



# Annual Report and Financial Statements 2025





**ARCHITECTS REGISTRATION BOARD**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
2025

Financial statements presented to the House of Commons pursuant to Section 6(4) of the  
Government Resources and Accounts Act 2000

Report presented to the House of Commons by Command of His Majesty

Ordered by the House of Commons to be printed on 7 July 2026



© Crown copyright 2026

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit [nationalarchives.gov.uk/doc/open-government-licence/version/3](https://nationalarchives.gov.uk/doc/open-government-licence/version/3).

Where we have identified any third-party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at [www.gov.uk/official-documents](https://www.gov.uk/official-documents).

Any enquiries regarding this publication should be sent to us at:

Ministry of Housing, Communities and Local Government  
Fry Building  
2 Marsham Street  
London  
SW1P 4DF  
Telephone: 030 3444 0000

ISBN 978-1-5286-6622-0

E03602505 07/2026

Printed on paper containing 40% recycled fibre content minimum

Printed in the UK by HH Associates Ltd. on behalf of the Controller of His Majesty's Stationery Office

# Part One: Annual Report

**Contents**

<b>1</b>	<b>Chair and CEO Foreword</b>	<b>7</b>
<b>2</b>	<b>About ARB</b>	<b>9</b>
<b>3</b>	<b>Progress Report</b>	<b>10</b>
	Introduction	
	Modernising the initial education and training of architects	
	Developing and delivering a new model of continuing professional development	
	Transforming our systems, processes and technology	
	Continuous improvement to our regulatory processes	
	Investing in our people	
<b>4</b>	<b>Work with us and connect</b>	<b>16</b>

## 1. Chair and CEO Foreword

As Chair and Chief Executive, we are pleased to jointly introduce the 2025 Annual Report and Financial Statements of the Architects Registration Board (ARB).

2025 was the final year of our Corporate Strategy 2022-26. We are proud to say that over the past four years we have made substantial progress across our regulatory responsibilities and laid strong foundations to support a confident, competent profession capable of delivering a built environment that meets the needs of modern society.

The Grenfell Tower tragedy remains a stark reminder of the importance of safety, ethics, and professional accountability across the built environment. A profession that earns and sustains public trust begins with robust education and training, underpinned by clear standards and oversight.

During this Strategy period, we have undertaken a fundamental reform of architectural education and training. We have overhauled the competency outcomes required as part of the initial education and training of architects, we have introduced a new flexible regulatory regime allowing learning providers to innovate with new models of delivery, better integrating academic theory and practice, as well as reducing the time taken to qualify as an architect. All UK qualified architects in future will still be required to have achieved a Master's level qualification, supplemented with a Professional Practical Experience and Practice Qualification, but with new routes into the profession from related degrees, or relevant prior professional experience.

We're delighted that, in 2025, three new-style Master's-level degrees were approved and set for accreditation for the first time. This represented a significant milestone in delivering our vision for an education framework that equips future architects with the skills, knowledge and professional judgement required in a dynamic and evolving sector.

Last year also saw the introduction of our new Code of Conduct and Practice, which came into effect on 1 September. The Code provides a clear and accessible framework to support architects in making ethical and accountable professional decisions. The new Code strengthens the link between professional standards and public confidence and reinforces the values that underpin safe and competent practice.

Continuing professional development (CPD) remains central to maintaining competence throughout an architect's career. It was therefore deeply encouraging to see the extremely high level of engagement with ARB's CPD scheme in 2025. This strong participation reflects a profession committed to excellence and to prioritising public safety. As a regulator, we are equally committed to supporting architects in meeting their regulatory responsibilities. We will continue to review and streamline our processes, improve how we communicate CPD requirements, and ensure that our CPD scheme remains relevant and proportionate.

We are also clear that the Register of Architects should better reflect the diversity of the society it serves. In May, we published an Equality, Diversity, and Inclusion (EDI) Strategy for 2025-27, setting out our strategic goals to foster greater inclusivity within the architects'

profession and address barriers to entry and progression. In parallel with this work, we have committed to improving access to the UK Register for competent individuals with qualifications from outside the UK by simplifying the examination process and removing unintended barriers.

In October, we launched a public consultation on a proposed registration assurance process for individuals who hold partial qualifications but who do not have an undergraduate degree in architecture. This proposed route is designed to ensure that those who can demonstrate the required competence and knowledge are able to seek registration without undertaking unnecessary, lengthy or costly additional assessments, while maintaining our rigorous standards of public protection.

None of this progress would have been possible without constructive feedback and challenge from the profession and others within the sector. We would also not have achieved this positive change without the dedication and expertise of our Board members, staff and associates. We extend our sincere thanks for their dedication and support in delivering ARB's mission.

As we look forward, we remain committed to ensuring ARB is a modern, effective regulator that upholds high standards and supports the evolving needs of both architects and the public.

*Alan Kershaw*

Alan Kershaw,

Chair

03 Jun 2026



Hugh Simpson,

Chief Executive and Registrar

03 Jun 2026

## 2. About ARB

We are an independent professional regulator, established by Parliament as a statutory body, through the Architects Act, in 1997. We are accountable to government.

The law gives us a number of core functions:

- To ensure only those who are suitably competent are allowed to practise as architects. We do this by approving the architecture qualifications required to join the Register of Architects.
- We maintain a publicly available Register of Architects so anyone using the services of an architect can be confident that they are suitably qualified and are fit to practise.
- We set the standards of conduct and practice the profession must meet and take action when any architect falls below the required standards of conduct or competence.
- We set requirements for and monitor the continuous professional development that architects must undertake, to provide assurance to the public about the continuing competence of the profession.
- We protect the legally restricted title 'architect'.

### Our governance

Our work is overseen by a Board of 11 members, all appointed by the Privy Council. This includes an independent, non-executive Chair and ten non-executive Board members: five members of the public and five architects.

ARB's Board members:

- **Alan Kershaw**, Chair, Lay Member
  - **Caroline Turnbull-Hall**, Lay Board member, Finance Risk and Audit Committee
  - **Cindy Leslie**, Lay Board Member, Finance Risk and Audit Committee
  - **Professor Elena Marco**, Architect Board Member, Finance Risk and Audit Committee
  - **Will Freeman**, Architect Board Member, Finance Risk and Audit Committee
  - **Mark Bottomley**, Architect Senior Independent Board Member
  - **Liz Male**, Lay Chair, People Committee
  - **Stephen McCusker**, Architect Board Member, People Committee
  - **Dr Teri Okoro**, Architect Board Member, People Committee
  - **Jonathan Prichard**, Lay Board Member, People Committee
  - **Thomas McDermott**, Lay Board Member
- You can [learn more about our governance and organisation structure](#) in the Financial Statements in Part 2 of this report and on our website.<sup>1</sup>

---

<sup>1</sup> <https://arb.org.uk/about-arb/>

### 3. Progress Report

#### Introduction

In 2025, ARB's priorities were shaped by our annual [Business Plan](#) and by our five-year [Corporate Strategy for 2022-26](#).<sup>2</sup>

Taken together, these two documents set out ARB's aims and ambitions for the year. The Corporate Strategy is based upon five pillars:

- Modernising the initial education and training of architects
- Developing and delivering a new model of continuing professional development
- Transforming our systems, processes, and technology
- Continuous improvement to our regulatory services
- Investing in our people

#### Modernising initial education and training of architects

In 2025, ARB reached major milestones in our transition to the new initial education and training framework. In April, three new Master's-level qualifications, two of which adopt an innovative integrated format, were approved by ARB's Accreditation Committee for consultation with relevant professional bodies. These were the first new-style qualifications to reach this stage of the accreditation process, marking a significant step in our plans to establish a modern, accessible education framework designed to equip future architects with skills to face contemporary challenges across the sector.

We continued to receive applications for new and transitioning programmes throughout the year. Many of these have since been approved or have progressed to 'in progress' status, demonstrating strong engagement from learning providers and sustained momentum behind the reforms.

To ensure all learning providers, students and trainees remain fully informed about the implications of the new initial education model and the range of available routes through education, we publish an online [Accreditation Handbook](#), and we have kept the [accreditation application table](#) and relevant sections of the webpages up to date.<sup>3</sup> We will continue to publish the status of qualification applications as we process them, maintaining transparency and clarity.

In addition to accredited qualifications, architects wishing to qualify in the UK must complete a period of professional practical experience (PPE). Alongside the education

---

<sup>2</sup><https://arb.org.uk/wp-content/uploads/ARB-Business-Plan-2025.pdf> / <https://arb.org.uk/about-arb/accountability/5yearstrategy/>

<sup>3</sup><https://arb.org.uk/information-for-schools-of-architecture/accreditation-handbook/>  
<https://arb.org.uk/information-for-schools-of-architecture/applications-for-accreditation-of-qualifications/>

reforms, we also made substantial progress in strengthening the framework for PPE. Following extensive engagement with trainees, learning providers and practices across the UK, the independent Professional Practical Experience Commission submitted its final report to ARB in March.<sup>4</sup> The report concluded that too much responsibility and risk currently rests with individual trainees in monitoring the content and quality of practical experience, resulting in inconsistent and, in some cases, lower-quality workplace learning.

To address these issues, the Commission made three headline recommendations which the Board accepted. These were that:

- ARB should remove constraints to flexibility and innovation to lead sustainable change across the profession
- Learning providers should take a co-ordinating role in facilitating trainees' acquisition of all Competency Outcomes
- Significant improvements in workplace culture should be secured to strengthen how competence is gained

In response to the Commission's report, we published a comprehensive action plan and timeline outlining the steps we intend to take to realise the Commission's recommendations.<sup>5</sup> Key proposals for consultation included establishing clear requirements and responsibilities for a coordinating role for learning providers, and setting minimum requirements for a new, standardised record of competency.

We recognise that learning providers have strong oversight over the education journey and are well placed to build links with architectural practices. As such, they are ideally positioned to support trainees in securing and gaining the experience they need for registration. Additionally, introducing a record of competency will enable trainees to track their progress effectively through a streamlined and consistent approach. Together, these reforms will significantly strengthen the support, quality and clarity of the PPE experience.

As part of ARB's EDI Strategy, we also committed to evaluating the impact of our initial education reforms on access to the profession.<sup>6</sup> In mid-2025, we commissioned an independent research company, Harlow Consulting, to develop an impact evaluation framework to assess whether the reforms we introduced are delivering on their purpose: removing unnecessary barriers and making the Register more inclusive. A summary of the research report was presented to the Board (in workshop mode) in March. The Executive is currently considering the recommendations.

---

<sup>4</sup> <https://arb.org.uk/wp-content/uploads/PPE-Commission-Final-Report.pdf>

<sup>5</sup> <https://arb.org.uk/publications/arbs-response-to-the-ppe-commissions-recommendations/>

<sup>6</sup> <https://arb.org.uk/arb-outlines-four-key-goals-as-part-of-new-edi-strategy/>

## **Developing and delivering a new model of continuing professional development**

In 2025, we continued to strengthen our approach to continuing professional development (CPD), embedding it more firmly as a cornerstone of public protection and professional competence. As the regulatory landscape evolves and expectations of the built environment sector increase, it is essential that architects maintain and develop the knowledge, skills and behaviours required for safe, ethical and effective practice throughout their careers.

2025 marked the second full cycle of the ARB CPD scheme. In January, it became mandatory for all architects to record CPD on an ARB approved system in order to be retained on the Register in 2026. From the first year of the scheme's operation (a grace year in which no architect was removed from the Register for non-compliance), we identified specific high-risk groups who were non-compliant for a variety of reasons, including incorrect declarations and out-of-scope deferrals. To maximise compliance by the end of 2025, we implemented a targeted, personalised and phased communications campaign to raise awareness of the requirements of the scheme and the consequences of non-compliance. Alongside this, we redeveloped our online guidance materials to provide clearer, more accessible information tailored to support architects in understanding their obligations.

The CPD annual review system was also fully embedded in 2025. To identify areas where scheme requirements could be better communicated to architects, the CPD team analysed samples of CPD submissions. In addition, the team explored methods to better assess submissions, identify examples of good practice, and support wider improvements in regulatory efficiency and effectiveness.

Recognising that manual reviews were disproportionately time-consuming, we developed alternative AI-assisted solutions. The prototype tool, Ensemble, was successfully trialled to assess potential non-compliance and automate initial communications with architects. Importantly, ARB has confirmed that no registrant will be removed from the Register for CPD non-compliance without a full human assessment, ensuring fairness and transparency in the regulatory process.

Looking ahead, we will continue to review and develop the CPD framework to ensure it remains proportionate, forward-looking and responsive to change. In 2026, we plan to explore how reflective practice can be further strengthened and how data insights can inform future regulatory priorities. Our objective remains clear: to support a culture of lifelong learning that underpins competence, professionalism and public confidence in architects.

## **Transforming our systems, processes, and technology**

In 2025, we continued to deliver against the commitments set out in our Corporate Strategy to modernise ARB's systems, processes and technology. This transformation programme is

essential to ensuring that we operate as an efficient, data-informed and user-focused regulator.

We completed the second of three phases the implementation of our new Customer Relationship Management (CRM). The third phase of our IT transformation programme will deliver a new case management system, improved information management with providers of ARB accredited qualifications as well as strengthening data integrity and enhancing the overall user experience.

Following a procurement process, we appointed Codec as our new CRM development and support supplier. Codec will continue the development of our applications system and deliver enhanced standards and case management functionality. This transition positions us to build a fully integrated and resilient platform capable of supporting registration, accreditation, CPD and fitness to practise processes within a single, coherent system.

Together, these steps represent a continued commitment to modernise ARB's systems and IT infrastructure. By strengthening our systems and embedding smarter processes, we are creating a more agile and sustainable regulatory environment - one that better supports architects in meeting their obligations and enhances our ability to protect the public.

### **Continuous improvement to our regulatory processes**

In 2025, we continued to improve and modernise our regulatory processes, ensuring that both architects and the public continue to benefit from ARB's role as an effective, forward-looking regulator.

ARB's updated Code of Conduct and Practice came into effect on 1 September.<sup>7</sup> The new Code is a positive statement of what professionalism and ethics mean for architects today. It provides a framework for the behaviours and standards that all architects are expected to meet and is built on six Standards that define professionalism for modern UK practice: Honesty and integrity, Public interest, Competence, Professional practice, Communication and collaboration, and Respect.

To support the Code, supplementary guidance for how architects can apply the Standards in more specific contexts was published over the course of the year, covering topics such as 'dealing with complaints', 'managing conflicts of interest', and 'raising concerns and whistleblowing'. A third and final set of guidance will be consulted on and published in 2026, completing the supporting framework around the Code.

Equality, diversity and inclusion (EDI) remains a strategic priority at ARB. In May, we announced our new EDI Strategy for 2025-2026, which set out four goals designed to foster

---

<sup>7</sup> <https://arb.org.uk/architect-information/architects-code-standards-of-conduct-and-practice/>

greater inclusivity within the architects' profession and remove barriers to entry and progression.<sup>8</sup>

The four goals are:

- A more inclusive ARB
- Increased access to the Register for underrepresented groups
- More inclusive workplace cultures that remove barriers to progression
- An end to discrimination and sexual harassment in the profession

This strategy represents a significant step towards a profession that better reflects the diversity of the society it serves. We recognise that meaningful progress demands collaboration across the sector, and we are committed to working with partners to drive lasting change.

We continued to make good progress in international dimension of our regulatory work. In April, we signed a mutual recognition agreement (MRA) with our Canadian counterpart, the Regulatory Organizations of Architecture in Canada / Regroupement des Ordres d'Architectes du Canada (ROAC). Additionally, under our existing EEA/EFTA route, we rolled out a registration route for those holding valid architecture qualifications from Switzerland.

These agreements support the mobility of eligible architects whilst maintaining professional competency requirements within each country. We now have four international agreements in place, and to ensure the standards of our agreements remain robust, we have developed a formal monitoring and visiting process for MRAs and memoranda of understanding (MOUs), which would be activated in the event of any significant concerns.

As part of our continued efforts to strengthen the accreditation and quality assurance of initial education and training, our Accreditation team carried out 13 regular institutional reviews in 2025, through a combination of in-person and virtual visits. From 2025, these visits have included targeted student engagement, providing additional insight into the lived experience of architectural education; this approach will continue in 2026. We were pleased to receive a positive internal audit report on the visits process, providing assurance on the robustness and consistency of our approach.

## **Investing in our people**

Delivering high-quality regulation depends on the strength, capability and commitment of our people. We believe ARB should be an organisation where staff and associates understand our purpose and vision, feel connected to our mission, and are equipped with the skills and confidence to deliver it. Our ambition is to ensure that colleagues are well led

---

<sup>8</sup> <https://arb.org.uk/arb-outlines-four-key-goals-as-part-of-new-edi-strategy/>

and well managed, work to a shared set of values and behaviours, and have access to the development opportunities needed to succeed in a changing regulatory environment.

In 2025, we shared an updated People Strategy with the Board, aligning our workforce priorities with organisational transformation and long-term planning. The refreshed strategy incorporates our approach to equality, diversity and inclusion, skills development following IT transformation, and succession planning to support leadership resilience. We also strengthened transparency by publishing updated performance metrics, including staff turnover rates, sickness absence data and staff survey results, providing clearer insight into organisational health and culture.

As part of our Learning and Development framework, we launched a new digital learning platform, Kallidus. This replaced our previous systems and brings mandatory and optional learning together in a single, accessible platform. The introduction of Kallidus provides a more streamlined user experience, improved oversight of training completion, and enhanced reporting capability to support workforce planning and compliance.

We continued to prioritise skills development across the organisation, recognising that effective regulation requires both technical expertise and strong leadership capability. During the year, we designed a Management Development Programme, which will be delivered in 2026, to strengthen management skills, support consistent leadership practice and build organisational capacity.

Following completion of an external benchmarking review, we also agreed an updated remuneration plan to ensure our pay framework remains fair, transparent and competitive. This supports our ability to attract, retain and motivate talented professionals in a competitive labour market.

Together, these initiatives reflect our ongoing commitment to building a capable, inclusive and values-driven organisation, and one that is well positioned to deliver effective regulation now and in the future.

#### 4. Work with us and connect

We are always eager to engage with architects and stakeholders, and to hear their views on the work that we are doing. There are a number of ways to get in touch and receive updates as we develop new approaches to the things we do:

- Architects can join our Architects Engagement Group to take part in events conversations, or research to help shape our work
- Sign up to receive ARB Insight, our newsletter
- Connect with us on social media for regular updates on our work
  - [Bluesky](#)
  - [LinkedIn](#)
  - [Facebook](#)
  - [YouTube](#)
  - [Instagram](#)

[More details for all the above, and other ways to get in touch, can be found on our website.](#)<sup>9</sup>

---

<sup>9</sup> <https://arb.org.uk/contact-us/>

# **Part Two: Financial Statements**

### Contents

<b>1</b>	<b>Performance Report</b>	<b>3</b>
	Overview	
	ARB's purpose and activities	
	Our Chief Executive's perspective	
	KPIs, risk and uncertainty	
	Performance summary	
	Performance analysis	
	Financial performance	
	Non-financial matters	
	Sustainability and environmental impact	
<b>2</b>	<b>Accountability Report</b>	<b>11</b>
	Corporate governance report	
	Chief Executive's report	
	Accounting Officer statement	
	Governance statement	
	Our Board	
	Corporate governance	
	Risk assessment	
	Remuneration report	
	Staff report	
<b>3</b>	<b>Independent Auditor's Report to the Members of Architects Registration Board</b>	<b>20</b>
<b>4</b>	<b>Financial Statements</b>	<b>24</b>
	Statement of comprehensive income for the year ended 31 December 2025	
	Statement of financial position at 31 December 2025	
	Statement of cash flows for the year ended 31 December 2025	
	Statement of changes in reserves at 31 December 2025	
	<b>Notes to the Financial Statements</b>	<b>29</b>

## 1. Performance Report

### Overview

The Annual Report and Financial Statements follow the requirements of the Government Financial Reporting Manual (FReM) issued by HM Treasury. Section 5.2 of the FReM requires us to prepare a performance report which approximates to a Strategic report prepared under the Companies Act 2006. It provides information about ARB and our work during the year.

### ARB's statutory role and core functions

The Architects Registration Board (ARB) is a UK wide independent professional regulator, established by Parliament as a statutory body, through the Architects Act 1997. We are accountable to government.

The law gives us a number of core functions:

- To ensure only those who are suitably competent are allowed to practise as architects. We do this by approving the qualifications required to join the UK Register of Architects.
- We maintain a publicly available Register of Architects so anyone using the services of an architect can be confident that they are suitably qualified and are fit to practise.
- We set the standards of conduct and practice the profession must meet and take action when any architect falls below the required standards of conduct or competence.
- We set requirements for and monitor the continuous professional development that architects must undertake, to provide assurance to the public about the continuing competence of the profession.
- We protect the legally restricted title 'architect'.

We are an arm's-length body, designated as a public corporation, independent of government and majority-funded by fees paid by architects. Our sponsoring department is the Ministry of Housing, Communities & Local Government (MHCLG).

Our Board is supported by our Chief Executive and Registrar, senior management and executive teams as well as a range of committees. More information about our structure can be found within our accountability report and on our [website](#).<sup>10</sup>

---

<sup>10</sup> <https://arb.org.uk/about-arb/arbs-business-plan/>

## **Our strategic priorities**

2025 was the final year of our Corporate Strategy covering the period 2022 to 2026.

Our Strategy describes the approach we want to take for all that we do: being open and engaging; using evidence to drive our policy work and operational delivery; promoting diversity and being responsive to feedback; and demonstrating a willingness to adapt and change positions where the evidence suggests we should. At the heart of our Strategy are five key priorities. These are:

- Continuous improvement in our regulatory services
- Modernising initial education and training of architects
- Delivering a new system of continuing professional development for architects
- Transforming our systems, processes and technology
- Investing in our people and building a positive and inclusive culture based on shared values and behaviours.

The annual Business Plan and the associated work planned for 2025 was designed to support the roadmap to delivery of these priorities.

## **Our Chief Executive and Registrar's perspective**

Our Strategy sets out a clear statement about the purpose of regulation, ARB's vision and the key strategic priorities the Board has committed to deliver.

We want a world in which the built environment inspires those who live and work in it, reflects the needs of society so that people are safe and can live well, and helps to tackle the fundamental challenges our planet faces. The contribution that professional regulation can make to this overarching purpose may be small, but we recognise that architects and other professionals in the built environment can achieve their own goals, potential and outcomes only if we are delivering effective regulation.

During 2025, we continued the delivery of our five key strategic priorities. The report on our Business Plan sets out progress on these activities in detail. Highlights included successfully implementing a new Architects Code of Conduct and Practice following a public consultation and launching a consultation on new proposed routes to registration as part of overhauling our international routes to registration.

Following the report and recommendations from the Commission on Professional Practical Experience, we published a comprehensive plan. We also commissioned an independent researcher, Harlow Consulting, to assess the impact of our new regulatory framework in education and explore issues around access.

We are ambitious for our organisation and for our people. In 2025 we successfully rolled out a new People Strategy as we develop a high performance culture and strive to be a great place to work. As part of our new Learning and Development Framework, a new Management Development Programme was launched for managers across the organisation. Operational highlights from 2025 include the signature, promotion and implementation of a Mutual Recognition Agreement with our counterparts in Canada. We also rolled out a new route to registration which complied with the Government's UK/Swiss recognition of professional qualifications arrangements.

### **KPIs, risk and uncertainty**

Throughout 2025 we made steady progress in performance across all our core operational activities. In professional standards, despite a number of challenges in relation to availability of associates, we made progress on our core KPIs, meeting our cumulative KPI for case management by the second quarter continuing through to the end of 2025. In Registration, we continue to surpass KPI targets as we realise the benefits from the roll out of the new CRM system. For example, over 95% of those applying to join the Register under UK/EU or MRA routes, have their registration confirmed within 15 days of application.

We made excellent progress to deliver our Business Plan commitments for 2025. We present a full report on delivery of the Business Plan for each year to the first Board meeting of the following year. In 2025 we delivered over three quarters of the specific commitments for the year. The one area where there were notable delays to delivery was in IT Transformation. These delays, specifically to the roll out of the final phase of our CRM development were caused by a decision to change suppliers in-year. We expect work on IT Transformation to complete in 2026.

The phase two report of the Grenfell Tower Inquiry was published towards the end of 2024. In 2025 we provided a formal update to government on the work ARB had already undertaken to mitigate some of the risk highlighted by the Inquiry Report. We also worked closely with MHCLG officials as the government developed a comprehensive response to the Inquiry Recommendations, including the publication in December 2025 of the Single Construction Regulator Prospectus.

The Senior Leadership Group monitors risks closely and reports regularly to the Finance, Risk and Audit Committee on a regular basis, as well as to the Board. ARB follows the Government's Orange Book framework for the management of risk. Our risk register covers twelve risks which the Board has identified represent risks to the delivery of our statutory functions and our ability to achieve the outcomes in our Corporate Strategy. These include a number of core risks such as data management and cyber risks as well as external risks including changes to legislation which could affect ARB's strategy or operations.

## Performance summary

During 2025, we delivered on our core requirement to ensure that our statutory duties, as set out in the Architects Act 1997, were all met.

In addition, good progress has been made on the priorities set out in our Corporate Strategy, reaching the goals set out in our 2025 Business Plan.

## Performance analysis

### How performance is measured

In addition to the Corporate Strategy, our Board approves an annual Business Plan for the organisation. At every Board meeting, our Chief Executive and Registrar provides updates on risk linked to organisational and strategic performance. A mid-year review on progress to deliver the Business Plan is presented to our Board. Any emerging concerns about the effective delivery of the Business Plan and core work are raised with the Finance, Risk and Audit Committee and the Board in a timely manner. We also have a Business Plan Delivery Group, made up of members of the staff team, to track progress and manage risks in key areas.

We report to the Board against fixed Key Performance Indicators (KPIs) of our core statutory functions as well as broader operational performance including HR and finance. We also provide regular updates to the Board on progress against our key strategic priority areas including our Transformation Programme. Our current and previous Business Plans are in the public domain, available to view on our [website](#).<sup>11</sup>

Continuous dialogue took place between our Chief Executive and Registrar, the Board and MHCLG to ensure we managed risks appropriately and effectively and a copy of ARB's risk register was provided to the Department.

## Financial performance

The Financial Statements, set out in Chapter Four from page 24 onwards, have been prepared in accordance with the Government's Financial Reporting Manual (FRM).

Our main sources of funding are the annual retention and registration fees, paid by every architect on the Register, representing 96% of our total income. Our largest area of spend is the organisation's staffing resources, representing 42% of our operational costs.

We ended the year with a planned operating deficit of £611,227. The deficit resulted from expenditure on IT transformation projects, increases in staff headcount, and higher depreciation charges.

---

<sup>11</sup> <https://arb.org.uk/about-arb/arbs-business-plan/>

As a responsible statutory regulator and employer, we hold reserves, so there are funds available should unforeseen circumstances materialise. Such circumstances might include an increase in expenditure or a reduction in income, or the need to respond to a portfolio of organisational risks should one or more of those risks be realised. ARB's reserves policy is to hold at least six months' operating costs. The total operating reserves as of 31 December 2025 are £7,130,597 which represents 8.4 months of operating costs. Operating reserves are forecast to reduce to the six month level over the coming years as the remaining costs of the IT Transformation programme are incurred and as related assets are depreciated over their useful lives.

The majority of the reserves held are not required for cash flow purposes and are invested in a mixed portfolio to ensure that they do not lose their value while not required. We use an external investment broker to manage the portfolio on a day-to-day basis, in line with the Board's Investment Strategy, to maintain at least the real value of its capital.

A breakdown of the changes in reserves can be found in our Financial Statements on page 28.

## **Non-financial matters**

We are legally required to respond to all Freedom of Information Act 2000 requests within 20 working days, and subject access requests made under the Data Protection Act 2018 within one calendar month.

We received 33 requests for information under the Freedom of Information Act 2000. All 33 were accepted and the majority of requests were dealt with within the relevant statutory timeframes. Two of the 33 requests were responded to just after the statutory deadline due to unexpected staff absence and the complexity of the requests. To our knowledge one complaint was made to the Information Commissioner's Office (ICO) about ARB in 2025. The complaint against ARB was not upheld.

There have been no health and safety incidents reported during the year. All statutory checks and tests such as electrical, emergency lighting, fire safety and air and water quality have been carried out. Staff have also undertaken mandatory health and safety training as required.

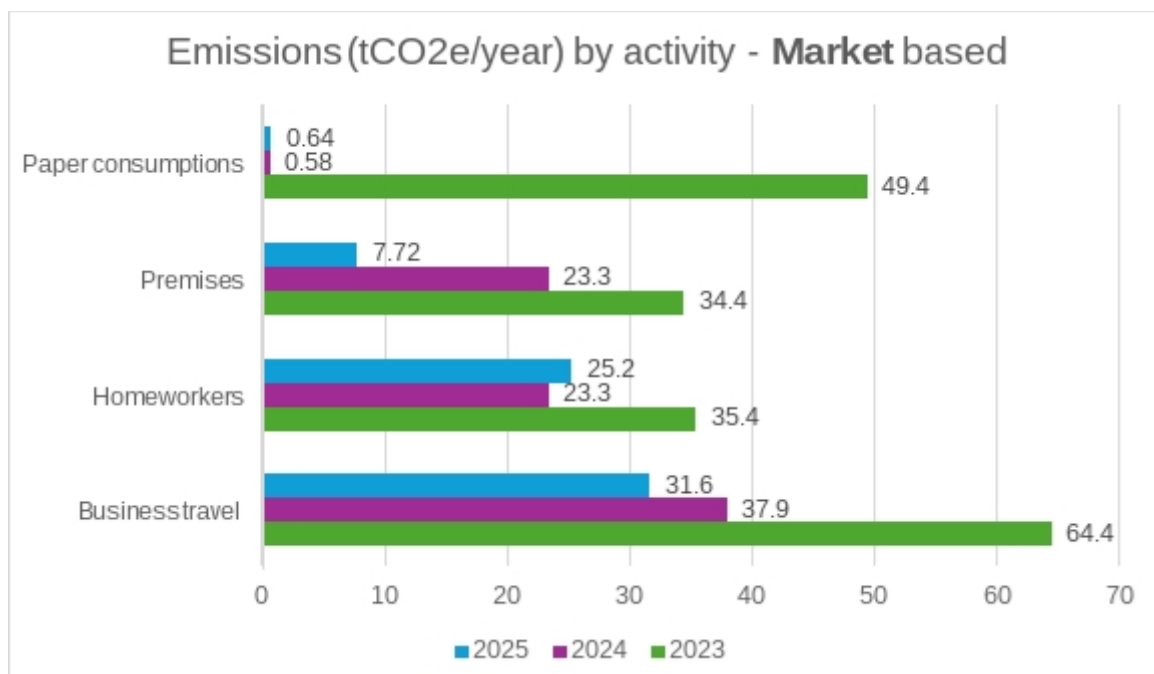
## **Sustainability and environmental impact**

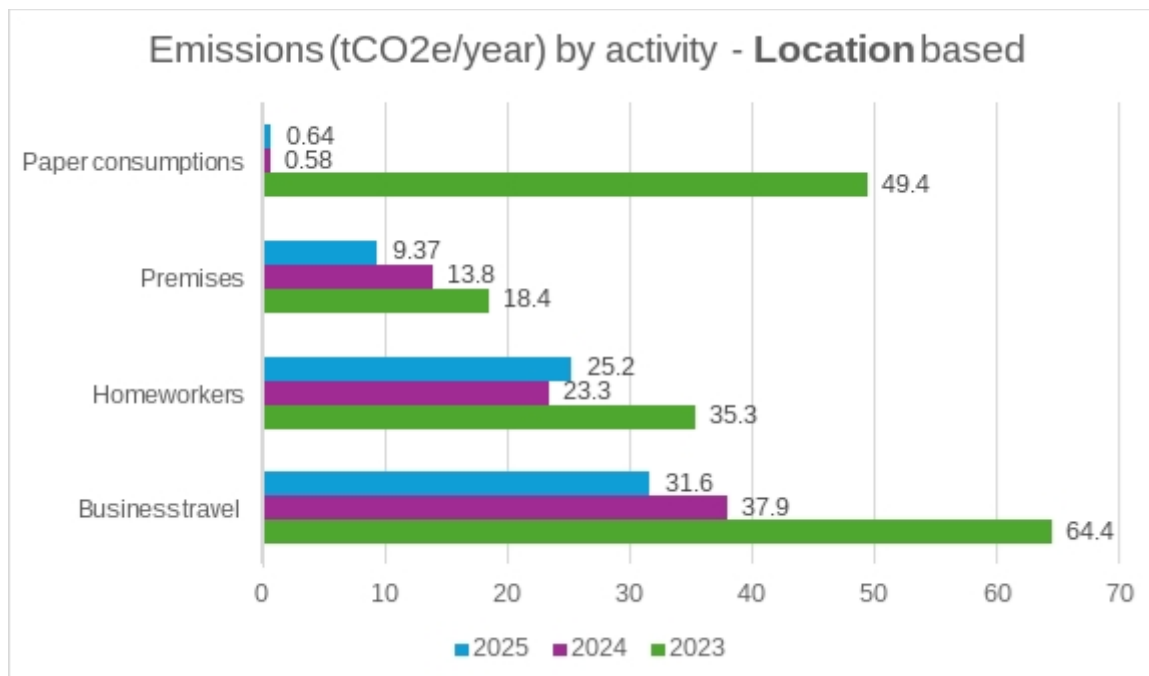
ARB's market-based carbon emissions for 2025 were 65.2 tCO<sub>2</sub>e (86.1 in 2024), and location-based emissions were 65.2 tCO<sub>2</sub>e (75.6 in 2024).

This assessment has been carried out in accordance with the World Business Council for Sustainable Development and World Resources Institute's (WBCSD/WRI) Greenhouse Gas Protocol. This protocol is considered current best practice for reporting greenhouse gas emission. GHG emissions have been reported by the three WBCSD Scopes.

Emissions Type	Activity	Market based		Location based	
		2025 tCO2e/year (figures in brackets relate to 2024)	%	2025 tCO2e/year (figures in brackets relate to 2024)	%
Scope 1*	Direct GHG emissions from sources that are owned or controlled by the company such as natural gas combustion and company owned vehicles.	-	0% (0%)	-	0% (0%)
Scope 2	GHG emissions from the generation of purchased electricity, heat and steam generated off-site.	6.34 (22.4)	9.7% (26%)	6.34 (11.9)	9.7% (15.8%)
Scope 3	Includes all other indirect emissions such as waste disposal, business travel and staff commuting.	58.8 (63.7)	90.3% (74%)	58.8 (63.7)	90.3% (84.2%)
<b>Total</b>		<b>65.2 (86.1)</b>	<b>100%</b>	<b>65.2 (75.6)</b>	<b>100%</b>

\* We do not have direct Scope 1 emissions





The difference between market-based and location-based emissions reports relates to how electricity-related emissions are calculated. The market-based method calculates emissions based on the specific electricity products purchased, while the location-based method uses an average emission rate based on where the electricity is consumed.

### ARB initiatives

For the third consecutive year business travel remains the largest contributor to ARB's emissions, although this area has continued to decline in the last two years. As previously reported, travel levels will largely be driven by the needs of the business in any given year and may fluctuate, particularly due to international work, most of which is undertaken online, but some of which is required to be in person. ARB's hybrid working policy, together with most Board and Committee meetings being held online, significantly reduce the need to travel. ARB's travel and subsistence policy was reviewed during the year and makes explicit that, where travel is required for business purposes, trains should be used where possible as the most sustainable method of travel.

We continued to see a reduction in emissions in respect of our office space, predominantly owing to our 2024 relocation from Weymouth Street to Gray's Inn Road which included a move from on premises to cloud based IT infrastructure; this has seen a huge 64.5% overall reduction in market-based carbon emissions since ARB's 2023\* reported data. We have removed single use plastics from our office environment and continue to implement recycling schemes for staff and visitors to the office; 2025 saw the introduction of food waste recycling within the office, in line with the Government 'Simpler Recycling' scheme.

2025 also saw the implementation of the Procurement Act 2023 which prompted a refresh of ARB's Procurement Policy; as part of this we have further embedded sustainability into our procurement principles, incorporating it into bid evaluation criteria where appropriate and asking our suppliers to share the same principles.

\*\*in 2023 figures related to ARB's Scope 2 emissions were incorrectly reported. The error was due to the 2023 data related to premises electricity being entered into our reporting system as a monetary value, while the calculation used was based on actual kWh usage. The data was recalculated and the error reported in the 2024 annual report and the corrected figures are used in all data stated in the above.

## 2. Accountability Report

### Corporate governance report

Maintaining a robust governance framework supports the delivery of our statutory functions, and enables us to deliver our corporate strategy effectively. It ensures that, where risks exist, they are appropriately mitigated and, where problems and challenges emerge, they are dealt with in a suitable way. The report outlines our governance approach and risk management arrangements. It reflects the challenges we have faced during the year and our successes in managing risk, as well as areas where we will be taking steps to improve in the future.

### Chief Executive's report

ARB Board members are responsible for maintaining and promoting the public's trust and confidence in the integrity of both the organisation and the architects' profession. They are required to adhere to the seven principles of public life, as well as ARB's values and behaviours.

ARB's Board is made up of 11 non-executive members, including one independent, non-executive lay Chair and ten non-executive members (five architect members and five lay members). They are appointed by the Privy Council subject to consultation with the Secretary of State within ARB's sponsoring government department. We hold a register of all declarations of interest made by our Board and Committee members. We require the register of interests to be updated as and when there are changes, and the declarations are confirmed annually as a minimum. In addition to this, Board and Committee members are asked to declare any personal interests which may give rise to an actual or perceived conflict of interest at each meeting that takes place. The declaration is then noted, and the member may be asked to leave the meeting for a particular item, recuse themselves from a discussion or decision, or speak last on a particular topic.

To support our delivery of our statutory duties we engage nearly 140 associates with 'worker' contracts. They are recruited for their expertise in a variety of roles and include lay associates, architects and some with specific technical requirements including Legally Qualified Chairs for our Professional Conduct Committees. The roles include Accreditation Committee Members, Accreditation Visitors, Examiners, Investigation Panel Members, Professional Conduct Committee members, Expert Advisers and Reviewers.

Due to the nature of our statutory functions we hold a large amount of data, some of which constitutes personal data. This is managed in compliance with the data protection legislation, including the relevant new requirements set out within the Data (Use and Access) Act 2025.

## Accounting Officer statement

Under the Framework Agreement drawn up jointly between the Architects Registration Board (ARB) and the Ministry of Housing, Communities and Local Government (MHCLG), we prepare Financial Statements for each financial year in the form, and on the basis, set out in the government financial reporting manual (FreM).

The Financial Statements are prepared on an accruals basis and must give a true and fair view of the state of affairs of ARB and of its income and expenditure, recognised gains and losses and cash flows for the financial year.

In preparing the Financial Statements, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual (FreM) and in particular to:

- Observe any relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards as set out in the FReM have been followed, and disclose and explain any material departures in the Financial Statements
- Prepare the Financial Statements on a going concern basis.

The MHCLG has nominated the Chief Executive and Registrar as Accounting Officer of ARB. Hugh Simpson has been appointed as Chief Executive and Registrar.

The responsibilities of an Accounting Officer are set out in Chapter 3 of 'Managing Public Money' published by the Treasury. They include responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, keeping proper records and safeguarding ARB's assets.

As the appointed Accounting Officer, I confirm that, as far I am aware, there is no relevant audit or other material information of which the entity's auditors are unaware, and that I have taken all the steps to make myself aware of any relevant audit and other material information and to establish that the entity's auditors are aware of that information.

I also confirm that the Annual Report and Financial Statements as a whole are fair, balanced and understandable, and that I take personal responsibility for the Annual Report and Financial Statements and the judgments required for determining that they are fair, balanced and understandable.

## Governance statement

### Our Board

Information on ARB's Board members can be found on our website. Our Board ensures ARB is delivering its statutory duties by ensuring there is a clear strategy, policies are appropriately developed and approved, and assurances are given for the delivery of statutory functions. The Board provides leadership and seeks to uphold the values of the organisation.

Further details about the [role and purpose of our Board](#) can be found on our website and in the Annual Report published alongside this document.<sup>12</sup>

For more information about our Board members and their individual declarations, view our website.

Details of Board members' attendance can be found on page 40.

All Board members are appointed by the Privy Council after consultation with the Secretary of State. ARB has legal powers to appoint temporary Board members if vacancies arise. One temporary lay Board member was in place for the first three months of 2025, having been appointed in April 2023. In line with the relevant rules, the temporary Board member's tenure ceased on 31 March 2025. This vacancy, as well as a further vacancy that arose following the death of Professor Tony Crook CBE in late 2024, were filled with effect from 1 April 2025 by two new permanent lay Board members, Caroline Turnbull-Hall and Jonathan Prichard.

The Board met regularly throughout 2025 to seek assurance that the executive continued to ensure that ARB delivered its statutory functions including decisions regarding the registration and annual retention fee for architects. The Board carried out frequent assurance activities including scrutiny of operational and financial performance. It also reviewed the risk register on a regular basis to ensure there were appropriate governance and assurance arrangements in place.

In 2025, the Board oversaw the successful delivery of key business plan commitments and operational improvements. It made decisions to issue plans to overhaul the professional practical experience requirements for trainees seeking registration with ARB. The Board also consulted on plans to adjust some of its routes to registration. The feedback from this consultation will be considered in 2026. The Board also agreed to publish a series of guidance documents to support the revised Code of Conduct and Practice for Architects which was issued in September 2025.

---

<sup>12</sup> <https://arb.org.uk/about-arb/>

The Board launched a new mutual recognition agreement which it had agreed with the Regulated Organizations of Architecture in Canada (ROAC). The agreement became fully operational in May 2025. Work also commenced to review some of ARB's existing mutual recognition agreements and this work will be completed in 2026.

The Board continued to respond to recommendations resulting from its annual Board and Committee Effectiveness Reviews. It all concluded a review of its committee terms of reference and membership which had commenced the previous year. In order to keep pace with the organisation's development and in order to maintain a robust governance framework, the Board dissolved its former Audit and Risk Assurance Committee and created a new Finance, Risk and Audit Committee, with new Terms of Reference.

ARB continued to be a host of the Boardroom Apprentice Programme, which is supported by MHCLG and aimed at creating a diverse pool of capable and ready Board members by enabling practical experience, skills and knowledge on existing boards.

Following an overhaul of the Board members' annual review process in 2024, small improvements were made to it following its first year of operation. The adjustments were approved and implemented as part of the 2025 cycle of annual reviews. All Board members, including the Chair, were updated in relation to the adjusted process. All Board members subsequently took part in an individual annual review meeting with the Chair, providing each member with an opportunity to reflect on their performance over the previous year as well as discussing individual priorities for the forthcoming year. The Chair also participated in annual review meetings with an independent, external reviewer. The Senior Independent Board member met with the Board without the Board Chair present, and met with the Executive, to provide an overview of the role and allow an opportunity for any concerns to be raised.

## **Corporate governance**

Our Board's work is governed by the General Rules, which it has established to fulfil its duties under the Architects Act 1997. The Rules were last revised in 2024 and are due for review again in 2026. In line with its statutory responsibilities, the Board will issue any proposals for change for public consultation before they become effective. The Board continues to operate in line with its agreed Values and Behaviours, which are aligned to those which apply to the Executive and sit alongside the Board's Code of Practice. The Board Member's Handbook, which covers, in broad terms, how the tasks the Board performs, should be executed in line with the Standards for Public Life, was reviewed and updated during 2025.

## **Risk assessment**

During 2025, ARB's Audit and Risk Assurance Committee (ARAC) was replaced by a new Finance, Risk and Audit Committee (FRAC) effective from 1 July 2025. The newly developed

Terms of Reference for the FRAC were approved by the Board and ensure that the Committee supports the Board in its oversight responsibilities for ARB's financial and risk management, and internal controls. The new Terms of Reference for FRAC allow for the appointment of two independent Committee members (increased from the one permitted under the former ARAC Terms of Reference).

The internal audit plan for 2025 was agreed by the ARAC at the start of 2025 and was developed alongside TIAA Ltd, ARB's internal audit partner, with reference to ARB's organisational risk register. Four areas were agreed for internal audit in 2025.

The first audit related to Accreditation Methodology which considered the processes and arrangements for conducting site and online visits to learning providers who currently, or wish, to provide ARB accredited qualifications. This area was selected due to the substantial changes to the way which courses were accredited as part of the initial education and training reforms. This received a 'reasonable assurance' assessment.

The second audit related to finance and considered the arrangements in place for ARB's core financial processes, to ensure that they were robust and fit for purpose. This received a 'substantial assurance' assessment.

The third audit area considered ARB's IT Transformation Programme and looked at whether the programme to date had achieved its strategic objectives and whether programme risks continued to be managed effectively. This received a 'substantial assurance' assessment.

The final area for audit and review was data assurance. It assessed whether key components and principles of the Data Protection Act 2018 (UK GDPR) were being met. This received a 'reasonable assurance' assessment.

General follow-up work was also carried out by TIAA Ltd to check progress on the implementation of findings from the above-mentioned and other previous internal audits. There was also a more in-depth specific area of follow up review to look at ARB's progress in implementing recommendations from a previous 2024 audit on budgetary control and financial reporting. The scope of previous recommendations covered areas such as the suitability of ARB's financial policies and associated Scheme of Delegation, whether budgets were set in line with overall strategic objectives, the budget preparation process and the timeliness and accuracy of financial reporting.

Reports and updates were provided to ARB's Audit and Risk Assurance Committee and, in the second half of the year, the Finance, Risk and Audit Committee.

The Board has overall responsibility for risk management and through 2025 has been aided by the ARAC and FRAC. The Board has oversight procedures to ensure appropriate systems of control are in place, as well as robust and transparent risk reporting mechanisms.

Owing to the change in the committee structure and terms of reference, membership has also changed through year. From January to 30 June 2025, ARAC members were Thomas

McDermott (Lay Board member) as Committee Chair and Cindy Leslie (Lay Board member), Will Freeman (Architect Board member) and Mark Bottomley (Architect Board member) as Committee members; Dónall Curtin was the Committee's Independent member in this period.

From 1 July 2025, Cindy Leslie (Lay Board member) has been appointed as Committee Chair with Caroline Turnbull-Hall (Lay Board member); Will Freeman (Architect Board member) and Elena Marco (Architect Board member) as Committee members. Zelda Hansson and Martin Veale were appointed in the latter part of 2025 as the two independent members to the Finance, Risk and Audit Committee.

All Committee meeting minutes were reviewed by the Board and the Committee presented to the Board an Annual Report detailing its work in 2025 for assurance purposes. That report contained the Internal Audit annual opinion that for the areas reviewed, ARB has reasonable and effective risk management, control and governance processes in place.

The Board reviewed the risk register together with the associated Risk Management and Appetite policy, approving changes to risk headings where applicable.

Key operational risks in 2025 continued to be largely centred on workstreams under ARB's five-year strategy. These were all reviewed and discussed by the ARAC and FRAC and included heightened areas of risk owing to the ongoing IT Transformation Programme and the newly introduced continuing professional development (CPD) monitoring scheme. In particular, the impact that the CPD scheme might have on the register both in the short and long term was reviewed, including the impact on resource in respect of managing the scheme from a people perspective and the potential financial impact if registration numbers were to change substantially.

## Remuneration report

### Our policy

Our People Committee was chaired by Liz Male (Lay Board member). Its other members were Stephen McCusker (Architect Board member), Teri Okoro (Architect Board member) and Ian Muir (an independent member). In addition, Samantha Peters (temporary Lay Board member) served until 31 March 2025 when her term of office on the Board expired. From 1 June 2025, Jonathan Prichard (Lay Board member) served on the committee.

The purpose of the Committee is to approve ARB's people strategy, including our approach to leadership and management, reward and recognition, and work to encourage equity, diversity and inclusion. While the Board approves the overall budget for pay, the People Committee makes recommendations to the Board regarding the overall approach to remuneration for all staff, Board members and associates, and that the package is reviewed and amended appropriately. The Board is responsible for approving the salary of the Chief Executive and Registrar.

## Remuneration of our Board

Board members receive an annual attendance amount, paid monthly. The rates of the 2025 annual pay are shown below:

Role/s	Jan – June 2025	July – Dec 2025
Board chair	£44,500	£50,025
Board member	£9,041	£10,000
Board member with Committee chair responsibility	£10,737	£13,552

\*The total remuneration paid to Board members for their work on the Board, its committees and other Board business during 2025 was £165,586 (£147,467 in 2024).

Board members are also able to claim travel and subsistence expenses. Expenses totalling £44,489 (£54,460 in 2024) were claimed during the year. As required by our Framework Agreement with MHCLG, we have a single policy for travel and subsistence expenses which applies to Board members and staff.

## Staff report

### Overview

Our workforce is one of our key assets and consists of people with wide ranging skills and experience that make our workforce diverse. Our People Strategy ensures that we attract, develop and retain our employees enabling us to fulfil our statutory duties. This section provides an overview of key staffing facts and our commitment to being a good employer.

### Pension entitlements

We provide our employees with access to a contributory group personal pension scheme (otherwise known as a defined contribution, or DC arrangement). Our liability for this arrangement ceases when employment comes to an end. This arrangement meets all statutory requirements for employment law relating to employer sponsored pension arrangements.

Additionally, we have a closed (paid up) occupational money purchase scheme (which is also a DC arrangement). There are, however, no contributions being made to this scheme, nor have there been for several years. There are no liabilities for future contributions to this scheme and the scheme was wound up and transferred to named policy holders in December 2024.

### Fair pay disclosures

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid employee in their organisation and the median remuneration of the organisation's workforce.

Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payment or employer pension contributions.

The mid-banded remuneration of our highest paid employee in the financial year end 2025 was £153,703 (£150,418 in 2024). This is 3.56 times higher than the median remuneration of our workforce (3.58 times in 2024). The median remuneration of the workforce was £43,119 (£41,980 in 2024).

### Staff composition and cost

The composition and numbers of ARB staff in post as of 31 December 2025 was:

	2025		2024	
	Female	Male	Female	Male
Chief Executive and Registrar	0	1	0	1
Permanent Staff	34	24	30	24
Fixed Term	3	0	3	1
Agency	0	0	1	0
Total Split	37	25	34	26
<b>Total Employees</b>	<b>62</b>		<b>60</b>	

As of 31 December 2025, ARB had a permanent headcount of 62, including a senior leadership group and the Chief Executive and Registrar. On average, over the year, there were 61 employees costing £4,295,571; further information can be found in Note 6 of our Financial Statements on page 33.

Staff turnover for 2025 was 15% (17% in 2024).

Staff time lost through sickness absence during 2025 was 430 days (compared to 264 in 2024) with a head count of 61 (59 in 2024). If we remove those on long term sickness absence from the data, this equates to 3.8 days per employee. Full reports on staffing, including information on reasons for absences, are reviewed by ARB's People Committee, to allow for any trends or actions to be identified.

### Policies and other employee matters

We aim to have a workforce that is reflective of all sections of society where each employee feels respected and able to give their best. We continue to develop our People Strategy to support the delivery of our Corporate Strategy and to enable us to become a high performing organisation. How we engage and enable our staff is important and we run annual staff engagement surveys to inform development of our People approach. In 2025, 60 staff were invited to take part with a response rate of 88% with 83% having favourable opinions about the organisation, compared to 75% in 2024.

To promote equality, diversity and inclusion so that we can attract as diverse a pool of candidates and employees as possible, we carefully draft our recruitment material to ensure that we can attract diversity; and though being clear on the skills and knowledge for our roles we do not place unnecessary restrictions on applicants. Applicants are also invited to

complete an equality monitoring form, which is received separately from the application form and is not available to the short-listing panel. All applicants are invited to provide details of any disability so that reasonable adjustments can be made for the selection process. Equality monitoring forms are analysed in respect to steps that can be taken to further equality and inclusion.

We continue to be supportive of staff with disabilities and appreciate the value that all employees bring to their roles. We have our Disability Confidence award to show our commitment and work. Regular one-to-one meetings and our annual review process provide the opportunity to identify the need for adjustments for disabled staff in employment, as well as reviewing those adjustments to ensure they continue to be relevant.

We take proactive steps to promote a culture that understands, accepts and supports both physical and mental disabilities in the workplace. Equality, diversity and inclusion (EDI) training is incorporated into the annual training plan and is one of the ways we seek to re-enforce diversity. The wellbeing of our staff team is supported by the range of benefits offered by the organisation, along with external support and training on mental health and wellbeing. We also have designated mental health first aiders in the organisation to support our culture of wellbeing. During our annual performance reviews and regular one-to-one meetings, consideration is given to the specific training needs of our staff.

#### **Expenditure on consultancy**

We sometimes need specialist advice. This includes general corporate legal advice in areas such as employment or corporate law, as well as specialist advice in relation to matters of public or EU legislation. We also seek advice on a range of technical and specialist areas such as pensions and employee services, insurance and IT.

Due to the broad ranging spectrum of advice required, and to use our resources as efficiently as possible, we procure such services from a small number of suppliers as and when required.

#### **Off-payroll engagements**

We do not use consultants to fill positions in the permanent employee complement. All employee posts are filled by either permanent or fixed-term employees, or (for short-term needs) by workers provided by employment agencies. Similarly, there are no off-payroll engagements.



Hugh Simpson,

Chief Executive and Registrar

03 Jun 2026

### 3. Independent Auditor's Report to the Members of Architects Registration Board

#### Opinion

We have audited the financial statements of Architects Registration Board ('ARB') for the year ended 31 December 2025 which comprise the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in reserves, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the Government Financial Reporting Manual (FReM) which applies UK adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of ARB's affairs as at 31 December 2025 and of its deficit for the year then ended;
- have been properly prepared in accordance with the Government Financial Reporting Manual (FReM).

#### 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 ARB in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Accounting Officer's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on ARB's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Accounting Officer is responsible for the other information contained within the annual report. Our opinion on

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

We have nothing to report in this regard.

### **Responsibilities of the Accounting Officer**

As explained more fully in the Accounting Officer statement set out on page 12, the Accounting Officer is 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 Accounting Officer determines 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 Accounting Officer is responsible for assessing ARB'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 ARB is to be liquidated or to cease operations.

### **Auditor's responsibilities for the audit of the financial statements**

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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. As part of our planning process:

- We enquired of the Accounting Officer the systems and controls ARB has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The Accounting Officer did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to ARB. We determined that the following were most relevant: the Framework Agreement

drawn up jointly between the ARB and the Ministry of Housing, Communities and Local Government; the 2023/24 Government Financial Reporting Manual (FRM); Corporate Governance in Central Government Departments Code of Good Practice; the Treasury guidance on Managing Public Money.

- We considered the incentives and opportunities that exist in ARB, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of ARB, together with the discussions held with ARB at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by Accounting Officer in making significant accounting estimates, in particular in relation to the useful economic life of intangible asset.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Performing a physical verification of key assets.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as ARB board minutes for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the Accounting Officer.

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

### **Use of our report**

This report is made solely to the Board members of ARB, as a body, in accordance with the Framework Agreement drawn up jointly between the ARB and the Department for Levelling

Up, Housing and Communities. Our audit work has been undertaken so that we might state to the Board members 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 the Board members as a body, for our audit work, for this report, or for the opinions we have formed.

*HW Fisher Audit*

**HW Fisher Audit**

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

03 Jun 2026

.....

## 4. Financial Statements

### Statement of comprehensive income for the year ended 31 December 2025

	Notes	2025 £	2024 £
<b>INCOME</b>			
Registration and retention fees	3	9,114,472	9,064,654
Govt. Grant Income		14,771	18,286
Prescribed examinations		261,940	402,684
Penalties and sundry receipts	4	113,374	80,653
<b>Total operating income</b>		<b>9,504,557</b>	<b>9,566,277</b>
<b>EXPENDITURE</b>			
Employee salaries and benefits	6	4,295,571	4,024,686
Office costs	7	1,115,074	1,222,970
Printing and records	8	8,954	12,633
IT charges	9	1,665,510	1,920,015
Board allowances and expenses		220,410	201,926
Legal and other professional charges	10	1,277,802	1,745,081
Other administrative expenses	11	1,402,042	1,243,276
Finance costs	18.3	130,421	70,376
<b>Total operating expenditure</b>		<b>10,115,784</b>	<b>10,440,963</b>
<b>OPERATIONAL DEFICIT FOR THE YEAR</b>		<b>(611,227)</b>	<b>(874,686)</b>
Investment income	5	225,001	261,743
Net gain on investments	14	555,739	330,735
<b>SURPLUS/(DEFICIT) FOR THE YEAR BEFORE TAXATION</b>		<b>169,513</b>	<b>(282,208)</b>
Taxation	19	(197,916)	(91,246)
<b>RETAINED DEFICIT FOR THE YEAR</b>		<b>(28,403)</b>	<b>(373,454)</b>
<b>TOTAL COMPREHENSIVE NET EXPENDITURE</b>		<b>(28,403)</b>	<b>(373,454)</b>

All activities are continuing.

## Statement of financial position at 31 December 2025

	Notes	2025 £	2024 £
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	12	6,653	11,242
Right- of- use assets	18.1	2,522,106	2,819,890
Intangible assets	13	1,885,386	2,329,925
Investments	14	7,744,523	7,271,195
<b>Total non-current assets</b>		<b>12,158,668</b>	<b>12,432,252</b>
<b>CURRENT ASSETS</b>			
Trade and other receivables	15	221,271	251,225
Cash and cash equivalents		10,083,036	8,609,453
<b>Total current assets</b>		<b>10,304,308</b>	<b>8,860,678</b>
<b>TOTAL ASSETS</b>		<b>22,462,976</b>	<b>21,292,930</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	16	1,189,686	1,239,898
Deferred income		8,678,033	7,256,715
Lease liabilities	18.2.1	274,365	162,439
<b>Total current liabilities</b>		<b>10,142,084</b>	<b>8,659,052</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liability	18.2.2	2,406,011 91,860	2,690,595 91,860
Dilapidations Provision	20		
		<b>2,497,871</b>	<b>2,782,455</b>
<b>TOTAL LIABILITIES</b>		<b>12,639,955</b>	<b>11,441,507</b>
<b>NET ASSETS</b>		<b>9,823,021</b>	<b>9,851,423</b>
<b>RESERVES</b>			
Designated reserve		1,268,248	1,268,248
Operational reserve		7,130,597	7,714,738
Revaluation reserve		1,424,176	868,437
<b>TOTAL RESERVES</b>		<b>9,823,021</b>	<b>9,851,423</b>

These Financial Statements were approved by the Board and Accounting Officer and authorised for issue on 03 Jun 2026.

*Alan Kershaw*

Alan Kershaw, Chair of the Board

*Hugh Simpson*

Hugh Simpson, Accounting Officer (Chief Executive and Registrar)

## Statement of cash flows for the year ended 31 December 2025

	2025	2024
	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Operational deficit for the year</b>	<b>(611,227)</b>	<b>(874,686)</b>
<b>Adjustments for non-cash transactions</b>		
Depreciation and amortisation	512,523	570,573
Depreciation of right-of-use asset	297,784	375,194
Additions of right-to-use assets & liabilities	130,421	(34,734)
Write-off of Fixed Assets	-	1,736
<b>Changes in operating assets and liabilities</b>		
Decrease/(increase) in trade and other receivables	29,954	(25,352)
Increase/(decrease) in trade, other payables and deferred income	1,173,190	(169,341)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>1,532,645</b>	<b>(156,610)</b>
<b>Cash flows from investment activities</b>		
Proceeds from the sale of investments	515,163	1,423,216
Dividends and interest received	225,001	261,743
Purchase of investments	(432,752)	(1,445,730)
Purchases of intangibles and tangible assets	(63,396)	(635,197)
<b>Net cash inflow/(outflow) from investing activities</b>	<b>244,017</b>	<b>(395,968)</b>
<b>Cash flows from financing activities</b>		
Payments of principal on lease (note 18.4.1)	(303,079)	(247,819)
<b>Net cash (outflow) from financing activities</b>	<b>(303,079)</b>	<b>(247,819)</b>
<b>Net increase in cash and cash equivalents</b>	<b>1,473,583</b>	<b>(800,397)</b>
Cash and cash equivalents at the start of the year	8,609,453	9,409,850
<b>Cash and cash equivalents at the end of the year</b>	<b>10,083,036</b>	<b>8,609,453</b>

All cash is represented by cash in hand and at bank

## Statement of changes in reserves at 31 December 2025

	At 1 January 2025	Operational loss in year	Revaluation gains in year	At 31 December 2025
	£	£	£	£
Designated reserve	1,268,248	-	-	1,268,248
Operational reserve	7,714,738	(584,142)	-	7,130,597
Revaluation reserve	868,437		555,739	1,424,176
<b>Total</b>	<b>9,851,423</b>	<b>(584,142)</b>	<b>555,739</b>	<b>9,823,021</b>

### Operating reserve

ARB's reserves policy is to hold operating reserve sufficient to ensure that ARB can continue in operation for the foreseeable future. The level of reserves is set taking into account the risks faced by ARB in terms of a decline in income or increase in expenditure and the time that would be taken to return ARB to a balanced budget by reducing costs or adjusting the annual registration fee. The total operating reserves as of 31 December 2025 is £7,130,597 which represents 8.4 months of operating costs.

### Designated reserve

The designated reserves consist of £1,268,248 brought forward from the prior year with no movements in 2025. The reserve has been designated for IT transformation. ARB intends to fully utilise the fund in 2026 to complete the final phase of the IT Transformation project.

### Revaluation reserve

At 31 December 2025, the revaluation reserve represented the closing market value less historic cost value of ARB's investments.

## Notes to the Financial Statements

### 1. GENERAL INFORMATION

The Architects Registration Board is incorporated under the Architects Act 1997. ARB's principal activity is acting as the statutory regulator for architects in the UK. ARB is an arm's-length body overseen by the Ministry of Housing, Communities and Local Government (MHCLG), our sponsoring government department.

### 2. ACCOUNTING POLICIES

#### a) Basis of accounting

The Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted and interpreted by the Government Financial Reporting Manual (FRoM) issued by HM Treasury.

Where the FRoM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of ARB for the purpose of giving a true and fair view has been selected. The particular policies adopted by ARB are described below. They have been applied consistently in dealing with items that are considered material to the Financial Statements.

These Financial Statements have been prepared under the historical cost convention modified to account for the revaluation of investments. Figures are presented in pounds sterling, which is the functional currency of ARB and rounded to the nearest pound. Transactions denominated in foreign currencies are translated into sterling at the exchange rate at the dates of the transactions.

After making enquiries the Board has a reasonable expectation that the organisation will be able to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Financial Statements.

#### b) Adoption of new and revised standards and changes in accounting policies

There have been no new or amended IFRS Accounting Standards effective for the current year that have had a material impact on ARB's financial statements.

New and revised IFRS Accounting Standards in issue but not yet effective

IFRS 18 Presentation and Disclosure in Financial Statements has been issued and is effective for annual reporting periods beginning on or after 1 January 2027. IFRS 18 replaces IAS 1 and will require changes to the presentation of the statement of profit or loss but will not affect recognition or measurement. The directors do not expect its adoption to have a material impact on the financial statements.

### **c) Staff costs**

In accordance with IAS 19 Employee Benefits, all short-term staff costs payable at the year-end, which will be paid within one year from the date of reporting, are recognised in the Statement of Comprehensive Income.

### **d) Pensions**

ARB operates a defined contribution pension scheme where ARB pays established annual contribution rates into a separate fund. The amount of pension benefit that a member receives in retirement is dependent on the performance of the fund. ARB recognises the cost of these contributions in the Statement of Comprehensive Income when they fall due. There are no further payment obligations for ARB once the contributions have been paid.

### **e) Leases**

ARB has one lease for its office space. It has elected to recognise this right-of-use asset at an amount equal to the lease liability and depreciated on a straight-line method over the remaining years.

### **f) Value Added Tax on purchases**

ARB is unable to recover the VAT it pays on its expenditure due to the VAT status of its supplies. Therefore, all expenditure disclosed in the Financial Statements includes any VAT paid.

### **g) Income**

Income is recognised to the extent that it is probable that the economic benefits will flow to ARB and the revenue can be reliably measured. Income is measured at the fair value of the consideration received. Income arising from the provision of services is recognised when and to the extent that ARB obtains the right to consideration in exchange for the performance of its contractual obligations.

Retention fees are recognised in the period over which they entitle an individual to be listed on the Architects Register. Registration, penalties and prescribed examination fees are recognised in the year in which the registration or prescribed examination takes place. Income from investments and cash is recognised in the period in which ARB becomes entitled to the income.

Retention fees relating to future periods are included in deferred income.

Accreditation Fees are recognised in the period over which qualifications by learning providers are accredited.

It is considered that ARB has one operating segment.

#### **h) Grants**

Grants which relate to revenue are recognised in income in the period the related costs are incurred by the entity for which the grant is intended to compensate.

#### **i) Corporation tax and deferred tax**

ARB is liable for tax on income earned and gains on investments during the year. The tax expense is recognised in the Statement of Comprehensive Income.

Deferred tax is recognised in respect of timing differences that have originated but not reversed at the reporting date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the reporting date. Timing differences are differences between the entity's taxable operating surplus and its results as stated in the Financial Statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the Financial Statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse; based on tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax is measured on an undiscounted basis.

#### **j) Plant, equipment, and intangible assets**

Expenditure of £500 or more on plant and equipment or intangible assets is capitalised where it is expected to bring benefit over future years. On initial recognition, assets are measured at cost and include all costs directly attributable to bringing them into working condition.

All non-current assets are reviewed annually for impairment. Plant and equipment are depreciated, and intangible assets are amortised from the time the item comes into operational use, at rates calculated to write them down to the estimated residual value on a straight-line basis over their estimated useful lives.

The following annual rates are used:

- *Leasehold improvements - over ten years*
- *Office furniture and equipment - over five years*
- *IT equipment - over three years*
- *Intangibles - over six years*

The intangible assets are considered to have a definite life and are amortised over a period of six years.

**k) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with maturity dates of three months or fewer.

**l) Investments**

The fair value of the investments is based on the closing market value at the accounting date. Gains and losses arising from changes in market value are included within the Statement of Comprehensive Income.

**m) Trade and other payables**

Trade payables are obligations on the basis of normal credit terms and do not bear interest. They are categorised as financial liabilities at amortised cost.

**n) Provisions**

Provisions are recognised in the statement of financial position where there is a legal or constructive obligation to settle a liability and the amount can be estimated with reasonable certainty.

**o) Critical accounting estimates and judgements**

The significant area of estimation relates to our intangible assets created as a result of the IT transformation programme and the Right of Use Assets.

IT transformation programme

These assets are amortised from when they become operational and for a period of six years, which in our judgement represents the useful economical life (UEL) of those assets.

In establishing the UEL of these assets a certain amount of judgement was required and therefore can be subject to change in future years.

The key considerations in estimating the UEL were:

- The platform the systems are built on (Power Platform) and that it is unlikely it will become obsolete within six years of the assets being brought into use. This assessment is based on the number of updates and new features being released by Microsoft as well as seeking the views of our Technical Project Manager.
- As a regulator, there are unlikely to be significant changes in legislation that would mean major changes or scrapping of our new systems.

There is also judgement in relation to project management costs as this is an estimate of the percentage of time spent on the various elements of the project.

We will re-assess the UEL on an annual basis given the fast pace of change within the IT environment.

#### Right of Use assets and liabilities

- The recognition of the Right of Use assets and liabilities from the new lease, which were calculated based on the full length of the lease and assumed ARB would not invoke the lease break clause after five years.
- The recognised dilapidation provision has been calculated based on expert guidance.

### 3. REVENUE - REGISTRATION AND RETENTION FEES

	2025 £	2024 £
Registration fees	121,079	103,969
Accreditation Fees	574,450	433,675
Retention fees	8,418,943	8,527,010
	<u>9,114,472</u>	<u>9,064,654</u>

### 4. REVENUE - PENALTIES AND SUNDRY RECEIPTS

	2025 £	2024 £
Penalties paid on reinstatement to the Register	87,570	60,298
Sundry receipts	25,804	20,355
	<u>113,374</u>	<u>80,653</u>

### 5. INVESTMENT INCOME

	2025 £	2024 £
Income from investment portfolio	138,165	150,816
Interest on bank deposits	86,836	110,927
	<u>225,001</u>	<u>261,743</u>

### 6. STAFF COSTS

	2025 £	2024 £
Wages and salaries	3,021,874	2,886,057
Social security	380,468	310,167
Other pension costs	489,544	366,554
Medical and permanent health insurance	79,292	68,693
Recruitment costs	95,802	74,636
Staff training	52,195	50,606
Temporary staff	176,396	267,973
	<u>4,295,571</u>	<u>4,024,686</u>

Salaries in respect of the senior management team within the following ranges:

	2025	2024
£100,001 - £110,000	4	4
£110,001 - £120,000	1	1
£150,001 - £155,000	1	1

Payments were made into defined contribution pension schemes totalling £95,237 (2024: £92,850) in respect of these employees.

Redundancy costs of £57,144 (2024: £0) were incurred during the year in respect of one employee.

## 7. OFFICE COSTS

	2025	2024
	£	£
Service Charges	79,876	33,782
Rates	128,413	138,156
Building related costs	11,161	14,330
Electricity	12,312	17,725
Office cleaning	41,888	39,710
Postage and telephone	14,877	39,095
Repairs and Maintenance	16,240	63,021
Depreciation: transformation project	507,935	497,369
Depreciation: right-of-use asset	297,784	375,194
Depreciation: furniture and equipment	4,588	4,588
	<b>1,115,074</b>	<b>1,222,970</b>

## 8. PRINTING AND RECORDS

	2025	2024
	£	£
Printing	3,785	7,892
Stationery	2,460	3,009
Journals, Newspapers and Exhibitions	2,709	1,732
	<b>8,954</b>	<b>12,633</b>

## 9. IT CHARGES

	2025	2024
	£	£
IT equipment and development	7,270	68,615
IT costs	1,658,240	1,851,400
	<b>1,665,510</b>	<b>1,920,015</b>

## 10. LEGAL AND OTHER PROFESSIONAL CHARGES

All amounts stated above include VAT	2025	2024
Remuneration to external auditors:	£	£

External audit services	<b>43,626</b>	37,461
Other services - corporation tax compliance advice	-	3,120
Internal Audit	<b>19,240</b>	21,797
Legal expenses and professional charges – regulation	<b>876,221</b>	1,004,296
General legal, specialist advice and insurance	<b>338,715</b>	678,407
	<b>1,277,802</b>	1,745,081

<b>11. OTHER ADMINISTRATION EXPENSES</b>	<b>2025</b>	2024
	£	£
Bank charges	<b>205,391</b>	170,881
Staff travel expenses	<b>76,968</b>	48,174
Professional Services Costs for Regulatory Services	<b>815,028</b>	807,032
Administrative Support Costs for Regulatory Services	<b>167,090</b>	103,179
ACE & ENACA	<b>40,579</b>	42,192
Public and professional awareness	<b>8,880</b>	408
Sundry expenditure	<b>88,106</b>	71,410
	<b>1,402,042</b>	1,243,276

<b>12. PLANT AND EQUIPMENT</b>	<b>Leasehold Improvements</b>	<b>Office Furniture &amp; Equipment</b>	<b>IT Equipment</b>	<b>Total</b>
		£	£	£
<b>Cost</b>				
At 1 January 2024	517,325	178,109	354,951	<b>1,050,385</b>
Additions	-	-	-	-
Disposals	(517,325)	(71,425)	(277,743)	<b>(866,493)</b>
At 1 January 2025	-	106,683	77,208	<b>183,891</b>
Additions	-	-	-	-
Disposals	-	(81,232)	(19,502)	<b>(100,734)</b>
<b>At 31 December 2025</b>	-	25,451	57,706	<b>83,157</b>
<b>Accumulated depreciation</b>				
At 1 January 2024	517,325	160,542	340,233	<b>1,018,100</b>
Charge for the year	-	4,589	14,718	<b>19,307</b>
Disposals	(517,325)	(69,689)	(277,743)	<b>(864,493)</b>
At 1 January 2025	-	95,442	77,208	<b>172,650</b>
Charge for the year	-	4,588	-	<b>4,588</b>
Disposals	-	(81,232)	(19,502)	<b>(100,734)</b>
<b>At 31 December 2025</b>	-	18,798	57,706	<b>76,504</b>
<b>Carrying amount</b>				
<b>At 31 December 2025</b>		<b>6,653</b>	-	<b>6,653</b>
<i>At 31 December 2024</i>		11,242	-	11,242

<b>13. INTANGIBLE ASSETS (IT Development Costs)</b>	<b>2025</b>	<b>2024</b>
<b>Cost</b>	<b>£</b>	<b>£</b>
At 1 January 2025	3,626,880	2,991,683
Additions	63,396	635,197
Disposals	(69,446)	0
<b>At 31 December 2025</b>	<b>3,620,830</b>	<b>3,626,880</b>

<b>Accumulated depreciation</b>		
At 1 January 2025	1,296,955	745,689
Charge for the year	507,935	551,266
Disposals	(69,446)	0
<b>At 31 December 2025</b>	<b>1,735,444</b>	<b>1,296,955</b>

<b>Carrying amount</b>		
<b>At 31 December 2025</b>	<b>1,885,386</b>	<b>2,329,925</b>
<i>At 31 December 2024</i>	<i>2,329,925</i>	<i>2,245,994</i>

<b>14. INVESTMENTS</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
<b>Market value</b>		
At 1 January 2025	<b>7,271,195</b>	<b>6,917,946</b>
Additions	<b>432,752</b>	<b>1,445,730</b>
Disposal proceeds	<b>(515,163)</b>	<b>(1,423,216)</b>
Net gains on investments	<b>555,739</b>	<b>330,735</b>
<b>At 31 December 2025</b>	<b>7,744,523</b>	<b>7,271,195</b>
<b>Cost at 31 December 2025</b>	<b>6,282,006</b>	<b>6,488,537</b>

All investments are managed by Rathbones and are invested in a mixture of Gilts (UK Sovereign debt), Corporate Bonds and Equity funds.

<b>15. TRADE AND OTHER RECEIVABLES</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Other receivables	<b>33,173</b>	100,229
Prepayments	<b>188,098</b>	150,996
	<b>221,271</b>	251,225

<b>16. TRADE AND OTHER PAYABLES</b>	<b>2025</b>	<b>2024</b>
	<b>£</b>	<b>£</b>
Trade payables	<b>184,575</b>	328,698
Corporation tax	<b>29,364</b>	33,668
Deferred tax liability	<b>365,676</b>	194,532
Other taxation and social security	<b>135,814</b>	115,710
Accruals	<b>474,257</b>	567,290
	<b>1,189,686</b>	1,239,898

## 17. Pensions

The Staff Pension Scheme is a defined contribution scheme. The cost of contributions during the period was £489,544 (2024 £366,554). 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. Leases

IFRS 16 Leases has been applied by HM Treasury in the Government Financial Reporting Manual (FReM) from 1 April 2022. The new standard sets out the revised principles for the recognition, changes introduced by measurement, presentation, and disclosure of leases. For all leases the standard results in the lessee recognising the right of use an asset at the commencement date of the lease, and a corresponding lease liability, which is reduced over time as lease payments are made

<b>LEASING RIGHT OF USE ASSETS</b>	<b>2025</b>	<b>2024</b>	
	<b>£</b>	<b>£</b>	
Right of use assets	<b>2,522,106</b>	2,819,890	
<b>18.1 Lease Assets - Right of use</b>			
<b>Cost</b>			
At 1 January 2025	2,977,321	570,954	
Additions	-	3,060,430	
Disposals	-	(654,063)	
<b>At 31 December 2025</b>	<b>2,977,321</b>	<b>2,977,321</b>	
<b>Accumulated depreciation</b>			
At 1 January 2025	157,431	436,300	
Charge for the year	297,784	375,194	
Disposals	-	(654,063)	
<b>At 31 December 2025</b>	<b>455,215</b>	<b>157,431</b>	
<b>Carrying amount</b>			
<b>At 31 December 2025</b>	<b>2,522,106</b>	<b>2,819,890</b>	
<b>18.2 Lease Liabilities</b>			
At 1 January 2025	<b>2,853,034</b>	75,157	
Additions	-	2,968,569	
Interest	<b>130,421</b>	70,376	
Payments	<b>(303,079)</b>	(247,819)	
Disposal	-	(13,249)	
<b>At 31 December 2025</b>	<b>2,680,376</b>	<b>2,853,034</b>	
Current lease liabilities	<b>18.2.1</b>	<b>274,365</b>	162,439
Non-current liabilities (Balance)	<b>18.2.2</b>	<b>2,406,011</b>	2,690,595

Amounts owed	<b>2025</b>	2024
1 year	<b>274,365</b>	162,439
Years 2 - 5	<b>1,234,154</b>	1,178,523
Over 5 years	<b>1,171,857</b>	1,512,072
<b>Total</b>	<b>2,680,376</b>	2,853,034

### 18.3 Total expenses relating to lease

Depreciation charge for the right of use asset Current Year	<b>297,784</b>	375,194
Interest expense on lease liabilities	<b>130,421</b>	70,376
Total expenses related to lease	<b>428,205</b>	445,570

### 18.4 Cash flow activity

Cash outflow for leases - Financing activity		
Principal - rent	<b>18.4.1</b>	<b>303,079</b>
Total cash outflows		<b>303,079</b>

All amounts relate to the Lease of 70 Gray's Inn Road.

## 19. Taxation

ARB is a mutual trading organisation and is therefore taxed only on sources of income outside of our obligations within the Architects Act 1997. Corporation tax is calculated on the investment income and gains during the period.

<b>Tax charge in the period</b>	<b>2025</b>	2024
Taxable profit from 31/3/2025	107,612	134,670
<b>Profit before tax</b>	<b>107,612</b>	<b>134,670</b>
For the period from 1/4/2023 at 25%	26,772	33,668
<b>Tax calculated</b>	<b>26,772</b>	<b>33,668</b>
Adjustments to tax charge in respect of previous period	-	(1,892)
<b>Deferred taxation</b>	<b>171,144</b>	<b>59,470</b>
<b>Total tax recognised in total comprehensive income statement</b>	<b>197,916</b>	<b>91,246</b>
Movement in deferred taxation - at the start of the year		
Opening deferred taxation	<b>194,532</b>	<b>135,062</b>
Charge within the year	<b>171,144</b>	<b>59,470</b>

As at 31/12/25

365,676

194,532

## 20. PROVISIONS FOR LIABILITIES

	<b>2025</b>	2024
	<b>Dilapidations *1</b>	Dilapidations
	<b>£</b>	<b>£</b>
At 1 January 2025	91,860	217,325
Additions	-	91,860
Releases	-	(217,325)
At 31 December 2025	91,860	91,860

\*1 Provision recognises any future lease obligations under the lease agreement.

This section does not form part of the financial statements.

### Board member remuneration and expenses.

Meeting attendance	Board meetings	Board workshops	Audit & Risk Assurance Committee***	Finance, Risk & Audit Committee	People Committee	2025 Remuneration	2025 travel and subsistence claims
<b>Alan Kershaw (Board Chair, Lay member)</b>	6/6	6/6	-	1*/2	-	£51,516	£8,002
<b>Mark Bottomley (Architect member)</b> Senior Independent Board member Member of ARAC	6/6	5/6	2/2	-	-	£12,231	£239
<b>Will Freeman (Architect member)</b> Member of ARAC/FRAC	6/6	6/6	2/2	2/2	-	£9,491	£803
<b>Stephen McCusker (Architect member)</b> Member of People Committee	6/6	6/6	-	-	4/4	£9,491	£1,647
<b>Professor Elena Marco (Architect member)</b> Member of FRAC	6/6	5/6	-	2/2	-	£9,491	£929
<b>Dr Teri Okoro (Architect member)</b> Member of People Committee	6/6	6/6	-	-	4/4	£9,491	£334
<b>Cindy Leslie (Lay member)</b> Member of ARAC / Chair of FRAC	5/6	6/6	2/2	2/2	-	£9,491	£155
<b>Liz Male (Lay member)</b> Chair of People Committee	5/6	6/6	-	-	4/4	£12,231	£1,398
<b>Thomas McDermott (Lay member)</b> Chair of ARAC	6/6	5/6	2/2	-	-	£10,177	£149
<b>**Caroline Turnbull-Hall (Lay member)</b> Member of FRAC	5/5	4/4	-	2/2	-	£8,215	£902
<b>**Jonathan Prichard (Lay member)</b> Member of People Committee	5/5	4/4	-	-	2/2	£8,215	£643
*Not a formal member of the committee - attended as an observer							
*** Audit & Risk Assurance Committee was replaced by the Finance, Risk & Audit Committee in July 2025							

\*\*Jonathan Prichard and Caroline Turnbull-Hall were appointed as Board members on 1 April 2025, resulting to both members being invited to fewer Board and Committee meetings.

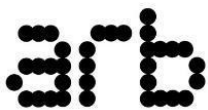
If you need information on this document in a different format such as an audio recording or braille, you can:

- email [info@arb.org.uk](mailto:info@arb.org.uk)
- call 020 7580 5861
- write to us at ARB, 5<sup>th</sup> Floor, 70 Gray's Inn Road, London, WC1X 8NH

We'll consider your request and get back to you within 14 days.







Architects  
Registration  
Board

For more information, please contact:  
Architects Registration Board  
5th floor, 70 Gray's Inn Road, London, WC1X 8NH  
Web: [www.arb.org.uk](http://www.arb.org.uk)  
Email: [info@arb.org.uk](mailto:info@arb.org.uk)  
Telephone: +44 (0) 20 7580 5861

E03602505  
978-1-5286-6622-0

HC 481