

**Company Registration No. 04044051 (England and Wales)**

**RICS FOUNDATION**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 DECEMBER 2006**

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# **RICS FOUNDATION**

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# **RICS FOUNDATION**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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### **Constitution**

The RICS Foundation is a company limited by guarantee, company number 04044051, and a registered charity, number 1085587, governed by its memorandum and articles of association

### **Directors and Trustees**

The directors of the charitable company ("the Foundation") are its trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustees. As set out in the articles of association the chairman of the Board of Trustees is appointed by the Trustees. The members have the power to appoint any of their number to be a Trustee.

The Trustees who served during the period were

EBD Waldy, MPhil Barrister FRICS ASIP	Chairman
Professor PS Brandon DSc MSc FRICS ASAQs	Vice Chairman
JR Clayton PhD MSc FRICS	Trustee (Resigned 01/07/06)
Professor MAR Cooper BSc PhD CEng FICE FRICS FICES	Trustee (Resigned 30/4/06)
HR Dias BATP(Hons) MRTPI MRICS	Trustee
R R Finch BSc FRICS ACI Arb	Trustee (Appointed 06/12/06)
PJ Galbraith BSc PhD MRICS	Trustee
RN Goodchild MA PhD FRICS	Trustee
BRH Hall	Trustee
BS Lamden FRICS ACI Arb	Trustee
FM Sweeney BSc MLitt MRICS	Trustee
Professor PM Syms MPhil PhD FRICS	Trustee

### **Company Secretary**

PMM Wilcock

### **Registered Office**

12 Great George Street, Parliament Square, London, SW1P 3AD

### **Auditors**

Saffery Champness, Lion House, Red Lion Street, London WC1R 4GB

### **Bankers**

Cooperative Bank plc, Business Direct, Kings Valley, Yew Street, Stockport, Cheshire SK4 2JU

### **Investment Managers**

CCLA Investment Management Ltd, The CBF Church of England Funds, 80 Cheapside, London, EC2V 6DZ

# **RICS FOUNDATION**

## **REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2006**

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The Trustees are pleased to present their report together with the financial statements of the Foundation for the period ended 31 December 2006

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the 2005 SORP (Statement of Recommended Practice) – “Accounting and Reporting by Charities”

### **Objects of the Foundation**

The objects of the Foundation are set out in the memorandum of association

The charity is established to advance education in any subjects which concern the built and natural environments, in particular by raising awareness, by promoting research and by disseminating the results of such research, with a view to preserving, conserving and improving the built and natural environments for the benefit of all

### **Organisation**

The Board of Trustees of up to 15 members, meets at least 3 times annually and oversees the administration of the Foundation. The RICS has the power to nominate up to two trustees, and its current nominees are PS Brandon and HR Dias

### **Resources**

Incoming resources for the period amounted to £10,880 (2005 £11,079)

The outgoing resources of the charity for the year are £22,661 which were incurred in the normal course of operating. This gives a net position of outgoing resources of £11,781 for the period

### **Investment Powers**

Under the memorandum and articles of association, the Foundation has the power to invest the monies of the Foundation not immediately required for its purposes in any way as it shall think fit and to take professional investment advice where necessary

### **Investment Policy**

The Foundation has adopted a low risk policy towards the funds it holds to meet future commitments and uses deposit accounts designed for Charities. It has no endowment fund

### **Investment Managers**

The Foundation's investment managers are CCLA Investment Management Ltd and the Trustees review the appointment on an annual basis

### **Grant making policy**

Grants are made, primarily to Universities, where it is perceived that research commissioned from them on a case specific basis would support the Foundation's stated objectives. Awards are made after selective competition

# **RICS FOUNDATION**

## **REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2006**

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### **Reserves Policy**

The Trustees' policy is to review the level of reserves on a regular basis and to maintain a level of reserves which will provide a stable base for the charity's continuing activities while at the same time ensuring excessive funds are not accumulated

The unrestricted reserves of the Charity stood at £172,113 at 31 December 2006 (30 September 2005 £183,894) The Trustees are satisfied that this level of reserves is adequate for their present purposes

### **Risk review**

The Trustees have reviewed the major risks to which the charity is exposed and systems have been established to mitigate those risks The Foundation undertakes a risk assessment exercise each year and reviews how it mitigates the risks to which it is exposed

### **Review of Activities and Future Developments**

Following the comprehensive review of the RICS Foundation's resources and activities, carried out by the Trustees in 2005, a number of universities were invited to submit proposals for projects which would examine the future prospects of various aspects of the built and natural environments

After consideration of the several proposals received, a grant was made to the University of Salford, which was taken up and the project substantially completed in 2006 A second grant was later allocated to the University of Glasgow for a project to take place in 2007 but was not taken up The future programme for 2007-2008 is expected to include similar proposals to build on the success of the University of Salford project

### **Trustees' responsibilities in relation to the financial statements**

Company law requires the Trustees to prepare financial statements, which give a true and fair view of the state of affairs of the Foundation at the end of the financial year and of its surplus or deficit for the period then ended In so doing, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in the foreseeable future

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the financial statements comply with the Companies Act 1985 The Trustees are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

So far as each of the Trustees is aware, there is no relevant information that has not been disclosed to the company's auditors and each of the directors believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the company's auditors have been made aware of that information

### **Auditors**

A resolution will be proposed at the annual general meeting that Saffery Champness, having expressed their willingness to remain in office, be re-appointed as auditors to the Foundation for the ensuing year

# **RICS FOUNDATION**

## **REPORT OF THE TRUSTEES FOR THE PERIOD ENDED 31 DECEMBER 2006**

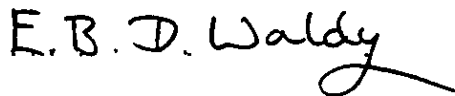
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### **Chairman's statement**

The fifteen months, which ended on 31<sup>st</sup> December 2006, have seen the Foundation reposition itself in regard to carrying out its educational objectives following the comprehensive review undertaken in 2005. The new focus of activities is research (and dissemination thereof) into the current expectations of future developments in critical subjects that relate to the built and natural environments.

During the period covered by this report two Trustees retired and on behalf of the Board I should like to thank Dr John Clayton and Professor Michael Cooper for their significant contributions to the work of the Foundation. Towards the end of the period, the Board elected Mr Roland Finch a Trustee of the Foundation.

Approved by the Trustees



**EBD Waldy**  
*Chairman*

## **RICS FOUNDATION**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

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We have audited the financial statements on pages 7 to 12. These financial statements have been prepared in accordance with the accounting policies set out therein.

#### **Respective responsibilities of Trustees and Auditors**

The trustees' (who are also the directors of RICS Foundation for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

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

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether, in our opinion, the information given in the trustees' report is consistent with the financial statements. We also report to you if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

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

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

# **RICS FOUNDATION**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

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### **Opinion**

In our opinion

- the financial statements give a true and fair view of the charity's state of affairs as at 31 December 2006 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended, and
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the trustees' report is consistent with the financial statements

**Saffery Champness**

Chartered Accountants  
**Registered Auditors**

*Saffery Champness*  
Lion House  
Red Lion Street  
London  
WC1R 4GB

4.9 2007



# RICS FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 DECEMBER 2006

	Notes	Total 15 Months 2006 £	Total 12 Months 2005 £
<b>Incoming resources</b>	<b>1</b>		
Interest income		10,595	10,237
Other income		285	842
<b>Total incoming resources</b>		<u>10,880</u>	<u>11,079</u>
<b>Resources expended:</b>			
<b>Charitable expenditure in furtherance of the charity's objects:</b>			
Institutional grants	6	19,100	500
Grants cancelled	6	-	(41,984)
Dissemination	3	-	5,570
<b>Management and Administration:</b>			
Salaries		-	10,560
Audit and accountancy	5	2,350	9,437
General		1,211	6,606
<b>Total Resources Expended</b>	<b>3</b>	<u>22,661</u>	<u>(9,311)</u>
Net incoming/(outgoing) resources for the year		(11,781)	20,390
Balances brought forward at 1 October 2005		183,894	163,504
<b>Balance carried forward at 31 December 2006</b>		<u>172,113</u>	<u>183,894</u>

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 9 to 12 form part of these financial statements.

# RICS FOUNDATION

## BALANCE SHEET AS AT 31 DECEMBER 2006

	Notes	2006 £	£	2005 £	£
<b>Fixed assets</b>					
Tangible fixed assets	8		-		483
<b>Current assets</b>					
Cash held on deposit		177,266		190,213	
Other cash at bank and in hand		4,905		6,446	
Trade debtors		20		16	
Sundry debtors		-		30	
		<u>182,191</u>		<u>196,705</u>	
<b>Liabilities: Amounts falling due within one year</b>					
Grants due	6	7,434		7,434	
Accruals		<u>2,644</u>		<u>5,860</u>	
		<u>10,078</u>		<u>13,294</u>	
<b>Net current assets</b>			<u>172,113</u>		<u>183,411</u>
<b>Net assets</b>			<u>172,113</u>		<u>183,894</u>
<b>Funds</b>					
Unrestricted funds			<u>172,113</u>		<u>183,894</u>
<b>Total funds</b>			<u>172,113</u>		<u>183,894</u>

The notes on pages 9 to 12 form part of these financial statements

Approved by the Board of Trustees on 2007

Signed

*E. B. D. Waldey*  
EBD Waldey (Chairman)

*Simon Hand*  
Trustee

# RICS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2006

### 1 Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2000) issued in March 2005, applicable accounting standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are as follows:

#### 1.1 Incoming Resources

Donations and Grants, including capital grants, are included in incoming resources when these are receivable.

Interest income is included when receivable by the Foundation.

#### 1.2 Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of any VAT, which cannot be recovered. Grants paid or payable in the year are treated as charges to the statement of financial activities. Grants authorised but not yet due are charged to the statement of financial activities in the year in which the obligation arises.

#### 1.3 Fund accounting

The charity recognises funds given for a specific purpose as restricted funds to be used in line with the donor's wishes. All other funds are treated as unrestricted general funds, which can be used in accordance with the charitable objects at the discretion of the trustees.

#### 1.4 Fixed assets

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

Computer equipment – 3 years

### 2 Legal status

The Foundation is a company limited by Guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1. At the year end the total of such liability was £10.

### 3 Expenditure

	Staff Costs £	Other £	Depreciation £	Total 15 Months 2006 £	Total 12 Months 2005 £
Grants paid	-	19,100	-	19,100	500
Grants cancelled	-	-	-	-	(41,984)
Dissemination	-	-	-	-	5,570
Management and Administration	-	3,078	483	3,561	26,603
Total	-	22,178	483	22,661	(9,311)

# RICS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2006

4	Staff costs and numbers	15 Months 2006 £	12 Months 2005 £
	Staff costs were as follows		
	Wages and salaries	-	9,540
	Social security costs	-	641
	Pension contributions	-	325
	Other staff benefits	-	54
		-	10,560

The average number of employees in the year was:

	Number	Number
Full time equivalent staff	-	0 2

From 1 December 2004 the Foundation had no directly employed staff. Administrative duties are carried out by staff of the RICS.

No member of staff was paid more than £60,000 in the current or preceding year.

5	Net (outgoing)/incoming resources for the year	15 Months 2006 £	12 Months 2005 £
	This is stated after charging		
	Depreciation	483	483
	Auditors' remuneration		
	- For Audit	2,350	4,700
	- For other services	-	4,737

# RICS FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2006

### 6 Institutional grants

Recipient organisation	15 Months 2006 £	
<b>Research support:</b>		
University of Salford		19,100
	<b>15 Months 2006</b>	<b>12 Months 2005</b>
<b>Reconciliation of grants payable</b>		
Brought forward at 1 October 2005	7,434	92,010
Payments made on past commitments	-	(42,592)
New commitments made	-	-
Commitments cancelled	-	(41,984)
Carried forward at 31 December 2006	7,434	7,434

### 7 Taxation

The charitable company is exempt from corporation tax on its charitable activities

# **RICS FOUNDATION**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2006**

### **8 Tangible fixed assets**

	<b>Equipment</b>
	<b>£</b>
<b>Cost</b>	
At 30 September 2005	13,365
Additions	-
Disposals	(13,365)
At 31 December 2006	-
<b>Depreciation</b>	
At 30 September 2005	12,882
Charge for the period	483
Disposals	(13,365)
At 31 December 2006	-
<b>Net book value</b>	
At 31 December 2006	-
At 30 September 2005	483

### **9 Managing and administering the Foundation, and delivering its activities**

The Trustees received no remuneration for services in the year (2005 £Nil) £554 was reimbursed to one Trustee in respect of travel expenses in the year ended 31 December 2006 (2005 £716)