

General information



BOARD MEMBERS

Appointed Members

Mr Michael Starling
(to 31 March 2009, Chair to 11 March 2009)
Mrs Beatrice Fraenkel
(Chair from 12 March 2009)
Mr Peter Coe (appointed 1 April 2009)
Mr Alex Galloway CVO
Mrs Agnes Grunwald-Spier
Mr Richard Henschley (to 31 March 2009)
Professor Alan Jago (appointed 1 April 2009)
Mr David Jones
Ms Myra Kinghorn
Professor Nirmala Rao (to 31 March 2009)
Mr Neil Watts (appointed 1 April 2009)

Elected Architect Members:

Mr Mark Benzie (to 31 March 2009)
Ms Ruth Brennan (elected 1 April 2009)
Mr Colin Brock
Mr Gordon Gibb (elected 1 April 2009)
Ms Sarah Lupton
Mr Andrew Mortimer (elected 1 April 2009)
Mr George Oldham
Mr Derek Salter (to 31 March 2009)
Mr Nicholas Tweddell (to 31 March 2009)
Professor Tom Woolley (to 31 March 2009)
Mr Bernard Wyld (elected 1 April 2009)

ADMINISTRATION OFFICE

8 Weymouth Street
London
W1W 5BU

BANKERS

National Westminster Bank Plc
125 Great Portland Street
London
W1A 1GA

AUDITORS

Horwath Clark Whitehill LLP
St Bride's House
10 Salisbury Square
London
EC4Y 8EH

The Board is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

It is considered that the Board is required to prepare, for each financial year, financial statements which give a true and fair view of the state of the affairs of the Architects Registration Board and of the surplus or deficit for that period. In preparing those financial statements, the Board is required to:

- Select suitable accounting policies and to apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Architects Registration Board will continue its activities.

The Board is responsible for keeping proper accounting records which disclose with reasonable accuracy, at any time, the financial position of the Architects Registration Board. They are also responsible for safeguarding the assets of the Architects Registration Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the website of the Architects Registration Board.

We have audited the financial statements of the Architects Registration Board (ARB) for the year ended 31 December 2009 set out on pages 14 to 20. The financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the Board, as a body incorporated under the Architects Act 1997. Our audit work has been undertaken so that we might state to the Board 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 ARB and its Board as a body, for our audit work, or for the opinions we have formed.

Respective responsibilities of the Board and auditors

The Board's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of the Board's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view.

We also report to you if, in our opinion, the organisation has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the entity, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the Architects Registration Board as at 31 December 2009 and of its surplus for the year then ended

HORWATH CLARK WHITEHILL LLP
Chartered Accountants and
Statutory Auditor
1 June 2010

St. Bride's House
10 Salisbury Square
London
EC4Y 8EH

	Notes	£	2009 £	2008 £
INCOME				
Registration and retention fees	3	3,066,441		2,797,798
Penalties and sundry receipts	4	48,238		43,284
Investment income	5	39,560		81,916
Sales of the register of architects		2,148		1,170
		3,156,387		2,924,168
Profit/(loss) on sale of investments	6	45,658		(8,077)
			3,202,045	2,916,091
EXPENDITURE				
Establishment costs				
Staff	7	1,243,329		1,215,837
Office	8	378,580		241,808
		1,621,909		1,457,645
Printing and records	9	169,438		186,788
IT charges	10	264,511		189,331
Board expenses		106,191		114,592
Legal and other professional charges	11	706,636		592,934
Other administrative expenses	12	337,899		392,113
		1,584,675	(3,206,584)	(2,933,403)
Operating surplus/(deficit) for the year			(4,539)	(17,312)
Transfers to/(from) operating reserves				
Premises maintenance reserve	20a	72,000		(6,000)
IT Sinking fund	20b	(7,000)		(7,000)
Election fund	20c	16,000		(8,000)
			81,000	(21,000)
Transferred to/(from) operating reserve fund			76,461	(38,312)

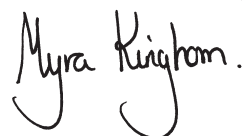
All recognised gains and losses are included in the income and expenditure account and arise from continuing operations.

	Notes	£	2009 £	2008 £
FIXED ASSETS				
Tangible	13		560,571	25,595
Investments	14		1,169,625	1,362,735
			1,730,196	1,388,330
CURRENT ASSETS				
Debtors	15	75,991		78,852
Cash at bank and in hand		155,952		476,534
		231,943		555,386
CREDITORS: amounts falling due within one year				
Annual fees received in advance		232,938		270,617
Other creditors	16	321,409		260,768
		554,347		531,385
NET CURRENT LIABILITIES			(322,404)	24,001
NET ASSETS			1,407,792	1,412,331
OPERATING RESERVE FUND				
Balance at start of year		1,291,331		1,329,643
Operating surplus/(deficit) for the year		(4,539)		(17,312)
Transfers from/(to) operating reserve		81,000		(21,000)
Balance at end of year	19	1,367,792		1,291,331
DESIGNATED FUNDS				
Premises maintenance reserve	20a		-	72,000
IT Sinking fund	20b		40,000	33,000
Election fund	20c		-	16,000
			40,000	121,000
ACCUMULATED FUNDS			1,407,792	1,412,331

These financial statements were approved by the Board and authorised for issue on 20 May 2010.



Beatrice Fraenkel, Chair ARB



Myra Kinghorn, Chair Audit Committee

1. ACCOUNTING POLICIES**a) Basis of accounting**

These financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards.

b) Income recognition

Registration and retention fees are recognised over the period to which they relate. Prepaid fees are deferred until the next accounting period. All other income is accounted for on an accruals basis.

c) Investment income

Income from investments and cash held as part of the investment portfolio is shown net of tax in the income and expenditure account.

d) Expenditure

Expenditure is accounted for on an accruals basis.

e) Pension costs

Contributions to the defined contribution staff pension scheme are charged to the income and expenditure account as they fall due.

f) Operating leases

Rentals payable are accounted for on a straight line basis over the term of the lease.

g) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates estimated to write off the cost, less estimated residual value, of each asset over its expected useful life as follows:

Office furniture and equipment	– over 5 years
IT and electronic equipment	– over 3 years
Leasehold improvements	– over 10 years

h) Investments

Investments are shown at cost less any provision for permanent diminution in value. Market value is disclosed in the notes to the financial statements.

2. TAXATION

The Architects Registration Board is subject to corporation tax on investment income and capital gains.

3. REGISTRATION AND RETENTION FEES

	2009 £	2008 £
Registration fees	84,901	86,838
Prescribed examinations	201,037	222,205
Retention fees	2,780,503	2,488,755
	3,066,441	2,797,798

4. PENALTIES AND SUNDRY RECEIPTS

Penalties paid on reinstatement to the Register	33,351	36,461
Sundry receipts	14,887	6,823
	48,238	43,284

5. INVESTMENT INCOME

	2009 £	2008 £
Government stocks	48,754	18,099
Interest on bank deposits	7,385	84,296
	56,139	102,395
Less: Taxation charge for the year at 21% (2008: 20/21%) (Note 2)	(16,579)	(20,479)
	39,560	81,916

6. PROFIT / (LOSS) ON SALE OF INVESTMENTS

Profit/(loss) on sale of Government stocks	45,658	(8,077)
	45,658	(8,077)

7. STAFF COSTS

Salaries and national insurance	1,045,656	939,019
Staff pension scheme	101,783	98,085
Medical and permanent health insurance	29,116	26,015
Recruitment costs	13,806	32,245
Staff training	31,409	30,904
Temporary staff	21,559	89,569
	1,243,329	1,215,837

	Number	Number
Staff numbers (average for the year)	22	22

Emoluments in respect of higher paid employees fell within the following ranges:

	Number	Number
£60,000 – £70,000	1	1
£100,000 – £110,000	1	1

Payments were made into defined contribution pension schemes totalling £23,244 (2008: £22,102) in respect of these employees.

8. OFFICE COSTS

Rent	85,000	86,722
Rates	50,631	39,343
Building related costs	48,819	19,821
Insurance	5,041	4,141
Electricity	9,302	2,004
Office cleaning	14,768	1,883
Postage and telephone	90,673	82,923
Maintenance of office equipment	1,944	1,602
Depreciation: leasehold improvements	51,733	–
Depreciation: furniture and equipment	20,669	3,369
	378,580	241,808

9. PRINTING AND RECORDS

	2009 £	2008 £
Printing	150,402	172,239
Stationery	18,171	12,986
Journals and newspapers	865	1,563
	169,438	186,788

10. IT CHARGES

Depreciation: IT equipment	22,968	17,330
IT costs	241,543	172,001
	264,511	189,331

11. LEGAL AND OTHER PROFESSIONAL CHARGES

Remuneration to auditors:		
Audit services – current year	14,554	15,000
Insurance	39,008	37,525
Legal and professional fees		
General	270,286	231,601
Professional Conduct Committee/Regulation	382,788	308,808
	706,636	592,934

12. OTHER ADMINISTRATION EXPENSES

Bank charges	24,886	22,145
Sundry expenses	22,184	26,138
Staff travel expenses	18,645	19,308
Prescribed examination	93,971	113,344
Prescription	51,043	62,105
Registration services	64,585	62,744
Public and professional awareness	43,373	54,871
Qualifications expenses	12,253	18,603
Document storage	6,959	12,855
	337,899	392,113

13. TANGIBLE FIXED ASSETS

	Leasehold improvements	Office equipment £	IT equipment £	Total £
Cost				
At 1 January 2009	–	93,285	160,073	253,358
Additions	517,325	87,347	25,674	632,346
Disposals	–	(74,946)	(24,344)	(100,434)
At 31 December 2009	517,325	105,686	161,403	785,270
Depreciation				
At 1 January 2009	–	85,998	141,765	227,763
Charge for the year	51,733	20,669	22,968	95,370
Disposals	–	(74,946)	(24,344)	(98,434)
At 31 December 2009	51,733	31,721	140,389	224,699
Net book value				
At 31 December 2009	465,592	73,965	21,014	560,571
At 31 December 2008	–	7,287	18,308	25,595

14. INVESTMENTS (All Fixed Interest UK Gilts)

	2009 £	2008 £
At cost		
At start of year	1,362,735	778,769
Additions	1,158,700	2,095,810
Disposals at cost	(1,351,810)	(1,511,844)
At end of year	1,169,625	1,362,735
Market value at end of year	1,253,600	1,418,844

15. DEBTORS

Other debtors	16,600	10,664
Prepayments and accrued income	59,391	68,188
	75,991	78,852

16. OTHER CREDITORS

Trade creditors	112,967	43,568
Corporation tax	9,533	16,861
Social security and other taxes	61,173	53,934
Other creditors	137,736	146,405
	321,409	260,768

17. PENSIONS

The Staff Pension Scheme is a defined contribution scheme. The cost of contributions during the period was £101,783 (2008: £98,085). There are no outstanding or prepaid contributions at the balance sheet date. The assets of the scheme are held separately from those of the Architects Registration Board in an independently administered fund.

18. LEASING COMMITMENTS

The Architects Registration Board is committed to make the following annual payments under operating leases which expire:

	Land and buildings	
	2009	2008
	£	£
In more than five years	85,000	85,000

19. OPERATING RESERVE FUND

The Board has decided to maintain a minimum of 4 months' operating costs as a reserve.

20. DESIGNATED FUNDS

The Board has decided to set aside the following Designated Funds:

(a) Premises Maintenance Reserve

Specific reserve to cover the regular cost of redecoration of the offices in accordance with the terms of the lease.

	2009	2008
	£	£
Balance at start of year	72,000	66,000
Transfer (to) / from operating reserve fund	(72,000)	6,000
Balance at end of year	–	72,000

(b) IT Sinking Fund

Specific reserve to cover the cost of ensuring that the organisation's computer systems remain up to date and efficient.

Balance at start of year	33,000	26,000
Transfer from operating reserve fund	7,000	7,000
Balance at end of year	40,000	33,000

(c) Election fund

Specific reserve to cover the cost of the triennial election of the ARB Board.

Balance at start of year	16,000	8,000
Transfer (to) / from operating reserve fund	(16,000)	8,000
Balance at end of year	–	16,000