



**Subject** 2020 Year End Update  
**Purpose** To note  
**From** Director of Finance and Resources

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## 1. Summary

The purpose of the paper is to inform the Board of ARB's interim year end outturn for 2020.

ARB's financial year end is 31 December 2020. This report is to provide the Board assurance at this early stage that the overall financial outturn is broadly in line with that previously reported.

There is still a large amount of work to be done to prepare the financial accounts for the external audit in March 2021. Final income and expenditure reconciliations are required, accounting adjustments such as those for outstanding annual leave at the year end and accruals, and pre-payments. There is also some potential funding from MHCLG which will impact on the 2020 outturn.

## 2. To Note

The Board is asked to note the content of this paper.

## 3. Open Session

## 4. Contribution to the Board's Purpose and Objectives

In delivering the Act, ARB's objectives are:

- Protect the users and potential users of architects' services and support architects through regulation.
- To manage the organisation's finances prudently whilst delivering ARB's statutory requirements and objectives.

## 5. Key Points

### i. Operating Income

Despite the exit from the EU and Covid-19, the size of the Register continued to grow especially in the last quarter of the year. Although final income reconciliations need to be carried out to ensure income received in December is in the same year as the applicant is registered, it is likely there will be a small surplus across our income streams.

### ii. Operating Expenses

Overall the anticipated year end outturn is within budget. Final reconciliations are required and adjustments for depreciation, accruals and prepayments are still to be finalised and so minor fluctuations will occur.

Full details of any variances will be provided in the full year end report which is present to the Board in May 2021.

iii. **Capital and One Off Costs:**

There are currently no variances to report and core projects remain on schedule. There will always be timing differences in relation to project delivery and payment and so any underspend will be carried forward into 2021 to ensure completion of both strategic and IT projects.

**6. Resource Implications**

Contained within the paper.

**7. Risk Implications**

The Senior Leadership Group closely monitor the impact on workloads and financial resources and will report to the Board where appropriate, to ensure the Board is kept up to date.

**8. Communication**

ARB is committed to seeking cost-saving initiatives to help ensure value for money. Sound budget planning and the prudent management of ARB's financial resources contribute towards maximising cost savings.

**9. Equality and Diversity Implications**

None currently identified in relation to report.