5,282	6,361	4,484	4,475

The amount due from subsidiary undertakings includes a loan of £3.45m to RIBA Enterprises and will be repaid over a 3 year period commencing in 2015. Interest on the loan is payable at a rate of 2.4665% per annum.

**14. Creditors: amounts falling due within one year**

	RIBA Group		RIBA Charity	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Bank loan	228	-	228	-
Trade creditors	2,384	1,547	1,900	1,022
Corporation tax	15	25	-	-
Other tax and social security	621	915	-	-
Other creditors	240	382	158	258
Accruals and deferred income	12,971	10,720	3,266	2,443
Due to subsidiary undertakings	-	-	204	-
	16,459	13,589	5,756	3,723

**15. Creditors: amounts falling due after more than one year**

	RIBA Group		RIBA Charity	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Bank Loan: due in 1 to 2 years	913	228	913	228
due in 3 to 5 years	18,703	2,822	18,703	2,822
Accruals and deferred income	693	527	-	-
	20,309	3,577	19,616	3,050

The charity has a loan from Lloyds bank which is unsecured. Interest is charged at the Lloyds bank base rate in force at the time, plus a margin of 1.9%. The loan is repayable in instalments due between one and five years and is repayable in full by 9 July 2018.

**Notes to the Financial Statements Continued...**

For the year ended 31 December 2014

**16. Commitments Under Operating Leases**

The RIBA group is committed to spend the following annual amounts under operating leases expiring:

	Property		Other	
	2014 £'000	2013 £'000	2014 £'000	2013 £'000
Within one year	105	345	15	36
Between one and five years	222	488	105	119
In more than five years	5	-	-	-
	332	833	120	155

**17. Creditors: amounts falling due after more than one year**

**RIBA Group and RIBA Charity – Restricted Funds**

	At the start of the 2014 £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At the end of 2014 £'000
Drawings collection fund – London	50	2	(1)	-	51
Banister Fletcher History of Architecture	59	-	(23)	-	36
Gordon Ricketts Bursary	27	1	(3)	-	25
Library Exhibition Fund (Heinz Gallery)	106	18	(28)	-	96
Heinz Exhibition Fund	12	-	-	-	12
Giles Worsley Fund	157	9	(6)	-	160
Library Education Centre	17	-	(5)	-	12
RIBA Education Fund	-	473	(78)	9	404
Digital Image Database	42	-	(39)	-	3
Research Trust Funds	36	30	(32)	-	34
Prizes Trust	18	2	-	-	20
Annie Spink Memorial Scholarship	120	6	(10)	-	116
RIBA Award Trust	108	16	(10)	-	114
W J Parker Trust	87	15	(5)	-	97
Sir Banister Fletcher Library Bequest	38	5	(24)	-	19
W H Ansell Bequest	37	3	(5)	-	35
Nadine Beddington Trust	43	7	(10)	-	40
Henry Jarvis Bequest	20	1	-	-	21
Goldfinger Trust	164	5	-	-	169
LKE Ozolins Bequest	70	20	(10)	-	80
C Jencks Exchange Fund	16	4	-	-	20
R S Reynolds Awards	14	-	-	-	14
Lord Norman Foster Travelling Scholarship	11	8	(6)	-	13
Wren Scholarship	12	25	(37)	-	-
BALT	202	9	(18)	-	193
Gallery Building Fund	115	3	(100)	-	18
RIBA East – CPD Fund	25	-	(4)	-	21
Other	57	37	(18)	(9)	67
Total Restricted Funds	1,663	699	(472)	-	1,890

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.



**Notes to the Financial Statements Continued...**

For the year ended 31 December 2014

**18. Endowment Funds**

Endowment funds are invested to generate income, which is then held in a series of separate restricted funds (see Note 17).

**RIBA Group and RIBA Charity – Endowment Funds**

	Balance at 1 January 2014	Transfers	Unrealised gain / (loss) on investments	Balance at 31 December 2014
	£'000	£'000	£'000	£'000
Research Trust Funds	928	-	5	933
Prizes Trust	64	-	-	64
Annie Spink Memorial Scholarship	83	-	1	84
RIBA Award Trust	414	-	2	416
W J Parker Trust	375	-	2	377
Sir Banister Fletcher Library Bequest	109	-	1	110
W H Ansell Bequest	22	-	-	22
Nadine Beddington Trust	166	-	2	168
Henry Jarvis Bequest	20	-	-	20
LKE Ozolins Bequest	563	-	3	566
C Jencks Exchange Fund	117	-	1	118
Lord Norman Foster Travelling Scholarship	226	-	2	228
Giles Worsley Fund	118	-	1	119
BALT	74	-	1	75
Other	16	-	-	16
<b>Total Endowment Funds</b>	<b>3,295</b>	<b>-</b>	<b>21</b>	<b>3,316</b>

**19. Unrestricted Funds**

**RIBA Group**

	Balance at 1 January 2014	Transfers between reserves	Net movement/ unrestricted funds	Balance at 31 December 2014
	£'000	£'000	£'000	£'000
Revaluation reserve	7,030	(65)	-	6,965
Heritage Assets reserves	262,745	-	421	263,166
General reserve	4,779	65	212	5,056
	274,554	-	633	275,187

**RIBA Charity**

	Balance at 1 January 2014	Transfers between reserves	Net movement/ unrestricted funds	Balance at 31 December 2014
	£'000	£'000	£'000	£'000
Revaluation reserve	7,030	(65)	-	6,965
Heritage Assets reserves	262,745	-	421	263,166
General reserve	4,811	65	212	5,088
	274,586	-	633	275,219

**Notes to the Financial Statements Continued...**

For the year ended 31 December 2014

**20. Analysis of Group Net Assets Between Funds**

Fund balances as at 31 December 2014 are represented by:

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds £'000
Intangible fixed assets	465	-	-	465
Tangible fixed assets	32,173	20	-	32,193
Heritage assets	263,407	-	-	263,407
Investments	90	521	3,316	3,927
Current assets	15,705	1,464	-	17,169
Current liabilities	(16,344)	(115)	-	(16,459)
Long-term liabilities	(20,309)	-	-	(20,309)
Pension Scheme liability	(7,924)	-	-	(7,924)
<b>Total net assets</b>	<b>267,263</b>	<b>1,890</b>	<b>3,316</b>	<b>272,469</b>

**21. Reconciliations of net incoming resources to net cash inflow from operating activities**

	2014 £'000	2013 £'000
Net incoming resources before investment gains	<b>2,398</b>	415
Investment income and interest received	<b>(192)</b>	(227)
Corporation tax paid	-	(30)
Heritage assets donated	<b>(383)</b>	(171)
(Gain)/loss on sale of fixed assets	<b>(2)</b>	12
Depreciation charges	<b>1,080</b>	1,000
Amortisation of goodwill	<b>58</b>	59
(Increase)/decrease in stocks	<b>(68)</b>	95
Decrease/(increase) in debtors	<b>1,079</b>	(1,032)
Increase in creditors	<b>2,808</b>	-
Pensions reserve funding movements	<b>(1,571)</b>	(1,063)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>5,207</b>	(942)

**22. Reconciliation of net cash flow to movement in net funds**

	2014 £'000	2013 £'000
Increase in cash and short term cash deposits in the period	<b>2,326</b>	(1,490)
Movement in net debt in the period	<b>2,326</b>	(1,490)
<b>Net funds at 1 January</b>	<b>8,524</b>	10,014
<b>Net funds at 31 December</b>	<b>10,850</b>	8,524

## Notes to the Financial Statements Continued...

For the year ended 31 December 2014

### 23. Pensions

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 two stakeholder pension schemes for the benefit of all staff. They are money purchase schemes where the employee contributes 1% to 6% and the employer 2% to 16.5% of salary depending on age. The amount of this contribution was £1,031,000 (2013 – £865,000).

#### Defined Benefit Scheme

##### FRS17 Disclosures

The group operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 31 December 2013 by a qualified actuary.

#### Change in Benefit Obligation

	Year ended 31/12/2014 £'000	Year ended 31/12/2013 £'000
Benefit obligation at beginning of year	45,790	46,911
Interest cost	2,105	2,070
Actuarial (losses)/gains	6,425	(1,351)
Benefits paid	(1,992)	(1,840)
Benefit obligation at end of year	52,328	45,790

#### Change in Plan Assets

	Year ended 31/12/2014 £'000	Year ended 31/12/2013 £'000
Fair value of plan assets at beginning of year	44,208	38,190
Expected return on plan assets	2,326	1,783
Difference between expected and actual return on scheme assets	(1,488)	4,725
Employer contribution	1,350	1,350
Benefits paid	(1,992)	(1,840)
Fair value of plan assets at end of year	44,404	44,208

#### Amounts Recognised in the Balance Sheet

	Year ended 31/12/2014 £'000	Year ended 31/12/2013 £'000
<b>Plans that are wholly unfunded and plans that are wholly or partly funded</b>		
Present value of wholly or partly funded obligations	52,328	45,790
Fair value of plan assets	44,404	44,208
Deficit / (surplus) for funded plans	7,924	1,582
Net liability	7,924	1,582

#### Amounts in the balance sheet:

	Year ended 31/12/2014 £'000	Year ended 31/12/2013 £'000
Liabilities	7,924	1,582
Assets	-	-
Net liability	7,924	1,582

## Notes to the Financial Statements Continued...

For the year ended 31 December 2014

### Components of Pension Cost

	Year ended 31/12/2014 £'000	Year ended 31/12/2013 £'000
Current service cost	-	-
Curtailment loss recognised	-	-
Interest cost	2,105	2,070
Expected return on plan assets	(2,326)	(1,783)
Total pension cost recognised in SOFA	(221)	287
Actual return on plan assets	838	6,508
Actuarial losses / (gains) immediately recognised	7,913	(6,076)
Actuarial losses / (gains) recognised in SOFA	7,913	(6,076)
Cumulative amount of actuarial losses recognised	17,748	9,835

### Principal Actuarial Assumptions

	Year ended 31/12/2014 %	Year ended 31/12/2013 %
<b>Weighted average assumptions used to determine benefit obligations:</b>		
Discount rate	3.60	4.70
Rate of price inflation	3.00	3.30

### Rate of pension increase (post 01/01/1989/pre 01/01/1989)

	Year ended 31/12/2014	Year ended 31/12/2013
Compound	5.00	5.00
Simple	7.00	7.00

### Weighted average assumptions used to determine net pension cost:

	Year ended 31/12/2014	Year ended 31/12/2013
Discount rate	4.70	4.50
Expected long-term return on plan assets	5.30	4.70
Rate of compensation increase	n/a	n/a
Rate of price inflation	3.30	2.90
Rate of pension increase – post 01/01/1989 (compound)	5.00	5.00
Rate of pension increase – pre 01/01/1989 (simple)	7.00	7.00

	Year ended 31/12/2014 Years	Year ended 31/12/2013 Years
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### Assumed life expectations on retirement at age 65

Male retiring today (member age 65)	23.1	24.0
Male retiring in 20 years (member age 45 today)	24.9	25.9
Female retiring today (member age 65)	25.6	26.3
Female retiring in 20 years (member age 45 today)	27.5	28.3

## Notes to the Financial Statements Continued...

For the year ended 31 December 2014

### Plan Assets

	Year ended 31/12/2014 %	Year ended 31/12/2013 %
<b>Percentage of plan assets by asset allocation:</b>		
Equities	<b>72.4</b>	77.0
Gilt securities	<b>11.8</b>	7.7
Corporate bond securities	<b>11.6</b>	11.1
Insured assets	<b>3.3</b>	3.4
Cash	<b>0.9</b>	0.8
<b>Total</b>	<b>100.0</b>	100.0
<b>Expected return on assets by asset allocation (after deduction of expenses):</b>		
<b>Total</b>	<b>n/a</b>	5.30

### Description of basis to determine the overall expected rate of return on assets

Up until 31 December 2013, to develop the expected long-term rate of return on assets assumption, the Employer considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on target asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio (after a deduction for expenses). This resulted in the selection of the 5.3% assumption for the 2014. Under FRS101/102 the assumption for the expected rate of return for the 2015 pension cost is set as the Discount rate.

### History of Experience Gains and Losses

	2014	2013	2012	2011	2010
Benefit obligation at end of year (£)	<b>52,328</b>	45,790	46,911	45,317	41,212
Fair value of plan assets at end of year (£)	<b>44,404</b>	44,208	38,190	34,214	35,498
Surplus / (deficit) (£)	<b>(7,924)</b>	(1,582)	(8,721)	(11,103)	(5,714)

### Difference between expected and actual return on scheme assets:

Amount (£'000s)	<b>1,488</b>	(4,725)	(2,984)	3,120	(3,503)
Percentage of scheme assets	<b>3%</b>	(11%)	(8%)	9%	(10%)

### Experience loss / (gain) on scheme liabilities:

Amount (£'000s)	<b>708</b>	-	-	(1,507)	-
Percentage of scheme	<b>1.0%</b>	0.0%	0.0%	(3.0%)	0.0%

### Other Required Disclosure

Contributions expected to be paid to the plan during the annual period beginning after the reporting period (£'000s)	<b>678</b>
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Nature of Plan	The Scheme is a defined benefit pension scheme
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## Notes to the Financial Statements Continued...

For the year ended 31 December 2014

### Balance Sheet Reconciliation, excluding any related deferred tax

	Year ended 31/12/2014 £'000	Year ended 31/12/2013 £'000
Net liability as of start of year	<b>1,582</b>	8,721
Pension expense recognised in SOFA in the financial year	<b>(221)</b>	287
Amounts recognised in SOFA in the financial year	<b>7,913</b>	(6,076)
Employer contributions made in the financial year	<b>(1,350)</b>	(1,350)
<b>Net liability as of end of year</b>	<b>7,924</b>	1,582

### Membership Statistics (as at triennial valuation dates)

	31/12/2013	31/12/2010
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### Census Date

#### Active Members:

Number	-	-
Total annual pensionable pay (£)	-	-
Average pensionable pay (£)	-	-
Average age	-	-
Average past service	-	-

#### Vested Deferred Members:

Number	<b>92</b>	114
Average annual pension (£)	<b>6,964</b>	5,844
Average age	<b>53.8</b>	52.5

#### Pensioners and Beneficiaries:

Number	<b>115</b>	98
Average annual pension (£)	<b>14,765</b>	14,402
Average age	<b>72.5</b>	71.5

#### Insured Pensioners:

Number	<b>9</b>	11
Average annual pension (£)	<b>11,400</b>	10,400
Average age	<b>83.7</b>	81.7
Total numbers	<b>216</b>	223

### 24. Contingent Liability

The charity has been notified by HM Revenue & Customs that in their opinion they made a mistake in agreeing to and paying a VAT refund during 2009. They have therefore requested that a repayment is made. The charity has a group registration for VAT purposes and the £1.6 million refund was made to its subsidiary RIBA Enterprises Limited (and subsequently forwarded to the RIBA as part of the 2009 gift aid figure). The directors of that company have taken legal advice with tax counsel advising that in his opinion the HMRC position is incorrect, that the refund was validly made and therefore should be retained. Based on that advice a written response was made to the HMRC in June 2010. Following legal developments in 2013 and 2014, the Directors have taken further advice and are actively pursuing resolution with HMRC.

### Legal and Administrative Details

Reference and administrative details

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

## Trustees and Council Members

### President

<b>Stephen Hodder</b>
<b>Geoff Alsop</b> (National)
<b>John Assael</b> (National) from 1.9.14
<b>Albena Atanassova</b> (Student member)
<b>Tim Bailey</b> (North East)
<b>Roz Barr</b> (VP Education – co-option)
<b>Russell Bateman</b> (London) to 19.6.14
<b>Dan Benham</b> (RSAW President)
<b>Mark Benzie</b> (National)
<b>Dagmar Binsted</b> (London) to 31.8.14
<b>Angela Brady</b> (Immediate PP) to 31.8.14
<b>Marie Braithwaite</b> (Student member) from 1.9.14
<b>Matt Brook</b> (North West)
<b>Robert Brown</b> (South West) from 1.9.14
<b>Peter Caplehorn</b> (National) to 31.8.14
<b>Sydney Chapman</b> (National) to 9.10.14
<b>Elsbeth Clements</b> (National) from 4.12.14
<b>Anthony Clerici</b> (West Midlands)
<b>John Cole</b> (National) from 19.3.15
<b>Ian Collins</b> (Yorkshire) to 19.6.14
<b>Russell Curtis</b> (London) from 1.9.14
<b>Ben Derbyshire</b> (National) from 1.9.14
<b>Nela de Zoysa</b> (International)
<b>Jane Duncan</b> (President Elect) from 1.9.14
<b>Robert Firth</b> (RSAW) from 1.9.14
<b>James Fischer</b> (International) to 31.8.14

<b>Robert Franklin</b> (National) to 19.3.14
<b>Emily Fribbance</b> (Student) to 31.8.14
<b>Brian Godfrey</b> (National) Goh Chong Chia (International) from 1.9.14
<b>Christopher Hampson</b> (London) to 31.8.14
<b>Martin Hare</b> (RSUA President) from 30.5.14
<b>John Hickey</b> (North West)
<b>Tzena James</b> (National)
<b>Alan Jones</b> (RSUA President) to 29.5.14
<b>Ivan Jordan</b> (South West) to 31.8.14
<b>Mark Kemp</b> (South West)
<b>Martin Knight</b> (London) to 31.8.14
<b>Dominic Kramer</b> (East Midlands)
<b>Daniel Leon</b> (National) from 1.9.14
<b>Owen Luder</b> (National)
<b>Julia McLoughlin</b> (South East) from 1.9.14
<b>Walter Menteth</b> (London)
<b>Nick Mills</b> (Wessex) from 1.9.14
<b>Robert Mitchell</b> (Wessex) to 31.8.14
<b>Shahriar Nasser</b> (London) from 1.9.14
<b>Peter Oborn</b> (National)
<b>Owen O'Carroll</b> (London)
<b>George Oldham</b> (National)
<b>Vinesh Pomal</b> (London) from 1.9.14
<b>Patrick Redmond</b> (West Midlands) to 31.8.14
<b>Wiebke Rietz</b> (Wessex) to 31.8.14
<b>Kerr Robertson</b> (RIAS South) from 1.9.14

<b>Satwinder Samra</b> (Yorkshire)
<b>Flora Samuel</b> (National) from 1.9.14
<b>Joan Scott</b> (RIAS) to 31.8.14
<b>Alex Scott-Whitby</b> (Additional member) to 31.8.14
<b>Yasmin Shariff</b> (National) to 31.8.14
<b>Alan Shingler</b> (National)
<b>Roger Shrimplin</b> (East)
<b>Dale Sinclair</b> (National)
<b>Kevin Singh</b> (West Midlands) from 1.9.14
<b>Sumita Sinha</b> (London) to 31.8.14
<b>William Smedley</b> (East Midlands)
<b>Gordon Smith</b> (RIAS North)
<b>Karl Smith</b> (South East)
<b>Dawson Stelfox</b> (RSUA)
<b>Meryl Townley</b> (London)
<b>Elena Tsolakis</b> (National)
<b>Carl Turner</b> (London) from 1.9.14
<b>Peter Udall</b> (North East)
<b>Philip Waddy</b> (South)
<b>Francesca Weal</b> (East)
<b>Sam Webb</b> (National) to 31.8.14
<b>Pierre Wassenaar</b> (RSAW) to 31.8.14
<b>Warren Whyte</b> (South)
<b>Edward Williams</b> (London)
<b>Chris Williamson</b> (National)
<b>Katie Wilmot</b> (National)

## RIBA Board

<b>Geoff Alsop</b> Honorary Treasurer
<b>Tim Bailey</b> (from March 2014) Council member
<b>Roz Barr</b> VP Education
<b>Angela Brady</b> (until 31 August 2014) Immediate Past President
<b>Anthony Clerici</b> VP Membership
<b>Jane Duncan</b> (from September 2014) VP Practice and Profession
<b>Jonathan Falkingham</b> RIBA member
<b>Stephen Hodder</b> President
<b>Peter Mathias</b> RIBA member
<b>Suzanne McCarthy</b> (until March 2014) External non-executive member
<b>Ruth McIntosh</b> (from September 2014) External non-executive member
<b>Roger Mosey</b> (until June 2014) Chair, British Architectural Trust Board
<b>Peter Oborn</b> VP International
<b>Nick Pearce</b> (from Sept 2014) External member
<b>Yasmin Shariff</b> (until September 2014) Honorary Secretary
<b>Roger Shrimplin</b> (from September 2014) Honorary Secretary
<b>Dale Sinclair</b> VP Practice and Profession
<b>John Tusa</b> (from September 2014) Chair, BATB
<b>Peter Udall</b> Non-executive director, RIBA Enterprises Ltd
<b>Pierre Wassenaar</b> (until 19 March 2014) Council member
<b>Edward Williams</b> Honorary Librarian

## Senior Staff Members

(As at 24 May 2015)

<b>Group Executive</b> <b>Harry Rich LLB, CCMI</b> Chief Executive
<b>Richard Brindley BSc, DipArch, RIBA</b> Executive Director Membership and Profession
<b>Andy Munro LLB, MA, FCMA</b> Chief Operating Officer
<b>Elizabeth Robertson BA</b> Executive Director Nations and Regions
<b>Richard Waterhouse BArch, RIBA</b> Chief Executive RIBA Enterprises
<b>Gill Webber BA, MCIPR</b> Executive Director Communication and Outreach
<b>The RIBA's senior staff team is the group executive and:</b>
<b>Lottie Cole MA (Hons)</b> Director of Development
<b>Steven Cross</b> Director of Partnerships RIBA Enterprises
<b>Sally Davies BA, CIPD</b> Head of HR
<b>Marcus Deeley</b> Head of International
<b>Adrian Dobson BArch, MPhil, RIBA</b> Director of Practice
<b>Oliver Escritt</b> Director of Membership
<b>Wendy Fish BA, PG DipLib</b> Director of Library
<b>David Gloster ADip, MSc, DIC, RIBA</b> Director of Education
<b>William Hawkins BArch, MSC</b> Director of Nations and Regions Operations
<b>Belinda Irlam-Mowbray</b> Director of Nations and Regions Innovation
<b>Maxine McKenzie</b> Head of Marketing
<b>Tony Phillips BA, FCCA</b> Head of Finance
<b>Dr Kent Rawlinson FSA</b> Head of Collections and Public Programmes
<b>Anna Scott-Marshall MA</b> Head of External Affairs
<b>Linda Stevens</b> Head of Client services

## External

<b>Principal Bankers</b> <b>Lloyds Bank</b> 25 Gresham Street London EC2V 7HN
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<b>Auditors</b> <b>Sayer Vincent LLP</b> Chartered accountants and statutory auditors Invicta House 108-114 Golden Lane London EC1Y 0TL
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Sayer Vincent were re-appointed as the group and charity's auditors during the year and have expressed their willingness to continue in that capacity.

<b>Solicitors</b> <b>Capsticks Solicitors LLP</b> 1 St George's House East St George's Road Wimbledon London SW19 4DR
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<b>Investment Managers</b> <b>Schroders</b> 12 Moorgate London EC2R 6DA
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## 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 nearly 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;
- work with our members to help them devise and deliver festivals, such as Love Architecture, the national celebration which encourages the general public to get involved in architecture-themed events and discover how architecture relates to everyday life;
- 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; and
- stand up for the consumer through our campaigns such as HomeWise, which calls on the government to improve the quality and quantity of new homes.

## Supporters

The RIBA is very grateful for the support it receives from sponsors and private donors, the public sector, trusts and foundations, from members and colleagues nationally and overseas, and from those companies and individuals who wish to remain anonymous. Without such generosity, the RIBA could not continue to run its many outstanding projects and programmes. 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 2014.

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 Canadian Solar  
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 Celotex  
 CITB Cymru  
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 Dr Susan Weber  
 Lady Marie Alexander of Weedon  
 Mr Edward M. Williams  
 Wolverhampton University  
 Xero

Individuals and organisations that have supported the RIBA through gifts in kind in 2014.

Mr Ian Beesley  
 Mr Anthony Cleminson  
 Mr Trevor Dannatt RA  
 Dr Terry Friedman  
 Mr Sam Webb, RIBA  
 Mrs Rosemary Washbourne

And all those who wish to remain anonymous.

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Royal Institute of British Architects  
66 Portland Place  
London  
W1B 1AD

Charity No. 210566  
Telephone +44 (0)20 7580 5533  
info@riba.org  
[architecture.com](http://architecture.com)



Like all the other visual arts, photography was affected by the rapid cultural changes of the 1960s, which saw the rise of photojournalism and street photography. They both fostered a more spontaneous, more dynamic, grittier approach to the medium, which was adopted by photographers such as John Donal (1933-2004) and Patrick Ward (b. 1957) in their representation of architectural subjects.

