

FOUNDATIONS FOR THE FUTURE

ANNUAL REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2018



Our purpose is to serve our members and society in order to deliver better buildings and places, stronger communities and a sustainable environment.

RIBA was founded in 1834 for “the general advancement of civil architecture”.

Our purpose is to serve our members and society in order to deliver better buildings and places, stronger communities and a sustainable environment. We rely on our members, supporters and charitable

trading operations to make our work possible. We uphold the highest standards of professionalism and best practice.

We value inclusion, collaboration, knowledge and progression, qualities that will enable our members to succeed, now and in the future.

Contents

Introduction

Foreword 6

Section One

Strong Organisation:

Securing the Foundations 11

Unlocking financial strength 12

Raising our performance 12

Broadening our membership 13

Empowering our people 14

Becoming digital 15

Reimagining our brand 16

Going global 17

Generous support 17

Section Two

Strong Profession:

Keeping Architects Relevant 18

Supporting strong, relevant practices 20

Enabling relevant education 23

Celebrating diverse regions 24

Serving a global profession 27

Section Three

Strong Voice:

Influence and Action 28

Speaking up for change 29

Working together 33

Inspiring new audiences 34

Enabling lifelong learning 40

Publishing for a digital world 42

Section Four

Financial Review

43

Structure, Governance and Management 52

Independent Auditors' Report 54

Financial Statements 56

Notes to the Financial Statements 59

Trustees and Council Members 84

RIBA Board 85

Group Executive 85

Senior Staff Members 85

External 85

Public Benefit 86

Supporters 87

Cover image: Delegates at our Future Leaders Forum © Karla Gowlett

1 Celebrating the next generation of black architects: Group photo of some of the nominees © Morley Von Sternberg

2 RIBA members and friends from associated professions took to the water with a boat tour of Bristol's historic harbourside © RIBA

3 © Richard Lea-Hair

4 RIBA exhibition Disappear Here, by Sam Jacobs © Andy Matthews

5 Celebrating International Women's Day in Bristol with a debate featuring Ann Liu, Una Breathnach-Hifearnain and Yuli Cadney-Toh © RIBA

6 Architects from David Miller Architects, RIBA Chartered Practice photographed for the RIBA member recruitment campaign © RIBA

7 Schools visit to the new RIBA Clore Learning Centre at 66 Portland Place © Rachel Manns

8 Sir David Adjaye and Lesley Lokko at the RIBA + Vitra Talk Series © Black Edge Productions



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Our Chartered Members

The data below and on the following page is based on the RIBA Database as of 31 December 2018, or adjusted where necessary to reflect year end: Age and gender data was given by 99% of our Chartered Members; ethnic origin was provided by 40% of our Chartered Members. Throughout this annual report we detail the activities that took place in 2018 and those that we continue to work on to enable a more diverse and inclusive profession.

BY REGION YEAR-END FIGURES MATCHED BY % BY REGION

Location	Fellows	Chartered	Associate	Student	Affiliate	Region Total
01 RIBA East	3	1,794	42	623	73	2,535
02 RIBA East Midlands	1	925	16	892	34	1,868
03 RIBA London	11	8,690	264	3,107	233	12,305
04 RIBA North East	1	474	8	575	10	1,068
05 RIBA North West	2	1,722	193	1,506	39	3,462
06 RIBA South	2	1,626	24	777	48	2,477
07 RIBA South East	2	1,966	35	847	52	2,902
08 RIBA South West	0	540	5	301	20	866
09 RIBA West Midlands	1	1,128	22	624	46	1,821
10 RIBA Yorkshire	1	1,228	46	767	39	2,081
11 RIAS Scotland	3	1,797	26	461	13	2,300
12 RSAW Wales	1	643	17	283	25	969
13 RSUA Ulster	2	842	10	290	7	1,151
14 RIBA Wessex	0	1,380	26	1,195	43	2,644
Americas	10	722	4	79	18	833
Asia and Australasia	6	1,830	34	290	38	2,198
Europe	3	1,137	26	320	18	1,504
Middle East and Africa	3	725	9	277	41	1,055
No Valid Address	0	15	0	55	2	72
Class Total	52	29,184	807	13,269	799	44,111

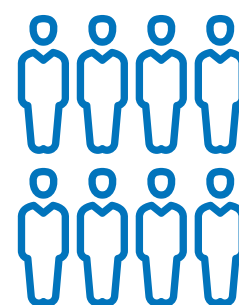
ETHNIC ORIGIN OF STUDENTS IN UK SCHOOLS OF ARCHITECTURE EDUCATION STAGES %

Stage of study	White	Black/Black British	Asian/Asian British	Mixed/Multiple	Other
Applications to Part 1	59.8	6.4	6.8	15.2	11.8
Entering Part 1	61.4	5.2	9.4	15.8	9.2
Passing Part 1	67.0	5.1	6.5	12.3	9.1
Entering Part 2	69.6	4.9	5.4	11.8	8.4
Passing Part 2	75.4	3.7	4.1	8.8	7.9
Passing Part 3	87.9	2.7	1.5	4.4	3.5

Note: The information was provided by 32 Schools for Applications. 40 Schools for Part 1, 39 for Part 2, and 20 Schools for Part 3. The incomplete sample may influence results. Figures exclude numbers supplied where origin is 'not known'.

*Several Schools provided data which included a substantial number of students as 'not known'. The total 'not known' accounts for over 75 per cent of Applications, but far smaller proportions of students at Parts 1, 2 and 3. The analysis is therefore compiled from 'known' data. Due to the very large number of 'not known' Applicants, this figure is unlikely to be representative of the true picture.

GENDER SPLIT OF RIBA CHARTERED MEMBERS



Male
80%



Female
20%

Our Chartered Members

ETHNIC ORIGIN DATA - RIBA CHARTERED MEMBERS

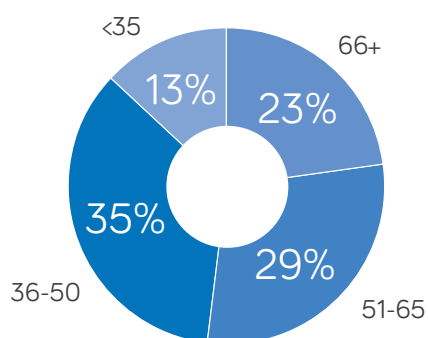
	ALL		UK ONLY	
	Count of Ethnic Origin	% Total	Count of Ethnic Origin	% Total
Asian	1,058	9.16	512	5.34
Asian any other Asian background	15	0.13	7	0.07
Asian or British Bangladeshi	3	0.03	-	-
Asian or British Indian	11	0.10	9	0.09
Asian or British Pakistani	2	0.02	-	-
Black	252	2.18	166	1.73
Black or Black British African	5	0.04	5	0.05
Black or Black British Caribbean	3	0.03	2	0.02
Chinese	22	0.19	18	0.19
Mixed Other	10	0.09	7	0.07
Mixed White and Asian	4	0.03	4	0.04
Mixed White and Black Caribbean	2	0.02	2	0.02
Other	851	7.37	646	6.73
Prefer not to say	36	0.31	31	0.32
Unknown	131	1.13	101	1.05
White British	6,306	54.58	5,940	61.93
White Irish	58	0.50	44	0.46
White Other	2,784	24.10	2,098	21.87
Grand Total	11,553		9,592	

NUMBERS OF CHARTERED PRACTICES BY SIZE BAND

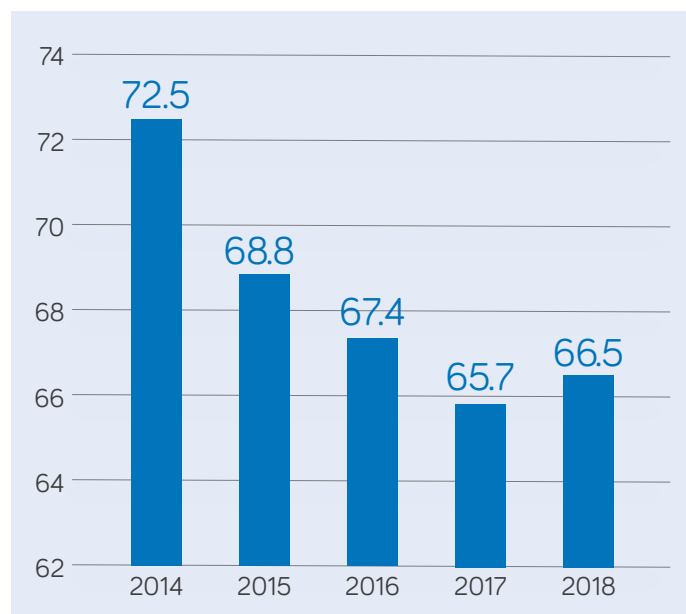
	INT	UK
Band 1	1	829
Band 2	8	1,523
Band 3	6	615
Band 4	4	487
Band 5	1	176
Band 6	2	112

Numbers as of May 2019

AGE PROFILE OF RIBA CHARTERED MEMBERS



WHAT % OF ARB REGISTERED ARCHITECTS ARE RIBA CHARTERED MEMBERS



““ We are building an organisation that is more dynamic, more collaborative and above all focused on our membership ””

In 2018 we achieved the financial transformation necessary to support and grow a resilient, relevant architecture profession, at a time of profound change.

We are building a strong organisation with a strong voice, in order to serve a strong profession: these are the pillars of our strategy Advancing Architecture, and the defining themes of 2018 – a decisive year in laying RIBA's foundations for the future.

Change is one of the few certainties facing today's architecture profession. As its guardians, our challenge is to help create a workforce – in architecture and the built environment industry as a whole – which reflects and is relevant to the changing society it serves.

Our members must be able to do work that's properly valued, intellectually engaging and motivated by values beyond the market. By empowering architects and championing quality in architecture worldwide, we enable

better buildings and places, stronger communities and a sustainable environment.

To achieve this we need a strong, dynamic organisation that can address the scale and pace of change across a whole range of fields, including design, technology, management, research, communication and manufacture. We must be a model for collaborative ways of working (which remain intrinsic to the architect's role). And we must lead the way for a more diverse, inclusive profession.

In 2018 we made real and exciting progress towards this vision despite mounting challenges and continuing uncertainty, particularly in relation to Brexit.

We agreed a significant partnership with the private equity arm of Lloyds Banking Group – enabling investment in our commercial activities and our ambitious strategy in support of the architecture profession in the UK and internationally.

.....
A decisive year
in laying RIBA's
foundations for
the future



Speakers from our 2018 RIBA VitrA Talk Series.

Top row L to R:
Sir David Adjaye
Kazuyo Sejima
Lesley Lokko
Mary Duggan

Bottom row L to R:
Adam Willis
Kate Macintosh
Paloma Strelitz

We broadened our engagement with an expanding membership. We enhanced our policies in support of strong, ethical practices. We made great progress in implementing digital technologies. We spoke out for our profession and strengthened our role as ‘critical friend’ to the Government, lobbying on issues such as Brexit, housing quality, fire safety and inclusion. We continued to promote relevant, accessible education in architecture, while providing a wealth of learning and inspiration through exhibitions, workshops, talks and regional activities. We championed excellence through our awards and prizes — including one of the

largest ever Stirling Prize events. And we began realising our vision to be a truly global professional membership body driving excellence in architecture.

In this way we completed the year refocused, with new momentum and unprecedented scope to make a meaningful difference for our members and society.

This report describes a year in which we secured our foundations for the future, while continuing to address the urgent challenges facing our profession, and upholding the highest standards in architecture for the benefit of all.

We spoke out for our profession... lobbying on issues such as **Brexit, housing quality, fire safety and inclusion**



Ben Derbyshire, President



Alan Vallance, Chief Executive

A Stronger Organisation

We secured a transformative financial outcome, while continuing our work to become a more robust and collaborative organisation through improvements and reviews

- agreeing to the investment in RIBA Enterprises, which delivered an annual surplus for 2018 of £76.8 million – the largest in RIBA's 185-year history. Retaining 42.5% ownership of RIBA Enterprises, and the associated opportunities for future financial benefits.
- further simplifying and rationalising our governance processes and constitution
- strengthening our leadership team with appointments to new key roles
- growing our membership by 582 to 47,897 (and increasing its diversity)
- pushing forward with a comprehensive organisational review
- implementing significant improvements to the online experience for our members
- launching a new long-term international strategy
- undertaking a detailed review of RIBA's brand identity
- working with our regional partners in support of a wealth of initiatives and events across the UK, while reaching out to the global profession through our new international regions team

A Stronger Profession

Our first priority is to serve members through the ongoing support of strong, ethical practices, and we continued to engage with the profession across the UK and worldwide

- expanding our range of services for architecture clients and promoting the profession through schemes such as Why Use an Architect
- improving and expanding our Continuing Professional Development programme
- developing a new suite of Professional Services Contracts (PSCs) to bring the appointment documents in line with current practice, legal developments and insurance requirements.
- reviewing and substantially updating the RIBA Codes of Conduct and Practice, and Disciplinary Procedures to strengthen requirements relating to ED&I, employment, the environment and health and safety.
- establishing a commission to review ethics and sustainable development in the profession, publishing its recommendations and action plan.
- continuing our drive to make architecture more open and inclusive and publishing an Equality, Diversity and Inclusion strategy.
- supporting the Trailblazers Group in developing Level 6 and 7 architectural apprenticeships, while continuing to make scholarships, grants and bursaries available to students and researchers.
- growing our cohort of Architecture Ambassadors, volunteer RIBA members trained to delivered hands on creative in-class workshops as part of our National Schools Programme

A Stronger Voice

We spoke out for our profession on Brexit and other key issues. We continued the transformation of our learning facilities, while providing a wealth of architectural learning and inspiration

- engaging with the UK Government and speaking up for the profession on Brexit, housing, fire safety, and equality, diversity and inclusion
- initiating a global joint declaration setting out principles for the future of our profession
- reaching new audiences with our media partners for our Stirling Prize event, and promoting excellence with a wide range of other prizes and awards
- inspiring audiences through a wealth of exhibitions, talks and other cultural events
- working towards completion of our new Clore Learning Centre, while expanding our lifelong learning with workshops, courses and community engagement
- launching our National Schools Programme following a successful pilot
- launching RIBA Publishing, our revitalised publishing function

Strong Organisation: Securing the Foundations

2018 was a turning point for RIBA as a strong organisation, with the investment into RIBA Enterprises transforming our financial position. It was also a year of fruition for our five-year plan, with key projects and reviews culminating and starting to pay off.

The investment into RIBA Enterprises delivered an annual surplus for 2018 of £76.8 million – the largest in RIBA's 185-year history. As well as securing the one-off funds received, the agreement retained a 42.5% share in the ownership of RIBA Enterprises Ltd. This opens up a whole new horizon for the organisation, offering unprecedented potential together with new challenges and responsibilities.

Our five-year strategy progressed in parallel with this development. The 2018 plan involved delivery of 27 projects, and of those within our control we completed 91%, up 11% on 2017 – a considerable achievement since we were still operating in a resource-constrained environment.



By the end of 2018 RIBA was in a stronger position to support the profession and uphold the highest standards of architecture that we all seek to achieve.

Alan Vallance, Chief Executive





UNLOCKING FINANCIAL STRENGTH

Agreeing an investment deal in RIBA Enterprises, while retaining 42.5% ownership, is our most exciting success story of 2018.

With RIBA Enterprises, our commercial arm (trading as NBS) we had created a highly attractive market-leading business, providing technology, content and data services to professionals in the built environment. As an institute prioritising support for our members and the delivery of our wider charitable objectives, it became clear that the time was right to realise its full potential. Our Council of Trustees was involved from the outset and every step was taken with a clear purpose in mind: to build a financially strong and sustainable organisation for the lasting benefit of our members.

During 2017 we explored the options, from loans to joint ventures and Government grants. We concluded that the best option was a sale to an experienced private equity partner, while still retaining a substantial ownership of RIBA Enterprises.

This new financial position presented us with both immediate opportunities and long-term strategic considerations. In the short term our priorities have been to invest only in ways that improve our financial standing and benefit members. To this end we promptly reduced RIBA's liabilities by paying off a £19.1 million loan, and making a one-off £4 million contribution to the defined benefit pension scheme. Our Council of Trustees will continue to provide oversight and guidance as the Board begins the process of

deciding how to spend the funds raised over the long term.

We have been careful to make sure the sale brings maximum benefit to the organisation. RIBA retains 42.5% ownership of RIBA Enterprises through shares held in Williams TopCo Ltd; therefore we will continue to benefit from its future successes. Lloyds LDC also owns 42.5% of Williams TopCo Ltd, and brings extensive experience of working in the technology sector. The key publishing, journal and job board assets of RIBA Enterprises (RIBA Services) were retained and consolidated under our new RIBA Publishing in-house offering by transferring these in 2017. The investment deal is a turning point for our organisation. It re-equips us for the challenges ahead and opens up new possibilities for RIBA in serving its members.

RAISING OUR PERFORMANCE

In 2018 we continued to simplify and rationalise our governance processes and constitution. The 60-member Council that governs RIBA had voted for a comprehensive governance review in 2017, and during 2018 a working group chaired by former RIBA President Jane Duncan looked in detail at the powers and functions of RIBA's governing bodies, including the Council and Board. With this review complete we now have a clear picture of how our governance structures should be configured as foundations for the future, empowering the Council to address key issues more effectively while enabling the Board to provide the right strategic oversight. Putting these changes in place will

RIBA President Ben Derbyshire with the President Elect, Immediate Past President and Vice President's. From L to R: Selasi Setufe, Vice President Student Associate; John Assael, Honorary Treasurer; Alan Jones, President Elect; Caroline Buckingham, Vice President Practice; Nicky Watson, Vice President Education, Ferni Oresanya, Chair, Architects for Change; Kerr Roberson, Honorary Secretary; Chris Williamson, Vice President International; Valeria Pasetti, RIBA Vice President Membership (Nations and Regions); Jane Duncan, Immediate Past President. © Dominic Harris



We are pleased to have secured a fantastic deal on behalf of our members. It is recognition of the success of our commercial activities to date, and the international strength of the brand and products our team has developed.

Alan Vallance, Chief Executive





help give our members a stronger voice and make us more agile in responding.

Measuring success is a fundamental part of our five-year plan Advancing Architecture. By setting and measuring ourselves against detailed outcomes, we can review performance accurately, make adaptive responses and be more fully accountable to members and other stakeholders in delivering the strategy.

In 2018 we continued to expand the scope of monthly performance reporting across all parts of the organisation, with the reports providing evidence of increased collaboration. We also improved our processes in areas such as strategic risk and performance management. These are all aspects of a long-term investment that will evolve over time.

BROADENING OUR MEMBERSHIP

During 2018 RIBA's global membership grew by 582 to 47,897. We're proud that this community continues to become more diverse, helping pave the way for a more inclusive and relevant profession.

In 2018 we made further progress in attracting and retaining members, sustaining the net growth trend of the past four years. Overall membership increased by 1.2%, with chartered individual members up by 580 or 2% to 29,187 and chartered practice members up by 129 or 3.6%. UK-based membership was 42,256 up by 272 or 0.6% and international membership was 5,641 up by 115 or 2.1% on 2017. Previous Annual

Reports reported membership numbers from October to September. We have moved to full in-year reporting for the 2018 report to align with financial year and true Membership year.

We saw the continuation of progressive trends in terms of the age and gender of those joining RIBA. In 2018:

- 59% of new Chartered Members were under 36, in contrast with the 13% total of existing Chartered Members under 36.
- 37% of new Chartered Members were female, in contrast with the 20% total of existing female Chartered Members.

We continued to support these progressive trends, with dedicated campaigns for newly qualified architects, EU architects and women in architecture. The latter included focus groups to better understand female members' preferences, and a programme of events for International Women's Day.

Our priority in attracting and retaining members is to demonstrate the real, practical value of 'being RIBA', by showing how we can address architects' most pressing concerns. Members value both our broader influence in strengthening the profession, and the more specific benefits and solutions to everyday professional tasks that we continue to develop, including significant enhancements to our Find an Architect service.

Another priority in recent years has been supporting larger practices, and in 2018 we

Architects from David Miller Architects, RIBA Chartered Practice photographed for the RIBA member recruitment campaign. © RIBA



Global membership grew to

47,897



New RIBA Members celebrating at the New Members Event in December © Carmen Valino

launched our new corporate membership category. A number of the UK's largest practices have subscribed and feedback has been excellent, with highlights including a corporate members' event in November, with senior public figures chairing a series of round tables on key issues. We believe our profession needs large practices with the scale, resources and vision to drive agendas and influence policy, and we look forward to engaging further with our new corporate member practices.

EMPOWERING OUR PEOPLE

During 2018 we pushed forward with a fundamental review of roles and responsibilities across RIBA. We continued working to attract, inspire and retain the people we need to achieve our ambitions, while aiming to be an exemplar for equality, diversity and inclusion across our profession.

Our organisational review is all about concentrating our energy, resources and talent in the areas where we can make the greatest positive impact, for our members and all our stakeholders. We began the process in October 2018, talking to selected stakeholders with the focus of creating a more dynamic and more focused organisation.

The transition to a more performance-focused organisation continued to shape our

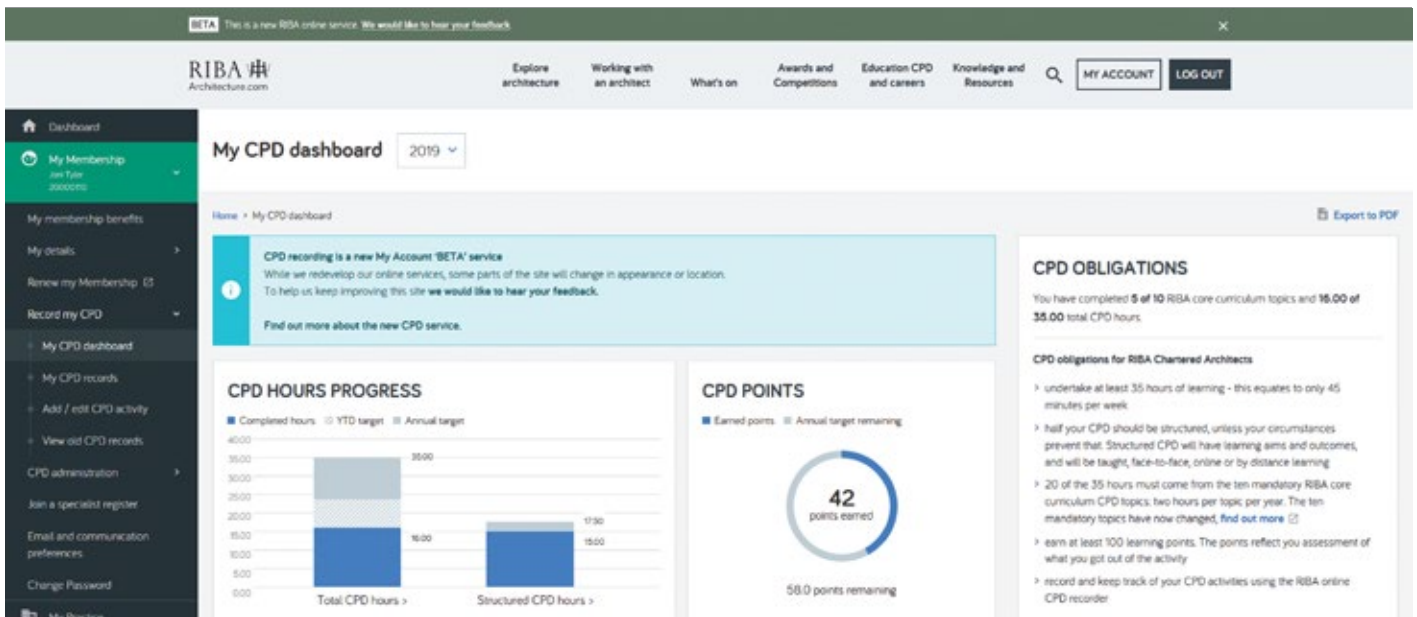
priorities in 2018, with a refreshed learning and development programme focused on job-specific skills, a more structured hiring and induction programme, and annual appraisals focused on performance and delivery.

Building on a review conducted the previous year, we launched a new Staff Representative Group, which replaced the Joint Consultative Committee (JCC), with a new, larger, more representative and more collaborative way for staff to communicate and work with the executive team.

Firm foundations must encompass sustainable working environments, so we delivered a range of initiatives to promote health, wellbeing and a positive working environment.

In 2018, we continued our journey to improve equality, diversity and inclusion within the RIBA, at the same time as supporting the profession to do the same. We published our gender pay gap and encouraged our practices to do so, providing guidance on how to tackle gender inequality. Although the RIBA has a greater proportion of female staff, we have an over representation of men at senior level and we are working to address the retention of women in senior roles.

Our organisational review is all about concentrating our energy, resources and talent in the areas where we can make the greatest positive impact, for our members and all our stakeholders.



BECOMING DIGITAL

With our new web platform architecture.com in place, we were able to make strides in offering a more joined up online experience for our members.

Architecture.com relaunched in 2017, with the vision of a re-structured and streamlined website focused on member-facing content. It featured a new 'My Account' member login area providing better access to member-only resources. During 2018, we continued our journey of bringing disparate sites and services home to our new, singular, next-generation platform.

The unified architecture.com approach is easy to manage, and provides a far more intuitive experience for members and other users.

Consolidating our sites is part of a wider digital strategy to integrate our operations. In 2018 we combined our IT and digital systems functions into a single technology team. We also opened a single service help desk for all support issues, including those related to websites and systems transferred in-house from RIBA Enterprises to RIBA Publishing.

Developing these solutions has been a highly collaborative process, involving talking to members to understand their needs and priorities before we begin to design or build, then gathering and acting on feedback in a cycle of continuous improvement.

Some digital outcomes in 2018 ...

- Better experiences – our MyAccount members' area has a greatly improved interface – three times more members are logging on to the new area.
- Easier to find – RIBA Venues has seen a significant increase in enquires as a result of its integration into architecture.com and search engine optimisation.
- Increased income – sales for our RIBApix image library have risen significantly as part of architecture.com.
- Better content – the new platform enables more relevant, audience-focused content on key issues and talking points from fire safety to the Stirling Prize.
- Stronger infrastructure – we've improved our network and Wi-fi across our offices, tightened security and updated our continuity and disaster recovery plans.

As part of our long-term digital strategy, we will continue to invest in improvements for our members. Areas of focus for 2019 include improving productivity, security, infrastructure, business intelligence and developing our global presence in a digital world. We will also develop leading digital products for our members to help drive membership and commercial growth.

Our new and improved digital CPD platform allows members to record and keep track of their CPD throughout the year. © RIBA

Now you can log in and see your RIBA membership benefits in one place. You can update your details and log your Continuing Professional Development (CPD) quickly and easily. You can order contracts and access publications such as the RIBA Job Book in digital format.

Paul Drinkwater, Interim Executive Director of Digital and ICT



REIMAGINING OUR BRAND

Strong organisations are built on strong, relevant brands. In 2018 we undertook a detailed review that will enable us to realign RIBA's historic brand identity with our ambitions for the future of our profession.

We commissioned an external agency to provide us with a full and granular view of the way our audiences currently perceive, understand and value RIBA.

The review gathered honest perspectives from members, staff, non-member architects, clients and broader audiences, through more than 50 confidential and candid interviews and wider surveys. The agency commented on both the breadth of participation and the level of engagement. Unlike many organisations, RIBA inspires strong feelings, and the review provides a powerful portrait of things as they are.

With this review we now have a strong case and compelling evidence that the changes we're driving are urgent and require a brand identity fit to communicate them. 2019 will be a key year to assess and agree on what changes need to be made, and in 2020 we will begin to implement these changes.

© Richard Lea-Hair

Compelling points of views from the brand review:

Most people who get to know RIBA realise they do much more than they thought.

Perception of cronyism, but the reality when you get involved is very different.

I'll gladly pay my membership if you put on your hobnail boots and get stuck into the construction industry on our behalves.

If RIBA wants to tout itself as a global brand, it has to act like it.

Part One, Part Two, Part Three? That's the gold standard worldwide.

They are the Coca-Cola and Pepsi of architecture, they have brand presence and profile.

Not clear whether all our services and products are really part of our core offer.

I want RIBA to be the beating heart of conversations about architecture.

We should be a bit more punk rock... on the side of architects fighting the system.

RIBA needs the agility to respond to a changing profession.



GOING GLOBAL

With the launch of our new international strategy in 2018, we laid the foundations to achieve our vision for RIBA as a truly global membership organisation.

RIBA has long been a leading global architectural institution. Our 2016-20 strategic plan Advancing Architecture declares our ambition to realise the full potential of this position by becoming a global professional membership body driving excellence in architecture.

The RIBA International Strategy 2018 – 2034 sets out our aspirations for delivering this vision by November 2034, which marks RIBA's 200th Anniversary.

Our research shows that, in a rapidly globalising, post-Brexit world, the key to our success internationally is to become a standards-led organisation, creating, delivering and promoting the highest quality international standards for the architecture profession globally, so that RIBA becomes the benchmark for quality within the profession and the standard to which others aspire.

In 2018 we began the journey, by partnering with other international institutes to agree a common future direction for strengthening and safeguarding the future of the profession.

Our drive to become the global gold standard will run in parallel with the work of our new international relations team in supporting and developing our membership worldwide.

GENEROUS SUPPORT

We are grateful to the wide range of supporters who enable our work, including corporate sponsors, trusts and foundations, individual donors, patrons and friends.

In 2018 a total of £939,000 of income was received from these sources, which supported areas ranging from student support and bursaries to our exhibitions programme and outreach.

Our sponsors play an important role in our work, from the continued support of Almacantar for the Stirling Prize to our latest partnership with Vitra Bathrooms UK for the prestigious RIBA+Vitra talk series (see page 38).

Practices also continued to support fundraising and 2018 marked the start of our Future Architects Pledge, an invitation to our members and practices to get directly involved in supporting the next generation of architects, with funds going to support students experiencing financial difficulty.

We are also grateful for the support of those who remember RIBA in their wills. In 2018 we received a generous legacy gift from Alfred Le Boutillier, a longstanding Chartered Member of RIBA from Jersey and the state's architect. Like most architects he was mindful of his legacy and thoughtfully left a gift in his will to support the charitable work of RIBA in shaping the future of architecture.

RIBA + VITRA Talk: Intergenerational Dialogues – Kate Macintosh and Mary Duggan © Ruth Ward



£939,000
of support was received

Strong Profession: Keeping Architecture Relevant

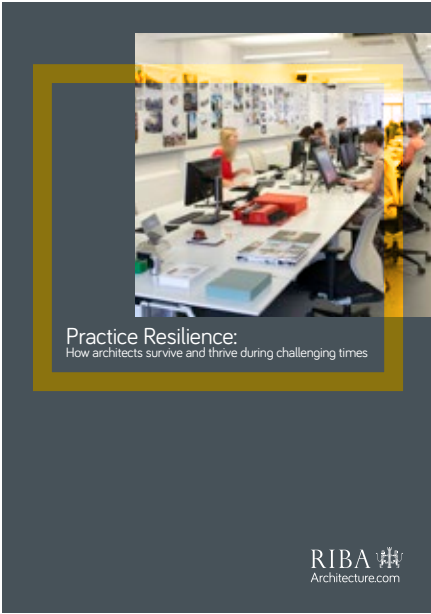
In 2018 we ramped up our practical and educational support to help architects become more relevant in a complex, dynamic market. We increased our engagement with international members, and we continued to be inspired by the work of our vibrant regional network in the UK.

Ensuring that architects stay relevant has become an absolute priority, and a view resoundingly reaffirmed in conversations across the profession, gathered in our 2018 brand review.

Architects are becoming increasingly separated from the construction site, as the profession loses ground to project managers and other design disciplines. With a new generation of gifted architects coming under pressure to consider alternative paths for their creativity, change must come quickly, and the RIBA can play a critical role. Keeping architects relevant underpins our five-year strategy for a strong profession, and in 2018 we intensified our work:

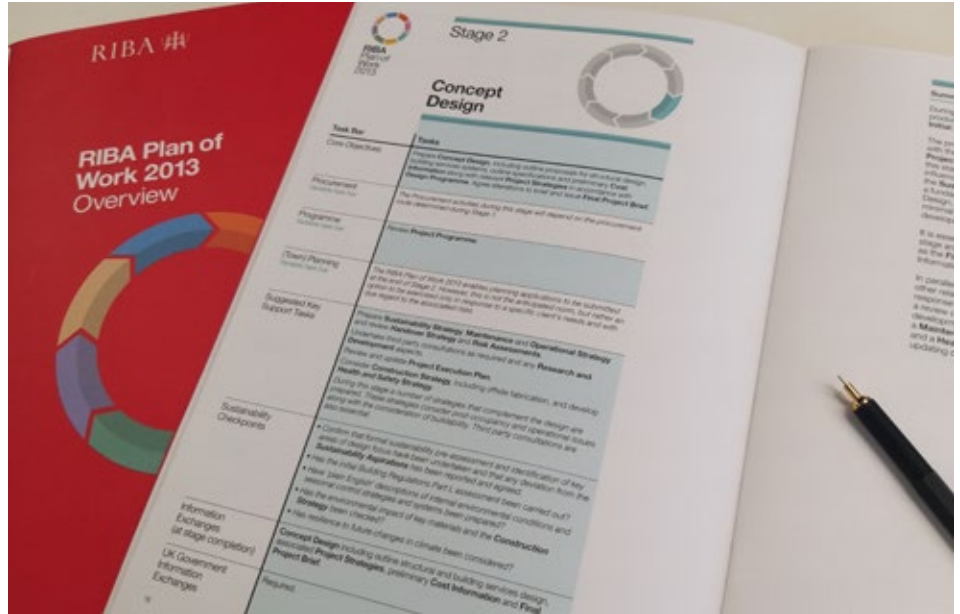
- upholding the highest standards of ethical practice while improving quality and safety
- facilitating a broader and more accessible education
- making the profession more open and inclusive
- engaging with a globalised profession
- supporting initiatives relevant to localities across the UK.





Practice Resilience:
How architects survive and thrive during challenging times

RIBA #
Architecture.com



Front cover of the Practice Resilience Report and revised RIBA Plan of Work © RIBA and Alex Tait

In a highly commercial environment, architects must be resilient too. Economic and political uncertainty surrounding Brexit, challenges in housing and shockwaves from the Grenfell fire disaster continued to dominate in 2018. Our responses maintained the focus on resilience, building on the work initiated in our 2017 report 'Practice Resilience: how architects survive and thrive in challenging times'.

Outcomes for the profession: in 2018 we:



made **1,104 client referrals** with a total value of **£1.2 billion**



offered **881 positions** in architecture on **RIBA Jobs**



engaged **18,823 members** and **1,287 practices** regionally from July to December



had **197,242 views** and **70,118 downloads** of the RIBA Plan of Work



worked with Continuing Professional Development providers, reaching **more than 38,000 attendees** through seminars



had **16,134 views** of our equality, diversity and inclusion pages



had **8,074 views** of our guidance and research pages



generated **project opportunities worth £440million** through competitions



SUPPORTING STRONG, RELEVANT PRACTICES

In 2018 we expanded our client services and educational support, streamlined our professional services contracts, and continued to push for a more inclusive profession.

Our activities in support of practices were ambitious, broad-based and guided by our members' business priorities:

RIBA contracts – following a two-year development programme, we launched a new suite of RIBA Professional Services Contracts in Autumn 2018, complementing the RIBA Building Contracts. These are available in both paper and digital formats from ribacontracts.com and RIBA Chartered Members receive a 50% discount on digital copies of contracts purchased.

Continuing Professional Development (CPD) – we made further progress in developing our programme to reflect the broad and complex map of different career paths architects follow today. We had 3.9% more people undertaking CPD than last year, with 42,000 undertaking RIBA accredited CPD. We overhauled our online CPD recording system, making it far easier to use and more effective in monitoring of CPD compliance, including on mobile devices. It went live in January 2019 and has been extremely well received.

Full suite of RIBA Contracts, now available in both digital and print versions © Colin Ross

Great feedback on the new RIBA CPD tool:

“This is a vast improvement on the previous CPD tool and the dashboard is very clear and helpful. I now keep the dashboard open as a tab in my browser so that I am reminded to record CPDs immediately. This is especially useful for logging informal CPD activities (such as browsing magazines, reading books, listening to podcasts and visiting precedent examples).”

“This is great. I recorded some CPD and found it easy and intuitive. This is a big step and one which has been eagerly awaited.”

“It looks great and is easy too.”



Delegates Guerrilla Tactics 2018 © Karla Gowlett

The RIBA Ethics and Sustainable Development Commission – was established in March to consider how the profession can raise standards by applying its core values in relation to public interest, social purpose and sustainability, while engaging with and supporting the United Nations Sustainable Development Goals. The Commission presented its report in December 2018, and we are currently developing an action plan in response to the recommendations, which will place ethics and sustainability at the heart of our future policy, advocacy and standards work.

Fire safety programme – our Expert Advisory Group on fire safety continued its intense programme of activity in response to the Grenfell Tower fire disaster. Activities included publishing extensive recommendations to Government, engaging with the Housing, Communities and Local Government Select Committee and the All-Party Parliamentary Fire Safety and Rescue Group, and contributing to the implementation of the Hackitt Review of Building Regulations and Fire Safety by direct engagement with the Ministry for Housing, Communities and Local Government as well as through the Construction Industry Council.

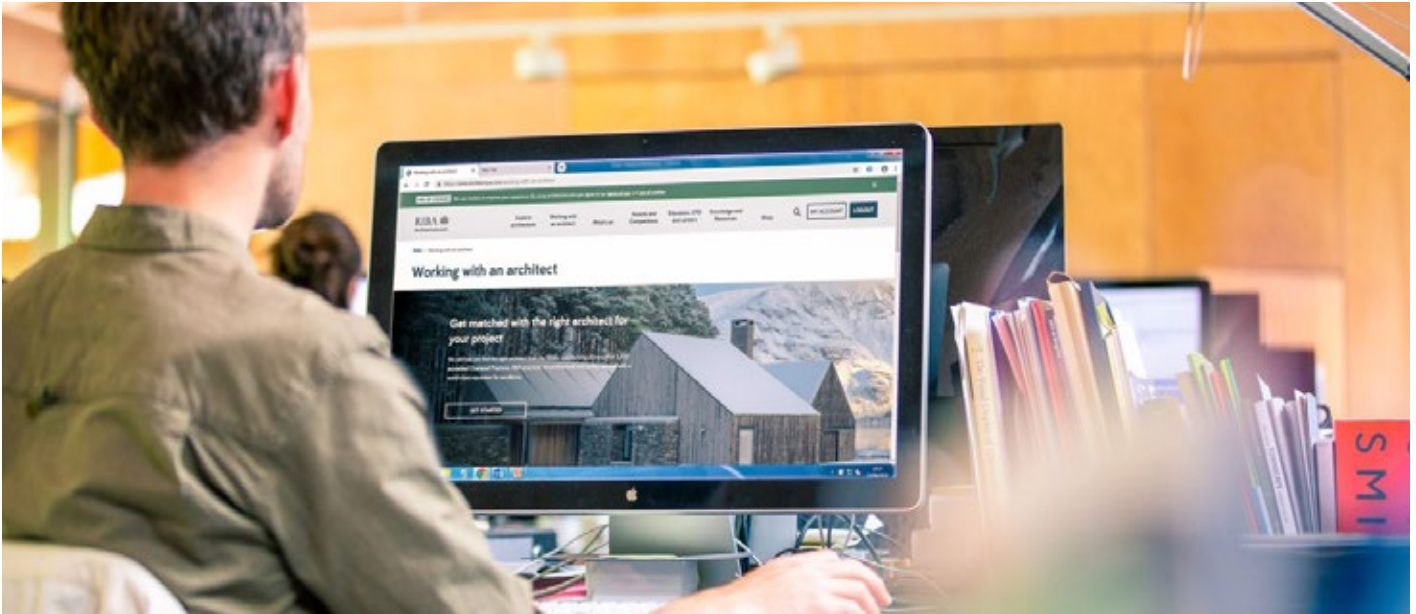
Review of RIBA codes of conduct and practice – in pursuit of wider issues raised by the Grenfell Tower fire disaster and the emerging recommendations of the RIBA Ethics and Sustainable Development Commission, we carried out a comprehensive audit of our codes. Our aim was to place more emphasis on the profession's duties to users of buildings and

wider society, as well as to clients, along with duties to protect the environment. The new codes will come into effect from 1 May 2019.

Why use an architect – in response to members' feedback (and enabled through funding from the investment into RIBA Enterprises) we mapped out this new project to help clients understand the services architects offer and the value they bring to building projects of all sizes. Centered around the new Find an Architect tool, it's primarily aimed at private domestic clients – those thinking about using an architect for their home – and is set to roll out in the latter part of 2019.

Professional events – we continue to see growing demand for our programme of professional events. Guerrilla Tactics, our annual two-day small practice conference and CPD event, curated by Pooja Agrawal and Finn Williams on the theme of Expanding Practice, was attended by 265 delegates. Our Future Leaders programme and annual Smart Practice conference Value-Added: Making Design Quality Count, held this year in Cambridge, continue to grow in popularity. Protecting Lives: Design and Construction post-Grenfell attracted a sell-out audience from right across the construction industry. In parallel with our professional events programme, we have scaled up the number of professional features on architecture.com to help ensure our members have access to the latest knowledge and information on best practice. More than 100 original features over the course of the year were each viewed by on average 1,150 members.

RIBA's Ethics and Sustainable Development report shows how the profession can raise standards by putting its core values to work more widely and impactfully.



Conservation Register – the RIBA register of architects for clients commissioning work on historic buildings grew by 12.5% in 2018, passing the 600 mark for the first time, with 322 conservation registrants, 163 accredited conservation architects and 129 accredited specialist conservation architects.

Client services

2018 was a productive year in which we managed more than 1,100 client referrals, generating more than £1 billion construction value in new projects for our chartered practices. Our competitions office managed 20 architectural competitions in 2018, handling more than 1,000 registrations from 69 countries and generating more than £440 million in construction value in projects for winning practices.

We had a significant presence at a number of client and trade shows in 2018, including Future Build, Grand Designs Live, Homebuilding & Renovating, and MIPIM. These events give us a direct platform for promoting what architects do and the value of working with them, as well as opportunities for our chartered practices to meet new client prospects.

In 2018 we published our client directories and began working on two major projects:

Find an Architect – our online service enabling clients to get matched with the right architect for their project. The plan was to create a much-enhanced experience for both clients and chartered architects. This will go live in 2019, delivering targeted enquiries to

chartered practices, and forms part of RIBA's campaign to promote the value of architects.

Building in Quality Tracker – a new digital tool developed in partnership with the Royal Institution of Chartered Surveyors (RICS) and the Chartered Institute of Building (CIOB) and aligned to the RIBA plan of work. This tool is being piloted on real construction projects and enables project teams to track and promote quality and transparency in design and construction.

Equality, diversity and inclusion (EDI)

In 2018 we expanded our ongoing drive to make the architecture profession more representative of – and therefore more relevant to – the world it serves. We developed a new EDI strategy for the RIBA, designed to address and overcome specific barriers to entering the profession. The policy addresses key issues such as gender parity, BAME representation, social mobility, mental health and wellbeing, as well as discrimination of LGBTQ+ communities on the grounds of disability, or religion and belief.

As part of our commitment to gender equality, we published #Close the Gap – guidance for Chartered Practices on how to address the issues underlying their gender pay gap. Meanwhile we continued with our programme of campaigns and representation focused on key annual events such as Pride, International Women's Day and Black History Month.

In collaboration with the Architects Benevolent Society, we delivered 10 'wellbeing in the

Our new and improved Find An Architect portal connecting potential clients with RIBA Chartered Practices © Richard Lea-Hair



More than
£1 billion
construction value



workplace' workshops to over 150 members throughout the regions. These workshops give practices tools, information and best-practice guidance to support workplace wellbeing.

Our relationship with the Stephen Lawrence Charitable Trust strengthened and we were delighted to hold a fund-raising dinner on their behalf, raising funds to support entry into the architecture professions for all.

Our new Chartered Members' informal welcome event in Florence Hall in December 2018 provided an inspiring snapshot of a diverse, young and international cohort representing the emerging future of our organisation.

ENABLING HIGH-QUALITY, RELEVANT AND ACCESSIBLE EDUCATION WORLDWIDE

Key areas of focus in 2018 included architecture apprenticeships, RIBA studio and the continuing expansion of our role in validating architectural school programmes.

Our long-term educational strategy is designed to equip architects with the pragmatic and commercial skills to be more than just the guardians of design. The first six architecture degree apprenticeship programmes were launched at five universities in September 2018, offering 65 students a new route to qualifying as an architect.

This is the first time architecture apprenticeships have been available

to UK students, meeting the call to provide accessible ways into architecture, particularly for those for whom cost is a barrier. Like other apprentices in the UK, these architecture apprentices don't need to pay tuition fees and will receive a salary, earning as they learn.

These apprenticeships represent a significant step towards a more socially inclusive architectural profession, with the potential to attract those who have never previously considered a career in architecture or attending university. They combine practical experience in the workplace with high-quality academic teaching, enabling practices to develop their staff and provide a more accessible education.

Our role in validating architectural school programmes continues to grow. In 2018 we validated 54 schools of architecture in the UK, and a further 49 schools overseas, representing a total of 54,500 students worldwide.

Positive partnerships

The architectural apprenticeships project was the outcome of a collaboration between RIBA and a group of trailblazer practices led by Foster + Partners. Other collaborative educational initiatives in 2018 included a light-touch review with the Architect's Registration Board (ARB) of jointly held education criteria, which will be going out to consultation in 2019. The revised criteria will provide better integration of professional

Dinner in aid of the Stephen Lawrence Charitable Trust, whose aims we support. A hugely successful and uplifting evening in support of greater diversity and inclusion in professional life © Sharron Wallace



Adding this new apprenticeship route to the existing range of RIBA validated practice-based options is an excellent step in creating a profession that's far more accessible to young people from any background.

Ben Derbyshire, President





studies and ethics across the whole education cycle at parts 1, 2 and 3.

Meanwhile, our regions ran student mentoring in 25 schools of architecture, reaching 1,028 students working with 572 architects in 345 practices.

We have also started a major project to replace the existing Professional Education and Development (PEDR) portal, which will make it faster and simpler for students to validate their professional experience.

Tackling financial barriers to education

On 2018 we continued making professional training financially accessible to a broader cross-section of society, through scholarships, bursaries and funding schemes. Our Part 1 and 2 bursaries provide long-term financial support for students demonstrating talent and commitment, who might otherwise find the costs prohibitive. The schemes are made possible by generous donations from the Rosenberg Memorial Fund, Walter Parker Trust and Ayyub Malik Trust, as well as monies raised through the RIBA Education Fund.

RIBA manages an annual £250,000 worth of student grants, scholarships, bursaries and student support funds. Among these, RIBA Research Fund provides grants to individuals conducting independent architectural research at any stage of their careers in practice or academia, for the advancement of architecture and connected arts and sciences.

Meanwhile with RIBA Studio, our practice-based qualifications, we continued enabling students to complete their Part 1 and Part 2 qualifications while remaining in practice and earning a salary.

CELEBRATING REGIONS

2018 saw a wealth of regional initiatives and events that demonstrate both the inherent resilience of our profession and its continuing relevance for people and communities across the UK.

With the introduction of monthly reporting we're starting to see the full picture of regional engagement. Between July and December, through events and face-to-face meetings RIBA engaged with 18,823 members and 1,287 practices, and a further 3,304 others that included school pupils and members of the public. Between July and December our 57 branches in England and Wales ran 235 events, we went on 176 practice visits, ran 116 CPD events and held 97 meetings with local authorities and other local policy makers.

RIBA across the UK in 2018

Our regions have continued their Influence and outreach programmes across England, together with the work of the Royal Society of Architects in Wales (RSAW).

Throughout 2018 we worked closely with our partners, the Royal Incorporation of Architects in Scotland and the Royal Society of Ulster Architects to promote our shared agenda and members' interests in Scotland and Northern Ireland.

Young Architectural Practitioners Forum (YAPF) Skills for Success Event © YAPF Committee



I can say confidently that I wouldn't be in the position I am today without the assistance from RIBA and the Rosenberg Memorial Fund. The bursary has allowed me to sustain myself financially in London, as well as helping me handle the cost of books, materials and printing.

Alex Kitching





Here is a small sample of the member engagement that took place across the UK in 2018:

Living Accordia

RIBA East hosted this event revisiting the renowned housing scheme ten years after it won the Stirling Prize. The event included talks, a tour and a closing discussion between the original planner, developer and three practices, all made available on YouTube.

Architecture Leeds

In April and May, RIBA Yorkshire and our branch, the Leeds Society of Architecture hosted Architecture Leeds at two vacant units in Victoria Gate. It included twelve lectures, a children's Lego workshop, CPD events, a book launch by Leeds Architecture School and the 'Architect in the Arcade' project offering public design consultations.

Fountains Abbey installation

Volunteer architects from our branch the North Yorkshire Society of Architects worked with 2,500 school children from 50 primary schools on this competition to design a folly for Fountains Abbey. The winning installation was shown alongside installations by internationally recognised architects and artists.

RIBA Hampshire lectures

This long-running lecture series by our branch in Winchester continues to engage local members. There were three lectures in 2018, each attended by 60-70 people.

Stirling Stories North

Hosted by our branch, the York Architectural Association and attended by over 150 members, the six Stirling Prize finalists

shared their experiences of the amazing projects they worked on.

Nottingham Urban Room

RIBA East Midlands and our branch, the Nottingham and Derby Society of Architects worked with Nottingham City Council, Urban Design Group, Historic England, the University of Nottingham and Nottingham Trent University to open the room in September. It's a space for people to engage with the places they live, work and play.

"The Nottingham Urban Room will play an important part in engaging local people in discussions about the place where they live, in a creative way."

Cllr Jane Urquhart, Portfolio Holder for Planning, Housing and Heritage

Love Architecture

Our branch, the Leicester and Rutland Society delivered a hugely successful series of events in October under the Love Architecture Festival banner. More than 400 people attended nearly 20 activities, which ranged from pub walks to a 'why use an architect' business presentation.

Northern Soul

RIBA North West's annual student design day this year was 'Northern Soul'. Working with the Manchester School of Architecture and their student society, over 100 students from across the north of England and Northern Ireland took part.

Royal Society of Architects in Wales (RSAW) anniversary conference

RSAW held their 25th anniversary conference in November to a full house of 160 people at Cornerstone, a converted chapel in the centre of Cardiff.

RSWA Spring School Portmeirion: *Watermarks - architecture in a fluid world*, May 2018
© David Rossington

Wales planning consultation

RSWA has set up a working group to respond to the Law Commission's consultation on planning law in Wales.

Engaging with local authorities in the South West

Building on a strong relationship with Cornwall Council, the South West programme of engagement and collaboration with local authorities extended to Bristol and Exeter including policy consultations, workshops with officers and a regular dialogue through local branches.

North East Skills for Success

Our North East Young Architectural Practitioners Forum (YAPF) launched the Skills for Success event series, with over 100 delegates attending across the four events.

RIBA London Architects Groups

The five new London architects' groups collectively delivered a wide range of events across the capital. The events included inspiring talks on entrepreneurial architects; Peer to Peer sessions aimed at small practices on fees and managing projects; and focused events on urban developments within specific London boroughs.

RIBA London team celebrated the next generation of black architects and brought together all-women groups within the construction industry.



1. Celebrating the next generation of black architects: Group photo of some of the nominees © Morley Von Sternberg | 2. RIBA East Midlands student mentoring 'Meet your Mentor' evening, Nottingham Trent University, October 2018 © RIBA | 3. Celebrating International Women's Day in Bristol with a debate featuring Ann Liu, Una Breathnach-Hifeamain and Yuli Cadney-Toh. © RIBA | 4. RIBA East Student Photography Course. © RIBA | 5. Launch of Leicester and Rutland Society of Architects Love Architecture Festival, October 2018. © Keith Cooper | 6. Staff and students from 9 Northern schools of architecture came together on 20 April for RIBA North West's annual Northern Soul design charrette at Manchester Town Hall. © Unknown | 7. Young Architectural Practitioners Forum (YAPF) Building Tour © YAPF Committee | 8. A 27 strong peloton completed the annual 65 and 100 mile RIBA North West Charity Bike Rides around the Forest of Bowland on 15 June. © Ann Vanner



SERVING A GLOBAL PROFESSION

Looking beyond the UK we had a productive year reaching out to our international members, while working to transform our proposition to the global profession.

The international regions team is part of our new international strategy for RIBA (see page “Going global” on page 17) and mirrors the team that supports our profession in the UK nations and regions. This new resource will enable us to provide more relevant support for our 5,500 international RIBA members, and expand our presence strategically, with a focus on fast-growing economic regions.

In 2018 we...

- held nine member events in locations that included Kuwait, Singapore, Malaysia, New York and Hong Kong
- made 20 international practice visits
- engaged with 280 international members and 42 other stakeholders and partners
- presented to 110 students and 20 academics at three schools of architecture

We developed new webpages dedicated to each of our international regions and continued to support our five international chapters in delivering their activities.

Other key international activities in 2018 included:

CityScape, Dubai – RIBA had a major presence at this, the premier construction and property show in the Gulf region, with an exhibition stand promoting the work of the RIBA Gulf Chapter, a wealth of RIBA speakers at the conference, substantial media engagement and a reception at the British Embassy. We also took a trade mission of 20 UK practices to the Kingdom of Saudi Arabia and the UAE.

Architects’ Council of Europe – in 2018 we collaborated with architectural institutes across the EU to address key issues for the profession in a post-Brexit climate, such as recognition of qualifications, the UK’s role in European standard setting, and access to public procurement.

American Institute of Architects joint annual lecture – our November annual event saw Steven Kieran and James Timberlake, of Kieran-Timberlake visit the UK to talk about their work on the new US Embassy in Nine Elms, London.

Tier 1 Visa – following a year of work with the Home Office and the Department for Digital, Culture, Media and Sport (DCMS) we secured the option of the Tier 1 (Exceptional Talent and Exceptional Promise) Visa for applicants from architecture. This opens up a new route for skilled architects to come to the UK and marks a step towards an immigration system that strengthens the UK’s global status in architecture.

RIBA President Ben Derbyshire speaking at Cityscape Dubai, September 2018. (C) Informa



Nine member events

in locations that included Kuwait, Singapore, Malaysia, New York and Hong Kong

Strong Voice: Influence and Action

In 2018 RIBA made a measurable difference as a voice capable of cutting through and influencing decision makers on behalf of the architecture profession. We spoke up on the big issues, expanded our learning offer, enhanced our communication channels and connected with new audiences in the UK and worldwide.

Brexit, housing, fire safety and inclusivity of the profession: these themes continued to dominate our work in 2018. During the year we engaged directly with Government, MPs and senior Whitehall staff through activities that included 76 meetings, putting the case for our profession and advocating for a better built environment.

We made strategic changes to strengthen our voice, bringing our external affairs director into the executive team and raising our investment in Westminster campaigns by a third. With the introduction of monthly reporting we have a detailed picture of outcomes from our work as the voice of our profession in 2018.





SPEAKING UP FOR CHANGE

RIBA made strong headway for the profession, offering Government a clear agenda in the face of uncertainty and political deadlock. Our work ranged from hosting the Secretary of State at the Stirling Prize to lobbying on Brexit, building regulations and housing design.

Over the course of the year we worked as hard as ever to represent our members' interests and opinions – and to put forward our position on the year's most pressing issues. We continued to speak up for equality, diversity and inclusion, and increased our pressure on the Government to address barriers to entry and social mobility in architectural education.

2018: a year of action:

February

We joined a private roundtable on the future of the planning system hosted by Chancellor Philip Hammond with attendees including Secretary of State for Housing Sajid Javid MP and Minister for Housing Dominic Raab MP.

April

The RIBA hosted a conference on design quality at 66 Portland Place with the Ministry of Housing, Communities and Local Government

The Architects Council of Europe General Assembly unanimously approved a RIBA motion calling on the UK and EU Brexit negotiating teams to preserve the mutual recognition of professional qualifications post Brexit.

May

We attended a reception at 10 Downing Street celebrating the UK creative industries with Prime Minister Theresa May.

June

We met with James Brokenshire, Secretary of State for MHCLG, to discuss Brexit and encourage the Government to enable Architects Registration Board (ARB) to begin talks with countries around the world for new mutual recognition of professional qualification agreements.

We welcomed the leader of the Liberal Democrats, Vince Cable to 66 Portland Place to give a speech on the housing crisis in June.

July

An ongoing agreement on Mutual Recognition of Professional Qualifications between the UK and the EU was named as one of the UK Government's priorities for the post-Brexit future relationship, following RIBA's lobbying.

September

The RIBA hosted joint events with CIOB, RICS and RTPI at Labour and Conservative Party Conferences on skills and diversity in the built environment.

Speakers at the Labour Party Conference event, hosted at RIBA North, included Shadow Minister for Planning Roberta Blackman-Woods and member of the Housing Select Committee Helen Hayes MP.

At the Conservative Party Conference we welcomed then Secretary of State for Education Damian Hinds MP, who discussed the need to drive the skills agenda through different routes.

Secretary of State Rt Hon James Brokenshire MP at the RIBA Stirling Prize Event in October 2018. © Andrew Hendry

October

The UK Government banned the use of combustible cladding following the RIBA's lobbying on a better system for fire safety post-Grenfell.

At the RIBA Stirling Prize in October, James Brokenshire, Secretary of State for MHCLG hailed architects as the "guardians of quality" in the built environment.

The UK Government announced that it would continue to recognise professional qualifications in the event of a no-deal Brexit. The UK Government subsequently published specific advice for architects and amended the Architects Act to ensure that EEA qualifications would continue to be recognised.

November

The Department for Digital, Culture, Media and Sport confirmed that RIBA Chief Executive Alan Vallance will sit on the Creative Industries Trade & Investment Board to represent the profession.

Ben Derbyshire addressed the Architects Council of Europe General Assembly, calling on colleagues across Europe to maintain their close relationship with the UK profession after Brexit and continue to work to preserve mutual recognition of professional qualifications (MRPQ).

December

We announced that from January 2019 the Tier 1 (Exceptional Talent and Exceptional Promise) visa will be available to applicants from architecture (see page 27).

Influence and action in 2018:



10 million viewers watched our Stirling Prize films on the BBC



2.95 million sessions on RIBA web pages – around 8% more than in 2017



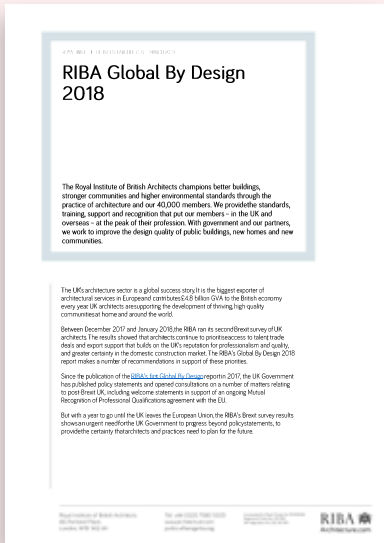
76 meetings with Government, MPs and senior Whitehall staff



78,306 visitors to RIBA's exhibitions, talks and cultural events



12 RIBAJ issues and **42 RIBA titles** published



Brexit

Throughout a year of uncertainty over Britain's departure from the EU, our policy team worked to gather the views of our profession and engage at all levels with the UK Government and European negotiators on behalf of our members, making the case for an agreement, and a future UK-EU relationship that preserves the access to talent, mutual recognition of professional qualifications and frictionless trade that has supported British architecture's global prominence.

Our activities included attending UK party conferences, addressing the Architects Council of Europe General Assembly, the appointment of our CEO Alan Vallance to the Creative Industries Trade & Investment board, meeting James Brokenshire, Secretary of State for MHCLG, and helping enable the Architects Registration Board (ARB) to begin talks with countries around the world for new mutual recognition of professional qualification agreements. In November Ben Derbyshire called on the Architects Council of Europe General Assembly to maintain their close relationship with the UK profession after Brexit.

We published a range of high-quality reports to inform decision makers and influence Government policy, including:

- Global by Design 2018: our survey of the profession setting out top Brexit priorities

- Global Talent, Global Reach: our research report into the economic value of UK architecture
- Powered by People (published January 2019): the most detailed research to date on the profession's UK-based international workforce
- policy papers on the immigration system, mutual recognition of qualifications and trade and export support

We also produced guidance for architects and practices on the implications of a no-deal Brexit, with a focus on specific, practical considerations.

Powered by People. Building a Post-Brexit Immigration System for UK Architecture

During 2018 we carried out detailed research and interviews with international architects living in the UK. We held four roundtables across the country and a conducted survey of more than 600 non-UK nationals, to learn more about their experiences working in the UK and their views on how the future immigration system can best help the sector to continue benefitting from international talent.

Our Powered by People report gives the most complete picture to date of the sector's international workforce, and sets out what is needed to ensure the immigration system supports rather than damages the UK's vital architecture sector.



Housing

As the UK wrestles with a range of approaches to its housing shortage, RIBA has been a consistent voice for quality, affordability, supply, diversity and mix of tenure and delivery mechanisms.

We've worked to move the agenda away from buildings towards placemaking – focusing on the spaces between the buildings and the activities within communities. It requires a collaborative approach and we've been working hard with local authorities and the Ministry of Housing, Communities and Local Government.

We appointed a Vice President for Research and adopted her recommendations, which included making the routine measurement of buildings in use (post-occupancy evaluation) a standard for our profession. We hope that this step will initiate new learning cycles and give our members more influence in advising clients on their investments.

We published three reports to guide policy:

- Flooding and homes, on the value of flood-resilient architecture and design, and the impact of climate change on UK homes.
- Joining the dots, on how improvements to UK transport infrastructure can contribute to tackling the housing crisis.

- 10 characteristics of places where people want to live, on the environment and processes that high quality, sustainable neighbourhoods require.

We also showcased RIBA award-winning housing developments in Design Matters.

Fire safety

The devastating tragedy at Grenfell Tower in 2017 saw the largest loss of life in a single peacetime building fire since 1887.

Our Expert Advisory Group on Fire Safety continued to lead our campaign for wholesale changes to fire safety in buildings, including several meetings with Dame Judith Hackitt of the Independent Review of Building Regulations and Fire Safety, and regular meetings with members of the Housing, Communities and Local Government Select Committee (HCLG). When the Select Committee made its recommendations, many of them reflected our priorities.

We published a detailed response to the final Independent Review on Building Regulations and Fire Safety, and engaged in consultations on Desktop Studies, Approved Document B and Combustible Cladding.

Our work was well covered across the media and helped shape Government actions such as the restrictions on the use of combustible materials in higher risk, high-rise buildings.

The RIBA fire safety conference, 'Protecting Lives: design and construction post Grenfell', in collaboration with RICS and CIOB, brought together politicians, professional bodies, construction industry experts and representatives of those affected by the Grenfell Tower tragedy to address how both the regulatory system and construction industry practice and culture must change. © Video Productions Ltd



WORKING TOGETHER

Together with the presidents of the architecture institutes of Scotland, Wales, Northern Ireland and the Republic of Ireland we have committed to drive forward five shared principles to strengthen and safeguard the future of the profession.

The principles have been agreed to bring greater consistency of focus across the nations, as their collective membership serve their clients and society.

On behalf of their institutes and their combined membership, the presidents have committed to collaborate on the following five principles:

1. Place the public interest and value to society at the heart of all they do – by promoting the highest ethical standards and ensuring codes of conduct are continually strengthened.
2. Be accountable and the Gold Standard - by protecting the public and maintaining the highest standards of architectural education.
3. Reflect the diversity of the population in their workforce - by adopting reforms and policies that promote diversity and inclusion within business practices.
4. Research, build and share essential knowledge - by developing and disseminating the body of knowledge embedded within the profession.
5. Lead the profession in the fight for a more sustainable built environment – by placing the United Nations Sustainable Development Goals as a key guiding principle in all they do.

From L to R

David Browne, President of the Royal Institute of the Architects of Ireland (RIAI); Joan McCoy, President of the Royal Society of Ulster Architects (RSUA); Ben Derbyshire, President of the Royal Institute of British Architects (RIBA); Carolyn Merrifield, President of the Royal Society of Architects in Wales (RSAW); Stewart Henderson, President of the Royal Incorporation of Architects Scotland (RIAS).



I am delighted to join forces with the five presidents of the UK and Eire to launch this statement. It signals our joint commitment to strengthen the position of architects in the market place and increase awareness of our unique value in society.

Ben Derbyshire
President of the RIBA





INSPIRING NEW AUDIENCES

The 2018 Stirling Prize was our biggest media event yet, reaching audiences of more than 47 million. Meanwhile, through a wealth of exhibitions, talks and cultural events, we continued to reach out and show people everywhere what architecture can do for society.

By showing architecture at its best, we open people's eyes to the possibilities our profession offers. Our programme of awards, prizes, talks and exhibitions attracted a total of 78,306 attendees, while engaging with an ever-growing volume and range of online audiences.

Awards and prizes

Our flagship Stirling Prize is one of a whole spectrum of RIBA awards designed to inspire and promote excellence in all areas of our profession. The prizes include Regional and National Awards; House of the Year, Client of the Year; the Stephen Lawrence Prize and a new addition, the Neave Brown Award for the best new example of affordable housing in the UK.

In addition RIBA has the International Prize, and a further suite of awards for individuals and projects. These include the President's medals, Royal Gold Medal, and research awards; the Charles Jenks award and the Annie Spink Award. The silver, bronze and dissertation President's Medals are RIBA's oldest awards and regarded as the most prestigious prizes in architectural education globally, rewarding talent and promoting research and innovation in architectural education.

Notable prizes and awards in 2018:

The RIBA Stirling Prize – our flagship prize was won by Bloomberg's new European HQ by Foster + Partners. This was the twenty-third prize since the award was founded in 1996. It was the largest in terms of engagement and in many ways our most successful yet, cementing the RIBA Stirling Prize as one of the pre-eminent arts awards.

Our ongoing partnership with the BBC enabled extensive coverage, including a half-hour programme with aerial photography on the BBC News Channel, and features on both BBC News at Ten and BBC Breakfast. Through a total of 264 pieces of coverage between July and October, the prize reached more than 47 million people, with more than 10 million seeing it on the BBC. There was also a successful online 'People's Poll'.

The award ceremony provided a powerful platform for RIBA President Ben Derbyshire to speak up for our profession, addressing a full house, with James Brokenshire, Secretary of State for MHCLG among those attending.

The 2018 RIBA Stirling prize was voted Best Membership Event of the Year at the 2019 MEMCOM Membership Excellence awards.

The RIBA International Prize is awarded every two years to a building that exemplifies design excellence and architectural ambition, while having a meaningful social impact. The 2018 prize was won by Children's Village – a new school complex on the edge of the rainforest in northern Brazil designed

RIBA Stirling Prize Event at the Roundhouse, October 2018 © Andrew Hendry



The prize reached more than

47 million
people



by Brazilian architects, Aleph Zero and their partner Rosenbaum. Supported by our media partners CNN, Dezeen, Wallpaper and BA Highlife, the 2018 prize saw a 180% increase in features, interviews and comment from 2016, with 468 pieces of coverage in 54 different countries.

House of the Year – we partnered again with Channel 4's Grand Designs for the four-part RIBA House of the Year TV series, documenting our award for the best new architect-designed house in the UK. As well as millions of viewers enjoying the four-part Channel 4 series, media coverage about the prize was widespread, nationally and regionally.

The Royal Gold Medal 2018 – the UK's highest honour for architecture was awarded to Neave Brown, the celebrated Modernist architect and housing pioneer, on 2 October 2017. He died in January 2018.

The RIBA Neave Brown Award for affordable housing was founded in 2018 to honour, remember and sustain his visionary work.

Exhibitions, collections and further inspiration

Pablo Bronstein's Conservatism or the Long Reign of Pseudo Georgian Architecture attracted critical acclaim and more than 18,500 visitors during its 2017-18 run at 66 Portland Place.

Disappear Here was a highlight among the compelling and popular RIBA exhibitions that brought architecture alive for the wider public in 2018.

Nearly 23,000 people visited 66 Portland Place between May and November in 2018 to see Disappear Here. This new exhibition was delivered by Sam Jacob Studio and inspired by the Italian Renaissance theorist Sebastiano Serlio's Seven Books of Architecture. Visitors were led through deceptive murals, cunning architectural structures and a newly commissioned film to trace the lineage of perspective across centuries and technologies. The show featured in the Financial Times, The Guardian, The Times, and on BBC Radio 4's Saturday Review. We were also delighted to receive a visit from celebrated artist David Hockney, who made a point of visiting London to see the show.

💖💖 Small and smart, this lovely little show bristles with unexpected gems. 💖💖
Edwin Heathcote, FT.

Eternal City: Rome in the collections of the Royal Institute of British Architects drew more than 110,000 visitors to the Vittoriano during its four-month run in Rome from June 28 to October 28.

Rationalism on Set: Glamour and Modernity in 1930s Italian Cinema was named as one of the London Festival of Architecture's 'Ten events not to miss' in June 2018. The show at London's Estorick Collection was curated by RIBA, with beautiful black and white photography from our collections.

RIBA North delivered a full and vibrant programme for Liverpool's Biennial of Contemporary Art, including two key exhibitions, Ceramica and Hack the Root.

Winner of the 2018 RIBA International Prize: Children's Village by Aleph Zero + Rosenbaum.
© Aleph Zero

The architecture community has lost a giant. Neave was a pioneer: he showed us how intellectual rigour, sensitive urbanism, his supreme design skill and determination could deliver well-being to the local community he served so well in Camden... Neave's contribution to architecture will not be forgotten. His vision and ideals live on in the generations of architects, whom he has inspired.

Ben Derbyshire, RIBA President, on Neave Brown (1929-2018)



We continued our partnership with the V&A Museum with *A Home for all: Six Experiments in Social Housing*, an exhibition presenting UK social housing projects from the past 100 years, each with an experimental approach in addressing the provision of a home for all. RIBA co-curated the display and provided models, photos and drawings.

Our 2015 exhibition *Brutalist Playground*, seen by more than 24,000 people during its run in The Architecture Gallery at 66 Portland Place, continues its successful tour of venues in the UK and abroad and opened in the Oslo Kunsthall in September 2018. The playful installation has now been experienced and enjoyed by over 62,000 visitors in all.

We continued to make our world-class collections of books, journals, photographs, drawings and architectural models freely available to the public, hosting more than 6,000 researcher visits to our reading and study rooms at Portland Place and at the V&A. Our enquiry services continued to flourish with our busy Information Centre and our curatorial teams answering more than 16,000 specialist written and telephone enquiries, from RIBA members and the wider public.

We also continued to share our collection with venues at home and abroad, lending paintings photographs and drawings to exhibitions at the Wellcome Collection, the V&A and the Science Museum in the UK. Some of these items have toured as far afield as Oman,

Russia, Spain and Italy as part of the V&A's *Ocean Liners* and *Opera* exhibitions. A number of our George Aitchison paintings were exhibited at the Bonn Bundeskunsthalle in the *Princely Painters* exhibition which opened in late September.

In addition to around 2,000 items added to our books and journals collection, we were delighted to receive a further 50 special collection acquisitions. The latter included the Colin St John Wilson archive, comprising about 23,500 drawings, 174 boxes of documents, 16 models, photographs and other materials covering all aspects of Wilson's career. We are indebted to Wilson's widow – M J Long (1939-2018) for placing the archive on loan with a view to it becoming a formal bequest on her death, and for providing funds to initiate its cataloguing. M J Long worked with Wilson as principal architect partner on the hugely ambitious British Library project over nearly two decades. Through grant funding we recruited a curator and archivist to begin cataloguing the archive.

Meanwhile, through our ongoing digital investment and collaboration with our marketing team, we continued to make our cultural resources more accessible online, and launched a new RIBApix newsletter. Our RIBApix service makes images from our collection available to view online, buy as prints or licence for online use. They're free to use for study and research. In October we added our 100,000th image – one of the Louis Hellman *Archi-têtes*

RIBA exhibition *Disappear Here*, by Sam Jacobs
© Andy Matthews



Pablo Bronstein's *Conservatism or the Long Reign of Pseudo Georgian Architecture*
© Francis Ware



series of caricatures featuring well-known personalities from the world of architecture. To celebrate this addition we launched a new Archi-têtes gift range. This was the most successful year yet for RIBApix.

Talks and conversations

The year began at pace with the final four talks in the Europa – connecting ideas across borders series, and the Europa Super-Session held at the Venice Biennale.

We were delighted to announce the launch of the two-year RIBA+VitrA talks programme, featuring emerging and established international voices in architecture, and including a number of fascinating intergenerational dialogues. The 2018 programme attracted 5,633 people to hear some of the most influential voices in architecture, with a larger proportion of younger audiences and many events selling out. 60% of attendees were 34 years old or younger, and 80% were 44 years or younger. Meanwhile we saw progress in our drive to improve the diversity of our speakers and panel members, with an increase in those from BAME backgrounds from 6% in 2015 to 24% in 2018, and the proportion of female speakers increasing from 30% in 2015 to 52% in 2018.

Highlights from the RIBA+VitrA series included:

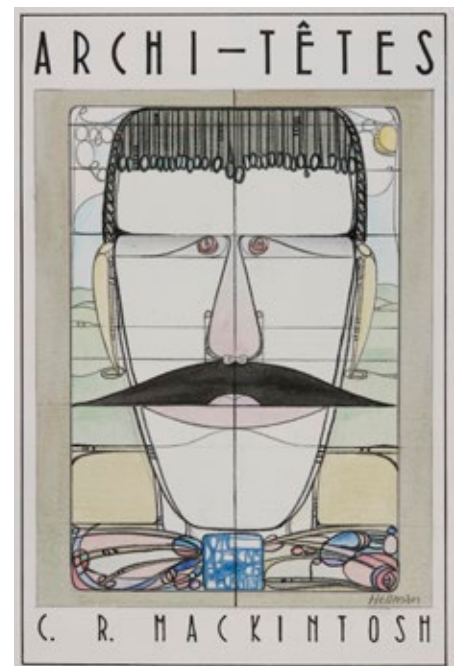
Kazuyo Sejima – the founding partner of Tokyo-based SANAA discussing her approach to design in Japan and internationally.

Sir David Adjaye – speaking about his career with Lesley Lokko, Head of School at the Graduate School of Architecture, University of Johannesburg.

Assemble – the Turner Prize-winning collective discussing recent projects, including their major commission at Goldsmiths Centre for Contemporary Art.

Kate Macintosh and Mary Duggan – a wide-ranging conversation between pioneering intergenerational architects.

Audience at the RIBA + VitrA Talk with Daniel Libeskind © Ruth Ward



Hellman's Archi-têtes



RIBA North

RIBA North, our national architecture centre on Liverpool's Waterfront, was awarded Best Newcomer to the Visitor Economy at the Liverpool City Region Tourism Awards in May 2018, less than a year after opening.

RIBA North has quickly become established as an inspirational resource for both our members and the public – a place for everyone to discover and be inspired by architecture, architects and good design.

In 2018, the centre's first full year programme of exhibitions, talks and tours adopted the themes of sustainability, innovation, technology and futures, as a means of exploring the horizons for our profession, its resilience and relevance.

Highlights of a busy year included:

Ceramica

October 2017 to March 2018

An ambitious show in collaboration with ECALab, exploring how traditional ceramic techniques and digital engineering processes can work together to produce sustainable architectural components. Nearly 15,000 visitors came to view work by leading ceramicists — including a full-scale prototype of light-diffusing facades and ceilings, accompanied by a film by ECALab explaining the design methodologies.

Hack the Root

October 2017 to March 2018

An innovative collaboration with Liverpool Biennial, featuring a specially commissioned installation by Mae-ling Lokko. Working

with community volunteers and school children, Mae-Ling created an architectural structure out of biobricks grown from agrowaste in specially designed chambers at RIBA North. More than 20,000 visitors came to experience the installation and accompanying story and film. After the exhibition the biomaterials were transferred to Farm Urban, a local farming innovation charity, for ongoing educational work.

It Will Never Work

June 2018

A collaboration with Urban Splash, exploring 25 years of the company's RIBA Award winning projects. Part retrospective, part manifesto this exhibition celebrated Urban Splash's 'unplanned' approach to creating futures – from Madchester to Brexit via EasyJet and driverless cars. The exhibition went on to show at our other four venues.

Stirling Prize shortlist

November 2018 to February 2019

As part of the Stirling Prize activities, RIBA North hosted an exhibition celebrating each of the year's shortlisted schemes, with a model and other material not widely seen, telling the story in the architect's own words. The exhibition was also displayed at 66 Portland Place prior to the Stirling announcement. Meanwhile, RIBA North's Gallery Two presented displays that included The Presidents Medals, the Eyeline exhibition, a collaboration with Light Night; the Cooks Camden, and the Manchester Society of Architects' awards.

Ceramica exhibition at RIBA North in collaboration with ECALab. © Adam Kenrick



Painting entitled 'Poolside Reflection', of the swimming pool at Willis Faber & Dumas Headquarters, Ipswich, Suffolk, 1984 by Ben Johnson (1946-)

Lent to Superstructures: The New Architecture, Sainsbury Centre, Norwich, 24th March -2nd September 2018



ENABLING LIFELONG LEARNING

The continuing growth of our learning programme strongly affirms that architecture is for everyone. In 2018 we formally launched our National Schools Programme following a successful three-year pilot. We completed most of the construction on our new Clore Learning Centre, and we continued to deliver a rich and varied programme of learning activities.

Audiences for our learning programme grew across most categories, with 9,261 people participating in creative workshops and events at 66 Portland Place, other venues in London and cities across the Midlands. And our online learning pages had 43,541 visits – more than double the 2017 figure.

National Schools Programme

Our National Schools Programme is the UK's first nationwide architectural learning programme for schools, enabling young people to understand and explore their built environment and helping inspire a new generation of architects.

The programme has seen 350 architects volunteer as Architectural Ambassadors, each partnering with a school to inspire classes about the potential of the built environment. These working architects often choose schools in more socially challenging environments, and they volunteer their time to deliver curriculum-linked workshops.

We completed a successful three-year pilot and launched the programme officially at the Stirling Prize award ceremony, with a new film. During the year, in total, the programme engaged 5,172 participants through 151 individual activities, an increase of 34% on 2017.

Design Day: Designing in Light and Colour 2018 creative workshop for 11 to 15 year olds © RIBA

“
We are committed to empowering the next generation with this inspiring, nationwide and free schools programme.
Ben Derbyshire,
RIBA President

“
Even the small things can change a lot of people's perspectives on the world. [The programme] made me feel I have a chance, an opportunity to become an architect. I could design something that could go on to help a lot of people.
Student at Hammersmith
Academy

“
I wanted to give back and give the younger generation an opportunity to really understand what the built environment is to them.
Stephanie Edwards, Architectural
Ambassador

“
Working with a team of talented architects... has ensured that our children are able to develop life skills, such as team work, solving a brief, problem solving and communication. These skills are transferable and applicable to all parts of life. In addition, the programme also raises aspirations and creates new and broader pathways into the profession for the architects of tomorrow.
Feedback from a senior teacher at
Rokesby Junior School (London)



Clore Learning Centre

Our new learning destination at 66 Portland Place demonstrates the power of an architecturally designed space to inspire and inform – both in the experience it offers and the story of its creation.

We completed two thirds of the construction during 2018.

The project is a close collaboration between the Clore Duffield Foundation (whose generous grant has enabled the centre), architects Hayhurst & Co., and RIBA. By working together we overcame a series of practical challenges, delivering a project that the Clore Duffield Foundation has endorsed (and asked us to document) as an example of good practice.

The centre will support the development of our adult learning and community programmes, as well as working with children. Having a dedicated space will enable us to expand our offering. We expect to have the space fully up and running by autumn 2019.

A wealth of learning opportunities

Our programme of workshops, courses and community engagement enables people of all ages and experiences to explore architecture, think critically and test their creativity. Our 2018 programme achieved record growth and established further delivery partnerships to enhance our offer.

A few highlights from 2018:

Architectural Drawing Masterclass – a new collaboration with the Wallace Collection, this sell-out event enabled participants to develop their drawing and creative skills, exploring the collections and interiors of the Wallace Collection and RIBA's collections.

Building Stories – architecture and creative writing brought together in a two-day course hosted at both 66 Portland Place and the British Library.

Skill-up summer school – a five-day course for participants aged 15-18, led by architect Chee-kit, introducing the fundamentals of the profession.

Art workshops for Silver Sunday – enabling older participants to explore architecture, learn or re-learn skills, including creating artistic representations of London landmarks in a series of art workshops.

Clore Learning Centre © Andrew Hendry



The new centre is an inspirational destination for architectural learning, enabling us to offer more people a broader and richer learning experience. The potential for creativity is truly exciting, and we can't wait to explore the possibilities.

Ben Derbyshire,
RIBA President





PUBLISHING FOR A DIGITAL WORLD

The launch of RIBA Publishing – our restructured and revitalised publishing function – will significantly strengthen our voice in a noisy, multi-channel world.

During 2018 we transformed our publishing capabilities, with significant investment as part of our strategy Advancing Architecture. We retained RIBA Services – the key publishing, journal and job board assets of RIBA Enterprises – in the private equity partnership agreement with Lloyds LDC, re-establishing these functions as a new in-house offering under the name RIBA Publishing. This newly adopted in-house publishing team then set about aligning processes and systems with the changes and improvements being carried out across RIBA.

This move is enabling us to develop a much-improved web presence, which will better integrate RIBA Jobs, RIBA Books and RIBA Journal into architecture.com. This has been complemented by specific training in SEO, metadata and podcasting, as well as attending industry events. We also appointed a new Publishing Director, responsible for the overall management and strategic oversight of the RIBA Journal, book publishing, book retail and job board.

This was a far-reaching transformation, bringing a number of other notable changes that will strengthen our voice:

RIBA Journal – we thoroughly reviewed RIBA.J.com, including presentation and content, and created a new cover design and feature types. We also developed our international content and reduced our print and distribution costs.

Book publishing – we’re starting to commission books for lifelong learning and forming a publishing educational advisory panel. We’re looking at ways to maximise the potential of each book title, improving design and production qualities, and also making the most of rights and licensing through partnerships.

Retail – the transfer to RIBA involved closing the warehouse, moving to a distributor and changing the stock management system. We are developing a more member-focused RIBA Bookshop website.

A selection of RIBA Publishing Books © Colin Ross

RIBA Publishing is not only exceptional in terms of people's expertise and talent, but also in the 'can do' attitude that pervades the department. Everyone is highly focused on targets, and the conversation around improvement is constant.

Ben Derbyshire, RIBA President

Financial Review

The purpose of this financial review is to assist readers with interpreting the Financial Statements presented later (see pages 56 to 58), the format of which is as specified by the accounting Statement of Recommended Practice (“SORP”) used by Charities. To supplement this, the information presented below in bold are headings used in the Consolidated Statement of Financial Activities (the “SOFA”) shown on page 56.



Our income including gain on disposal of subsidiary

£118.9m

Up £75.8m

Our expenditure

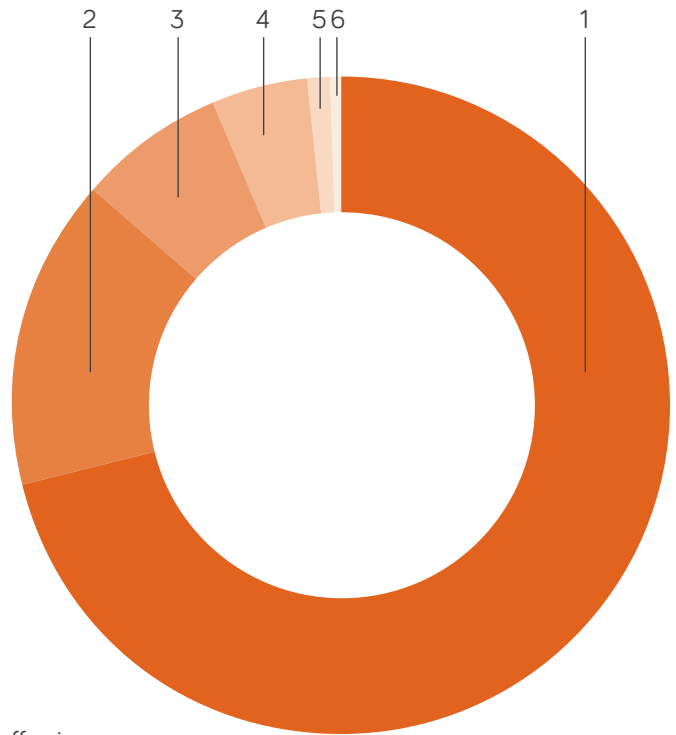
£37.1m

Down £5.9m

Total income and gain on disposal of subsidiary

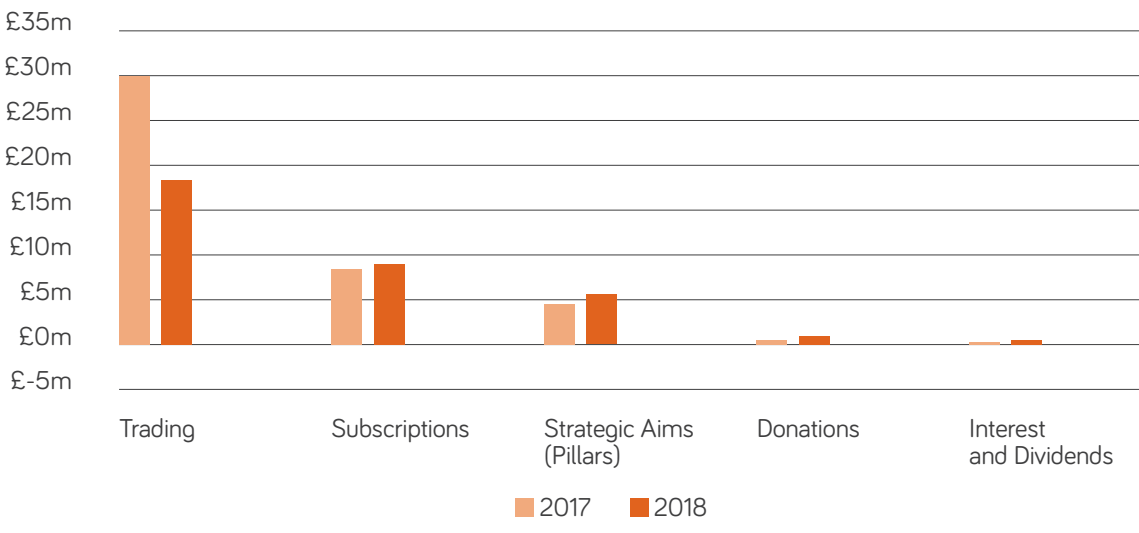
£118.9m

- 1. Gain on disposal of subsidiary £84.8m
- 2. Trading £18.2m
- 3. Subscriptions £8.6m
- 4. Strategic Aims (Pillars) £5.5m
- 5. Donations £1.2m
- 6. Interest and Dividends £0.6m



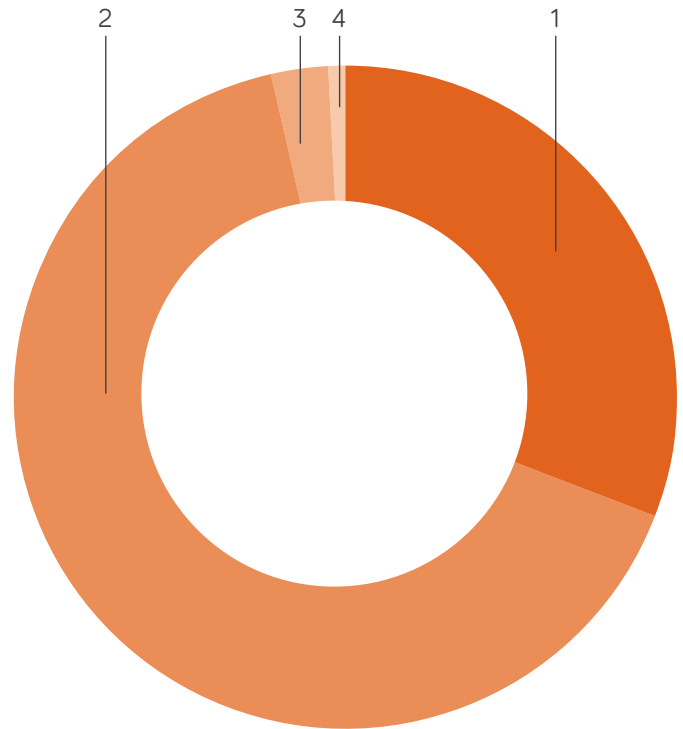
The gain on the disposal of RIBA Enterprises of created a large one-off gain in 2018 of £84.8 m. **The following chart shows income excluding this gain compared to last year.**

Year on movement



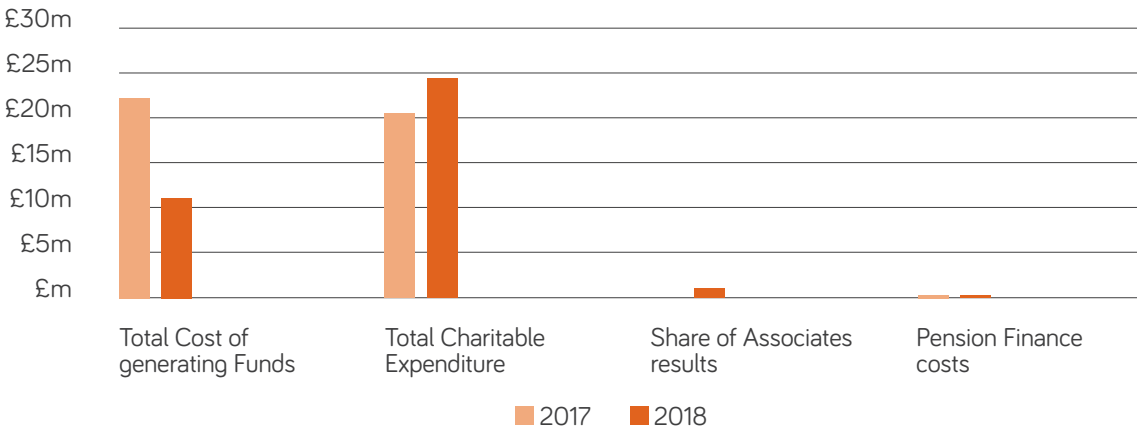
Total expenditure £37.1m

- 1. Total Costs of Generating Funds
£11.5m
- 2. Total Charitable Expenditure
£24.3m
- 3. Share of associates results
£1.0m
- 4. Pension Finance costs
£0.3m



The following chart shows expenditure compared to last year.

Year on movement



Charitable expenditure

£24.3m

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

However, the presentation in the Statement of Financial Accounts makes it difficult to identify exactly where or how the money is spent. The chart below shows more specifically where the money (£24.3 million) has been spent.

1. Premises and Facilities
£4,230k

2. Depreciation
£1,626k

3. Governance
£471k

4. President and Group Executive
£1,307k

5. Finance, HR and ICT
£4,699k

6. Development
£385k

7. Membership
£1,217k

8. Practice and Profession
£1,382k

9. International
£400k

10. Communications,
Policy and Public Affairs
£1,152k

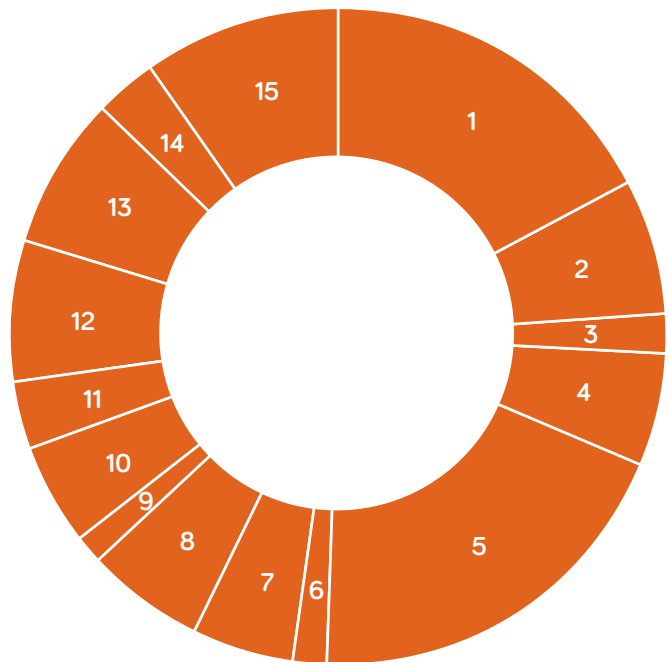
11. Client Services
£822k

12. Library
£1,708k

13. Education and Research
£1,827k

14. Celebration of
Good Architecture
£762k

15. Network of Offices
£2,299k



Financial Review

2018 OVERVIEW

2018 has been a transformative year for the financial strength of the RIBA, however this does make it difficult to understand the underlying performance of the RIBA in the statement of financial activities. The following table represents the statement of financial activities into the main areas as follows:

- Ongoing operations includes all activities within the group excluding the trading of RIBA Enterprises Ltd and any transactions relating to the sale of RIBA Enterprises
- The discontinued operations comprise the trading of RIBA Enterprises Ltd. to the date of disposal, 8 June 2018.
- The disposal of subsidiary includes the one-off gain on the disposal of RIBA Enterprises Ltd, and the exceptional costs associated with the sale.
- The gains and losses on investments and pensions are also separated out.

	Ongoing operations £'000	Discontinued operations £'000	Disposal of Subsidiary £'000	Investment & Pension Gains and losses £'000	Total £'000
2018					
Income	24,796	9,315			34,111
Expenditure	(31,610)	(5,456)			(37,066)
Disposal of Subsidiary			84,767		84,767
Gains & losses				(4,966)	(4,966)
Movement in funds	(6,814)	3,859	84,767	(4,966)	76,846
2017					
Income	23,230	20,555			43,785
Expenditure	(27,205)	(15,752)			(42,957)
Disposal of Subsidiary			(689)		(689)
Gains & losses				6,590	6,590
Movement in funds	(3,975)	4,803	(689)	6,590	6,729

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

The RIBA is a charity, it is a membership organisation and following the sale it retains strong commercial businesses and as such, it has wide-ranging streams of income. The sale of the subsidiary RIBA Enterprises Ltd produced a gain of £84.8 million.

The Consolidated statement of financial activities is presented with RIBA Enterprises Ltd shown as a discontinued activity in both 2017 and 2018 to allow the ongoing performance of the RIBA to be compared. The RIBA received total income before gains of £34.1 million (2017: £43.8 million). This figure represents all of the income received before allowing for any costs incurred to generate the income, also known as 'gross income'. Excluding the discontinued income of RIBA Enterprises Ltd of £9.3 million (2017: £20.6 million), total income was £24.8 million (2017: £23.2 million).

Of this total income excluding RIBA Enterprises Ltd, £8.6 million came from membership subscriptions (+5% from 2017) and £8.9 million from other trading activities (-4% from 2017), which is mainly income generated by the Venues business based in our Headquarters at 66 Portland Place. The RIBA Venues business is derived from the letting of rooms and from the supply

of food and beverages, and operates through the trading subsidiary RIBA 1834 Ltd.

Trading income of £18.2m (2017: £29.9m) reduced as 2017 included a full year of income from RIBA Enterprises Ltd, whereas 2018 only included income up to the point of sale on the 8th June 2018.

Other Charitable activities (i.e. other than subscription income) generated £5.5 million (2017: £4.7 million). This income has been allocated to one of the three strategic priorities of the Institute – a strong profession, a strong voice and a strong organisation. These strategic priorities are discussed earlier in the report, but examples of income in respect of each of these are below.

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

Donations and legacies generated £1.2 million (2017: £0.6 million) and investment income (interest received and dividends) of £0.6 million (2017: £0.4 million).

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

Total expenditure during the year was £37.1million (2017: £43.0 million). Excluding the discontinued expenditure of RIBA Enterprises Ltd of £5.5 million (2017: £15.8 million), total expenditure was £31.6 million (2017: £27.2 million).

Expenditure on raising funds is effectively the costs of running the RIBA's commercial operations which generate the associated income explained above. Total expenditure on raising funds was £11.5 million (2017: £22.1 million). Excluding the discontinued expenditure of RIBA Enterprises Ltd, total expenditure on raising funds was £6.0 million (2017: £6.3 million).

Expenditure on charitable activities, like income, is allocated to one of the three strategic priorities. The chart on page 47 shows more specifically where the £24.3 million (2017: £20.4 million) has been spent.

PENSION SCHEME FUNDING RESERVE

The RIBA operates a defined contribution pension scheme whereby it pays a percentage of employees' salaries into a pension scheme and has no further liability. However, historically, like many employers, it used to provide a defined benefit (or final salary) pension scheme to its employees, whereby the pension received relates to the number of years' service and the salary paid on leaving the company's employment. Although this latter scheme was closed to new employees in 1994 and now has no active members, it is subject to great volatility as demonstrated by the figures presented in the financial statements. The SOFA (page 56) includes a separate column and this shows a £4.0 million actuarial loss (2017: £6.8 million actuarial gain), resulting in an overall actuarial valuation that is capped to £0 million (2017: £0 million capped).

The Financial Reporting Standard (FRS102) governs some of the assumptions used and how the information is presented, in an attempt to take out any subjectivity in the numbers. However, this is unnecessarily complex and valuations can fluctuate from year to year. The most important point to note is that every three years, the Trustees of the 1974 Pension Scheme reach an agreement with the RIBA Trustees on the valuation of the deficit, using a set of assumptions agreed by both parties and agree a contribution (or deficit funding) schedule. The last full triennial valuation of the scheme, as at 31 December 2016, valued the deficit at £3.3 million. The next full triennial valuation will be prepared as at 31 December 2019.

The sale of RIBA Enterprises Ltd allowed a £4m one-off contribution to be paid into the pension scheme in 2018.

NET MOVEMENT IN FUNDS

In addition to the income and expenditure discussed above, an £83.4m gain was made on the disposal of RIBA Enterprises Ltd. The actuarial movement on the defined benefit pension scheme was a £4.0 million loss (2017: £6.7 million gain), the fund is still in surplus. The investments held by the RIBA generated a £0.9 million net loss (2017: £0.2 million net loss). Overall, the net movement in funds during the year was a £76.8 million surplus (2017: £6.7 million surplus), with the sale of RIBA Enterprises Ltd the most significant contributing factor.

BALANCE SHEET

The Balance Sheet on page 57, shows the value of the RIBA's assets as at 31 December 2018, the last day of the accounting year. The net assets of the RIBA have increased by £76.8 million during the last twelve months, to £356.9 million (2017: £280.0 million).

The vast majority of the value in the balance sheet is not readily accessible to RIBA, as reflected in the reserves policy. £346.5m is held in designated funds, £5.4m in restricted and endowed funds, and £5.0m in general funds/free reserves.

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

A heritage asset is defined as "a tangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture. The value placed on such assets as at 31 December 2018 is £265.0m (2017: £264.3m) and this is a significant figure which 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 the Trustees have a duty to protect these assets, which have been acquired by the RIBA either through donation or by acquisition since its formation in 1834. The RIBA considers itself responsible not only for ensuring the continued preservation of the archives and collections for future generations, but for making them available to a wider audience.

The RIBA's fixed assets also include the investment in associate of Williams TopCo Ltd of £30.7m (2017: £0).

The RIBA has total debtors of £3.8 million (2017: £5.6 million), which include amounts owed from sponsors, customers and RIBA members, in addition to prepayments and accrued income.

In 2018 the main liability on the balance sheet, a banking facility (term loan), was repaid in full. This reduced creditors within one year by £19.1 million at 31 December 2018.

CASH FLOWS

During the year there was a net increase in cash of £27.9 million to £33.9 million (2017: £1.2 million decrease). The increase was a result of the net cash received from the sale of RIBA Enterprises Ltd after paying off the loan and making a contribution to the defined pension scheme.

BASIS OF PREPARATION

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

GOING CONCERN

The financial statements have been prepared on the basis that the RIBA has adequate resources to continue in operational existence for the foreseeable future (going concern basis), with assets and liabilities recognised as they will be realised and discharged in the normal course of business. In support of this assumption the proceeds from the sale of RIBA Enterprises Ltd has provided enough funding to cover any financial uncertainties over the following twelve months.

RISK MANAGEMENT

In 2017 the RIBA established a more comprehensive risk management process, and this was continued in 2018. The Executive Team identified a set of strategic risks, linked to our business priorities and informed by internal developments, external influences and longer-term commitments. These risks, if not managed, would compromise our ability to deliver our strategic aims. Each strategic risk is owned by a member of the Executive Team and they are regularly reviewed by the Executive Team, the RIBA's Board, and the Audit and Oversight Committee.

The resulting strategic risk register initially consisted of 10 strategic risks made up of 55 risk mitigations. The risks covered the following risk categories:

- Financial
- Operational
- Reputational
- Political
- Compliance

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

During the year the number of risks was reduced to 9 because of the sale of RIBA Enterprises, and the number of mitigations increased to 64. Monthly progress reports were presented to RIBA's Executive Team and at all Audit and Oversight Committee meetings at which a number of recommendations were made to refine and improve processes which were taken on board.

At the end of 2018 53 (83%) risk mitigations have been completed, 7 (11%) were postponed due to internal capacity issues, 3 (5%) were delayed due to the postponement of the Brand review, and 1 or (1.6%) was superseded by the Organisational Review work.

The year-end position for the nine strategic risks was a reduction in the risk assessment rating in eight of the nine strategic risks. The risk that we do not maintain or enhance our brand risk remained the same due to the later start of the brand review.

At the end of 2018 we had five high risks, three medium risks and one low risk, compared to five extreme risks and five high risks

at the beginning of the year. We achieved or bettered four of the planning risk ratings. The other five risks highlighted were only one likelihood level above where we had planned.

The RIBA's most significant risks in terms of residual risk scores are outlined below:

Lack of business continuity and resilience: there is a risk that we fail due to a lack of business continuity and resilience- specifically in relation to a single location of our critical systems which are all located at a single place in London. There was a low business continuity and resilience maturity of process and capability within the RIBA.

Related mitigations were:

- Revise and update and test business continuity plans
- Revise and update and test disaster recovery plans
- Appoint a business continuity manager
- Appoint a disaster recovery manager
- ICT/Digital business continuity & disaster recovery programme

Regulatory compliance: there is a risk that we fail to maintain regulatory compliance- specifically in relation to a single location of our critical systems which are all located at a single place in London. There was a low business continuity and resilience maturity of process and capability within the RIBA.

Related mitigations were:

- Review governance and compliance policies
- Develop and implement a legal compliance monitoring and reporting process
- Website rationalisation and securitisation
- Applications review for GDPR
- Establish a Data Protection Officer function
- Appoint an experienced and skilled Head of Governance and Legal Affairs

Relevance: There is a risk that if we do not produce products and services that meet our members needs or indeed predict their future needs they will go elsewhere, and the RIBA will become irrelevant.

Related mitigations were:

- Conduct a regular membership survey
- Stakeholder communication channels are identified / determined.
- Regular review of membership cost and overall package offer
- Website consolidation
- Generating greater member focused content and the paywall
- Economic monitoring for impacts on our members' businesses
- Develop and implement a structured response in support of our members during any economic downturn
- Ensure our offer promotes and supports better business practice for our members

Talent: There is a significant risk that we are unable to compete in the marketplace for talent. Increasingly we are finding it harder to attract and retain talents staff members.

Related mitigations were:

- Develop and conduct a quarterly staff engagement survey
- Review and restructure the HR function
- Appoint an internal communication manager
- Develop and implement current and future leaders and management programmes
- Develop a people strategy
- Develop a staff survey action plan
- Review current staff policies and close any gaps
- Appoint permanent Director of HR & OD.
- Conduct brand review to build an inspiring brand for the 21 Century

Identifying and managing risk is not a barrier to efficiency, effectiveness or innovation, and managing our strategic risks has a minimal effect on our activities unless additional controls need to be introduced. As far as possible, we incorporate risk mitigations into our business as usual activities, reinforcing the message that risk management is the responsibility of all staff.

Short and medium-term additional governance structures are introduced for high-value projects and programmes as appropriate.

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

INVESTMENT POLICY

The RIBA's investment policy is for restricted funds and is based on guidance from the RIBA's investment managers, Schroders. The main investment policy objectives are to maintain the earning value of the capital so that the value of the sum available for disbursement is constant, to ensure risk to the funds is minimised and to otherwise maximise the annual return. An interim investment policy was implemented in 2018 to ensure the additional cash from the sale of RIBA Enterprises was not put at risk. In 2019 an updated policy will ensure that the additional funds generate a higher return, but still within the acceptable levels of risk (see note 18).

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

RESERVES POLICY

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

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

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

In 2017 the RIBA defined 'free reserves' as the unrestricted general reserves less an estimate for its anticipated commitments on maintaining the outside of 66 Portland Place. In 2018 the treatment of these commitments has been changed, with all now included in the financial statements and therefore added as a cost in the year. The target for free reserves in 2018 is between £4,312k - £5,312k. With free reserves of £4,975k at the end of the year the RIBA is within this target.

The sale of RIBA Enterprises resulted in four new designated reserves being created. These were required both to put funds aside to invest in future growth, and to allow the free reserves to accurately reflect the reserves the RIBA has available to underwrite its day to day activities.

The investment in associated company reserve comprises the value of the investment held in Williams TopCo Ltd per note 16. Williams TopCo Ltd owns 100% of RIBA Enterprises Ltd, The RIBA does not readily have access to the investment in the form of a cash distribution, and therefore it is excluded from the free reserves.

The fixed assets reserve has been created to account for the capitalised lease of 76 Portland Place. In previous years this was not required as the lease was covered by a loan (£19.1m at December 2017).

The investment for growth fund has been created to allow the RIBA to strategically invest in activities that will help generate additional income, cost efficiencies, or member benefits.

The four-year deficit cover fund provides enough reserves to allow the RIBA to operate with a deficit over the next four years. This is required to cover the gift aid that will no longer be received from RIBA Enterprises Ltd after its sale.

As at the end of 2018 the level of reserves held were:

Unrestricted funds	2018	2017
	£'000	£'000
Heritage Assets reserves	264,523	263,855
Investment in associated company	30,741	-
Fixed assets reserve	16,164	-
Investment for growth fund	16,000	-
Four-year deficit cover	12,362	-
Revaluation reserves	6,703	6,768
Total designated funds	346,493	270,623
General reserves	4,975	3,792
Total unrestricted funds	351,468	274,415
Free reserves		
General reserves	4,976	3,792
(less) Commitments		(350)
Free reserves	4,976	3,442

FUNDRAISING

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

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

No professional fundraisers or commercial participators were used to approach individuals on our behalf of the RIBA in 2018. As at 31 December 2018 no complaints have been received.

Structure, governance and management

STRUCTURE

The Royal Institute of British Architects (RIBA) was incorporated by Royal Charter (its Trust Deed, by which it is governed) in 1834 and was registered as a Charity on 14 August 1962 (Registration Number 210566). A list of current Trustees is included on page 84, together with a list of principal advisors on page 85.

At the end of 2018 the RIBA has two main subsidiary companies, RIBA 1834 Ltd and RIBA Financial Services Ltd. The RIBA also has twelve administrative regions (including the Royal Society of Architects in Wales), as well as over sixty branches.

On 8 June 2018 100% of RIBA Enterprises Ltd was sold to Williams Topco Ltd, and the RIBA then invested in Williams Topco Ltd to acquire 42.5% of the equity.

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 the 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 the RIBA Council.

The RIBA is undertaking a governance review, in liaison with the Charity Commission and Privy Council, to restructure the governance structure of the RIBA.

In addition to the Council and Board, there are nine main committees, namely Finance and Operations Committee, Audit and Oversight Committee, British Architectural Trust Board, Membership Committee, International Committee, Education Committee, Nations and Regions Committee, and Practice & Profession Committee. There are also a number of sub-committees. 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 over 40,000 hours (excluding travel time) were freely given by our members. This reflects very well on all of our members (and others) who give up their time in a wide variety of ways to support the RIBA at all levels and promoting architecture to the public.

MANAGEMENT

Alan Vallance, as Chief Executive has a number of delegated powers and reports directly to the RIBA Board. Members of the Group Executive and Senior Staff teams are listed on page 85.

REMUNERATION POLICY

The RIBA Board set the pay of the Chief Executive, based on independent benchmarking advice provided by specialist reward consultancy, Creative Reward. The Executive Directors' pay is benchmarked in the same way and determined by the Chief Executive. All other posts are evaluated using our evaluation framework and remunerated in line with agreed pay scales. The annual pay review was determined by the RIBA Board.

STATEMENT OF THE TRUSTEES' RESPONSIBILITIES

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

The RIBA values equality, diversity and inclusion and is committed to ensuring that, within reason, no person will suffer less favourable treatment than another.

Signed for and on behalf of the Board of Trustees:

Alan Jones, President

2 October 2019

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

OPINION

We have audited the financial statements of Royal Institute of British Architects ('the parent charity') for the year ended 31 December 2018 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group and parent charity's affairs as at 31 December 2018 and of the group's and parent charity's incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements

does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a

material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

USE OF OUR REPORT

This report is made solely to the parent charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the parent charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Date

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

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

Financial Statements

Consolidated statement of financial activities

For the year ended 31 December 2018

	Note	Unrestricted funds £'000	Pension Scheme funding reserve £'000	Restricted funds £'000	Endowment funds £'000	Unrestricted discontinued operations £'000	2018 Total £'000	2017 Total (as restated) £'000
Income from:								
Donations and legacies		881	-	330	-	-	1,211	638
Charitable activities								
Membership subscriptions		8,591	-	-	-	-	8,591	8,188
Voice		1,014	-	69	-	-	1,083	1,032
Organisation		18	-	-	-	-	18	59
Profession		4,393	-	7	-	-	4,400	3,616
Other trading activities	2	8,929	-	-	-	9,307	18,236	29,850
Investments		408	-	156	-	8	572	402
Total income		24,234	-	562	-	9,315	34,111	43,785
Expenditure on:								
Raising funds		6,095	(95)	-	-	5,456	11,456	22,068
Charitable activities								
Voice		6,688	(65)	225	-	-	6,848	8,677
Organisation		6,826	(75)	-	-	-	6,751	3,669
Profession		10,589	(98)	196	-	-	10,687	8,084
Pension finance costs		-	315	-	-	-	315	459
Total expenditure on ordinary activities	5	30,198	(18)	421	-	5,456	36,057	42,957
Share of associate loss	16	1,009	-	-	-	-	1,009	-
Total expenditure		31,207	(18)	421	-	5,456	37,066	42,957
Net(expenditure)/income before net gains/(losses) on investments								
		(6,973)	18	141	-	3,859	(2,955)	828
Gain on disposal of subsidiary	31	84,767	-	-	-	-	84,767	(689)
Net gains/(losses) on investments	18	(600)	-	-	(348)	-	(948)	(185)
Net income/(expenditure)	6	77,194	18	141	(348)	3,859	80,864	(46)
Transfers between funds		(141)	4,000	-	-	(3,859)	-	-
Net income/(expenditure) before other recognised gains and losses		77,053	4,018	141	(348)	-	80,864	(46)
Actuarial gains/(losses) on defined benefit pension schemes	29	-	(4,018)	-	-	-	(4,018)	6,775
Net movement in funds		77,053	-	141	(348)	-	76,846	6,729
Reconciliation of funds:								
Total funds brought forward		274,415	-	1,737	3,856	-	280,008	273,279
Total funds carried forward		351,468	-	1,878	3,508	-	356,854	280,008

There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Notes 24 to 25 inclusive to the financial statements.

Balance sheets

As at 31 December 2018

	Note	The RIBA group		The RIBA charity	
		2018 £'000	2017 £'000	2018 £'000	2017 £'000
Fixed assets:					
Intangible assets	11	1	391	-	-
Tangible assets	12	28,602	35,450	28,602	29,087
Heritage assets	13	264,983	264,277	264,983	264,277
Investments in subsidiary undertakings	14	-	-	1	1,319
Investments in associate	16	30,741	-	30,741	-
Investment properties	17	-	712	-	600
Investments – other	18	4,113	4,461	4,113	4,461
		328,440	305,291	328,440	299,744
Current assets:					
Stocks	19	1,176	1,005	-	-
Debtors	20	3,763	5,583	5,074	3,158
Cash at bank and in hand		33,909	6,041	31,968	1,818
		38,848	12,629	37,042	4,976
Liabilities:					
Creditors: amounts falling due within one year	21	(8,897)	(37,808)	(6,932)	(24,564)
Net current assets/(liabilities)		29,951	(25,179)	30,110	(19,588)
Total assets less current liabilities		358,391	280,112	358,550	280,156
Creditors: amounts falling due after one year	22	(1,537)	(104)	(1,537)	-
Total net assets	23a	356,854	280,008	357,013	280,156
Funds:					
Restricted income funds	24a	1,878	1,737	1,878	1,737
Endowment funds	24a	3,508	3,856	3,508	3,856
Unrestricted income funds:	25a				
Revaluation reserves		6,703	6,768	6,703	6,768
Heritage Assets reserves		264,523	263,855	264,523	263,855
Investment in associated company		30,741	-	30,741	-
Fixed assets reserve		16,164	-	16,164	-
Investment for growth fund		16,000	-	16,000	-
Four-year decit cover		12,362	-	12,362	-
General funds		4,975	3,792	5,134	3,940
Total unrestricted funds		351,468	274,415	351,627	274,563
Total charity funds excluding pension reserve		356,854	280,008	280,156	280,375
Pension Scheme funding reserve capped at £0		-	-	-	-
Total charity funds		356,854	280,008	357,013	280,156

Approved by the trustees on 2 October 2019 and signed on their behalf by
Alan Jones
President

Consolidated statement of cash flows

For the year ended 31 December 2018

	Note	2018 £'000	2017 £'000
Cash flows from operating activities			
Net cash provided by operating activities	26	77,683	1,186
Cash flows from investing activities:			
Dividends, interest and rents from investments		572	402
Loan notes interest		1,781	-
Purchase of fixed assets		(1,112)	(1,867)
Acquisition of Heritage Assets		(37)	(78)
Disposal of investment property		112	-
Disposal of subsidiary		1,317	-
Net cash used in investing activities		2,633	(1,543)
Cash flows from financing activities:			
Loan notes issued		(33,331)	-
Repayments of borrowing		(19,117)	(837)
Net cash provided by financing activities		(52,448)	(837)
Change in cash and cash equivalents in the year		27,868	(1,194)
Cash and cash equivalents at the beginning of the year		6,041	7,235
Cash and cash equivalents at the end of the year	27	33,909	6,041
Analysis of cash and cash equivalents and of net debt			

	At January 2018 £'000	Cash flows £'000	Other non-cash changes £'000	At 31 December 2018 £'000
Cash at bank and in hand	6,041	27,868	-	33,909
Overdraft facility repayable on demand	-	-	-	-
Total cash and cash equivalents	6,041	27,868	-	33,909
Loans falling due within one year	(19,117)	19,117	-	-
Loans falling due after more than one year	-	-	-	-
Finance lease obligations	-	-	-	-
Total	(13,076)	46,985	-	33,909

Notes to the Financial Statements

For the year ended 31 December 2018

1. Accounting policies

a) Statutory information

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

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Charities Act 2011.

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

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

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

c) 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

d) 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.

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

f) Taxation

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

For the year ended 31 December 2018

g) Public benefit entity

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

h) Going concern

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

- Income is growing;
- A significant proportion of expenditure is discretionary;
- Unrestricted reserves are above target;
- The Group has a high level of valuable assets including its long term interests in property;
- The Group maintains good relationships with its lender and has consistently exceeded its loan covenants; and
- The Group cash position is positive.

Management have undertaken detailed forecasting and sensitivity analysis to December 2018. The Board has considered uncertainties and liquidity risks, with key matters being the repayment of the loan facility and the volatility of the defined benefit pension scheme valuation.

The loan facility which was due to expire in October 2018 has been fully repaid.

The triennial valuation of the defined benefit pension scheme is due to be agreed in July 2020. In anticipation of this, the RIBA, as the employer and the pension scheme trustees, have agreed to work collaboratively to achieve an appropriate funding plan. Based on these initial discussions, the possible funding scenarios have been factored in to the Group's longer term financial planning to demonstrate affordability.

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

i) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will

be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

j) Donations of gifts, services and facilities

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

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

k) Interest receivable

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

l) Fund accounting

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

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

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

For the year ended 31 December 2018

m) Expenditure and irrecoverable VAT

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

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

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

n) Allocation of support costs

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

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

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

- | | |
|----------------|-----|
| - Voice | 27% |
| - Organisation | 32% |
| - Profession | 41% |

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

o) Operating leases

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

p) Investment properties

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

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

q) Listed investments

Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/ (losses) on investments' in the statement of financial activities.

r) Investments in subsidiaries

Investments in subsidiaries are at cost.

s) Investments in associate

Investment in associate is recognised using the equity method and therefore revalued at year end to reflect the charity's share of the associate's post acquisition results. The loan notes acquired are valued as in note 16 and are considered to be a complex financial instrument, measured at fair value.

t) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

u) Debtors

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

v) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

w) Creditors and provisions

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

For the year ended 31 December 2018

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

x) Financial instruments

With the exception of the listed investments described above the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments except as described above in s). Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

y) Pensions

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

and the accumulated deficit or surplus to be reported in the balance sheet.

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

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

z) Regions and branches

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

2. Analysis of the results of subsidiaries

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

by RIBA Enterprises Ltd, RIBA 1834 Ltd and RIBA Financial Services Ltd are gift aided to the RIBA. RIBA Enterprises Ltd was sold in June 2018 and the results to date of disposal are shown below.

	Turnover	Expenditure	Profit/(loss)	Retained earnings	Assets	Liabilities
	£'000	£'000	£'000	£'000	£'000	£'000
2018						
Company						
RIBA Enterprises Ltd	9,307	5,287	4,020	-	-	-
RIBA 1834 Ltd	21,179	20,680	499	-	5,406	5,405
RIBA Financial ServicesLtd	117	220	(103)	(157)	162	319

	Turnover	Expenditure	Profit/(loss)	Retained earnings	Assets	Liabilities
	£'000	£'000	£'000	£'000	£'000	£'000
2017						
Company						
RIBA Enterprises Ltd	25,733	20,814	4,763	(94)	14,732	13,508
RIBA 1834 Ltd	14,896	14,046	850	-	2,991	2,990
RIBA Financial ServicesLtd	135	119	16	(54)	145	199

Included above are intra-group sales of £12,223k (2017: £10,776k) included as turnover and £13,435k (2017: £11,854k) included as costs. The parent charity's gross income and the results for the year are disclosed in note 15.

Notes to the Financial Statements continued..

For the year ended 31 December 2018

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. Detailed comparatives for the statement of financial activities

	Continuing activities				Discontinued activities	
	Unrestricted	Pension Scheme	Restricted	Endowment	Unrestricted (as restated)	2017 (as restated) Total
	£'000	£'000	£'000	£'000	£'000	£'000
Income from:						
Donations and legacies	447	-	191	-	-	638
Charitable activities	12,848	-	47	-	-	12,895
Other trading activities	9,301	-	-	-	20,549	29,850
Investments	244	-	152	-	6	402
Total income	22,840	-	390	-	20,555	43,785
Expenditure on:						
Raising funds	6,601	(285)	-	-	15,752	22,068
Charitable activities	20,299	(393)	524	-	-	20,430
Pension finance costs	-	459	-	-	-	459
Total expenditure on ordinary activities	26,900	(219)	524	-	15,752	42,957
Net income/(expenditure) before exceptional costs	(4,060)	219	(134)	-	4,803	828
Exceptional costs of subsidiary sale	689	-	-	-	-	689
Total expenditure	27,589	(219)	524	-	15,752	43,646
Net income before gains on investments	(4,749)	219	(134)	-	4,803	139
Net gains on investments	(370)	-	-	185	-	(185)
Net income / expenditure	(5,119)	219	(134)	185	4,803	(46)
Transfers between funds	4,803	-	-	-	(4,803)	-
Net income / (expenditure) before other recognised gains and losses	(316)	219	(134)	185	-	(46)
Actuarial (losses) on defined benefit pension schemes	-	6,775	-	-	-	6,775
Net movement in funds	(316)	6,994	(134)	185	-	6,729
Total funds brought forward	274,731	(6,994)	1,871	3,671	-	273,279
Total funds carried forward	274,415	-	1,737	3,856	-	280,008

Notes to the Financial Statements continued..

For the year ended 31 December 2018

5a. Analysis of expenditure (current year)

	Cost of raising funds	Charitable activities			Pension finance costs	Governance costs	Support costs	2018 Total	2017 Total
		Voice	Organisation	Profession					
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Staff costs	5,911	1,699	1,825	2,385	-	194	5,634	17,648	22,127
Other	5,316	1,191	379	2,359	315	340	6,705	16,605	18,706
Depreciation	229	-	-	-	-	-	1,575	1,804	2,124
	11,456	2,890	2,204	4,744	315	534	13,914	36,057	42,957
Support costs	-	3,812	4,379	5,723	-	-	(13,914)	-	-
Governance costs	-	146	168	220	-	(534)	-	-	-
Total expenditure 2018	11,456	6,848	6,751	10,687	315	-	-	36,057	-
Total expenditure 2017	22,068	8,677	3,669	8,084	459	-	-	-	42,957

Other support costs of £6,705k (2017: £4,308k) include premises costs (eg rent, rates, utilities and maintenance costs), insurance, training, bank charges and ICT costs. Allocation is made based on staff cost

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

5b. Analysis of expenditure (prior year)

	Cost of raising funds	Charitable activities			Pension finance costs	Governance costs	Support costs	2017 Total	2016 Total
		Voice	Organisation	Profession					
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Staff costs	11,812	2,897	1,208	2,171	-	86	3,953	22,127	21,478
Other	9,642	1,178	444	2,288	459	387	4,308	18,706	18,331
Depreciation	614	2	-	-	-	-	1,508	2,124	1,726
	22,068	4,077	1,652	4,459	459	473	9,769	42,957	41,535
Support costs	-	4,387	1,924	3,458	-	-	(9,769)	-	-
Governance costs	-	213	93	167	-	(473)	-	-	-
Total expenditure 2017	22,068	8,677	3,669	8,084	459	-	-	42,957	-
Total expenditure 2016	21,946	5,803	4,298	9,140	348	-	-	-	41,535

Other support costs of £4,308k (2016: £4,075k) include premises costs (eg rent, rates, utilities and maintenance costs), insurance, training, bank charges and ICT costs. Allocation is made based on staff cost

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

Notes to the Financial Statements continued..

For the year ended 31 December 2018

6. Net (expenditure)/income for the year

This is stated after charging:

	2018 £'000	2017 £'000
Depreciation	1,804	2,124
Amortisation	-	69
Interest payable	389	625
Operating lease rentals:		
Property	433	537
Other	38	101
Auditors' remuneration (excluding VAT):		
Audit	65	66
Other services	2	4

Notes to the Financial Statements continued..

For the year ended 31 December 2018

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

Staff costs were as follows:

	2018 £'000	2017 £'000
Salaries and wages	14,961	18,388
Redundancy and termination costs	92	115
Social security costs	1,542	1,933
Employer's contribution to defined contribution pension schemes	994	1,213
Operating costs of defined benefit pension schemes	4,333	678
	21,922	22,327

During the sale of RIBA Enterprises it was agreed that £4m would be contributed to the RIBA defined benefit pension scheme. However, on the Statement of Financial Activities the Pensions Scheme funding reserve column shows this cost being deducted from total expenditure, as the fund is currently in surplus and capped at £0m.

£53,830 (2017: £82,500) termination payments were made during the year.

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

	2018 No.	2017 No.
Royal Institute of British Architects		
Raising funds (RIBA 1834 Limited & RIBA Financial Services Limited)	46	13
Voice	45	46
Organisation	38	34
Profession	54	51
Governance	3	1
Support costs	112	106
RIBA Enterprises Limited	92	257
Total	390	508

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

£60,000 – £69,999	8	10
£70,000 – £79,999	4	11
£80,000 – £89,999	2	1
£90,000 – £99,999	1	8
£100,000 – £109,999	4	-
£110,000 – £119,999	1	-
£130,000 – £139,999	1	2
£150,000 – £159,999	-	-
£170,000 – £179,999	1	-
£180,000 – £189,999	-	1
£190,000 – £199,999	-	1
£200,000 – £209,999	-	1
£210,000 – £219,999	1	-
£260,000 – £269,999	-	1
£310,000 – £319,999	1	-

The total employee benefits including consultancy costs, employers national insurance and pension contributions of the key management personnel were £1,309,133 (2017: £1,097,872).

Notes to the Financial Statements continued..

For the year ended 31 December 2018

8. Trustee remuneration and expenses

Trustees of the RIBA are reimbursed reasonable expenses incurred when on RIBA business. 41 current and former trustees (2017: 44) claimed such expenses and the total amount reimbursed was £81,632 (2017: £85,683).

In one instance (2017: one) remuneration was paid by a trading subsidiary of the charity under an existing and long-standing contract of employment to a related party of a trustee, a RIBA member who is not a Board member of the subsidiary.

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 2018 £300 (2017: £0) for Royalties, £0 (2017: £7,140) for CPD assessment and pre-assessment work, £600 (2017: £750) and £0 (2017: £2,000) for other types of work or bursaries at the same rate as would be paid to other architects for these items.

In addition as agreed by the privy council the President was paid £60,000 gross (2017: £60,000).

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

9. Related party transactions

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties. There were royalties of £71 (2017: £163) paid to a senior member of staff.

Other than as noted above, there were no other related party transactions (2017: £nil).

10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiaries Gift Aid available profits to the parent charity. Their charge to corporation tax in the year was £(137,000) (2017: £112,300).

11. Intangible assets

	Goodwill	Copyright	Total
	£'000	£'000	£'000
RIBA Group			
Cost:			
As at 1 January 2018	2,305	1	2,306
Disposal in year	(2,305)	-	(2,305)
As at 31 December 2018	-	1	1
Amortisation:			
As at 1 January 2018	1,915	-	1,915
Eliminated on disposal	(1,915)	-	(1,915)
As at 31 December 2018	-	-	-
Net book value:			
As at 31 December 2018	-	1	1
As at 31 December 2017	390	1	391

For the year ended 31 December 2018

12. Tangible fixed assets**The group**

	Properties	Office and Computer equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000
Cost				
At the start of the year	41,717	12,573	80	54,370
Additions in year	584	528	-	1,112
Disposals in year	(5,886)	(2,289)	(15)	(8,190)
At the end of the year	36,415	10,812	65	47,292
Depreciation				
At the start of the year	9,704	9,150	66	18,920
Charge for the year	1,035	767	2	1,804
Eliminated on disposal	(311)	(1,720)	(3)	(2,034)
At the end of the year	10,428	8,197	65	18,690
Net book value				
At the end of the year	25,987	2,615	-	28,602
At the start of the year	32,013	3,423	14	35,450

Land with a value of £5,000,000 (2017: £6,000,000) is included within freehold property and not depreciated.

The net book value at 31 December 2018 represents fixed assets used for:

	Properties	Office and Computer equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000
Charity assets	25,987	2,615	-	28,602
Trading subsidiaries	-	-	-	-
	25,987	2,615	-	28,602

The heading Properties includes 66 Portland Place which was last valued on 22 October 1987 when the property was valued at £8,500,000, an upwards revaluation of £7,896,000. In the opinion of the trustees, 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 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 2018

12. Tangible fixed assets

The charity

	Properties £'000	Office and Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost				
At the start of the year	35,831	10,305	65	46,201
Additions in year	584	507	-	1,091
At the end of the year	36,415	10,812	65	47,292
Depreciation				
At the start of the year	9,446	7,603	65	17,114
Charge for the year	982	594	-	1,576
At the end of the year	10,428	8,197	65	18,690
Net book value				
At the end of the year	25,987	2,615	-	28,602
At the start of the year	26,385	2,702	-	29,087

Land with a value of £5,000,000 (2017: £5,000,000) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

13. Heritage assets

As at 31 December 2011, the RIBA estimated a value in respect of its various collections of drawings, paintings, busts, books, periodicals, photographs, archives and other assets following the introduction of the 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. All donations have been included in additions at a fair valuation. The values of all assets are shown below against each category. Whilst the balance sheet includes the value of the materials in the RIBA Collections, this does not mean that either this value could be realised or that the material in the collections could in fact be sold. Conditions relating to the original acquisition of material by RIBA going back to 1834, RIBA's standing as a cultural organisation, and its need as an Accredited museum to follow the Museums Association's Code of Ethics relating to disposal (which presumes against any financially-motivated disposal) mean that disposal of any parts of our collection by sale is not possible.

Heritage assets at valuation

	Drawing and collections £'000	Books and periodicals £'000	Photographs £'000	Other £'000	Total 2018 £'000
As at 1 January	201,255	17,708	39,992	5,322	264,277
Additions - purchases	-	37	-	-	37
Additions - donations	669	-	-	-	669
As at 31 December	201,924	17,745	39,992	5,322	264,983

Five year summary

	Total 2018 £'000	Total 2017 £'000	Total 2016 £'000	Total 2015 £'000	Total 2014 £'000
As at 1 January	264,277	263,796	263,665	263,407	262,906
Additions - purchases	37	78	22	81	85
Additions - donations	669	403	109	177	383
Revaluation	-	-	-	-	33
As at 31 December	264,983	264,277	263,796	263,665	263,407

Notes to the Financial Statements continued..

For the year ended 31 December 2018

Drawings

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

Books and periodicals

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

Photographs

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

Archives

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

14. Investments in subsidiary companies

RIBA Charity

	31 December 2018	31 December 2017
	£'000	£'000
Investments in group companies:		
Ordinary shares		
RIBA 1834 Limited	1	1
RIBA Enterprises Limited	-	1,318
RIBA Financial Services Limited	-	-
	1	1,319

The RIBA owned two main trading subsidiary companies (which are 100% subsidiaries (see note 2) and registered in England and Wales) as at December 2018. RIBA Enterprises Ltd was sold in 2018.

Name	Company Number	Principal activities
RIBA 1834 Ltd	4604934	Venues, RIBA Competitions and RIBA Publishing.
RIBA Enterprises Ltd	978271	Publications and information services for use in architecture, construction and design. RIBA Enterprises Ltd was sold in 2018.
RIBA Financial Services Ltd	4604947	Provision of middleware for customers to access pension solutions and other services.

Notes to the Financial Statements continued..

For the year ended 31 December 2018

A summary of the results of the above subsidiaries are shown below:

	RIBA 1834 Ltd		RIBA Enterprises Ltd	
	2018 £'000	2017 £'000	To 8 June 2018 £'000	2017 £'000
Turnover	21,179	14,896	9,307	25,733
Cost of sales	-	-	(133)	(3,390)
Gross profit	21,179	14,896	9,174	22,343
Administrative expenses	(20,680)	(14,046)	(5,309)	(17,488)
Operating profit	499	850	3,865	4,855
Interest receivable	-	-	8	6
Other interest payable	-	-	(14)	(44)
Exceptional income	-	-	24	58
Profit on ordinary activities	499	850	3,883	4,875
Taxation	-	-	137	(112)
Profit on ordinary activities after taxation	499	850	4,020	4,763
Deed of covenant to parent undertaking	(499)	(850)	(2,046)	(4,825)
Profit/(loss) for the financial year/to date of disposal	-	-	1,974	(62)
Accumulated loss- start of the year	-	-	(94)	(32)
Eliminated on disposal	-	-	(1,880)	-
Accumulated loss- end of year	-	-	-	(94)
The aggregate of the assets, liabilities and funds was:				
Assets	5,406	2,991	-	14,732
Liabilities	(5,405)	(2,990)	-	(13,508)
Funds	1	1	-	1,224

	RIBA Financial Services Ltd	
	2018 £'000	2017 £'000
Turnover	117	135
Cost of sales	(220)	(119)
Profit/(loss) on ordinary activities	(103)	16
Deed of covenant to parent undertaking	-	-
Profit/(loss) for the financial year	(103)	16
Accumulated loss- start of the year	(54)	(70)
Accumulated loss- end of year	(157)	(54)
The aggregate of the assets, liabilities and funds was:		
Assets	162	145
Liabilities	(319)	(199)
Funds	(157)	(54)

Notes to the Financial Statements continued..

For the year ended 31 December 2018

15. Parent charity

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

	2018 £'000	2017 £'000
Gross income	108,633	20,925
Result for the year	76,857	6,775

The RIBA also owns 100% of RIBA Journals Ltd which did not trade in 2018. The RIBA has a related company, RIBA Insurance Agency Ltd, which is also dormant.

16. Investment in associate

The shareholding in Williams TopCo Ltd. is treated as an associate and not a subsidiary undertaking as the RIBA holds significant influence, but does not have control or joint control. The RIBA holds less than 50% of the voting rights, but above the 20% threshold required for significant influence in IAS 28. At 31 December 2018 RIBA's total investment in Williams TopCo stood at £30,741k. This comprised £2,590k for the RIBA's 42.5% share of the net liabilities in Williams TopCo and loan notes due of £33,331k. The share of associate results recognised in the statement of financial activities is a loss of £1,009k. This is primarily due to a loss of £2,790k in 2018 due to the amortization of goodwill that arose on the purchase of RIBA Enterprises; this loss is partially offset by £1,781k interest on loan notes.

The loan notes are classified as complex financial instruments. There is a cancellation provision included within the terms & conditions of the loan which in effect contractually limits the loan note holders' return based on the value of the business at time of exit. The cancellation provision, in effect, is an embedded derivative and is therefore recognised at fair value using valuation techniques estimates, with movements in fair value directly recognised within the statement of comprehensive income. Whilst the loan notes are subordinate to each other on an exit event, the trustees consider the intrinsic time value of the derivative to be £nil at inception and as at 31 December 2018 based on the current and anticipated performance of Williams TopCo.

	2018 £'000	2017 £'000
Investment in associate	30,741	-

17. Investment properties

	The group		The charity	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Fair value at the start of the year	712	970	600	970
Transfer from tangible fixed assets	-	112	-	-
Disposals	(112)	-	-	-
Revaluation in year	(600)	(370)	(600)	(370)
Fair value at the end of the year	-	712	-	600

The revalued property was last valued on 31 December 2018 by RIBA Head of Estates and Facilities, this refers to 80 Portland Place. A property of the subsidiary RIBA Enterprises Ltd was reclassified from fixed assets in 2017 as the nature of use had changed.

18. Listed investments

	The group		The charity	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Fair value at the start of the year	4,461	4,277	4,461	4,277
Net gain / (loss) on change in fair value	(348)	185	(348)	185
Cash held by investment broker	-	(1)	-	(1)
Fair value at the end of the year	4,113	4,461	4,113	4,461
Historic cost at the end of the year	3,635	3,635	3,635	3,635

Notes to the Financial Statements continued..

For the year ended 31 December 2018

Investments comprise:

	The group		The charity	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Unitised funds	4,111	4,459	4,111	4,459
Cash	2	2	2	2
	4,113	4,461	4,113	4,461

19. Stock

	The group		The charity	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Goods for resale	1,176	1,005	-	-

20. Debtors

	The group		The charity	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Trade debtors	1,923	3,787	513	408
Prepayments and accrued income	1,314	1,199	821	655
Other debtors	526	597	439	129
Due from subsidiary undertakings:				
within one year	-	-	3,301	1,966
	3,763	5,583	5,074	3,158

21. Creditors: amounts falling due within one year

	The group		The charity	
	2018 £'000	2017 £'000	2018 £'000	2017 £'000
Bank loans	-	19,117	-	19,117
Trade creditors	1,892	2,135	1,884	1,498
Corporation tax	-	137	-	-
Taxation and social security	453	787	-	-
Other creditors	490	399	119	172
Accruals and deferred income	6,062	15,233	4,780	3,648
Due to subsidiary undertakings	-	-	149	129
	8,897	37,808	6,932	24,564

Notes to the Financial Statements continued..

For the year ended 31 December 2018

22. Creditors: amounts falling due after one year

	The group		The charity	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Accruals and deferred income	1,537	104	1,537	-
	1,537	104	1,537	-

23a. Analysis of group net assets between funds (current year)

	General unrestricted	Restricted funds	Endowment funds	Total funds
	£'000	£'000	£'000	£'000
Intangible fixed assets	1	-	-	1
Tangible fixed assets	28,602	-	-	28,602
Heritage assets	264,983	-	-	264,983
Investments	90	515	3,508	4,113
Investments	30,741	-	-	30,741
Net current liabilities	28,588	1,363	-	29,951
Long term liabilities	(1,537)	-	-	(1,537)
Defined benefit pension liability	-	-	-	-
Net assets at the end of the year	351,468	1,878	3,508	356,854

23b. Analysis of group net assets between funds (prior year)

	General unrestricted	Restricted funds	Endowment funds	Total funds
	£'000	£'000	£'000	£'000
Intangible fixed assets	391	-	-	391
Tangible fixed assets	35,450	-	-	35,450
Heritage assets	264,277	-	-	264,277
Investments	90	1,227	3,856	5,173
Net current assets	(25,689)	510	-	(25,179)
Long term liabilities	(104)	-	-	(104)
Defined benefit pension liability	-	-	-	-
Net assets at the end of the year	274,415	1,737	3,856	280,008

Notes to the Financial Statements continued..

For the year ended 31 December 2018

24a. Movements in funds – Restricted funds (current year)

RIBA group and RIBA charity – Restricted funds

	At the start of the year	Income and gains	Expenditure and losses	Transfers	At the end of the year
	£'000	£'000	£'000	£'000	£'000
Drawings collection fund – London	26	1	(4)	–	23
Banister Fletcher History of Architecture	52	46	(54)	–	44
Gordon Rickets Bursary	22	–	(3)	–	19
Library Exhibition Fund (Heinz Gallery)	5	–	–	–	5
Heinz Exhibition Fund	12	–	–	–	12
Giles Worsley Fund	176	10	(14)	–	172
Ayub Malik Trust Bursary	31	4	(28)	–	7
Clore Studio	–	150	–	–	150
RIBA Education Fund	426	18	(55)	–	389
Wilson Catalogue	–	75	(23)	–	52
Research Trust Funds	48	36	(12)	–	72
Prizes Trust	14	3	(10)	–	7
Annie Spink Memorial Scholarship	126	7	(14)	–	119
RIBA Award Trust	41	17	(26)	–	32
W J Parker Trust	45	19	(31)	–	33
Library Schools Programme	55	42	(78)	–	19
Sir Banister Fletcher Library Bequest	25	5	–	–	30
W H Ansell Bequest	40	2	–	–	42
Nadine Beddington Trust	49	8	(2)	–	55
Henry Jarvis Bequest	24	2	–	–	26
Goldfinger Trust	185	6	–	–	191
LKE Ozolins Bequest	28	22	(7)	–	43
C Jencks Exchange Fund	23	8	(9)	–	22
R S Reynolds Awards	14	–	–	–	14
Lord Norman Foster Travelling Scholarship	14	9	(8)	–	15
Wren Scholarship	–	30	(30)	–	–
BALT	115	7	(3)	–	119
RIBA East – CPD Fund	19	–	(1)	–	18
Rare Books Fund	59	15	–	–	74
Other	63	20	(9)	–	74
Total restricted funds	1,737	562	(421)	–	1,878

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 2018

24a. Movement in funds – Endowment funds (current year)

RIBA group and RIBA charity – Endowment funds

Endowment funds are invested to generate income, which is then held in a series of separate restricted funds (see Note 23).

	At the start of the year	Incoming resources	Unrealised gain on investments	At the end of the year
	£'000	£'000	£'000	£'000
Research Trust Funds	1,084	-	(98)	986
Prizes Trust	74	-	(7)	67
Annie Spink Memorial Scholarship	98	-	(9)	89
RIBA Award Trust	483	-	(44)	439
W J Parker Trust	442	-	(40)	402
Sir Banister Fletcher Library Bequest	127	-	(11)	116
W H Ansell Bequest	25	-	(2)	23
Nadine Beddington Trust	194	-	(18)	176
Henry Jarvis Bequest	24	-	(2)	22
LKE Ozolins Bequest	657	-	(59)	598
C Jencks Exchange Fund	138	-	(12)	126
Lord Norman Foster Travelling Scholarship	265	-	(24)	241
Giles Worsley Fund	139	-	(12)	127
BALT	87	-	(8)	79
Other	19	-	(2)	17
Total endowment funds	3,856	-	(348)	3,508

Notes to the Financial Statements continued..

For the year ended 31 December 2018

24b. Movements in funds – Restricted funds (prior year)

RIBA group and RIBA charity – Restricted funds

	At the start of the year	Income and gains	Expenditure and losses	Transfers	At the end of the year
	£'000	£'000	£'000	£'000	£'000
Drawings collection fund – London	32	1	(7)	–	26
Banister Fletcher History of Architecture	166	5	(119)	–	52
Gordon Rickets Bursary	22	–	–	–	22
Library Exhibition Fund (Heinz Gallery)	53	2	(50)	–	5
Heinz Exhibition Fund	12	–	–	–	12
Giles Worsley Fund	167	10	(1)	–	176
Ayub Malik Trust Bursary	–	31	–	–	31
Library Education Centre	1	–	(2)	–	(1)
RIBA Education Fund	413	78	(65)	–	426
Digital Image Database	1	–	(1)	–	–
Research Trust Funds	36	33	(21)	–	48
Prizes Trust	22	3	(11)	–	14
Annie Spink Memorial Scholarship	120	7	(1)	–	126
RIBA Award Trust	66	16	(41)	–	41
W J Parker Trust	65	15	(35)	–	45
Library Schools Programme	–	76	(72)	51	55
Sir Banister Fletcher Library Bequest	21	4	–	–	25
W H Ansell Bequest	38	2	–	–	40
Nadine Beddington Trust	42	7	–	–	49
Henry Jarvis Bequest	23	1	–	–	24
Goldfinger Trust	180	5	–	–	185
LKE Ozolins Bequest	46	21	(39)	–	28
C Jencks Exchange Fund	18	5	–	–	23
R S Reynolds Awards	14	–	–	–	14
Lord Norman Foster Travelling Scholarship	9	8	(3)	–	14
Wren Scholarship	–	25	(25)	–	–
BALT	121	6	(12)	–	115
RIBA East – CPD Fund	20	–	(1)	–	19
Rare Books Fund	48	16	(5)	–	59
Other	115	13	(13)	(51)	64
Total restricted funds	1,871	390	(524)	–	1,737

Notes to the Financial Statements continued..

For the year ended 31 December 2018

24b. Movement in funds – Endowment funds (prior year)

Endowment funds are invested to generate income, which is then held in a series of separate restricted funds (see Note 23).

	At the start of the year	Incoming resources	Unrealised loss on investments	At the end of the year
	£'000	£'000	£'000	£'000
Research Trust Funds	1,032	-	52	1,084
Prizes Trust	70	-	4	74
Annie Spink Memorial Scholarship	93	-	5	98
RIBA Award Trust	460	-	23	483
W J Parker Trust	421	-	21	442
Sir Banister Fletcher Library Bequest	121	-	6	127
W H Ansell Bequest	24	-	1	25
Nadine Beddington Trust	185	-	9	194
Henry Jarvis Bequest	23	-	1	24
LKE Ozolins Bequest	626	-	31	657
C Jencks Exchange Fund	131	-	7	138
Lord Norman Foster Travelling Scholarship	252	-	13	265
Giles Worsley Fund	132	-	7	139
BALT	83	-	4	87
Other	18	-	1	19
Total endowment funds	3,671	-	185	3,856

25a. Unrestricted funds – current year

RIBA Group

	At the start of the year	Transfers	Net movement – unrestricted funds	At the end of the year
	£'000	£'000	£'000	£'000
Revaluation reserve	6,768	(65)	-	6,703
Heritage assets reserves	263,855	-	668	264,523
Investment in associated company	-	-	30,741	30,741
Fixed assets reserve	-	-	16,164	16,164
Investment for growth fund	-	-	16,000	16,000
Four-year deficit cover	-	-	12,362	12,362
General reserve	3,792	65	1,118	4,975
	274,415	-	77,053	351,468

RIBA charity

Revaluation reserve	6,768	(65)	-	6,703
Heritage assets reserves	263,855	-	668	264,523
Investment in associated company	-	-	30,741	30,741
Fixed assets reserve	-	-	16,164	16,164
Investment for growth fund	-	-	16,000	16,000
Four-year deficit cover	-	-	12,362	12,362
General reserve	3,940	65	1,129	5,134
	274,563	-	77,064	351,627

Notes to the Financial Statements continued..

For the year ended 31 December 2018

25b. Unrestricted funds – prior year

RIBA Group

	At the start of the year	Transfers	Net movement – unrestricted funds	At the end of the year
	£'000	£'000	£'000	£'000
Revaluation reserve	6,833	(65)	–	6,768
Heritage Assets reserves	263,452	–	403	263,855
General reserve	4,446	65	(719)	3,792
	274,731	–	(316)	274,415

RIBA charity

Revaluation reserve	6,833	(65)	–	6,768
Heritage Assets reserves	263,452	–	403	263,855
General reserve	4,548	65	(673)	3,940
	274,833	–	(270)	274,563

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

	2018	2017
	£'000	£'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	80,864	(46)
Depreciation charges	1,804	2,124
Amortisation of goodwill	–	69
Losses on investments	948	185
Heritage assets donated	(669)	(403)
Dividends, interest and rent from investments	(2,353)	(402)
Profit on the disposal of fixed assets	–	(42)
Disposal of subsidiary assets	5,229	–
(Increase) in stocks	(171)	(27)
Decrease/(increase) in debtors	1,820	(353)
Decrease/(increase) in creditors	(8,361)	300
Pension reserve funding movements	(4,018)	(219)
Share of loss	2,590	–
Net cash provided by operating activities	77,683	1,186

27. Analysis of cash and cash equivalents

	At 1 January 2018	Cash flows	Other changes	At 31 December 2018
	£'000	£'000	£'000	£'000
Cash at bank and in hand	6,041	27,868	–	33,909
Total cash and cash equivalents	6,041	27,868	–	33,909

For the year ended 31 December 2018

28. Operating lease commitments

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

	Property		Other	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Less than one year	1	105	-	48
Between two and five years	140	69	-	65
Over five years	2,910	3,467	-	-
	3,051	3,641	-	113

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

	Property		Other	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Less than one year	1	71	-	-
Between two and five years	140	69	-	-
Over five years	2,910	3,467	-	-
	3,051	3,607	-	-

29. Pension scheme

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 who are not members of the defined benefit scheme. They are money purchase schemes where the employee contributes at least 1 - 6% salary and the employer 2 - 16.5% depending on age. The amount of this contribution was £994,000 (2017: £1,213,000).

Defined Benefit Scheme

The group operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 31 December 2016 by a qualified actuary.

Change in benefit obligation

	Year ended 31/12/2018	Year ended 31/12/2017
	£'000	£'000
Defined benefit obligation at beginning of year	53,990	59,851
(Gain)/loss on curtailments/changes/introductions	51	-
Interest expense	1,324	1,589
Cash flow: Benefit payments from plan assets	(2,059)	(2,001)
Remeasurements:		
Effect of changes in assumptions	(2,285)	(2,432)
Effect of experience adjustments	-	(3,017)
Benefit obligation at end of year	51,021	53,990

Notes to the Financial Statements continued..

For the year ended 31 December 2018

Change in fair value of plan assets

	Year ended 31/12/2018	Year ended 31/12/2017
	£'000	£'000
Fair value of plan assets at beginning of year	60,548	52,857
Interest income	1,536	1,406
Cash flows:		
Employer contributions	4,333	678
Benefit payments from plan assets	(2,059)	(2,001)
Administrative expenses paid from plan assets	(476)	(276)
Remeasurement: Return on plan assets (excluding interest income)	(3,815)	7,884
Fair value of plan assets at end of year	60,067	60,548

Amounts recognised in the balance sheet

	Year ended 31/12/2018	Year ended 31/12/2017
	£'000	£'000
Defined benefit obligation	51,021	53,990
Fair value of plan assets	60,067	60,548
Funded status	(9,046)	(6,558)
Effect of asset ceiling	9,046	6,558
Net defined benefit (asset)	-	-

Plan assets

	Year ended 31/12/2018	Year ended 31/12/2017
	£'000	£'000
Fair value of plan assets:		
Equity instruments	39,838	43,050
Debt Instruments	18,284	15,670
Other	1,345	1,522
Cash and cash equivalents	600	306
Total	60,067	60,548
Actual return on plan assets	(2,279)	9,290

Notes to the Financial Statements continued..

For the year ended 31 December 2018

Cost relating to defined benefit plans

	Year ended 31/12/2018	Year ended 31/12/2017
	£'000	£'000
Cost (excluding interest):		
(Gain)/loss on curtailments/changes/introductions	51	-
Net interest cost:		
Interest cost on DBO	1,324	1,589
Interest (income) on plan assets	1,536	(1,406)
Total net interest cost	(212)	183
Administrative expenses and/or taxes (not reserved within DBO)	476	276
Cost relating to defined benefit plans recognized in SOFA	315	459
Remeasurements (recognised in the SOFA):		
Effect of changes in assumptions	(2,285)	(2,432)
Effect of experience adjustments	-	(3,017)
(Return) on plan assets (excluding interest income)	3,815	(7,884)
Changes in asset ceiling (excluding interest income)	2,488	6,558
Total remeasurements included in other comprehensive income	4,018	(6,775)
Total cost related to defined benefit plans recognized in SOFA	4,333	(6,316)

Significant actuarial assumptions

	Year ended 31/12/2018	Year ended 31/12/2017
	%	%
Weighted average assumptions used to determine benefit obligations:		
Discount rate	2.80%	2.50%
Price inflation rate (RPI)	3.20%	3.10%
Pensions-in-payment increase rate		
Pre 1.1.1989 – simple	7.00%	7.00%
Post 1.1.1989 – compound	5.00%	5.00%
Assumed life expectations on retirement at age 65		
Male retiring today (member age 65)	22.7	22.6
Male retiring in 20 years (member age 45 today)	24.3	24.2
Female retiring today (member age 65)	24.8	24.7
Female retiring in 20 years (member age 45 today)	26.3	26.3
Weighted average assumptions used to determine net pension cost:		
Discount rate	2.50%	2.70%
Rate of pension increase – Pre 1 January 1989 (simple)	7.00%	7.00%
Rate of pension increase – Post 1 January 1989 (compound)	5.00%	5.00%
Price inflation rate (RPI)	3.10%	3.20%

Notes to the Financial Statements continued..

For the year ended 31 December 2018

Membership statistics

Census date	31/12/2016	31/12/2016
Active members:		
a. Number	-	-
b. Total annual pensionable pay	-	-
c. Average pensionable pay	-	-
d. Average age	-	-
e. Average past service	-	-
Vested deferred members:		
a. Number	76	76
b. Average annual pension	6,420	6,420
c. Average age	55.7	55.7
Retirees (Non-Phoenix Life):		
a. Number	116	116
b. Average annual pension	16,200	16,200
c. Average age	73.0	73.0
Insured Pensioners (Phoenix Life):		
a. Number	9	9
b. Average annual pension	12,300	12,300
c. Average age	86.2	86.2

30. Legal status of the charity

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

31. Disposal of RIBA Enterprises Ltd.

In 2017 the Council committed to investigate the potential sale of the trading subsidiary RIBA Enterprises Ltd. On 8 June 2018 100% of RIBA Enterprises was sold to Williams Topco Ltd, and RIBA invested into Williams Topco Ltd to acquire 42.5% of equity.

The gain on disposal in 2018 after exceptional costs was £84.8m. Total proceeds of £90.8m comprised £59.0m of cash received, £31.6m of loan notes in Williams Topco Ltd, and £0.2m of share capital in Williams Topco Ltd.

These proceeds were offset by disposing of the £2.8m equity value of RIBA Enterprises at the date of disposal, and £3.2m of exceptional costs in 2018. £2.8m of the exceptional costs were for legal fees and transaction costs, of which £0.6m were incurred in RIBA Enterprises Ltd before the sale. £0.4m was also spent on other costs associated with the sale.

Trustees and Council Members

President

Ben Derbyshire

Yemi Aladerun

(National) from 1 September 2017

Geoff Alsop

(National)

Alice Asafu-Adjaye

(Middle East & Africa)

John Assael

(National)

Joanna Bacon

(National) from 1 September 2018

Tim Bailey

(North East) to 31 August 2018

Jonathan Ball

(National) to 31 August 2018

Alia Beyg

(London)

Jason Bill

(National)

Andrew Bourne

(Wessex)

Graham Boyce

(Yorkshire) from 1 September 2018

Caroline Buckingham

(National)

Ralph Carpenter

(East)

Wendy Charlton

(London)

Aaron Chetwynd

(National) from 11 December 2018

Tim Clark

(Europe) from 1 September 2018

John Cole

(National)

Paul Crowe

(RSUA President) to 31 May 2018

Catherine Davis

(Americas)

Graham Devine

(South West)

Simone de Gale

(National)

Ruth Donnelly

(Yorkshire) to 31 August 2018

Jane Duncan

(Imm Past President) to 31 August 2018

Stephanie Edwards

(London)

Debbie Flevotomou

(London)

Jennifer Forakis

(South)

Lanre Gbolade

(London)

Saul Golden

(RSUA)

Chris Hampson

(London)

Stewart Henderson

(RIAS President) to 10 October 2018

Mark Hodson

(Yorkshire) to 31 August 2018

Mark Jermy

(East Midlands) to 31 August 2018

Indy Johar

(London)

Alan Jones

(National)

Dominic Kramer

(East Midlands) to 31 August 2018

Anthony Lloyd

(West Midlands)

Patrick Lynch

(National) to 11 December 2018

Michael Martin

(London)

Joan McCoy

(RSUA President) from 31 May 2018

Julia McLoughlin

(South East)

Carolyn Merrifield

(RSAW President)

Fraser Middleton

(RIAS North)

Ewen Miller

(North West)

Nick Mills

(Wessex)

Richard Murphy

(National)

Elsie Owusu

(National)

Richard Parnaby

(RSAW) to 31 August 2018

Valeria Passetti

(Vice President Membership)

Abigail Patel

(Student)

Mark Percival

(National) to 31 August 2018

Lisa Raynes

(National) to 31 August 2018

Kerr Robertson

(RIAS South)

Flora Samuel

(National)

Selasi Setufe

(Associate)

Roger Shrimplin

(East)

Simeon Shtebunaev

(Student member)

Ian Standen

(RSAW) from 1 September 2018

Helen Taylor

(National) to 31 August 2018

Roger Tsan-Sum Wu

(Asia & Australasia)

Elena Tsolakis

(National)

Philip Waddy

(South)

Nicky Watson

(North East)

Robin Webster

(RIAS President) from October 2018

John Wilde

(South West)

Christopher Williamson

(National)

Richard Wooldridge

(North West)

RIBA Board

Ben Derbyshire
President

John Assael
Honorary Treasurer

Tim Bailey
(to 31/8/18)

Caroline Buckingham
VP Practice & Profession

Wendy Charlton
(from 27/9/18)

Rob Dickins
(from 27/9/18)

Jane Duncan
Immediate Past President (to 31/8/18)

Alan Jones
VP Education
Future President

Ruth McIntosh
External member

Virginia Newman
RIBA member (to 27/09/18)

Valeria Passetti
VP Membership/Nations & Regions

Kerr Robertson

Helen Taylor
(from 27.9.18)

Elena Tsolakis

Pierre Wassenaar

Nicky Watson
(from 27/09/18)

Chris Williamson
VP International

Paula Willmore
(to 08/06/18)

Group Executive

Alan Vallance
Chief Executive

Adrian Dobson BArch, MPhil,
RIBA
Executive Director Members

Clem Brohier LLB, MA, FCMA
Chief Operating Officer

Clare Corbett
Executive Director External Affairs
from 01/01/2018

Paul Drinkwater
Interim Executive Director of Data
and Technology from 1/7/2018

Maxine McKenzie
Interim Executive Director
Communication & Outreach
to 07/1/18
Executive Director Marketing and
Member Development from 08/1/18

Geoffrey Milton BA M.Ed
Executive Director Human Resources and
Organisation Development

Richard Waterhouse BArch, RIBA
Chief Executive RIBA Enterprises
to 07/06/18

External

Principal Bankers

Lloyds Bank
25 Gresham Street
London EC2V 7HN

Auditors

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

Sayer Vincent were re-appointed as the
Group and charity's auditors in 2016.

Solicitors

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

Investment Managers

Schroders
12 Moorgate
London EC2R 6DA

Senior Staff

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

Adrian Steel
Director of Collections and Programmes

Azlina Bulmer
Director of International

Lucy Carmichael MA (Cantab), MA (RCA)
Director of Practice

Mike Clarke
Director of Membership Engagement
and Business Development

Steven Cross
Director of Partnerships, RIBA Enterprises

Simon Davidson MBA, MSS
Director Strategy and Business

Wendy Fish BA, PG DipLib
Director of Library

Andrew Forth
Head of Policy & Public Affairs

David Gloster ADip, MSc, DIC,
RIBA Director of Education

William Hawkins BArch, MSc
Director of Nations and Regions

Belinda Irlam-Mowbray
Commercial Director

Juliet Leach
Head of Marketing

Alison Mackinder
Professional Education Programme
Director

Melanie Mayfield
Director of Media

Liam McConnell BA (Hons)
Head of Estates and Facilities

Harvinder Phull
Head of ICT

Eve Pienaar
Director of Governance and Legal Affairs

David Sawyer FCCA
Director of Finance

Neil Smith
Interim Director of Membership

Linda Stevens
Head of Client Services

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities.

In particular, the Trustees have considered how planned activities will contribute to the aims and objectives they have set.

We provide public benefit in a number of ways – we:

- validate UK and overseas schools of architecture, ensuring a high standard of quality of higher education;
- champion the RIBA Chartered Practice scheme, which encourages universal design excellence and a high level of customer service;
- deliver the RIBA awards programme, which identifies the best newly completed projects, new and renovated, to inspire the profession to raise and maintain the standard of good architecture and a public that is more aware of the benefits of good design;
- run a free telephone Information Line that helps members of the public with matters relating to architecture, architects and construction;
- host RIBApix.com, the online resource with over 100,000 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 deliver hands-on creative workshops 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 following trusts and foundations, individuals and companies have supported the RIBA through donations, gifts in kind, grants and sponsorship of over £1,000 in 2018.

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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

RIBA 
Architecture.com