

ROYAL INSTITUTION OF NAVAL ARCHITECTS

England & Wales · Charity number 211161

Details

Other names R I N A

Status Registered

Legal form Other

Registered 1964-02-04

Register [View on the Charity Commission register](#)

Contact

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Activities

Objects: THE IMPROVEMENT OF SHIPS AND ALL THAT SPECIALLY APPERTAINS TO THEM, AND THE ARRANGEMENT OF PERIODICAL MEETING FOR THE PURPOSE OF DISCUSSING PRACTICAL AND SCIENTIFIC SUBJECTS BEARING UPON THE DESIGN AND CONSTRUCTIONS OF SHIPS AND THEIR MEANS OF PROPULSION, AND ALL THAT RELATES THERETO.

Activities: The Charity is a professional body and its aims are the improvement of ships and all that specially appertains to them and the arrangement of periodical meetings for the purpose of discussing practical and scientific subjects bearing upon the design and construction of ships and their means of propulsion and all that relates thereto.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Other Charitable Activities
- **What:** Education/training
- **Who:** Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** NATIONAL
- Australia
- Indonesia
- Italy
- New Zealand
- South Korea
- United Arab Emirates
- City Of Westminster

Finances

Period end	Income	Expenditure	Assets	Employees
2025-09-30	£1,929,015	£2,298,718	£7,568,928	19
2024-09-30	£2,084,914	£2,895,378	£8,070,634	24
2023-09-30	£1,952,868	£2,652,696	£8,524,849	22
2022-09-30	£1,946,230	£2,126,786	£9,174,197	19
2021-09-30	£1,723,210	£2,122,942	£9,529,636	21
2020-09-30	£1,857,385	£1,931,349	£9,048,548	21

Trustees

Name	Role	Appointed
Professor Catriona Louise Savage	Chair	2017-07-26
Adam Pearce		2024-07-22
Bruce Rosenblatt		2022-10-19
Dimitris Monioudis		2020-07-01
Dr Thomas Allan		2020-07-01
Edwin Pang		2020-07-01
Emeritus Professor Philip Wilson		2024-07-22
Keith William Hutchinson		2022-10-19
Nick Chrissos		2023-12-22
Nicola Eyles		2024-07-22
Robert Michael Cripps		2018-07-01
Sarah Watts		2024-07-22
Thomas David Durham Strang		2020-07-01

Linked charities

- SCHOLARSHIPS' ASSISTANCE FUND (211161-1)
- SIR WILLIAM WHITE RESEARCH SCHOLARSHIP FUND (211161-10)
- EARL OF DURHAM PRIZE FUND (211161-11)
- THE WILLIAM JOHN MEMORIAL FUND (211161-12)
- DUKE OF NORTHUMBERLAND PRIZE FUND (211161-13)
- WAKEHAM PRIZE FUND (211161-14)
- WATTS PRIZE FUND (211161-15)
- SAMUEL BAXTER PRIZE FUND (211161-2)
- FROUDE RESEARCH SCHOLARSHIP FUND (211161-3)
- BENEVOLENT FUND OF THE INSTITUTION OF NAVAL ARCHITECTS (211161-4)
- WILLIAM FROUDE MEMORIAL FUND (211161-5)
- NATIONAL CERTIFICATES IN NAVAL ARCHITECTURE (211161-6)
- RINA EDUCATION AND CONTINUOUS PROFESSIONAL DEVELOPMENT FUND (211161-7)
- YARROW SCHOLARSHIP FUND (211161-8)
- PARSONS SCHOLARSHIP FUND (211161-9)

ROYAL INSTITUTION OF NAVAL ARCHITECTS

England & Wales - Charity number 211161

Accounts

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

Charity No: 211161
Company No: RC000489

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2025

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THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2025

PREAMBLE

The Royal Institution of Naval Architects remains a globally recognized professional organization and esteemed Learned Society. It has enhanced its international presence by establishing strategic goals for the next five years aimed at expanding membership worldwide, inspiring the next generation, and identifying the skills needed for 21st-century Naval Architects and Maritime Engineers. Additionally, it is working towards becoming the International Centre of Excellence for Naval Architecture and Maritime Engineering. The success of these initiatives is reflected in the growing participation in online presentations and meetings.

The Institution's standing committees remain well-regarded throughout the marine industry and provide expert advice to prominent bodies such as the International Maritime Organization. The high standard of technical papers published by the Institution continue to deliver reference material for members and the maritime community. In accordance with the objectives of the Institution a newly formed Developing Careers Committee has been formed to focus on: STEM, University undergraduates, graduates and early career members, Engineering Technicians and those who cross over into Naval Architecture and Maritime Engineering at a later stage in their careers. The Institution is also a nominated and licensed body of the UK Engineering Council.

Vision - To be recognised Worldwide as the Maritime Professional Engineering Institution of choice

Strategy - To become a Professional Engineering Institution that is recognised as an International Centre of Excellence for Naval Architecture and Maritime Engineering, that focuses on meeting the needs of our members and the wider maritime community by the integration of our services, our capabilities, and our global expertise.

The strategy is built on four key themes.

1. Becoming an International Centre of Knowledge and Excellence for the Naval Architecture and Maritime Engineering Community
2. Identifying and developing the skills needed for the 21st Century Naval Architect and Engineer
3. Inspiring the next generation
4. Increasing Membership globally

Our values.

- Respect for people and the environment
- Professionalism and Excellence
- High ethical standards
- Integrity
- Innovation

OBJECTIVES OF THE INSTITUTION

The objectives of The Royal Institution of Naval Architects are as set out in the Charter of Incorporation 1910 - 'the improvement of ships and all that specially appertains to them, and the arrangement of periodic meetings for the purpose of discussing practical and scientific subjects bearing upon the design and construction of ships and their means of propulsion, and all that relates thereto'.

Today, reflecting the wider range of activities of the Institution as both a professional institution and learned society, the objectives of the Institution are more aptly described as "to encourage and assist in the achievement of the safe and efficient design, construction, maintenance and operation of marine vessels and structures."

These objectives are primarily achieved by:

- Setting of internationally recognised and accepted standards of professional competence and integrity required for membership.
- Encouraging membership of the Institution at all levels and within all professions associated with marine vessels and structures.
- Facilitating the global exchange of technical expertise and development between all associated professionals, through the Institution's publications, conferences, events and meetings.

- Contributing collective expertise to national and international maritime professionals and organisations for the benefit of the profession and society.

Subsequent to a review of the structure and deliverables of the Institution carried out in early 2025, the Board agreed a new strategy for 2026 onward and a renewed focus on the Institution being at the heart of the wider global conversation providing excellence and leadership to the maritime sector in our events, publications and learning offers. In order to support this, the Institution has significantly modernized its digital systems, with a new CRM, integrated Website and on-line self-service facilities for members; all put in place for the end of 2025 to enable the strategy roll-out.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

Strategic Context

During 2025, the Institution operated against a backdrop of accelerating technological change within the global maritime sector and increasing expectations of professional institutions to provide leadership, relevance and connection. The year therefore represented not only a period of strong delivery across the Institution's established activities, but also an important phase in shaping and preparing for the next stage of RINA's strategic development.

Events, Conferences and Professional Engagement

Throughout the year, the Institution delivered a strong, diverse and internationally distributed programme of professional events, spanning focused technical seminars, major international conferences and extended training activity. The programme covered the full breadth of contemporary maritime topics, reflecting both the core disciplines of naval architecture and marine engineering and the expanding ecosystem of associated professional practice.

The return to predominantly in-person delivery continued, supported where appropriate by hybrid and remote participation options to maximise accessibility for international members and industry stakeholders. This blended approach enabled the Institution to combine the depth and quality of face-to-face professional engagement with the reach and inclusivity required of a global body.

A number of flagship events attracted particularly strong participation and engagement, underpinned by close collaboration with international divisions, partner organisations and industry sponsors. The continued geographical spread of events reinforced the Institution's global footprint and its role as a convenor of high-quality professional discourse across regions and continents.

Investment in digital event-management tools enhanced delegate experience, supported networking and knowledge exchange, and strengthened data insight. Conference activity continued to contribute positively to overall income, while consistently delivering professional value aligned to the Institution's objectives.

Publications and Knowledge Leadership

The Institution maintained an active and respected publishing programme throughout the year, reporting on technical developments across the maritime sector and showcasing research, innovation and professional practice. Publications continued to serve as a core mechanism for professional influence, knowledge dissemination and member visibility.

In response to structural changes within academic publishing and advertising markets, the Institution progressed a strategic reshaping of its publications portfolio. Building on earlier review work, preparations advanced for a new digital offer of previously paper only magazines coming in Q2 2026. This approach will strengthen coherence across the portfolio, highlight the work of Technical Committees, and place greater emphasis on member contribution, professional insight and practical relevance.

The International Journal of Maritime Engineering continued to experience sector-wide challenges associated with submission volumes, review processes and academic publishing dynamics. During 2026, we will seek to establish a focused relaunch programme, aimed at improving visibility, streamlining editorial processes and strengthening the Journal's relevance to both academic and industry audiences.

Branches, Sections and Global Member Engagement

Local Branches and Sections remained an essential part of the Institution's professional ecosystem, delivering a steady programme of meetings, lectures and events across regions. Topics addressed during the year reflected both emerging and

established areas of professional interest, including decarbonisation, safety innovation, alternative fuels, digitalisation and artificial intelligence, historical engineering developments and environmental technologies.

As we go into 2026 we will be increasing use of digital platforms enabled many branch and section activities to reach audiences beyond their immediate geographic location, extending access to non-members and international participants and supporting greater global connectivity.

Collectively, these activities reinforced the Institution's role as a facilitator of professional exchange at both local and global levels.

Member Experience and Digital Development

Enhancing the member experience remained a key operational priority during the year. Continued successful investment in digital tools and platforms improved access to services, professional development resources and membership information.

Online systems supporting the recording and management of continuing professional development were further embedded, while additional digital services improved self-service accessibility to professional credentials, documentation and member records. These developments supported greater flexibility and responsiveness, particularly for internationally based members.

The Institution also continued to contribute professional expertise to national and international bodies, with its NGO status at the International Maritime Organization remaining a central mechanism for technical influence and engagement on matters of global importance.

Technical Committees and Professional Contribution

Members continued to play an active and central role within the Institution's Technical Committees, drawing on global participation and expertise. Committee activity addressed a wide range of technical, regulatory and strategic issues, including but not limited to:

- IMO Committee – supporting engagement with international regulatory developments and contributing to initiatives addressing environmental performance and operational impact.
- Maritime Safety Committee – addressing safety-related matters across design, construction and operation, including emerging programmes and specialist areas of vessel safety.
- Maritime Environmental Committee – contributing to discussions on environmental protection and marine renewable energy, while preparing for refreshed membership and renewed thematic focus.
- Maritime Innovation Committee – developing insight into the impact of emerging technologies on the maritime sector, professional practice and the Institution itself.

These examples represent only a small proportion of the ongoing contribution made by committee members in support of the Institution's objectives and the wider profession, and a part of the 2026 delivery planning is to more readily surface this information for members.

Recognition, Governance and Leadership

The Institution continued to recognise professional excellence and achievement across all career stages through its established programme of prizes and awards.

The Board of Trustees remained central to strategic oversight and governance throughout the year. Trustee succession planning continued, ensuring an appropriate balance of skills, experience and expertise aligned to the Institution's evolving needs. Trustees were supported through ongoing development in charity governance, regulatory responsibilities and commercial and financial oversight, informed by regular guidance and updates from the Charity Commission.

Systems, Finance and Investment Oversight

Further enhancements to systems architecture and digital infrastructure strengthened internal communication, organisational resilience and administrative capability. The Secretariat continued to draw on specialist expertise to improve operational efficiency and end-user experience.

The Board maintained oversight of the Institution's financial position and investment performance, supported by professional external advice. Investment policy and performance remained under active review and aligned with the Institution's wider governance and risk framework.

Future Plans and Strategic Direction

Looking ahead, the Institution will deliver a comprehensive programme of conferences, courses and local meetings aligned with developments across ship design, construction, operation and maintenance. It will continue to contribute professional expertise to appropriate national and international organisations for the benefit of society and the profession.

Digital delivery will remain a key enabler for international engagement, supported by expanded webinar activity, online seminars and enhanced CPD provision.

Further enhancements to the online member experience delivered in 2025, are planned, including expanded self-service functionality, improved communications platforms and enhanced access to digital publications and archives. Continued investment in staff development and organisational capability will support effective use of these tools, improve service delivery and support sustainable membership growth.

Work will continue to modernise professional registration and membership pathways to include associated professionals, alongside exploration of more flexible access and payment options. The Institution will also continue to review organisational effectiveness, governance and resource allocation to ensure long-term sustainability.

Alongside this, focused work will continue on the evolving role of the Naval Architect within the wider maritime ecosystem, including professional development, industry engagement, academic collaboration and outreach to future generations through education and STEM initiatives.

Brand development will progress in parallel, ensuring the Institution remains relevant, credible and clearly positioned while maintaining a strong operational focus for its worldwide membership.

BOARD OF TRUSTEES

The Royal Institution of Naval Architects, also known as "RINA," is a registered charity in England and Wales (number 211161) incorporated under Royal Charter. The Board of Trustees is the governing body of the Institution. Members of the Board are principally elected members of Council, recommended by the Council to the Board for appointment as Trustees.

The Board of Trustees is responsible for the governance and management of the Institution. Responsibility for the day-to-day management of the Institution's affairs is delegated to the Chief Executive, accountable through the Chairman to the Board of Trustees. All Trustees are provided with guidance documentation and updates issued by the Charity Commission concerning their responsibilities.

The members of the Board of Trustees confirm they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. In particular, the Institution has acted as a Licensed Member of the UK Engineering Council in promoting higher education and professional standards, and as an NGO of the International Maritime Organization in improving maritime safety and the protection of the maritime environment. It has also contributed its collective expertise to other appropriate maritime organisations.

Board of Trustees Chairperson

C L Savage

Vice Chairperson

R M Cripps

Treasurer

D N Monioudis

Trustees

E Pang

T D Strang

T Allan

K W Hutchinson

B Rosenblatt

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2025

N Chrissos
A Pearce
S Watts
P Wilson
N d'Hubert

The Board of Trustees met formally four times in the year, during which its principal considerations were the policy, management and review of the Institution's investments, the management and review of the Risk Register and Fund policy. In addition, the Board held several interim meetings to address urgent matters that arose between the scheduled sessions. In addition to this the Board set up a Steering Committee with Terms of Reference to allow agile decision making and progress to be made between meetings. The Steering Committee is made up of the Chair, the Vice Chair, the Treasurer and an additional member of the Board.

COUNCIL

The members elect the Council. It is responsible for communicating the views of the Institution's membership to the Board of Trustees and for providing guidance and advice to the Board on all matters related to the governance of the Institution.

The Council holds delegated authority from the Board of Trustees for the management of the professional, technical, and learned society affairs of the Institution. Such delegated authority is principally exercised through the Institution's standing committees and the Chief Executive. There are no connected organisations.

Past Presidents

Professor J B Caldwell OBE PhD DSc FREng
Dr P J Usher CBE DSc RCNC FRINA FREng
Sir T J Parker FREng
Professor W Geraint Price FREng FRS
Dr N Gee DEng BSc FREng
Mr S Payne OBE Hon. PhD (Sc) BEng FREng
Mr P French FRINA FREng FRSA
Mr B S. Rosenblatt FRINA
Mr T Boardley FRINA
Professor R W Birmingham FRINA
Mr. Maurizio d'Amico FRINA

President

Professor C Savage

Honorary Vice Presidents

E C Tupper
J D Frier
P G Wrobel

Vice Presidents

A K Dev
T Allan
Dr D Aldwinckle
C De Marco
A Subahani
D Molyneux
I K A P Utama
J K Paik
M Renilson

Fellows

D N Monioudis
R L Downs
P A Wilson
K W Hutchinson
R P Fernandez
G S Chopra

S Inayatullah
D Konovessis
P J S Kujala
N Ratukalou
J Black
A Aitken

Members

N J MacLennan
C Silitziotis
H W Theunissen
Y K Demirel
C Baker
A Kumar

Associate-Members

S De Villiers
R A Miller
Y R Kamath
H Dixon
C Baxter
C McNair
N Michalakopoulos

President of the Australian Division

J Binns

President of the New Zealand Division

G Schweikart

Chairs of Standing Committees

P Wilson (Publications Committee)
R Cripps (Maritime Innovation Committee)
F H Spencer (Disciplinary Committee)
E Pang (IMO Committee)
S Watts (Maritime Safety Committee)
T Strang (Maritime Environment Committee)
J Kernaghan (Membership Committee)
M Barton (Professional Affairs Committee)
C McNair (Developing Careers Committee)

Chief Executive

P Jobson

Auditors

HaysMac LLP

Bankers

The Royal Bank of Scotland

Investment Advisors

CCLA Investment Management Ltd.
RINA Headquarters principal office address
8-9 Northumberland Street, London, WC2N 5DA

+ *Ex officio members*

FINANCIAL REVIEW

Total income (Restricted and Unrestricted) in 2024/25 was £1.93m (2023/24: £2.08m) and total expenditure (Restricted and Unrestricted) in 2024/25 was £2.30m (2023/24: £2.90m). Total income showed a slight decrease; income from institutional membership fees remained broadly stable at £1,063k (2023/24: 1,051k). Events income for the year was £333k (2023/24: £489k). The decrease primarily reflects the exceptionally strong performance of last year's Warship Conference in Australia, which was not replicated in 2025. Events income naturally fluctuates from year to year depending on the number, scale, and commercial profile of ticketed events delivered. Income from publications and advertising declined to £340k (2023/24: £454k). This reduction reflects broader shifts in market conditions as well as the evolving landscape of both print and digital media. Total expenditure was significantly lower than in the previous year, largely due to the consolidation of multiple publications into a single membership magazine and a more cost-efficient delivery of the events programme, which resulted in reduced associated expenses.

The value of the fixed and investment property assets was £5.32m (2023/24: £5.41m). RINA is currently designating 35% of the Headquarters building to investment property use to generate long term rent income from its spare office space.

Net deficit before investment losses in 2024/25 was £370k (2023/24: £810k) and it includes £50k redundancy and restructuring costs. The operating deficit in the Unrestricted Funds in 2024/25 was £409k (2023/24: £841k), and the operating surplus in the Restricted Funds in 2024/25 was £39k (2023/24: £31k).

Investment policy and performance

The investment powers of the Board of Trustees are set out in the Royal Charter and By-Laws, copies of which are available from the Chief Executive at RINA Headquarters. Under the terms of those powers, management of the investment portfolio has been delegated to CCLA Investment Management Ltd which is one of the UK's largest charity fund managers

The Board of Trustees reviewed its investment policy and confirmed that it remains the purpose of the Investment Portfolio to provide the Institution with income whilst maintaining the value of capital in real terms. As such the investment aim is to generate a minimum total return in excess of inflation (UK RPI) over a 5 year period. The Board is currently undertaking a review of the use of the invested endowment funds, the restricted funds and the income of those funds to maximise how these funds benefit the Organization and its members' best interests.

The value of the investments at end September 2025 (£2.50m) has decreased by 12% from the previous financial year. Due to continuing volatile market conditions, RINA recognised a £132k loss on CCLA investments market value, however the overall investment portfolio value decreased because of the sale of £200k CCLA investment to finance the operational deficit.

Reserves Policy

The total value of the Institution's funds (Unrestricted, Restricted and Endowment) on 30 September 2025 was £7.57m (2024: £8.07m). The value of the Unrestricted Funds on 30 September 2024 was £5.61m (2024: £5.94m). The value of Restricted Funds on 30 September 2025 was £274k (2024: £365k). The value of Endowment Funds on 30 September 2024 was £1.69m (2024: £1.77m). The total value of the Institution's investments on 30 September 2025 was £2.50m (2024: £2.83m).

The Institution's free reserves (unrestricted funds less designated funds and tangible fixed assets) stood at 30 September 2025 at £287k (2023: £522k). The cash holdings stood at £206k on 30 September 2025 (2024: £267k). The Board of Trustees' policy is to maintain minimum cash reserves at the level of 3 months forward cash outflow from HQ operating costs net of rental and investment income, namely circa £250k, and to consider reserves in excess of this level for investment. To finance the operating deficit the Trustees released £200k of investment to cash during the year.

Restricted Funds

The Board of Trustees' policy is to use all dividend income from Restricted Funds to assist and enable the continuing academic and professional development of members.

- Prize funds are awarded for outstanding articles published in the Institution's journals.
- Scholarship funds support student attendance at conferences and other events and provide for online learning.
- Benevolent funds provide membership funding to members in full-time education and assistance to other members requiring financial support.

Charity trustees are expected to review the purposes and terms of their funds from time to time and to take steps to change them if they become out of date or no longer provide an effective use of the funds. In 2024/25 the Board of Trustees undertook an extensive review the use of endowment funds and restricted funds and the income of those funds to maximize how these funds benefit the Organization and its members best interests. The Board undertook extensive consultation with various stakeholders, including members, donors and academics, and resolved to apply to the Charity Commission to amending the purposes of all of the scholarship and prizes funds to the advancement of education in the field of naval architecture and maritime engineering and merging all the funds into one fund.

In Dec 2025 (post balance sheet) the Charity Commission confirmed that they consent to the restructuring of the Scholarship and Prize funds. This means that from that date all of the small Scholarship and Prize funds are merged into one fund held for the purpose of the advancement of education in the field of naval architecture and maritime engineering by such means as RINA thinks fit. The permanent endowment restrictions have been lifted, meaning that the capital as well as the income can be spent. The new fund is called the RINA Education and Continuous Professional Development Fund.

PRINCIPAL RISKS AND MITIGATION

The Trustees have identified the following principal risks as those most relevant to the Institution's long-term sustainability, reputation and strategic success. These risks are actively monitored through the Risk Register and are subject to ongoing review by the Board.

RISK	MITIGATION
<p>1. Strategic Positioning and Relevance That the Institution fails to articulate and reinforce a clear, distinctive position within an increasingly competitive and fragmented professional landscape, resulting in reduced relevance to current and prospective members.</p>	<p>A new strategic positioning has been adopted that reinforces RINA's unique role as the only professional body that is focused, globally portable and internationally connected within naval architecture and maritime engineering. This positioning is being embedded consistently across membership, events, publications, partnerships and communications, supported by regular Board oversight.</p>
<p>2. Membership Engagement and Value Proposition That the Institution does not meet evolving member expectations for accessibility, professional development and tangible career value, leading to declining engagement and retention.</p>	<p>Investment is underway in a digital-first membership experience, strengthened professional development and CPD provision, clearer progression pathways, and enhanced access to technical knowledge, events and publications. Member insight and feedback mechanisms inform continuous improvement, with progress monitored by the Board.</p>
<p>3. Inclusion and Dilution of Professional Focus That efforts to broaden engagement with associated professions could</p>	<p>The Institution has adopted a clear framework that protects prestige anchors for Naval Architects and Maritime Engineers, while engaging associated professionals explicitly to strengthen professional dialogue rather than to broaden chartered status. Standards for professional</p>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2025

<p>dilute the Institution's specialist identity, professional standards or perceived prestige.</p>	<p>recognition remain protected, ensuring inclusion strengthens rather than weakens the Institution's positioning.</p>
<p>4. Financial Sustainability and Revenue Dependence That declining membership or over-reliance on a limited number of income streams could adversely affect financial resilience and the Institution's ability to invest in strategic priorities.</p>	<p>The Board oversees a diversified income strategy encompassing membership, events, publications, partnerships and business development. Financial controls, investment and reserves policies are reviewed annually, supported by internal and external audit. A renewed focus on membership growth and experience underpins long-term revenue sustainability.</p>
<p>5. Governance and Organisational Capability That weaknesses in governance, trustee capability or organisational capacity could undermine effective decision-making, compliance or delivery of the strategy.</p>	<p>Trustees receive ongoing training and guidance aligned with Charity Commission requirements. Governance structures, Terms of Reference and succession planning are reviewed regularly. Investment in staff development and systems supports organisational capability, resilience and continuity.</p>
<p>6. Reputation, Trust and Professional Integrity That failure to uphold the highest standards of professional integrity, ethics or quality could damage the Institution's reputation and public trust.</p>	<p>The Institution's Royal Charter, Code of Conduct and professional standards remain central to all activity. Technical Committees, publications and events maintain rigorous quality control. NGO status at the International Maritime Organization supports professional influence and reinforces RINA's standing as a trusted authority.</p>

The Board routinely reviews cashflow, income and expenditure in both short and long term to manage financial risk.

Remuneration of key personnel

The remuneration of senior members of the Secretariat is reviewed and changes approved annually by the Trustees.

Fundraising

The Institution does not carry out any active fundraising, nor does it engage with any third party or professional fundraisers and therefore has not signed up to any fundraising standards. There have been no fundraising complaints received during the year (2024: none). Complaints are considered by the Board or by independent non-Board members as appropriate.

Statement of the Board of Trustees' responsibilities

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Institution's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Board of Trustees should follow best practice and:

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

The Board of Trustees is responsible for keeping accounting records which disclose with reasonable accuracy the financial

position of the Institution, and which enable them to ascertain the financial position of the Institution, and which enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the Institution and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Disclosure of information to auditor

The Trustees who held office at the date of approval of this Board of Trustees' Report confirm that, as far as they are each aware:

- There is no relevant audit information of which the auditor is unaware; and
- Each Trustee has taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

HaysMac LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

Signed on behalf of the Board of Trustees:



D N Monioudis
Trustee

27 January 2026

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

Opinion

We have audited the financial statements of the Royal Institution of Naval Architects for the year ended 30 September 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2025 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 trustees' 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 the charity'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS (continued)

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charity SORP, and considered other factors such as payroll tax and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities.
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud.
- Evaluating management's controls designed to prevent and detect irregularities.
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF
THE ROYAL INSTITUTION OF NAVAL ARCHITECTS (continued)**

Use of our report

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

HaysMac LLP
Statutory Auditors
Date:

10 Queen Street Place
London
EC4R 1AG

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

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2025

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2025 £	Total 2024 £
Income and expenditure						
Income and endowments from:						
Charitable Activities						
Membership	2	1,063,167	-	-	1,063,167	1,050,522
Events	2	332,833	-	-	332,833	489,352
Publications	2	339,568	-	-	339,568	401,125
Grants, Donations and legacies						
Investment income	3	133,774	59,673	-	193,447	143,915
Total income and endowments		<u>1,869,342</u>	<u>59,673</u>	<u>-</u>	<u>1,929,015</u>	<u>2,084,914</u>
Expenditure on:						
Charitable Activities						
Membership	4	991,961	14,446	-	1,006,407	1,052,716
Events	5	556,392	3,016	-	559,408	658,156
Publications	6	729,826	3,077	-	732,903	1,184,506
Total expenditure		<u>2,278,179</u>	<u>20,539</u>	<u>-</u>	<u>2,298,718</u>	<u>2,895,378</u>
Net income/(expenditure) before investment gains/(losses)		(408,837)	39,135	-	(369,703)	(810,464)
Gain/(loss) on investment assets	10,11	(30,896)	(15,761)	(85,344)	(132,002)	356,248
Net income before transfers		<u>(439,734)</u>	<u>23,373</u>	<u>(85,344)</u>	<u>(501,705)</u>	<u>(454,215)</u>
Transfers between funds	14, 15	114,329	(114,329)	-	-	-
Net movement in funds		<u>(325,404)</u>	<u>(90,956)</u>	<u>(85,344)</u>	<u>(501,705)</u>	<u>(454,215)</u>
Reconciliation of funds						
Total funds brought forward		5,935,116	365,155	1,770,362	8,070,633	8,524,849
Total funds carried forward		<u>5,609,711</u>	<u>274,199</u>	<u>1,685,018</u>	<u>7,568,929</u>	<u>8,070,634</u>

All amounts relate to continuing activities.

The notes on pages 18 to 28 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BALANCE SHEET

AS AT 30 SEPTEMBER 2025

Company No: RC000489

	Notes	2025 £	2024 £
FIXED ASSETS			
Tangible assets	9	3,345,689	3,360,970
Intangible assets	10	160,012	235,167
Investment Property		1,817,316	1,817,316
Investments	11	2,502,809	2,834,811
		<u>7,825,826</u>	<u>8,248,263</u>
CURRENT ASSETS			
Debtors	12	143,824	172,117
Cash at bank and in hand		206,012	267,379
		<u>349,836</u>	<u>439,496</u>
CREDITORS: amounts falling due within one year	13	(606,734)	(617,125)
		<u>(606,734)</u>	<u>(617,125)</u>
NET CURRENT ASSETS		<u>(256,897)</u>	<u>(177,629)</u>
NET ASSETS	17	<u>7,568,929</u>	<u>8,070,634</u>
CHARITY FUNDS			
Unrestricted funds			
General funds	14	5,609,711	5,935,116
Restricted	15	274,199	365,155
Endowment	16	1,685,018	1,770,363
		<u>7,568,929</u>	<u>8,070,634</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 27 January 2026 and signed on their behalf by:

D N Monioudis
Trustee

The notes on pages 18 to 28 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

	2025 £	2025 £	2024 £	2024 £
Operating activities				
Net movement in funds	(501,705)		(454,215)	
Investment gain, (loss)	132,002		(356,248)	
Depreciation	210,011		117,152	
Investment income	(193,447)		(143,915)	
(Increase)/Decrease in debtors	28,292		(42,083)	
Increase/(Decrease) in creditors	(10,393)		190,063	
	-----		-----	
Net cash outflow from operating activities		(335,239)		(689,244)
Investing activities				
Purchase of tangible fixed assets	(119,576)		(8,205)	
Investment income	193,447		143,915	
Proceeds from sale of investments	200,000		638,987	
	-----		-----	
Net cash inflow from investing activities		273,872		774,697
		-----		-----
Movement in cash and cash equivalents		(61,367)		85,453
Cash and cash equivalents at 1 October 2024		267,379		181,926
		-----		-----
Cash and cash equivalents at 30 September 2025		206,012		267,379
		=====		=====
Cash and cash equivalents comprise				
Cash at bank		206,012		267,379
		=====		=====
Analysis of changes in net debt	Balance at		Other	Balance at
	1 Oct 2024	Cash flow	movements	30 Sep 2025
Cash at bank	267,379	(61,367)	-	206,012
	=====	=====	=====	=====

The notes on pages 18 to 28 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. ACCOUNTING POLICIES

a) Statement of compliance

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments. The format of the financial statements has been presented to comply with the Charities Act 2011, *The Financial Reporting Standard applicable in the UK and Ireland* (“FRS102”) and the Statement of Recommended Practice *Accounting and Reporting by Charities* (“SORP”) second edition effective 1 January 2019.

The Charity is a Public Benefit Entity as defined by FRS102.

b) General information

The Institution is a charity registered in England and Wales (charity number: 211161). The Charity’s registered office address is: 8-9 Northumberland Street, London WC2N 5DA.

c) Going concern

The Trustees have considered the Institution’s future budgets and cash flow forecasts, together with the current financial position within the balance sheet and are of the view that the Institution is a going concern, and there are no material uncertainties which would cast doubt on the Institution’s ability to continue as a going concern. Although there were a couple of high-deficit years and RINA is still forecasting a deficit year, the Board is actively addressing it including streamlining operations to cut costs and restructuring the publications business line and addressing the income side of the operations. In addition, there are still significant unrestricted reserves, backed by investments that can be realised quickly, ensures that the Institution can and will continue to meet its financial obligations when they fall due.

In Dec 2025 the Charity Commission confirmed that they consent to the restructuring of the Scholarship and Prize funds for them to be used for the purpose of the advancement of education in the field of naval architecture and maritime engineering by such means as RINA thinks fit. The permanent endowment restrictions have been lifted, meaning that the capital as well as the income can be spent. This resolution improves the going concern position of RINA moving forward.

d) Significant judgments and sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of accounting estimates. It also requires management to exercise judgment in applying the Charity’s accounting policies. The split between investment property and fixed assets of the Headquarter building required some significant estimates and judgements. The assumed market value of the investment property and the split measurements were based on Lamberts Chartered Surveyors valuation in accordance with the RICS Valuation - Professional Standards incorporating the International Valuation Standards (January 2020 edition).

The following principal accounting policies have been applied:

e) Income and endowments

All income and endowments are recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Membership subscriptions and other income derived from services is recognised in the period to which it relates.

Events income is recognised in the period in which the event takes place.

Publication and advertising income is recognised at the date the publication is issued and the performance obligation satisfied.

Investment income, including interest receivable, and other miscellaneous income are accounted for on a receivable basis.

Donations are accounted for on a received basis.

Income from the endowment funds is split between restricted and unrestricted funds according to the specific terms of each fund.

1. ACCOUNTING POLICIES (continued)

f) Expenditure

Expenditure is recognised as soon as the related liability is incurred and has been classified under headings that aggregate all costs relating to that category. Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

Expenditure on charitable activities comprises expenditure directly related to the provision of events, membership services and publications as well as the related support costs.

Support costs represent indirect costs relating to raising funds and the Charity's charitable activities. Support costs, including governance costs, are allocated to activities on bases that represent the Trustees' best estimate of actual use. Production costs are allocated on the basis of actual expenditure; other support costs are allocated proportionally based on the income relating to the charitable activity.

Governance costs comprise the costs of running the charity, including auditors' remuneration, certain legal costs and costs of Board meetings.

g) Tangible and Intangible Fixed Assets and Depreciation

Tangible fixed assets are initially recognised at cost.

Depreciation is provided on fixed assets to write off their cost less estimated residual value over their estimated useful economic life by equal annual instalments as follows:

Land	not depreciated
Freehold buildings	2% straight line
Equipment and fittings	10% straight line
IT equipment and software	20% straight line

Intangible Assets are initially recognised at cost providing 1) it's probable that future economic benefits will flow to RINA and 2) the cost of the asset can be measured reliably. Directly attributable costs of post-implementation updates to the Intangible Asset are assessed on a case-by-case basis and it is capitalised if it deems to significantly enhance the functionality and value of the Intangible Asset.

Intangible Assets are amortised over their estimated useful economic life by equal annual instalments as follows: 20% straight line.

The carrying values of intangible and tangible fixed assets are reviewed for impairment in accordance with the requirements of FRS102.

h) Investments

Investments held for the long-term to generate income or capital growth are carried as fixed assets at fair value, namely the quoted listed price.

Realised gains are the difference between sales proceeds and the carrying value of the investment. The carrying value is the fair value at the beginning of the year or the purchase cost where the investment was acquired during the year.

Unrealised gains are the change in value of investments after taking into account any movements in investment holdings such as purchases and disposals of investments.

Realised and unrealised gains are accounted for within the Statement of Financial Activities.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. ACCOUNTING POLICIES (continued)

i) Financial instruments

Basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable are accounted for on the following basis:

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

j) Pensions

The Institution operates a group money purchase personal pension scheme on behalf of its employees. Contributions to the scheme are recognised as expenditure when they fall due.

k) Leases

Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

l) Foreign currency transactions

Transactions denominated in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling on the balance sheet date. All gains and losses arising from foreign currency transactions are accounted for within the Statement of Financial Activities.

m) Funds

General funds comprise the accumulated surplus or deficit from the Statement of Financial Activities which is neither restricted nor designated funds. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted income funds comprise unexpended balances of donations and grants held in trust to be applied for specific purposes or accumulated income derived from investments held as part of the Charity's endowment funds.

Where funds are given to be held by the Institution as capital, they are shown as endowment funds in the financial statements. Expendable endowments are those where the trust terms provide for conversion of income to capital under certain circumstances, permanent endowments are those for which the capital may not ever be applied as income.

2. INCOME FROM CHARITABLE ACTIVITIES

	2025	2024
	£	£
Membership		
Institution fees	920,908	905,509
EC fees	125,709	119,763
Prizes, Scholarships and Accreditations	16,550	25,250
	<u>1,063,167</u>	<u>1,050,522</u>
Events	332,833	489,352
Publications	339,568	401,125
	<u>£1,735,568</u>	<u>1,940,999</u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. INCOME FROM INVESTMENTS	Total 2025 £	Total 2024 £
Dividends	78,500	94,333
Bank interest	5,016	5,191
Rents	109,931	44,391
	<u>193,447</u>	<u>143,915</u>
4. MEMBERSHIP EXPENDITURE	Total 2025 £	Total 2024 £
Salaries	161,328	261,023
Branch grants	18,462	13,096
EC fees (UK)	101,625	96,727
Prizes and Scholarships	8,073	9,114
Support costs	716,919	672,756
	<u>1,006,407</u>	<u>1,052,716</u>
 (2025: 2,066) members received grants during the year from the restricted funds.		
5. EVENTS EXPENDITURE	Total 2025 £	Total 2024 £
Salaries	126,054	94,594
Support costs	433,354	563,562
	<u>559,408</u>	<u>658,156</u>
6. PUBLICATIONS EXPENDITURE	Total 2025 £	Total 2024 £
Salaries	391,028	642,500
Support costs	341,875	542,006
	<u>732,903</u>	<u>1,184,506</u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

7. SUPPORT COSTS	Membership £	Events £	Publications £	Total 2025 £
HQ costs	482,425	151,027	154,083	787,535
Comm./IT	117,260	36,709	37,452	191,421
Production	62,665	228,535	132,911	424,111
Governance	54,569	17,083	17,429	89,081
	<u>716,919</u>	<u>433,354</u>	<u>341,875</u>	<u>1,492,148</u>
Prior year	Membership £	Events £	Publications £	Total 2024 £
HQ costs	437,443	203,769	167,031	808,243
Comm./IT	112,655	52,477	43,015	208,147
Production	79,720	287,315	315,565	682,600
Governance	42,938	20,001	16,395	79,334
	<u>672,756</u>	<u>563,562</u>	<u>542,006</u>	<u>1,778,324</u>

HQ, Comm./IT and Governance costs are allocated to activity in relation to proportion of income from activity. Production costs are allocated on an actual basis across each category.

Governance costs comprise:

	Total 2025 £	Total 2024 £
Council and Board travel	653	1,027
Audit	19,000	18,000
Other professional fees	69,428	60,308
	<u>89,081</u>	<u>79,335</u>

8. STAFF COSTS

	Total 2025 £	Total 2024 £
Wages and salaries	882,195	1,197,111
Termination payment	50,171	89,953
National insurance	105,225	139,369
Pension contributions	54,129	76,005
	<u>1,091,721</u>	<u>1,502,438</u>

The average number of employees, analysed by function, was:

	No.	No.
Professional affairs	3	4
Events & Marketing	5	6
Publishing	5	7
Administration	6	7
	<u>19</u>	<u>24</u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

8. STAFF COSTS (continued)

Two employees received remuneration in the range £60,000-£70,000, two employee received remuneration in the range £70,000-£80,000, one employee received remuneration in the range of £100,000-£110,000. (2024: Three employees received remuneration in the range £60,000-£70,000, two employee received remuneration in the range £70,000-£80,000, one employee received remuneration in the range of £90,000-£100,000 and one employee received remuneration in the range £140,000-£150,000).

No trustees received remuneration in the year (2024: No trustees received remuneration in the year). Expenses totalling £1686 were reimbursed during the year in relation to travel and subsistence (2024: Expenses totalling £445 were reimbursed).

The aggregate remuneration of the charity's key management personnel amounted to £411,863 (2024: £665,605).

9. TANGIBLE FIXED ASSETS	Freehold land and buildings	IT equipment	Fixtures and fittings	Total
	£	£	£	£
Cost or valuation				
At 30 September 2024	3,546,057	283,366	65,438	3,894,862
Additions	-	18,707	243	18,950
Transfers	-	-	-	-
Disposals	-	(50,183)	(7,567)	(57,750)
	<u>3,546,058</u>	<u>251,890</u>	<u>58,113</u>	<u>3,856,062</u>
Accumulated depreciation				
At 30 September 2024	224,428	259,803	49,661	533,892
Charge for the year	19,515	12,390	2,325	34,230
Transfers	-	-	-	-
Disposals	-	(50,183)	(7,567)	(57,750)
	<u>243,944</u>	<u>222,010</u>	<u>44,419</u>	<u>510,373</u>
Net Book Value				
At 30 September 2025	<u>3,302,114</u>	<u>29,880</u>	<u>13,694</u>	<u>3,345,689</u>
At 30 September 2024	<u>3,321,629</u>	<u>23,563</u>	<u>15,777</u>	<u>3,360,970</u>

A proportion of the head office premises property is classified as investment properties within these financial statements. This is due to it partially being held for rental purposes. The value of the element of the property is shown in note 10

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2025

9. INTANGIBLE FIXED ASSETS	Intangibles	Digital WIP	Total
	£	£	£
Cost or valuation			
At 30 September 2024	346,210	-	346,210
Additions	-	100,626	100,626
Transfers	-	-	-
Disposals	-	-	-
	<u>346,210</u>	<u>100,630</u>	<u>446,836</u>
At 30 September 2025	346,210	100,630	446,836
Accumulated depreciation			
At 30 September 2024	111,043	-	111,043
Charge for the year	175,781	-	175,781
Transfers	-	-	-
Disposals	-	-	-
	<u>286,824</u>	<u>-</u>	<u>286,824</u>
At 30 September 2025	286,824	-	286,824
Net Book Value			
At 30 September 2025	<u>59,386</u>	<u>100,630</u>	<u>160,012</u>
At 30 September 2024	<u>235,167</u>	<u>-</u>	<u>235,167</u>

10. INVESTMENT PROPERTY

At valuation

At 1 Oct 2024	1,817,316
Additions	-
Disposals	-
Market value gain/(loss)	-
	<u>1,817,316</u>
At 30 Sept 2024	<u>1,817,316</u>

Thirty-five percent of the RINA head office premises are held for rental purposes and are therefore classified as investment property in these financial statements. The investment property component is measured at fair value and is based on the valuation provided by Lambeth Chartered Surveyors as at September 2025.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

11 INVESTMENTS	UK Quoted investments
	£
Market value at 1 Oct 2024	2,834,811
Additions	-
Disposals	(200,000)
Gain (Loss)	(132,002)
	<u>2,502,809</u>
Market value at 30 Sept 2025	<u>2,502,809</u>

The above investments are all held in Unit Trusts.

12. DEBTORS	2025	2024
Due within one year	£	£
Trade debtors	89,096	110,043
Prepayments	31,720	56,857
Sundry Debtors	3,087	4,702
Tax and social security	19,921	515
	<u>143,824</u>	<u>172,117</u>

13. CREDITORS: amounts falling due within one year	2025	2024
	£	£
Trade creditors	119,571	44,596
Accruals	96,229	146,246
Deferred income & Income in advance	349,762	363,396
Tax and social security	37,507	61,191
Other creditors	3,664	1,695
	<u>606,734</u>	<u>617,125</u>

Movement in deferred income and income in advance

Brought forward	363,396	262,306
Released into income during the year	(363,396)	(262,306)
Incurred during the year	349,762	363,396
	<u>349,762</u>	<u>363,396</u>
Carried forward	<u>349,762</u>	<u>363,396</u>

Deferred income comprises membership subscriptions which are to be recognised in the subsequent financial year.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

14. UNRESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
General funds	5,935,116	1,869,342	(2,278,179)	(30,896)	114,329	5,609,711

15. RESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
Scholarship funds	265,202	30,381	(10,924)	(10,444)	(39,953)	234,262
Benevolent funds	74,472	27,047	(6,953)	(3,898)	(74,376)	16,292
Prize funds	25,481	2,245	(2,662)	(1,420)	-	23,645
	365,155	59,673	(20,539)	(15,761)	(114,329)	274,199

The Institution's restricted funds comprise a large number of small funds which have been amalgamated for reporting purposes under the three main headings above. The Trustees administer the funds and make awards from them in accordance with the terms of each original gift. Further details appear in the Board of Trustees' Report.

The transfer from the Benevolent Fund represents an allocation of funds in respect of relevant expenditure incurred and charged to the Institute's general fund.

16. ENDOWMENT FUNDS

	Opening Balance £	Gains/(Loss) on Investments £	Closing Balance £
Scholarship funds			
Permanent endowment	712,427	(34,344)	678,082
Expendable endowment	138,717	(6,687)	132,030
	851,144	(41,031)	810,113
Benevolent funds			
Permanent endowment	869,753	(41,928)	827,825
Prize funds			
Permanent endowment	49,465	(2,385)	47,080
	1,770,363	(85,344)	1,685,018

The Institution's endowment funds represent a large number of small funds which have been amalgamated for reporting purposes under the three main headings above. The income arising from the underlying assets is allocated to the restricted funds shown in Note 15.

POST BALANCE SHEET EVENT NOTE:

Dated 18 Dec 2025 Charity Commission confirmed that they consent to the restructuring of the Scholarship and Prize funds. This means that from that date all of the small Scholarship and Prize funds are merged into one fund held for the purpose of the advancement of education in the field of naval architecture and maritime engineering by such means as RINA thinks fit. The permanent endowment restrictions have been lifted, meaning that the capital as well as the income can be spent. The new fund is called the RINA Education and Continuous Professional Development Fund.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 30 September 2025 are represented by:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Fixed assets	3,505,701	-	-	3,505,701
Investment Property	1,817,316			1,817,316
Investments	506,601	311,190	1,685,018	2,502,809
Current assets	349,836		-	349,836
Current liabilities	(569,743)	(36,990)	-	(606,734)
Total net assets	<u><u>5,609,711</u></u>	<u><u>274,199</u></u>	<u><u>1,685,018</u></u>	<u><u>7,568,929</u></u>

Fund balances at 30 September 2024 are represented by:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Fixed assets	3,596,136	-	-	3,596,136
Investment Property	1,817,316	-	-	1,817,316
Investments	737,498	326,951	1,770,362	2,834,811
Current assets	401,292	38,204	-	439,496
Current liabilities	(617,125)	-	-	(617,125)
Total net assets	<u><u>5,935,117</u></u>	<u><u>365,155</u></u>	<u><u>1,770,362</u></u>	<u><u>8,070,634</u></u>

18. FUTURE FINANCIAL COMMITMENTS

(a) OPERATING LEASES

At 30 September 2025 the charity had annual commitments under operating leases as set out below:

	Office Equipment	
	2025	2024
	£	£
Operating leases which expire:		
In less than one year	6,872	7,491
In the second to fifth year	16,840	23,712
	<u><u>23,712</u></u>	<u><u>31,203</u></u>

19. RELATED PARTY TRANSACTIONS

There were no disclosable related party transactions during the year (2024: none).

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2024 £
Income and expenditure					
Income and endowments from:					
Charitable Activities					
Membership	2	1,050,522	-	-	1,050,522
Events	2	489,352	-	-	489,352
Publications	2	401,125	-	-	401,125
Grants, Donations and legacies		-	-	-	-
Investment income	3	84,581	59,334	-	143,915
Total income and endowments		<u>2,025,580</u>	<u>59,334</u>	<u>-</u>	<u>2,084,914</u>
Expenditure on:					
Charitable Activities					
Membership	4	1,024,345	28,371	-	1,052,716
Events	5	658,156	-	-	658,156
Publications	6	1,184,506	-	-	1,184,506
Total expenditure		<u>2,867,007</u>	<u>28,371</u>	<u>-</u>	<u>2,895,378</u>
Net income/(expenditure) before investment gains/(losses)		(841,427)	30,963	-	(810,464)
Gain/(loss) on investment assets	10,11	150,308	32,104	173,837	356,249
Net income before transfers		<u>(691,119)</u>	<u>63,067</u>	<u>173,837</u>	<u>(454,215)</u>
Transfers between funds	14, 15	46,490	(46,490)	-	-
Net movement in funds		<u>(644,629)</u>	<u>16,577</u>	<u>173,837</u>	<u>(454,215)</u>
Reconciliation of funds					
Total funds brought forward		6,579,745	348,578	1,596,526	8,524,849
Total funds carried forward		<u><u>5,935,116</u></u>	<u><u>365,155</u></u>	<u><u>1,770,363</u></u>	<u><u>8,070,634</u></u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

21. UNRESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
General funds	6,579,745	2,025,580	(2,867,007)	150,308	46,490	5,935,116

22. RESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
Scholarship funds	234,490	30,209	(12,280)	21,273	(8,490)	265,202
Benevolent funds	87,524	26,893	(9,884)	7,939	(38,000)	74,472
Prize funds	26,564	2,232	(6,207)	2,892	-	25,481
	348,578	59,334	(28,371)	32,104	(46,490)	365,155

The Institution's restricted funds comprise a large number of small funds which have been amalgamated for reporting purposes under the three main headings above. The Trustees administer the funds and make awards from them in accordance with the terms of each original gift. Further details appear in the Board of Trustees' Report.

The transfer from the Benevolent Fund represents an allocation of funds in respect of relevant expenditure incurred and charged to the Institute's general fund.

23. ENDOWMENT FUNDS

	Opening Balance £	Gains/(Loss) on Investments £	Closing Balance £
Scholarship funds			
Permanent endowment	642,472	69,955	712,427
Expendable endowment	125,096	13,621	138,717
	767,568	83,576	851,144
Benevolent funds			
Permanent endowment	784,350	85,403	869,753
Prize funds			
Permanent endowment	44,608	4,857	49,465
	1,596,526	173,837	1,770,363

ROYAL INSTITUTION OF NAVAL ARCHITECTS

England & Wales - Charity number 211161

Accounts

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Charity No: 211161
Company No: RC000489

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

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THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

PREAMBLE

The Royal Institution of Naval Architects remains a globally recognized professional organization and esteemed Learned Society. It has enhanced its international presence by establishing strategic goals for the next five years aimed at expanding membership worldwide, inspiring the next generation, and identifying the skills needed for 21st-century Naval Architects and Maritime Engineers. Additionally, it is working towards becoming the International Centre of Excellence for Naval Architecture and Maritime Engineering. The success of these initiatives is reflected in the growing participation in online presentations and meetings.

The Institution's standing committees remain well-regarded throughout the marine industry and provide expert advice to prominent bodies such as the International Maritime Organization. The high standard of technical papers published by the Institution continue to deliver reference material for members and the maritime community. In accordance with the objectives of the Institution a newly formed Developing Careers Committee has been formed to focus on: STEM, University undergraduates, graduates and early career members, Engineering Technicians and those who cross over into Naval Architecture and Maritime Engineering at a later stage in their careers. The Institution is also a nominated and licensed body of the UK Engineering Council.

As a commitment to the future, the Institution has continued to implement aspects of its digital program to overhaul its operational systems to deliver a better experience to our members and stakeholders. During 2024, members experienced an improved interface, facilities, and benefits such as online training. The digital program development will continue throughout 2025, whereby a Digital Working Group has been established to focus on future requirements. The Board is planning to undertake a new strategic review in 2026 now we are 5 years on.

Vision - To be recognised Worldwide as the Maritime Professional Engineering Institution of choice

Strategy - To be become a Professional Engineering Institution that is recognised as an International Centre of Excellence for Naval Architecture and Maritime Engineering, that focuses on meeting the needs of our members and the wider maritime community by the integration of our services, our capabilities, and our global expertise.

The strategy is built on four key themes.

1. Becoming an International Centre of Knowledge and Excellence for the Naval Architecture and Maritime Engineering Community
2. Identifying and developing the skills needed for the 21st Century Naval Architect and Engineer
3. Inspiring the next generation
4. Increasing Membership globally

Our values.

- Respect for people and the environment
- Professionalism and Excellence
- High ethical standards
- Integrity
- Innovation

Shifting markets, investment in our digital transformation, and the modernization of many of the Institution's processes have had a financial impact. However, the Institution has sufficient reserves to manage short-term disruptions while ensuring the necessary investments for the future. Over the past year, we have seen a rise in attendance at live events, and we anticipate this trend will continue into 2025.

The Institution continues to hold its position as a globally respected organization. Investments in digital tools, talent, and new ways of working have significantly strengthened its value proposition, making the Institution more attractive to potential new members and enhancing the benefits and services offered to our valued members.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

OBJECTIVES OF THE INSTITUTION

The objectives of The Royal Institution of Naval Architects are as set out in the Charter of Incorporation 1910 - 'the improvement of ships and all that specially appertains to them, and the arrangement of periodic meetings for the purpose of discussing practical and scientific subjects bearing upon the design and construction of ships and their means of propulsion, and all that relates thereto'.

Today, reflecting the wider range of activities of the Institution as both a professional institution and learned society, the objectives of the Institution are more aptly described as "to encourage and assist in the achievement of the safe and efficient design, construction, maintenance and operation of marine vessels and structures."

These objectives are primarily achieved by:

- Setting of internationally recognised and accepted standards of professional competence and integrity required for membership.
- Encouraging membership of the Institution at all levels.
- Enabling of the exchange of technical information through the Institution's publications, conferences, and local meetings, which are open to all those involved in the design, construction, maintenance and operation of marine vessels and structures.
- Contributing its collective expertise to national and international maritime organisations for the benefit of the profession and society.

Building on the objectives for 2024, the Institution has continued to maintain and develop the internationalism of the organisation both in terms of both membership and activities. Furthermore, it has encouraged all members of the profession to become actively involved in events organised by the Institution and to strengthen its links with governments, academia and industry. In order to support these initiatives, the Institution has reviewed all its operations, systems architecture and secretariat support and continues to modernise its the working practices and systems, such as digital tools and skills mapping. Aligned with the strategy, these remain the Institution's specific objectives for the forthcoming year until the 2026 strategic review is completed.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Institution organised/co-organised 12 major events, covering the full spectrum of maritime technology and ranging from one-day seminars, 3-day conferences to week long training courses. Most of the courses and conferences have returned to face-to-face attendance, but a number also gave the opportunity for presenters and delegates to have remote participation. Highly successful events included Warship24 which was held in Australia supported by the Australian Division, the President's Invitation Lecture and the Annual Dinner.

Events continue to be held across different locations and continents which reinforces RINA's world base of membership.

The Institution has witnessed a positive and encouraging increase in in-person attendance at our events following the disruptions caused by the pandemic. Use of event management tools have also increased the value to members and industry alike with a greater impact on collaboration and networking opportunities. Feedback on activities confirmed that the Institution was delivering an increasingly high standard of value with its conferences and continues to meet its objectives. The delivery of these high performing events contributed to the Institution's income.

During the year, the Institution published 8 journal titles (*The Naval Architect* 10 issues, *Ship & Boat International* 6 issues, *Warship Technology* 5 issues, *Ship Repair & Maintenance* 4 issues, Jetro-sponsored supplement, *Significant Ships*, *Significant Small Ships*), reporting on developments in the maritime industry and the results of research and development. The declining advertising revenue in printed publications led to a review in 2024 of the Institution's portfolio of publications and a new single publication, combining the content of all the Institution's impact areas is planned for 2025. This publication will highlight the work of the Technical Committees and showcase the membership. *The International Journal of Maritime Engineering* struggled with declining paper submissions and process issues, resulting in a reduction of published issues. This decline is not isolated to the IJME publication but something that other similar organisations are also seeing such as SNAME. A project is underway to relaunch the IJME with improved visibility, processes and relevance in 2025.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

The Institution's local Branches and Sections held regular meetings to present and discuss matters of professional interest. Subjects included: Maritime Decarbonisation and the low-zero carbon fuel challenge, A safer Alternative to Free Fall LSA for Cargo Ships, Belfast Green shipping Corridor, The Role of Artificial Intelligence in Revolutionizing Shipbuilding, Development of the marine steam turbine and SY Turbinia, Engineering on Tap Presents: Alternative Fuels, How Modern Weather Forecasting Works, Revolutionising Pollution Management with Eyesea, and many more including branch/section administration. Many of these presentations have been offered to non-members on our digital platforms both during and after the events.

The Institution continued to invest in new initiatives to improve the member experience. In the Spring, RINA launched mycareerpath, an online CPD recording tool for members to record their CPD activity. This tool will be expanded to Associate Members next year as a new tool for them to record their practical work experience towards registration. Later in the year, RINA made available a new digital certificate service for members to access on demand.

The Institution also contributed its collective expertise to national and international organisations, with our NGO status at the International Maritime Organization remaining particularly relevant.

Members participate in the following maritime Technical Committees:

- IMO Committee – concerned with matters relating to the regulation of the design, construction and operation of marine vessels and the protection of the maritime environment discussed at the IMO. Specific areas this year have included the CII, GloNoise and GloFouling projects.
- Maritime Safety Committee – dealing with the design, construction and operating matters related to the safety of marine vessels and structures. Specific areas of support this year have been Fishing Vessel Safety, Container Vessel Safety and providing guidance to the AUKUS project in Australia.
- Maritime Environmental Committee – covering matters concerning the protection of the maritime environmental and marine renewable energy. The committee have had a quiet year as a group but still contribute widely in support of the other committees and are looking to bring in new members to reinvigorate the topics covered.
- Maritime Innovation Committee – concerned with the impact on the maritime industry, the profession and the Institution in response to the development and use of innovative technologies. The membership of the committee was refreshed this year and subsequently has begun to develop topics of consideration in new areas.

The Technical Committees help support the work of the Institution across the entire scope of membership and include worldwide participation from our members. The specific areas mentioned represent just a small selection of the work carried out by our committee members.

The Institution continues to recognise and encourage the achievement of individuals at all stages of professional development through its wide range of prizes and awards.

The Institution's Trustees remained instrumental in providing oversight, strategic guidance, and direction to the organization. As vacancies arose, the Board sought to appoint new Trustees with a diverse range of skills, experiences, and expertise crucial for effective governance. Five new Trustees were selected to address gaps in the skills matrix. All Trustees continued to enhance the necessary skills to maintain a well-rounded Board and were once again offered training opportunities to familiarise them with charity law and governance, including:

- Understanding your charity's structure.
- The powers and duties of trustees.
- The role of the Charity Commission.
- Key commercial and financial issues for charities.

Regular updates and information from the Charity Commission were also distributed to ensure that Trustees remained aware of their responsibilities.

Recent upgrades to the Institution's systems architecture and digital tools have further enhanced communication and functionality, modernizing its administration. An in-house IT Services Manager was appointed to offer the expertise needed to identify areas for continued improvement and development, both in the infrastructure and in end-user skills.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

The Board of Trustees continued to support the Fund Steering Group (FSG) which consists of three trustees and is chaired by the Treasurer. It is bolstered by the Chief Executive and the Institution's Finance Director with third-party consultation from Independent Investment Reviews Ltd. The FSG maintains a review of the Institution finances by with the investment of £2,8million (current value) in Churches, Charities and Local Authorities (CCLA) Investment Management Ltd. CCLA is one of the UK's largest charity fund managers and the funds have been invested on a total return option. The Institution's investment policy is reviewed annually and incorporated into the business management system.

Future Plans

In the forthcoming year, the Institution plans a full programme of courses, conferences, and local meetings, reflecting developments in the design, construction and maintenance of marine vessels and structures. It will continue contributing its collective expertise to appropriate national and international organisations, for the benefit of society and the profession. For our international members, we will look to use technology and webinars to deliver a range of online talks, seminars and CPD content.

The Institution will continue to improve the online experience for members and further develop digital programs to support operations by launching a new, self-service-driven MyAccount area, a new and improved communications platform, and better access to our online magazines and publications.

Employee training will facilitate better individual performance using the improved tools which, in turn, will enhance the communication and accessibility for all members and reach out to attract new members. The Institution will be launching a range of new options for new and existing members to apply for Professional membership grades and registration, both modernising the process alongside making it easier for perspective new members to apply. We shall continue to explore options for introducing flexible payment methods to make membership of the institution more accessible.

Following the resignation of the Chief Executive, the Board took the opportunity to undertake an independent review of the Institution's organisational structure and appointed a part time, interim Consultant to maintain the running of the secretariat alongside reviewing the structure on behalf of the Board. The audit was intended to assess the overall efficiency of the secretariat and identify strategies to address any areas for improvement. The resulting recommendations led to amendments to the Institution's organogram to make it financially sustainable and the formation of a more robust organisational structure. The restructured secretariat will operate under an improved HR system, with staff roles being carefully monitored and appraised. The Remuneration Committee, chaired by the Treasurer will assist the Chief Executive in making decisions regarding remuneration, compensation and benefits for the Institution's employees.

Key to maintaining efficiency is the continuous review of the Secretariat decision making and reporting process and to ensure there are sufficient resources to cover the various roles and responsibilities.

The role and capabilities of the Naval Architect within the maritime community is the subject of a focus group whereby we continue to identify the value and relevance of today's Naval Architect and raise our profile within Industry. We will be looking at continued professional development, engagement with Peers, Industry and Academia, but also how we attract youth into our profession and how they can become the 'Total Engineer' and 'Systems Integrator'. The Institution is a member of Engineering UK and the STEM Ambassadors program to support education and careers program.

We will continue to review and refresh our brand whilst maintaining operational focus for worldwide membership.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

BOARD OF TRUSTEES

The Royal Institution of Naval Architects, also known as “RINA,” is a registered charity in England and Wales (number 211161) incorporated under Royal Charter. The Board of Trustees is the governing body of the Institution. Members of the Board are principally elected members of Council, recommended by the Council to the Board for appointment as Trustees.

The Board of Trustees is responsible for the governance and management of the Institution. Responsibility for the day-to-day management of the Institution’s affairs is delegated to the Chief Executive, accountable through the Chairman to the Board of Trustees. All Trustees are provided with guidance documentation and updates issued by the Charity Commission concerning their responsibilities.

The members of the Board of Trustees confirm they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. In particular, the Institution has acted as a Licensed Member of the UK Engineering Council in promoting higher education and professional standards, and as an NGO of the International Maritime Organization in improving maritime safety and the protection of the maritime environment. It has also contributed its collective expertise to other appropriate maritime organisations.

Board of Trustees

Chairperson

C L Savage

Vice Chairperson

R M Cripps

Treasurer

D N Monioudis

Trustees

E Pang

T D Strang

T Allan

K W Hutchinson

B Rosenblatt

N Chrissos

A Pearce

S Watts

P Wilson

N d’Hubert

The Board of Trustees met formally four times in the year, during which its principal considerations were the policy, management and review of the Institution’s investments, the management and review of the Risk Register and Fund policy. In addition, the Board held several interim meetings to address urgent matters that arose between the scheduled sessions. In addition to this the Board set up a Steering Committee with Terms of Reference to allow agile decision making and progress to be made between meetings. The Steering Committee is made up of the Chair, the Vice Chair, the Treasurer and an additional member of the Board. The interim CEO attends on an “invitation only” basis.

COUNCIL

The members elect the Council. It is responsible for communicating the views of the Institution’s membership to the Board of Trustees and for providing guidance and advice to the Board on all matters related to the governance of the Institution.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

The Council holds delegated authority from the Board of Trustees for the management of the professional, technical, and learned society affairs of the Institution. Such delegated authority is principally exercised through the Institution's standing committees and the Chief Executive. There are no connected organisations.

Past Presidents

Professor J B Caldwell OBE PhD DSc FEng
Sir T J Parker FEng
Professor W Geraint Price FEng FRS
Dr N Gee DEng BSc FEng
Mr S Payne OBE Hon. PhD (Sc) BEng FEng
Mr P French FRINA FEng FRSA
Mr B S. Rosenblatt FRINA
Mr T Boardley FRINA
Professor R W Birmingham FRINA
Mr. Maurizio d'Amico FRINA

President

Professor C Savage

Honorary Vice Presidents

E C Tupper
J D Frier
P G Wrobel

Vice Presidents

A K Dev
T Allan
Dr D Aldwinckle
C De Marco
A Subahani
D Molyneux
IKAP Utama
J K Paik
P Krishnankutty
M Renilson

Fellows

D N Monioudis
R L Downs
P A Wilson
K W Hutchinson
R P Fernandez
G S Chopra
S Inayatullah
D Konovessis
P J S Kujala
N Ratukalou
J Black
A Aitkin

Members

N J MacLennan
C Silitziotis
H W Theunissen
Y K Demirel

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

Associate-Members

S De Villiers

R A Miller

A Kumar

Y R Kamath

H Dixon

C Baxter

C McNair

C Baker

N Michalakopoulos

President of the Australian Division

J Binns +

President of the New Zealand Division

G Schweikart +

Chairs of Standing Committees

P Wilson (Publications Committee)

R Cripps (Maritime Innovation Committee) +

F H Spencer (Disciplinary Committee) +

E Pang (IMO Committee) +

S Watts (Maritime Safety Committee) +

T Strang (Maritime Environment Committee) +

J Kernaghan (Membership Committee) +

M Barton (Professional Affairs Committee) +

Chief Executive

TBC

Auditors

HaysMac LLP

Bankers

The Royal Bank of Scotland

Investment Advisors

CCLA Investment Management Ltd.

RINA Headquarters principal office address

8-9 Northumberland Street, London, WC2N 5DA

+ Ex officio members

FINANCIAL REVIEW

Total income (Restricted and Unrestricted) in 2023/24 was £2.08m (2022/23: £1.95m) and total expenditure (Restricted and Unrestricted) in 2023/24 was £2.90m (2022/23: £2.65m). Total income remained relatively stable; income from institution membership fees tracked inflation and increased to £1,051k (2022/23: £987k). After the short-term disruption of Covid, events returned to pre-covid levels. RINA held a very successful Warship Conference event in Australia in June 2024 and the total events income for the year increased to £489k (2022/23: £336k). The income from publications and advertising sales shrunk to £401k, (2022/23: £454k) which is a trend that reflects changing market conditions. The total expenditure increased due to ongoing investment into human capital and upskilling the secretariat, and the increased costs of running successful events.

The value of the fixed and investment property assets was £5.41m (2022/23: £5.49m). RINA revalued its use of headquarter building and designated 35% of the building to investment property use to generate long term rent income from its spare office space.

Net deficit before investment gains in 2023/24 was £810k (2022/23: £700k) and it includes £95k redundancy and restructuring costs. The operating deficit in the Unrestricted Funds in 2023/24 was £841k (2022/23: £749k), and the operating surplus in the Restricted Funds in 2023/24 was £31k (2022/23: £49k).

Investment policy and performance

The investment powers of the Board of Trustees are set out in the Royal Charter and By-Laws, copies of which are available from the Chief Executive at RINA Headquarters. Under the terms of those powers, management of the investment portfolio has been delegated to CCLA Investment Management Ltd which is one of the UK's largest charity fund managers

The Board of Trustees reviewed its investment policy and confirmed that it remains the purpose of the Investment Portfolio to provide the Institution with income whilst maintaining the value of capital in real terms. As such the investment aim is to generate a minimum total return in excess of inflation (UK RPI) over a 5 year period. The Board is currently reviewing the use of the invested endowment funds, the restricted funds and the income of those funds to maximise how these funds benefit the Organization and its members' best interests.

The value of the investments at end September 2024 (£2.83m) has decreased by 10% from the previous financial year. Market conditions improved and RINA recognised a £323k gain on CCLA investments market value, however the overall investment portfolio value decreased because of the sale of £639k total CCLA and M&G Charifund investment to finance the operational deficit. RINA liquidated all remaining M&G investment at the beginning of the year and the £2.83m balance at the yearend was wholly related to its CCLA portfolio. The CCLA fund RINA portfolio total return performance over the past twelve months was 13.9%.

Reserves Policy

The total value of the Institution's funds (Unrestricted, Restricted and Endowment) on 30 September 2024 was £8.07m (2023: £8.52m). The value of the Unrestricted Funds on 30 September 2024 was £5.94m (2023: £6.58m). The value of Restricted Funds on 30 September 2024 was £365k (2023: £349k). The value of Endowment Funds on 30 September 2024 was £1.77m (2023: £1.60m). The total value of the Institution's investments on 30 September 2024 was £2.83m (2023: £3.15m).

The Institution's free reserves (unrestricted funds less designated funds and tangible fixed assets) stood at 30 September 2024 at £522k (2023: £1.09m). The cash holdings stood at £267k on 30 September 2024 (2023: £182k). The Board of Trustees' policy is to maintain minimum cash reserves at the level of 3 months forward cash outflow from HQ operating costs net of rental and investment income, namely circa £250k, and to consider reserves in excess of this level for investment. To finance the operating deficit the Trustees released £639k of investment to cash during the year.

Restricted Funds

The Board of Trustees' policy is to use all dividend income from Restricted Funds to assist and enable the continuing academic and professional development of members.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

- Prize funds are awarded for outstanding articles published in the Institution's journals.
- Scholarship funds support student attendance at conferences and other events and provide for online learning.
- Benevolent funds provide membership funding to members in full-time education and assistance to other members requiring financial support.

Charity trustees are expected to review the purposes and terms of their funds from time to time and to take steps to change them if they become out of date or no longer provide an effective use of the funds. It is the intention of the Board of Trustees to review the use of endowment funds and restricted funds and the income of those funds to maximize how these funds benefit the Organization and its members best interests. The Board is considering amending the purposes of all of the scholarship and prizes funds to the advancement of education in the field of naval architecture and maritime engineering and merging all the funds into one fund to be known as the "RINA Education and Continuous Professional Development Fund".

RISK MANAGEMENT AND PRINCIPAL RISKS

Operational and financial risks facing the Institution are listed in the Risk Register which is routinely reviewed and revised by the Trustees. Policies and procedures have been established to mitigate any risks identified during these reviews. Compliance with these policies and procedures is monitored by routine Internal Audit and Self-Assessment.

Risk and mitigation measures include, but not limited to:

RISK	MITIGATION
<p>GOVERNANCE That effective governance of the Institution will be prejudiced by a lack of knowledge and understanding by individual Trustees of their responsibilities as a Trustee.</p>	<p>All Trustees shall be familiar with Charity Commission guidance on the roles and responsibilities of Trustees through review of online guidance documents and training. Terms of Reference for the Board of Trustees are published and shall be reviewed annually.</p>
<p>FINANCIAL That Inadequate management of the Institution's finances and assets leads to financial losses. This could include misconduct, wrongdoing, or embezzlement.</p>	<p>Financial controls and procedures are published and reviewed annually. An Investment and Reserves Policy is published and reviewed annually. An internal Audit of the implementation of financial controls and procedures is carried out regularly. A statutory annual Audit is carried out by external Auditors. A Management Report by the external Auditors is received annually. A Trustee (the Treasurer) is appointed with lead responsibility for financial matters. Trustees receive financial activity reports. Random checks of financial transactions are carried out.</p>
<p>PUBLICATIONS AND EVENTS Publications and events are unable to be financially viable resulting in loss of the financial stability of the Institution.</p>	<p>An external audit was carried out late 2023. The findings of the report recommended the amalgamation of the publications to a sustainable level. Following the recommendations the Board of Trustees agreed to amalgamate into a single publication. This is due for delivery in 2025. Events, Publications and Marketing will sit under the same directorate from November 2024.</p>
<p>ADVERTISING REVENUE Declining print advertising sales will affect the viability of the publications and the financial stability of the Institution.</p>	<p>Whilst print advertising is still declining significant efforts are being channelled into reactivating dormant clients. Alternative methods of advertising are being investigated and used.</p>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2024

SINGLE PUBLICATION Moving to a single publication means the Institution loses its position in the publication market.	Significant effort is being delivered to provide alternative content to be available via the RINA website and social media channels during the period of change.
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The Board routinely reviews cashflow, income and expenditure in both short and long term to manage financial risk.

Remuneration of key personnel

The remuneration of senior members of the Secretariat is reviewed and changes approved annually by the Trustees. See future plans on page 4 for further details of this process.

Fundraising

The Institution does not carry out any active fundraising, nor does it engage with any third party or professional fundraisers and therefore has not signed up to any fundraising standards. There have been no fundraising complaints received during the year (2023: none). Complaints are considered by the Board or by independent non-Board members as appropriate.

Statement of the Board of Trustees' responsibilities

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Institution's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Board of Trustees should follow best practice and:

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

The Board of Trustees is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Institution, and which enable them to ascertain the financial position of the Institution, and which enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the Institution and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Disclosure of information to auditor

The Trustees who held office at the date of approval of this Board of Trustees' Report confirm that, as far as they are each aware:

- There is no relevant audit information of which the auditor is unaware; and
- Each Trustee has taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

HaysMac LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

Signed on behalf of the Board of Trustees:

dimitris monioudis

D N Monioudis
Trustee

Date: 5th February 2025

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

Opinion

We have audited the financial statements of the Royal Institution of Naval Architects for the year ended 30 September 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2024 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 trustees' 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 the charity'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS (continued)

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charity SORP, and considered other factors such as payroll tax and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF
THE ROYAL INSTITUTION OF NAVAL ARCHITECTS (continued)**

Use of our report

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

HaysMac LLP

HaysMac LLP
Statutory Auditors
Date: 06/02/25

10 Queen Street Place
London
EC4R 1AG

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

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2024 £	Total 2023 £
Income and expenditure						
Income and endowments from:						
Charitable Activities						
Membership	2	1,050,522	-	-	1,050,522	986,736
Events	2	489,352	-	-	489,352	335,657
Publications	2	401,125	-	-	401,125	453,693
Grants, Donations and legacies		-	-	-	-	8,342
Investment income	3	84,581	59,334	-	143,915	168,440
Total income and endowments		<u>2,025,580</u>	<u>59,334</u>	<u>-</u>	<u>2,084,914</u>	<u>1,952,868</u>
Expenditure on:						
Charitable Activities						
Membership	4	1,024,345	28,371	-	1,052,716	1,024,619
Events	5	658,156	-	-	658,156	449,104
Publications	6	1,184,506	-	-	1,184,506	1,178,973
Total expenditure		<u>2,867,007</u>	<u>28,371</u>	<u>-</u>	<u>2,895,378</u>	<u>2,652,696</u>
Net income/(expenditure) before investment gains/(losses)		(841,427)	30,963	-	(810,464)	(699,828)
Gain/(loss) on investment assets	10,11	150,308	32,104	173,837	356,249	50,480
Net income before transfers		<u>(691,119)</u>	<u>63,067</u>	<u>173,837</u>	<u>(454,215)</u>	<u>(649,348)</u>
Transfers between funds	14, 15	46,490	(46,490)	-	-	-
Net movement in funds		<u>(644,629)</u>	<u>16,577</u>	<u>173,837</u>	<u>(454,215)</u>	<u>(649,348)</u>
Reconciliation of funds						
Total funds brought forward		6,579,745	348,578	1,596,526	8,524,849	9,174,197
Total funds carried forward		<u><u>5,935,116</u></u>	<u><u>365,155</u></u>	<u><u>1,770,363</u></u>	<u><u>8,070,634</u></u>	<u><u>8,524,849</u></u>

All amounts relate to continuing activities.

The notes on pages 18 to 28 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

	2024 £	2024 £	2023 £	2023 £
Operating activities				
Net income before investment gains	(454,215)		(649,348)	
Depreciation	117,152		109,142	
Investment gains	(356,248)		(50,480)	
Investment income	(143,915)		(168,440)	
(Increase)/Decrease in debtors	(42,083)		22,465	
Increase in creditors	190,065		364	
	-----		-----	
Net cash outflow from operating activities		(689,244)		(736,297)
Investing activities				
Purchase of tangible fixed assets	(8,205)		(137,486)	
Investment income	143,915		168,440	
Proceeds from sale of investments	638,987		400,000	
	-----		-----	
Net cash inflow from investing activities		774,697		430,954
		-----		-----
Movement in cash and cash equivalents		85,453		(305,340)
Cash and cash equivalents at 1 October 2023		181,926		487,266
		-----		-----
Cash and cash equivalents at 30 September 2024		267,379		181,926
		=====		=====
Cash and cash equivalents comprise				
Cash at bank		267,379		181,926
		=====		=====
Analysis of changes in net debt	Balance at		Other	Balance at
	1 Oct 2023	Cash flow	movements	30 Sep 2024
Cash at bank	181,926	85,453	-	267,379
	=====	=====	=====	=====

The notes on pages 18 to 28 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2024

1. ACCOUNTING POLICIES

a) Statement of compliance

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments. The format of the financial statements has been presented to comply with the Charities Act 2011, *The Financial Reporting Standard applicable in the UK and Ireland* (“FRS102”) and the Statement of Recommended Practice *Accounting and Reporting by Charities* (“SORP”) second edition effective 1 January 2019.

The Charity is a Public Benefit Entity as defined by FRS102.

b) General information

The Institution is a charity registered in England and Wales (charity number: 211161). The Charity’s registered office address is: 8-9 Northumberland Street, London WC2N 5DA.

c) Going concern

The Trustees have considered the Institution’s future budgets and cash flow forecasts, together with the current financial position within the balance sheet and are of the view that the Institution is a going concern, and there are no material uncertainties which would cast doubt on the Institution’s ability to continue as a going concern. Although there were a couple of high-deficit years and RINA is still forecasting a deficit year, the Board is actively addressing it including reducing the head count and streamlining operations to cut costs and restructuring the publications business line and addressing the income side of the operations. In addition there are still significant unrestricted reserves, backed by investments that can be realised quickly, ensures that the Institution can and will continue to meet its financial obligations when they fall due.

d) Significant judgments and sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of accounting estimates. It also requires management to exercise judgment in applying the Charity’s accounting policies. The split between investment property and fixed assets of the Headquarter building required some significant estimates and judgements. The assumed market value of the investment property and the split measurements were based on Lamberts Chartered Surveyors valuation in accordance with the RICS Valuation - Professional Standards incorporating the International Valuation Standards (January 2020 edition).

The following principal accounting policies have been applied:

e) Income and endowments

All income and endowments are recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Membership subscriptions and other income derived from services is recognised in the period to which it relates.

Events income is recognised in the period in which the event takes place.

Publication and advertising income is recognised at the date the publication is issued and the performance obligation satisfied.

Investment income, including interest receivable, and other miscellaneous income are accounted for on a receivable basis.

Donations are accounted for on a received basis.

Income from the endowment funds is split between restricted and unrestricted funds according to the specific terms of each fund.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

1. ACCOUNTING POLICIES (continued)

f) Expenditure

Expenditure is recognised as soon as the related liability is incurred and has been classified under headings that aggregate all costs relating to that category. Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

Expenditure on charitable activities comprises expenditure directly related to the provision of events, membership services and publications as well as the related support costs.

Support costs represent indirect costs relating to raising funds and the Charity's charitable activities. Support costs, including governance costs, are allocated to activities on bases that represent the Trustees' best estimate of actual use. Production costs are allocated on the basis of actual expenditure, other support costs are allocated proportionally based on the income relating to the charitable activity.

Governance costs comprise the costs of running the charity, including auditors' remuneration, certain legal costs and costs of Board meetings.

g) Tangible Fixed Assets and Depreciation

Tangible fixed assets are initially recognised at cost.

Depreciation is provided on fixed assets to write off their cost less estimated residual value over their estimated useful economic life by equal annual instalments as follows:

Land	not depreciated
Freehold buildings	2% straight line
Equipment and fittings	10% straight line
IT equipment and software	20% straight line

Intangible Assets are initially recognised at cost providing 1) it's probable that future economic benefits will flow to RINA and 2) the cost of the asset can be measured reliably. Directly attributable costs of post-implementation updates to the Intangible Asset are assessed on a case-by-case basis and it is capitalised if it deems to significantly enhance the functionality and value of the Intangible Asset.

Intangible Assets are amortised over their estimated useful economic life by equal annual instalments as follows: 20% straight line.

The carrying values of intangible and tangible fixed assets are reviewed for impairment in accordance with the requirements of FRS102.

h) Investments

Investments held for the long-term to generate income or capital growth are carried as fixed assets at fair value, namely the quoted listed price.

Realised gains are the difference between sales proceeds and the carrying value of the investment. The carrying value is the fair value at the beginning of the year or the purchase cost where the investment was acquired during the year.

Unrealised gains are the change in value of investments after taking into account any movements in investment holdings such as purchases and disposals of investments.

Realised and unrealised gains are accounted for within the Statement of Financial Activities.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

1. ACCOUNTING POLICIES (continued)

i) Financial instruments

Basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable are accounted for on the following basis:

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

j) Pensions

The Institution operates a group money purchase personal pension scheme on behalf of its employees. Contributions to the scheme are recognised as expenditure when they fall due.

k) Leases

Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

l) Foreign currency transactions

Transactions denominated in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling on the balance sheet date. All gains and losses arising from foreign currency transactions are accounted for within the Statement of Financial Activities.

m) Funds

General funds comprise the accumulated surplus or deficit from the Statement of Financial Activities which is neither restricted nor designated funds. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted income funds comprise unexpended balances of donations and grants held in trust to be applied for specific purposes or accumulated income derived from investments held as part of the Charity's endowment funds.

Where funds are given to be held by the Institution as capital, they are shown as endowment funds in the financial statements. Expendable endowments are those where the trust terms provide for conversion of income to capital under certain circumstances, permanent endowments are those for which the capital may not ever be applied as income.

2. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Membership		
Institution fees	905,509	846,478
EC fees	119,763	106,608
Prizes, Scholarships and Accreditations	25,250	33,650
	<hr/>	<hr/>
	1,050,522	986,736
Events	489,352	335,657
Publications	401,125	453,693
	<hr/>	<hr/>
	1,940,999	1,776,086
	<hr/> <hr/>	<hr/> <hr/>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

3. INCOME FROM INVESTMENTS	Total 2024 £	Total 2023 £
Dividends	94,333	122,692
Bank interest	5,191	4,095
Rents	44,391	41,653
	<u>143,915</u>	<u>168,440</u>
	<u><u>143,915</u></u>	<u><u>168,440</u></u>
4. MEMBERSHIP EXPENDITURE	Total 2024 £	Total 2023 £
Salaries	261,023	194,326
Branch grants	13,096	4,957
EC fees (UK)	96,727	93,650
Prizes and Scholarships	9,114	15,278
Support costs	672,756	716,408
	<u>1,052,716</u>	<u>1,024,619</u>
	<u><u>1,052,716</u></u>	<u><u>1,024,619</u></u>
1,549 (2023: 1,807) members received grants during the year from the restricted funds.		
5. EVENTS EXPENDITURE	Total 2024 £	Total 2023 £
Salaries	94,594	67,597
Support costs	563,562	381,507
	<u>658,156</u>	<u>449,104</u>
	<u><u>658,156</u></u>	<u><u>449,104</u></u>
6. PUBLICATIONS EXPENDITURE	Total 2024 £	Total 2023 £
Salaries	642,500	559,913
Support costs	542,006	619,060
	<u>1,184,506</u>	<u>1,178,973</u>
	<u><u>1,184,506</u></u>	<u><u>1,178,973</u></u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

7. SUPPORT COSTS	Membership £	Events £	Publications £	Total 2024 £
HQ costs	437,443	203,769	167,031	808,243
Comm./IT	112,655	52,477	43,015	208,147
Production	79,720	287,315	315,565	682,600
Governance	42,938	20,001	16,395	79,334
	<u>672,756</u>	<u>563,562</u>	<u>542,006</u>	<u>1,778,324</u>

Prior year	Membership £	Events £	Publications £	Total 2023 £
HQ costs	391,277	133,100	179,906	704,283
Comm./IT	190,105	64,668	87,409	342,182
Production	114,056	176,605	342,104	632,765
Governance	20,970	7,133	9,642	37,745
	<u>716,408</u>	<u>381,506</u>	<u>619,061</u>	<u>1,716,975</u>

HQ, Comm./IT and Governance costs are allocated to activity in relation to proportion of income from activity. Production costs are allocated on an actual basis across each category.

Governance costs comprise:

	Total 2024 £	Total 2023 £
Council and Board travel	1,027	2,049
Audit	18,000	17,000
Other professional fees	60,308	18,696
	<u>79,335</u>	<u>37,745</u>

8. STAFF COSTS	Total 2024 £	Total 2023 £
Wages and salaries	1,197,111	1,054,785
Termination payment	89,953	
National insurance	139,369	125,090
Pension contributions	76,005	68,886
	<u>1,502,438</u>	<u>1,248,761</u>

The average number of employees, analysed by function, was:

	No.	No.
Professional affairs	4	3
Events & Marketing	6	5
Publishing	7	7
Administration	7	7
	<u>24</u>	<u>22</u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

8. STAFF COSTS (continued)

Three employees received remuneration in the range £60,000-£70,000, two employees received remuneration in the range £70,000-£80,000, one employee received remuneration in the range of £90,000-£100,000 and one employee received remuneration in the range £140,000-£150,000. (2023: Two employees received remuneration in the range £60,000-£70,000, one employee received remuneration in the range £70,000-£80,000 and one employee received remuneration in the range £100,000-£110,000).

No trustees received remuneration in the year (2023: No trustees received remuneration in the year). Expenses totalling £445 were reimbursed during the year in relation to travel and subsistence (2023: Expenses totalling £284 were reimbursed).

The aggregate remuneration of the charity's key management personnel amounted to £665,605 (2023: £526,275).

9. FIXED ASSETS	Freehold land and buildings	IT equipment	Intangibles	Fixtures and fittings	Total
	£	£	£	£	£
Cost or valuation					
At 30 September 2023	5,451,144	277,485	344,928	64,396	6,137,953
Additions	0	5,881	1,282	1,042	8,205
Transfers to Investment Property	(1,905,087)	-	-	-	(1,905,087)
Disposals	-	-	-	-	
	<u>3,546,057</u>	<u>283,366</u>	<u>346,210</u>	<u>65,438</u>	<u>4,241,071</u>
Accumulated depreciation					
At 30 September 2023	315,000	244,335	41,865	47,155	648,355
Charge for the year	30,000	15,468	69,178	2,506	117,152
Transfer to Investment Property	(120,572)	-	-	-	(120,572)
Disposals	-	-	-	-	
	<u>224,428</u>	<u>259,803</u>	<u>111,043</u>	<u>49,661</u>	<u>644,935</u>
Net Book Value					
At 30 September 2024	<u>3,321,629</u>	<u>23,563</u>	<u>235,167</u>	<u>15,777</u>	<u>3,596,136</u>
At 30 September 2023	<u>5,136,144</u>	<u>33,150</u>	<u>303,063</u>	<u>17,241</u>	<u>5,489,598</u>

During the year, the charity has reclassified part of its head office premises to investment properties within these financial statements. This is due to a change in use during the period and the transfer reflects the proportion of the property which is held for rental purposes. The value of the element of the property is shown in note 10.

10. INVESTMENT PROPERTY

At valuation

At 1 Oct 2023	-
Additions	1,784,515
Disposals	-
Market value gain/(loss)	32,801

At 30 Sept 2024	<u>1,817,316</u>
	=====

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

11 INVESTMENTS	UK Quoted investments
	£
Market value at 1 Oct 2023	3,150,351
Additions	-
Disposals	(638,987)
Gain	323,447
	<hr/>
Market value at 30 Sept 2024	2,834,811
	<hr/> <hr/>

The above investments are all held in Unit Trusts.

12. DEBTORS	2024	2023
Due within one year	£	£
Trade debtors	110,043	66,019
Prepayments	56,857	44,216
Sundry Debtors	4,702	6,017
Tax and social security	515	13,782
	<hr/>	<hr/>
	172,117	130,034
	<hr/> <hr/>	<hr/> <hr/>

13. CREDITORS: amounts falling due within one year	2024	2023
	£	£
Trade creditors	44,596	48,825
Accruals	146,246	68,663
Deferred income & Income in advance	363,396	262,306
Tax and social security	61,191	34,379
Other creditors	1,695	12,887
	<hr/>	<hr/>
	617,125	427,060
	<hr/> <hr/>	<hr/> <hr/>

Movement in deferred income and income in advance

Brought forward	262,306	264,825
Released into income during the year	(262,306)	(264,825)
Incurred during the year	363,396	262,306
	<hr/>	<hr/>
Carried forward	363,396	262,306
	<hr/> <hr/>	<hr/> <hr/>

Deferred income comprises membership subscriptions which are to be recognised in the subsequent financial year.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

14. UNRESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
General funds	6,579,745	2,025,580	(2,867,007)	150,308	46,490	5,935,116

15. RESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
Scholarship funds	234,490	30,209	(12,280)	21,273	(8,490)	265,202
Benevolent funds	87,524	26,893	(9,884)	7,939	(38,000)	74,472
Prize funds	26,564	2,232	(6,207)	2,892	-	25,481
	348,578	59,334	(28,371)	32,104	(46,490)	365,155

The Institution's restricted funds comprise a large number of small funds which have been amalgamated for reporting purposes under the three main headings above. The Trustees administer the funds and make awards from them in accordance with the terms of each original gift. Further details appear in the Board of Trustees' Report.

The transfer from the Benevolent Fund represents an allocation of funds in respect of relevant expenditure incurred and charged to the Institute's general fund.

16. ENDOWMENT FUNDS

	Opening Balance £	Gains/(Loss) on Investments £	Closing Balance £
Scholarship funds			
Permanent endowment	642,472	69,955	712,427
Expendable endowment	125,096	13,621	138,717
	767,568	83,576	851,144
Benevolent funds			
Permanent endowment	784,350	85,403	869,753
Prize funds			
Permanent endowment	44,608	4,857	49,465
	1,596,526	173,837	1,770,363

The Institution's endowment funds represent a large number of small funds which have been amalgamated for reporting purposes under the three main headings above. The income arising from the underlying assets is allocated to the restricted funds shown in Note 14.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 30 September 2024 are represented by:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Fixed assets	3,596,136	-	-	3,596,136
Investment Property	1,817,316	-	-	1,817,316
Investments	737,498	326,951	1,770,362	2,834,811
Current assets	401,292	38,204	-	439,496
Current liabilities	(617,125)	-	-	(617,125)
Total net assets	<u><u>5,935,117</u></u>	<u><u>365,155</u></u>	<u><u>1,770,362</u></u>	<u><u>8,070,634</u></u>

Fund balances at 30 September 2023 are represented by:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Fixed assets	5,489,598	-	-	5,489,598
Investments	1,258,978	294,847	1,596,526	3,150,351
Current assets	258,229	53,731	-	311,960
Current liabilities	(427,060)	-	-	(427,060)
Total net assets	<u><u>6,579,745</u></u>	<u><u>348,578</u></u>	<u><u>1,596,526</u></u>	<u><u>8,524,849</u></u>

18. FUTURE FINANCIAL COMMITMENTS

(a) OPERATING LEASES

At 30 September 2024 the charity had annual commitments under operating leases as set out below:

	Office Equipment	
	2024	2023
	£	£
Operating leases which expire:		
In less than one year	7,491	4,371
In the second to fifth year	23,712	10,920
	<u>31,203</u>	<u>15,291</u>

19. RELATED PARTY TRANSACTIONS

There were no disclosable related party transactions during the year (2023: none).

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £
Income and expenditure					
Income and endowments from:					
Charitable Activities					
Membership	2	986,736	-	-	986,736
Events	2	335,657	-	-	335,657
Publications	2	453,693	-	-	453,693
Grants, Donations and legacies		-	8,342	-	8,342
Investment income	3	110,055	58,385	-	168,440
Total income and endowments		<u>1,886,141</u>	<u>66,727</u>	<u>-</u>	<u>1,952,868</u>
Expenditure on:					
Charitable Activities					
Membership	4	1,007,685	16,934	-	1,024,619
Events	5	448,778	326	-	449,104
Publications	6	1,178,450	523	-	1,178,973
Total expenditure		<u>2,634,913</u>	<u>17,783</u>	<u>-</u>	<u>2,652,696</u>
Net income before investment gains/losses		(748,772)	48,944	-	(699,828)
Gain/(loss) on investment assets	10	25,322	3,922	21,236	50,480
Net income before transfers		<u>(723,450)</u>	<u>52,866</u>	<u>21,236</u>	<u>(649,348)</u>
Transfers between funds	13, 14	38,000	(38,000)	-	-
Net movement in funds		<u>(685,450)</u>	<u>14,866</u>	<u>21,236</u>	<u>(649,348)</u>
Reconciliation of funds					
Total funds brought forward		<u>7,265,195</u>	<u>333,712</u>	<u>1,575,290</u>	<u>9,174,197</u>
Total funds carried forward		<u><u>6,579,745</u></u>	<u><u>348,578</u></u>	<u><u>1,596,526</u></u>	<u><u>8,524,849</u></u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

21. COMPARATIVE UNRESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
General funds	7,265,195	1,886,141	(2,634,913)	25,322	38,000	6,579,745

22. COMPARATIVE RESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
Scholarship funds	218,144	29,725	(15,978)	2,599	-	234,490
Benevolent funds	89,749	34,805	-	970	(38,000)	87,524
Prize funds	25,819	2,197	(1,805)	353	-	26,564
	333,712	66,727	(17,783)	3,922	(38,000)	348,578

23. COMPARATIVE ENDOWMENT FUNDS

	Opening Balance £	Gains/(Loss) on Investments £	Closing Balance £
Scholarship funds			
Permanent endowment	633,926	8,546	642,472
Expendable endowment	123,432	1,664	125,096
	757,358	10,210	767,568
Benevolent funds			
Permanent endowment	773,917	10,433	784,350
Prize funds			
Permanent endowment	44,015	593	44,608
	1,575,290	21,236	1,596,526

ROYAL INSTITUTION OF NAVAL ARCHITECTS

England & Wales - Charity number 211161

Accounts

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

Charity No: 211161
Company No: RC000489

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

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THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

PREAMBLE

Despite the challenges of the post-COVID pandemic, the Institution continues to be a leading professional body on the international platform. It has strengthened its global representation by developing Strategic objectives focusing on the next 5 years to globally increase membership, inspire the next generation and identify the skills for the 21st Century Naval Architect and Maritime Engineer. Moreover to advance the objective in becoming The International Centre of Excellence for Naval Architecture and Maritime Engineering. This success can be measured by increased attendance in both on-line presentations and meetings.

The Institution's standing committees remain well-regarded throughout the marine industry and provide expert advice to prominent bodies such as the IMO. The high standard of technical papers continues to deliver reference material for members and the maritime community. In accordance with the objectives of the Institution a newly formed Future Careers Committee has been approved to focus on: STEM, University undergraduates, graduates and early career members, Engineering Technicians and those who cross over into Naval Architecture and Maritime Engineering at a later stage in their careers.

As a commitment to the future, the Institution has completed the first phase of its digital program to completely overhaul its operational systems and website. During 2023 members experienced an improved interface, facilities, and benefits such as online training. The digital program development will continue throughout 2024, whereby a Digital Working Group has been established to focus on future requirements. New Strategic objectives were set by the Board of Trustees to provide a clear roadmap for the Institution to align its efforts, make informed decisions and achieve long-term success:

Vision - To be recognised Worldwide as the Maritime Professional Engineering Institution of choice

Strategy - To be become a Professional Engineering Institution that is recognised as an International Centre of Excellence for Naval Architecture and Maritime Engineering, that focuses on meeting the needs of our members and the wider maritime community by the integration of our services, our capabilities, and our global expertise.

The strategy is built on four key themes.

1. Becoming an International Centre of Knowledge and Excellence for the Naval Architecture and Maritime Engineering Community
2. Identifying and developing the skills needed for the 21st Century Naval Architect and Engineer
3. Inspiring the next generation
4. Increasing Membership globally

Our values.

- Respect for people and the environment
- Professionalism and Excellence
- High ethical standards
- Integrity
- Innovation

Post-COVID, digital transformation and updating many of the Institution processes has had a financial impact. Fortunately, the Institution has adequate reserves to counter a short-term disruption in events while providing the necessary investment for the future. During the year we have experienced increased numbers attending live events and expect this trend to continue in 2024.

The Institution maintains its position as an internationally respected body and the investment in digital tools, people, and new learned ways of working significantly increase the value proposition, making the Institution attractive to new members and will enhance the benefits and services for our valued members.

OBJECTIVES OF THE INSTITUTION

The objectives of The Royal Institution of Naval Architects are as set out in the Charter of Incorporation 1910 - 'the improvement of ships and all that specially appertains to them, and the arrangement of periodic meetings for the purpose of discussing practical and scientific subjects bearing upon the design and construction of ships and their means of propulsion, and all that relates thereto'.

Today, reflecting the wider range of activities of the Institution as both a professional institution and learned society, the objectives of the Institution are more aptly described as "to encourage and assist in the achievement of the safe and efficient design, construction, maintenance and operation of marine vessels and structures."

These objectives are primarily achieved by:

- Setting of internationally recognised and accepted standards of professional competence and integrity required for membership.
- Encouraging membership of the Institution at all levels.
- Enabling of the exchange of technical information through the Institution's publications, conferences, and local meetings, which are open to all those involved in the design, construction, maintenance and operation of marine vessels and structures.
- Contributing its collective expertise to national and international maritime organisations for the benefit of the profession and society.

Building on the objectives for 2024, the Institution has continued to maintain and develop the internationalism of the organisation both in terms of both membership and activities. Furthermore, it has encouraged all members of the profession to become actively involved in events organised by the Institution and to strengthen its links with academia and industry. In order to support these initiatives, the Institution has reviewed all its operations, systems architecture and secretariat support and continues to modernise its the working practices and systems, such as digital tools and skills mapping. Aligned with the strategy, these remain the Institution's specific objectives for the forthcoming year.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Institution organised/co-organised 10 courses and conferences, covering the full spectrum of maritime technology and ranging from one-day seminars to major 2-day conferences. Most of the courses and conferences were hybrid, but a number, such as the President Invitation lecture and the Annual Dinner event, were supported by live attendance. Throughout the program the Institution followed the advice issued by the UK Government regarding COVID restrictions.

During the year, the Institution published 8 journal titles (The Naval Architect 10 issues, Ship & Boat International 6 issues, Warship Technology 5 issues, Ship Repair & Maintenance 4 issues, Jetro-sponsored supplement, Significant Ships, Significant Small Ships and International Journal of Maritime Engineering 4 issues), reporting on developments in the maritime industry and the results of research and development. Conferences and publications have also contributed to the Institution's income.

The Institution's local Branches and Sections held regular meetings to present and discuss matters of professional interest. Subjects included: Innovation and Sustainability in Fishing Vessel Design, Maritime Autonomous Surface Ship, A Hydrographic Perspective, Robotics for Challenging Environments, Cyber Security in Shipping, IMO Navigates the age of alternate fuels, The Seaworthiness Assurance Journey Royal Australian Navy, The Australian Future Submarine multiverse, Energising the Maritime Industry with Offshore Wind, and many more including branch/section administration. Many of these presentations have been offered to non-members on our digital platforms both during and after the events.

The Institution also contributed its collective expertise to national and international organisations, particularly in matters relating to maritime safety and the protection of the maritime environment. Members participate in the following maritime groups:

- IMO Committee – concerned with matters relating to the regulation of the design, construction and operation of marine vessels and the protection of the maritime environment discussed at the IMO.
- Maritime Safety Committee – dealing with the design, construction and operating matters related to the safety of marine vessels and structures.
- Maritime Environmental Committee – covering matters concerning the protection of the maritime environmental and marine renewable energy.
- Maritime Innovation Committee – concerned with the impact on the maritime industry, the profession and the Institution of the development and use of innovative technologies.

The Institution continues to recognise and encourage the achievement of individuals at all stages of professional development through its custom of prizes and awards.

Since COVID certain live events have been transferred online and/or to a hybrid arrangement, enabling an increase in their availability to both members and non-members. Feedback on activities confirmed that the Institution was maintaining the high standard and value of its conferences, publications etc., and meeting its objectives.

Trustees continue to develop the requisite skills that are required to maintain a balanced Board of Trustees. They were once again provided with a training course intended primarily for newly appointed trustees and will serve as an introduction to charity law and governance issues including:

- Understanding your charity's structure
- The powers and duties of trustees
- The role of the Charity Commission
- Commercial and key financial issues for charities

Updates and information from the Charity Commission are distributed on a regular basis to ensure trustees remain conscious of their responsibilities.

During 2023 the Institution's systems architecture was updated, including the IT/OT system, combined with an investment in marketing and communications resource which has improved the communication and functionality, therefore modernising the administration of the Institution. Specialist consultants were utilised to build the digital tools and update skills, and the Institution has now migrated to a cloud-based infrastructure including a bespoke Customer Relationship Management system built in Microsoft d365. The website also received an overhaul and the new systems have enabled the

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

Institution to level up in an ever increasing digital community. The development of such tools and skill sets will enhance the interface for Members.

Other activities include a review of the Institution's publications and staff members attended ISO9001:2015 training with a lead auditor now approved to support governance in accordance with ISO policy. This was carried out in-house by the Chief Executive and the administration continues to perform risk assessments to identify gaps and improve operational efficiency.

The Board of Trustees continued to support the Fund Steering Group (FSG) which consists of three trustees and is chaired by the Treasurer. It is bolstered by the Chief Executive and the Institution's Finance Director with third-party consultation from Independent Investment Reviews Ltd. The FSG maintains a review of the Institution finances by with the investment of £3million in Churches, Charities and Local Authorities (CCLA) Investment Management Ltd. CCLA is one of the UK's largest charity fund managers and the funds have been invested on a total return option. The Institution's investment policy is reviewed annually and incorporated into the business management system.

The Institution has operated in the post-COVID-19 environment to monitor the impact on daily operations. However, the Institution has kept working smoothly and efficiently online providing learning and information to our members. The secretariat operates from headquarters and maintain a rotation-based work schedule so that operations include human element and interaction that cannot be replicated online. Our risk assessment is maintained in accordance with HSE governance.

Future Plans

In the forthcoming year, the Institution plans a full programme of courses, conferences, and local meetings, reflecting developments in the design, construction and maintenance of marine vessels and structures. It will continue contributing its collective expertise to appropriate national and international organisations, for the benefit of society and the profession.

The Institution will launch the new strategic objectives and further develop digital programs to support operations, where applicable. The Institution embraces ISO27001 for security against the ever-increasing threat of cyber-crime and ISO9001:2015 for quality management standards.

Employee training will facilitate better individual performance using the improved tools which, in turn, will enhance the communication and accessibility for all members and reach out to attract new members.

The Secretariat operates under an improved HR system whereby staff roles are monitored and reviewed in accordance with an appraisal system which also reviews pay and remuneration and benchmarks against the pay structure of other professional engineering institutions or similar. The Board established a remuneration committee, chaired by the Treasurer to assist the Chief Executive in making decisions regarding remuneration, compensation and benefits for the Institution administration staff.

The Secretariat continues to be monitored and reviewed and is 'fit for purpose' with improved capability to support international membership. This included the introduction of new staff in Membership and Marketing and Communications with all positions sourced externally. All staff roles and responsibilities are reviewed against KPI's which are set and measured during the annual appraisal.

Key to maintaining efficiency is the continuous review of the Secretariat decision making and reporting process and to ensure there are sufficient resources to cover the various roles and responsibilities.

The role and capabilities of the Naval Architect within the maritime community is the subject of a focus group whereby we continue to identify the value and relevance of today's Naval Architect and raise our profile within Industry. We will be looking at continued professional development, engagement with Peers, Industry and Academia, but also how we attract youth into our profession and how they can become the 'Total Engineer' and 'Systems Integrator'. The Institution is a member of Engineering UK and the STEM Ambassadors program to support education and careers program.

We will continue to review and refresh our brand whilst maintaining operational focus for worldwide membership.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

BOARD OF TRUSTEES

The Royal Institution of Naval Architects, also known as “RINA,” is a registered charity in England and Wales (number 211161) incorporated under Royal Charter. The Board of Trustees is the governing body of the Institution. Members of the Board are principally elected members of Council, recommended by the Council to the Board for appointment as Trustees.

The Board of Trustees is responsible for the governance and management of the Institution. Responsibility for the day-to-day management of the Institution’s affairs is delegated to the Chief Executive, accountable through the Chairman to the Board of Trustees. All Trustees are provided with guidance documentation and updates issued by the Charity Commission concerning their responsibilities.

The members of the Board of Trustees confirm they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. In particular, the Institution has acted as a Licensed Member of the UK Engineering Council in promoting higher education and professional standards, and as an NGO of the International Maritime Organization in improving maritime safety and the protection of the maritime environment. It has also contributed its collective expertise to other appropriate maritime organisations.

Board of Trustees

Chairperson

C L Savage

Vice Chairperson

R M Cripps

Treasurer

D N Monioudis

Trustees

M d’Amico

L A Santini

R C Gehling

T Allan

E Pang

J K Paik

T D Strang

K W Hutchinson

B Rosenblatt

The Board of Trustees met formally four times in the year, during which its principal considerations were the policy, management and review of the Institution’s investments, the management and review of the Risk Register and Fund policy.

During the year, the Board continued to review progress and set the new strategic objectives focusing on the next 5 years, ensuring the Institution remains attractive to members and the potential changes in expectation within the maritime industry and members’ professional needs.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

COUNCIL

The members elect the Council. It is responsible for communicating the views of the Institution's membership to the Board of Trustees and for providing guidance and advice to the Board on all matters related to the governance of the Institution.

The Council holds delegated authority from the Board of Trustees for the management of the professional, technical, and learned society affairs of the Institution. Such delegated authority is principally exercised through the Institution's standing committees and the Chief Executive. There are no connected organisations.

Past Presidents

Professor J B Caldwell OBE PhD DSc FEng
Sir T J Parker FEng
Professor W Geraint Price FEng FRS
Dr N Gee DEng BSc FEng
Mr S Payne OBE Hon. PhD (Sc) BEng FEng
Mr P French FRINA FEng FRSA
Mr B S. Rosenblatt FRINA
Mr T Boardley FRINA
Professor R W Birmingham FRINA
Mr. Maurizio d'Amico FRINA

President

Professor C Savage

Honorary Vice Presidents

E C Tupper
J D Frier
P G Wrobel

Vice Presidents

A K Dev
T Allan
Dr D Aldwinckle
C De Marco
A Subahani
D Molyneux
IKAP Utama
J K Paik
P Krishnankutty
R Gehling

Fellows

B Y W Lau
D N Monioudis
R L Downs
P A Wilson
K W Hutchinson
R P Fernandez
G S Chopra
S Inayatullah
D Konovessis
P J S Kujala
M Renilson
N Ratukalou

Members

N J MacLennan
C Silitziotis
A J Aitken
L A Santini
H W Theunissen

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

Associate-Members

M H Ghaemi
S De Villiers
R A Miller
A Kumar
Y R Kamath
H Dixon
C Baxter
C McNair
C Baker

President of the Australian Division

J Black

President of the New Zealand Division

G Schweikart +

Chairs of Standing Committees

P Wilson (Publications Committee)
R Cripps (Maritime Innovation Committee) +
F H Spencer (Disciplinary Committee) +
E Pang (IMO Committee) +
S Watts (Maritime Safety Committee) +
T Strang (Maritime Environment Committee) +
J Kernaghan (Membership Committee) +
M Barton (Professional Affairs Committee) +

Chief Executive

C Boyd

Solicitors

Messrs Taylor, Joyson Garret & Co.

Auditors

Haysmacintyre LLP

Bankers

The Royal Bank of Scotland

Investment Advisors

CCLA Investment Management Ltd.
M&G Investment Management Ltd

RINA Headquarters principal office address

8-9 Northumberland Street, London, WC2N 5DA

+ *Ex officio members*

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

FINANCIAL REVIEW

Total income (Restricted and Unrestricted) in 2022/23 was £1.95m (2021/22: £1.95m) and total expenditure (Restricted and Unrestricted) in 2022/23 was £2.65m (2021/22: £2.12m).. Income remained relatively stable; income from institution membership fees tracked inflation and increased to £846k (2022: £810k). After the short term disruption of Covid, income from events gradually increased to £335k (2022: £240k). The income from publications and advertising sales shrunk to £454k, (2022: £569k) which reflects changing market conditions. The total expenditure increased due to ongoing investment into human capital, upskilling the secretariat and increased IT support costs with investment into an updated systems architecture, as discussed earlier in this report.

The value of the fixed assets increased to £5,49m (2022: £5,46m) as a result of the ongoing digital upgrade; the Institution invested into a bespoke Customer Relationship Management system and a new website.

Net deficit before investment losses in 2022/23 was £700k (2021/22: £181k). The operating deficit in the Unrestricted Fund in 2022/23 was £749k (2021/22: £245k), and the operating surplus in the Restricted Fund in 2022/23 was £49k (2021/22: £65k).

Investment policy and performance

In accordance with authority enabled by the Order of the Charity Commissioners for England and Wales, dated 1 Nov 2002 and issued under Section 26 of the Charities Act 1993, the Trustees have sought and gained approval to use a 'Total Return' policy with regard to the Endowment Funds.

The investment powers of the Board of Trustees are set out in the Royal Charter and By-Laws, copies of which are available from the Chief Executive at RINA Headquarters. Under the terms of those powers, management of the investment portfolio has been delegated to two investment management companies: CCLA Investment Management Ltd and M&G Investment Management Ltd.

The Board of Trustees reviewed its investment policy and confirmed that it remains the purpose of the Investment Portfolio to provide the Institution with income whilst maintaining the value of capital in real terms. As such the investment aim is to generate a minimum total return in excess of inflation (UK RPI) over a 5 year period.

The value of the investments at end September 2023 (£3.15m) has decreased by 10% from the previous financial year, despite a combined £50k gain on the M&G and CCLA investments, as a result of the sale of £400k M&G Charifund investment to finance the operational deficit and digital upgrade project. Throughout the year, the M&G dividend yield (Sept 2023: 5.88%) was significantly ahead of the average yield of the FTSE All Share Index (Sept 2023: 3.81%) and the M&G total return over 12 months stood at 10.54% versus the Index at 13.84%. The CCLA fund total return performance over the past twelve months was 4.48%.

Reserves Policy

The total value of the Institution's funds (Unrestricted, Restricted and Endowment) on 30 September 2023 was £8.52m (2022: £9.17m). The value of the Unrestricted Fund on 30 September 2023 was £6.58m (2022: £7.27m). The value of Restricted Funds on 30 September 2023 was £349k (2022: £334k). The value of Endowment Funds on 30 September 2023 was £1.60m (2022: £1.6m). The total value of the Institution's investments on 30 September 2023 was £3.15m (2022: £3.5m).

The Institution's free reserves (unrestricted funds less designated funds and tangible fixed assets) stood at 30 September 2023 at £1.09m (2022: £1.80m). The cash holdings stood at £181k on 30 September 2023 (2022: £487k). The Board of Trustees' policy is to maintain minimum cash reserves at the level of 3 months forward cash outflow from HQ operating costs net of rental and investment income, namely circa £250k, and to consider reserves in excess of this level for investment. To finance the operating deficit the Trustees released £400k of investment to cash during the year.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

Restricted Funds

The Board of Trustees' policy is to use all dividend income from Restricted Funds to assist and enable the continuing academic and professional development of members.

- Prize funds are awarded for outstanding articles published in the Institution's journals.
- Scholarship funds support student attendance at conferences and other events and provide for online learning.
- Benevolent funds provide membership funding to members in full-time education and assistance to other members requiring financial support.

Risk Management and Principal Risks

Operational and financial risks facing the Institution are listed in the Risk Register which is routinely reviewed and revised by the Trustees. Policies and procedures have been established to mitigate any risks identified during these reviews. Compliance with these policies and procedures is monitored by routine Internal Audit and Self-Assessment.

Risk and mitigation measures include, but not limited to:

RISK	MITIGATION
GOVERNANCE That effective governance of the Institution will be prejudiced by a lack of knowledge and understanding by individual Trustees of their responsibilities as a Trustee.	All Trustees shall be familiar with Charity Commission guidance on the roles and responsibilities of Trustees through review of online guidance documents and training. Terms of Reference for the Board of Trustees are published and shall be reviewed annually.
FINANCIAL That Inadequate management of the Institution's finances and assets leads to financial losses. This could include misconduct, wrongdoing, or embezzlement.	Financial controls and procedures are published and reviewed annually. An Investment and Reserves Policy is published and reviewed annually. An internal Audit of the implementation of financial controls and procedures is carried out annually. A statutory annual Audit is carried out by external Auditors. A Management Report by the external Auditors is received annually. A Trustee (the Treasurer) is appointed with lead responsibility for financial matters. Trustees receive financial activity reports. Random checks of financial transactions are carried out.

COVID-19 has presented a significant risk to both the operation and finances of the Institution., Members have shown an appetite to attend the Institution conferences and receive publications, but the uptake has not been enough to make a positive impact to Institutions income for this year. The combination of these principal risks has the potential to undermine the Institution's ability to maintain the current level of its activities and services to members. A Publications and Events audit is scheduled to measure and benchmark against current best practice and what members want to receive.

The Board routinely reviews cashflow, income and expenditure in both short and long term to manage financial risk.

Remuneration of key personnel

The remuneration of senior members of the Secretariat is reviewed and changes approved annually by the Trustees. See future plans on page 4 for further details of this process.

Fundraising

The Institution does not carry out any active fundraising, nor does it engage with any third party or professional fundraisers, and therefore has not signed up to any fundraising standards. There have been no fundraising complaints received during the year (2022: none). Complaints are considered by the Board or by independent non-Board members as appropriate.

Statement of the Board of Trustees' responsibilities

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Institution's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Board of Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Institution will continue in operation.

The Board of Trustees is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Institution, and which enable them to ascertain the financial position of the Institution, and which enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the Institution and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Disclosure of information to auditor

The Trustees who held office at the date of approval of this Board of Trustees' Report confirm that, as far as they are each aware:

- there is no relevant audit information of which the auditor is unaware; and
- each Trustee has taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Haysmacintyre LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

Signed on behalf of the Board of Trustees:

dimitris monioudis

D N Monioudis
Trustee

Date: 2nd February 2024

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

Opinion

We have audited the financial statements of the Royal Institution of Naval Architects for the year ended 30 September 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2023 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 trustees' 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 the charity'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF THE ROYAL INSTITUTION OF NAVAL ARCHITECTS (continued)

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charity SORP, and considered other factors such as payroll tax and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF
THE ROYAL INSTITUTION OF NAVAL ARCHITECTS (continued)**

Use of our report

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

Haysmacintyre LLP

Haysmacintyre LLP
Statutory Auditors
Date: 06/02/24

10 Queen Street Place
London
EC4R 1AG

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

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
Income and expenditure						
Income and endowments from:						
Charitable Activities						
Membership	2	986,736	-	-	986,736	924,025
Events	2	335,657	-	-	335,657	239,559
Publications	2	453,693	-	-	453,693	569,451
Grants, Donations and legacies		-	8,342	-	8,342	32
Investment income	3	110,055	58,385	-	168,440	213,163
Total income and endowments		<u>1,886,141</u>	<u>66,727</u>	<u>-</u>	<u>1,952,868</u>	<u>1,946,230</u>
Expenditure on:						
Charitable Activities						
Membership	4	1,007,685	16,934	-	1,024,619	718,142
Events	5	448,778	326	-	449,104	464,352
Publications	6	1,178,450	523	-	1,178,973	944,292
Total expenditure		<u>2,634,913</u>	<u>17,783</u>	<u>-</u>	<u>2,652,696</u>	<u>2,126,786</u>
Net income/(expenditure) before investment gains/(losses)		(748,772)	48,944	-	(699,828)	(180,556)
Gain/(loss) on investment assets	10	25,322	3,922	21,236	50,480	(174,884)
Net income before transfers		<u>(723,450)</u>	<u>52,866</u>	<u>21,236</u>	<u>(649,348)</u>	<u>(355,440)</u>
Transfers between funds	13, 14	38,000	(38,000)	-	-	-
Net movement in funds		<u>(685,450)</u>	<u>14,866</u>	<u>21,236</u>	<u>(649,348)</u>	<u>(355,440)</u>
Reconciliation of funds						
Total funds brought forward		<u>7,265,195</u>	<u>333,712</u>	<u>1,575,290</u>	<u>9,174,197</u>	<u>9,529,636</u>
Total funds carried forward		<u><u>6,579,745</u></u>	<u><u>348,578</u></u>	<u><u>1,596,526</u></u>	<u><u>8,524,849</u></u>	<u><u>9,174,197</u></u>

All amounts relate to continuing activities.

The notes on pages 17 to 27 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BALANCE SHEET

AS AT 30 SEPTEMBER 2023

Company No: RC000489

	Notes	2023		2022	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		5,489,598		5,461,254
Investments	10		3,150,351		3,499,872
			<u>8,639,949</u>		<u>8,961,126</u>
CURRENT ASSETS					
Debtors	11	130,034		152,499	
Cash at bank and in hand		181,926		487,266	
		<u>311,960</u>		<u>639,765</u>	
CREDITORS: amounts falling due within one year	12	(427,060)		(426,694)	
NET CURRENT ASSETS			<u>(115,100)</u>		<u>213,071</u>
NET ASSETS	16		<u>8,524,849</u>		<u>9,174,197</u>
CHARITY FUNDS					
Unrestricted funds					
General funds	13		6,579,745		7,265,195
Restricted	14		348,578		333,712
Endowment	15		1,596,526		1,575,290
			<u>8,524,849</u>		<u>9,174,197</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 30th January 2024 and signed on their behalf by:

dimitris monioudis

D N Monioudis
Trustee

The notes on pages 17 to 27 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	2023 £	2023 £	2022 £	2022 £
Operating activities				
Net income before investment gains	(699,828)		(180,556)	
Depreciation	109,142		75,967	
Investment income	(168,440)		(213,163)	
(Increase)/Decrease in debtors	22,465		(30,059)	
Increase in creditors	364		7,678	
	-----		-----	
Net cash outflow from operating activities	----	(736,297)		(340,129)
Investing activities				
Purchase of tangible fixed assets	(137,486)		(241,963)	
Purchase of investments	-		(3,000,000)	
Investment income	168,440		213,163	
Proceeds from sale of tangible fixed assets	-		1,033	
Proceeds from sale of investments	400,000		3,400,000	
	-----		-----	
Net cash inflow from investing activities	---	430,954		372,233
		-----		-----
Movement in cash and cash equivalents		(305,340)		32,102
Cash and cash equivalents at 1 October 2022		487,266		455,164
		-----		-----
Cash and cash equivalents at 30 September 2023		181,926		487,266
		=====		=====
Cash and cash equivalents comprise				
Cash at bank		181,926		487,266
		=====		=====
Analysis of changes in net debt	Balance at		Other	Balance at
	1 Oct 2022	Cash flow	movements	30 Sep 2023
Cash at bank	487,266	(305,340)	-	181,926
	=====	=====	=====	=====

The notes on pages 17 to 27 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1. ACCOUNTING POLICIES

a) Statement of compliance

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments. The format of the financial statements has been presented to comply with the Charities Act 2011, *The Financial Reporting Standard applicable in the UK and Ireland* (“FRS102”) and the Statement of Recommended Practice *Accounting and Reporting by Charities* (“SORP”) second edition effective 1 January 2019.

The Charity is a Public Benefit Entity as defined by FRS102.

b) General information

The Institution is a charity registered in England and Wales (charity number: 211161). The Charity’s registered office address is: 8-9 Northumberland Street, London WC2N 5DA.

c) Going concern

The Trustees have considered the Institution’s future budgets and cash flow forecasts, together with the current financial position within the balance sheet and are of the view that the Institution is a going concern, and there are no material uncertainties which would cast doubt on the Institution’s ability to continue as a going concern. Although there is a deficit for the year to 30 September 2023 and a forecast deficit for the following year, the existence of significant unrestricted reserves, backed by investments that can be realised quickly, ensures that the Institution can and will continue to meet its financial obligations when they fall due.

d) Significant judgments and sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of accounting estimates. It also requires management to exercise judgment in applying the Charity’s accounting policies. The Trustees do not consider there to be any key judgements or significant sources of estimation uncertainty.

The following principal accounting policies have been applied:

e) Income and endowments

All income and endowments are recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Membership subscriptions and other income derived from services is recognised in the period to which it relates.

Events income is recognised in the period in which the event takes place.

Publication and advertising income is recognised at the date the publication is issued and the performance obligation satisfied.

Investment income, including interest receivable, and other miscellaneous income are accounted for on a receivable basis.

Donations are accounted for on a received basis.

Income from the endowment funds is split between restricted and unrestricted funds according to the specific terms of each fund.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1. ACCOUNTING POLICIES (continued)

f) Expenditure

Expenditure is recognised as soon as the related liability is incurred and has been classified under headings that aggregate all costs relating to that category. Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

Expenditure on charitable activities comprises expenditure directly related to the provision of events, membership services and publications as well as the related support costs.

Support costs represent indirect costs relating to raising funds and the Charity's charitable activities. Support costs, including governance costs, are allocated to activities on bases that represent the Trustees' best estimate of actual use. Production costs are allocated on the basis of actual expenditure, other support costs are allocated proportionally based on the income relating to the charitable activity.

Governance costs comprise the costs of running the charity, including auditors' remuneration, certain legal costs and costs of Board meetings.

g) Tangible Fixed Assets and Depreciation

Tangible fixed assets are initially recognised at cost.

Depreciation is provided on fixed assets to write off their cost less estimated residual value over their estimated useful economic life by equal annual instalments as follows:

Land	not depreciated
Freehold buildings	2% straight line
Equipment and fittings	10% straight line
IT equipment and software	20% straight line

Intangible Assets are initially recognised at cost providing 1) it's probable that future economic benefits will flow to RINA and 2) the cost of the asset can be measured reliably. Directly attributable costs of post-implementation updates to the Intangible Asset are assessed on a case-by-case basis and it is capitalised if it deems to significantly enhance the functionality and value of the Intangible Asset.

Intangible Assets are amortised over their estimated useful economic life by equal annual instalments as follows: 20% straight line.

The carrying values of intangible and tangible fixed assets are reviewed for impairment in accordance with the requirements of FRS102.

h) Investments

Investments held for the long-term to generate income or capital growth are carried as fixed assets at fair value, namely the quoted listed price.

Realised gains are the difference between sales proceeds and the carrying value of the investment. The carrying value is the fair value at the beginning of the year or the purchase cost where the investment was acquired during the year.

Unrealised gains are the change in value of investments after taking into account any movements in investment holdings such as purchases and disposals of investments.

Realised and unrealised gains are accounted for within the Statement of Financial Activities.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1. ACCOUNTING POLICIES (continued)

i) Financial instruments

Basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable are accounted for on the following basis:

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

j) Pensions

The Institution operates a group money purchase personal pension scheme on behalf of its employees. Contributions to the scheme are recognised as expenditure when they fall due.

k) Leases

Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

l) Foreign currency transactions

Transactions denominated in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling on the balance sheet date. All gains and losses arising from foreign currency transactions are accounted for within the Statement of Financial Activities.

m) Funds

General funds comprise the accumulated surplus or deficit from the Statement of Financial Activities which is neither restricted nor designated funds. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted income funds comprise unexpended balances of donations and grants held in trust to be applied for specific purposes or accumulated income derived from investments held as part of the Charity's endowment funds.

Where funds are given to be held by the Institution as capital, they are shown as endowment funds in the financial statements. Expendable endowments are those where the trust terms provide for conversion of income to capital under certain circumstances, permanent endowments are those for which the capital may not ever be applied as income.

2. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Membership		
Institution fees	846,478	809,697
EC fees	106,608	108,978
Prizes, Scholarships and Accreditations	33,650	5,350
	<hr/>	<hr/>
	986,736	924,025
Events	335,657	239,559
Publications	453,693	569,451
	<hr/>	<hr/>
	1,776,086	1,733,035
	<hr/> <hr/>	<hr/> <hr/>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

3. INCOME FROM INVESTMENTS	Total 2023 £	Total 2022 £
Dividends	122,692	185,075
Bank interest	4,095	338
Rents	41,653	27,700
	<u>168,440</u>	<u>213,113</u>
	<u><u>168,440</u></u>	<u><u>213,113</u></u>
4. MEMBERSHIP EXPENDITURE	Total 2023 £	Total 2022 £
Salaries	194,326	151,717
Branch grants	4,957	5,619
EC fees (UK)	93,650	92,182
Prizes and Scholarships	15,278	10,700
Support costs	716,408	457,924
	<u>1,024,619</u>	<u>718,142</u>
	<u><u>1,024,619</u></u>	<u><u>718,142</u></u>
1807 (2022: 2,224) members received grants during the year from the restricted funds.		
5. EVENTS EXPENDITURE	Total 2023 £	Total 2022 £
Salaries	67,597	109,024
Support costs	381,507	355,328
	<u>449,104</u>	<u>464,352</u>
	<u><u>449,104</u></u>	<u><u>464,352</u></u>
6. PUBLICATIONS EXPENDITURE	Total 2023 £	Total 2022 £
Salaries	559,913	375,101
Support costs	619,060	569,191
	<u>1,178,973</u>	<u>944,292</u>
	<u><u>1,178,973</u></u>	<u><u>944,292</u></u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

7. SUPPORT COSTS	Membership £	Events £	Publications £	Total 2023 £
HQ costs	391,277	133,100	179,906	704,283
Comm./IT	190,105	64,668	87,409	342,182
Production	114,056	176,605	342,104	632,765
Governance	20,970	7,133	9,642	37,745
	<u>716,408</u>	<u>381,506</u>	<u>619,061</u>	<u>1,716,975</u>
Prior year	Membership £	Events £	Publications £	Total 2022 £
HQ costs	348,656	90,391	250,453	689,500
Comm./IT	90,616	23,493	65,093	179,202
Production	3,953	237,633	243,086	484,672
Governance	14,699	3,811	10,559	29,069
	<u>457,924</u>	<u>355,328</u>	<u>569,191</u>	<u>1,382,443</u>

HQ, Comm./IT and Governance costs are allocated to activity in relation to proportion of income from activity. Production costs are allocated on an actual basis across each category.

Governance costs comprise:	Total 2023 £	Total 2022 £
Council and Board travel	2,049	1,163
Audit	17,000	14,700
Other professional fees	18,696	13,206
	<u>37,745</u>	<u>29,069</u>

8. STAFF COSTS	Total 2023 £	Total 2022 £
Wages and salaries	1,054,785	836,293
National insurance	125,090	89,433
Pension contributions	68,886	58,497
	<u>1,248,761</u>	<u>984,223</u>

The average number of employees, analysed by function, was:

	No.	No.
Professional affairs	3	3
Events & Marketing	5	3
Publishing	7	6
Administration	7	7
	<u>22</u>	<u>19</u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

8. STAFF COSTS (continued)

Two employees received remuneration in the range £60,000-£70,000, one employee received remuneration in the range £70,000-£80,000 and one employee received remuneration in the range £100,000-£110,000 (2022: One employee received remuneration in the range £60,000-£70,000, one employee received remuneration in the range £80,000-£90,000 and one employee received remuneration in the range £110,000-£120,000).

No trustees received remuneration in the year (2022: No trustees received remuneration in the year). Expenses totalling £284 were reimbursed during the year in relation to travel and subsistence (2022: Expenses totalling £Nil were reimbursed).

The aggregate remuneration of the charity's key management personnel amounted to £526,275 (2022: £348,706).

9. TANGIBLE FIXED ASSETS	Freehold land	IT equipment and software	Fixtures and fittings	Digital	Total
	and buildings			WIP	
	£	£	£	£	£
Cost or valuation					
At 30 September 2022	5,451,144	426,970	63,201	220,019	6,161,334
Additions	-	11,322	1,195	124,909	137,426
Transfers		344,928	-	(344,928)	-
Disposals	-	(160,807)	-	-	(160,807)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 September 2023	5,451,144	622,413	64,396	-	6,137,953
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Accumulated depreciation					
At 30 September 2022	285,000	372,691	42,329	-	700,020
Charge for the year	30,000	74,316	4,826	-	109,142
Disposals	-	(160,807)	-	-	(160,807)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 September 2023	315,000	286,200	47,155	-	648,355
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Book Value					
At 30 September 2023	5,136,144	336,213	17,241	-	5,489,598
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 30 September 2022	5,166,144	54,220	20,871	220,019	5,461,254
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

10 INVESTMENTS	UK Quoted
	investments
	£
Market value at 1 October 2022	3,499,871
Additions	-
Disposals	(400,000)
Unrealised gain	45,920
Realised gain	4,560
	<u> </u>
Market value at 30 September 2023	3,150,351
	<u> </u>

The above investments are all held in Unit Trusts.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

11. DEBTORS	2023	2022
	£	£
Due within one year		
Trade debtors	66,019	91,960
Prepayments	44,216	53,753
Sundry Debtors	6,017	6,785
Tax and social security	13,782	-
	<u>130,034</u>	<u>152,498</u>
	<u><u>130,034</u></u>	<u><u>152,498</u></u>
12. CREDITORS: amounts falling due within one year	2023	2022
	£	£
Trade creditors	48,825	73,223
Accruals	68,663	73,617
Deferred income & Income in advance	262,306	264,825
Tax and social security	34,379	6,498
Other creditors	12,887	8,531
	<u>427,060</u>	<u>426,694</u>
	<u><u>427,060</u></u>	<u><u>426,694</u></u>
Movement in deferred income and income in advance		
Brought forward	264,825	232,891
Released into income during the year	(264,825)	(232,891)
Incurred during the year	262,306	264,825
	<u>262,306</u>	<u>264,825</u>
Carried forward	<u><u>262,306</u></u>	<u><u>264,825</u></u>

Deferred income comprises membership subscriptions which are to be recognised in the subsequent financial year.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

13. UNRESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
General funds	7,265,195	1,886,141	(2,634,913)	25,322	£38,000	6,579,745
	<u>7,265,195</u>	<u>1,886,141</u>	<u>(2,634,913)</u>	<u>25,322</u>	<u>£38,000</u>	<u>6,579,745</u>

14. RESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
Scholarship funds	218,144	29,725	(15,978)	2,599	-	234,490
Benevolent funds	89,749	34,805	-	970	(38,000)	87,524
Prize funds	25,819	2,197	(1,805)	353	-	26,564
	<u>333,712</u>	<u>66,727</u>	<u>(17,783)</u>	<u>3,922</u>	<u>(38,000)</u>	<u>348,578</u>

The Institution's restricted funds comprise a large number of small funds which have been amalgamated for reporting purposes under the three main headings above. The Trustees administer the funds and make awards from them in accordance with the terms of each original gift. Further details appear in the Board of Trustees' Report.

The transfer from the Benevolent Fund represents an allocation of funds in respect of relevant expenditure incurred and charged to the Institute's general fund.

15. ENDOWMENT FUNDS

	Opening Balance £	Gains/(Loss) on Investments £	Closing Balance £
Scholarship funds			
Permanent endowment	633,926	8,546	642,472
Expendable endowment	123,432	1,664	125,096
	<u>757,358</u>	<u>10,210</u>	<u>767,568</u>
Benevolent funds			
Permanent endowment	773,917	10,433	784,350
Prize funds			
Permanent endowment	44,015	593	44,608
	<u>1,575,290</u>	<u>21,236</u>	<u>1,596,526</u>

The Institution's endowment funds represent a large number of small funds which have been amalgamated for reporting purposes under the three main headings above. The income arising from the underlying assets is allocated to the restricted funds shown in Note 14.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 30 September 2023 are represented by:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible fixed assets	5,489,598	-	-	5,489,598
Investments	1,258,978	294,847	1,596,526	3,150,351
Current assets	258,229	53,731	-	311,960
Current liabilities	(427,060)	-	-	(427,060)
Total net assets	<u>6,579,745</u>	<u>348,578</u>	<u>1,596,526</u>	<u>8,524,849</u>

Fund balances at 30 September 2022 are represented by:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible fixed assets	5,461,254	-	-	5,461,254
Investments	1,633,656	290,925	1,575,290	3,499,871
Current assets	596,979	42,787	-	639,766
Current liabilities	(426,694)	-	-	(426,694)
Total net assets	<u>7,265,195</u>	<u>333,712</u>	<u>1,575,290</u>	<u>£9,174,197</u>

17. FUTURE FINANCIAL COMMITMENTS

(a) OPERATING LEASES

At 30 September 2023 the charity had annual commitments under operating leases as set out below:

	Office Equipment	
	2023	2022
	£	£
Operating leases which expire:		
In less than one year	4,371	1,244
In the second to fifth year	10,920	933
	<u>15,291</u>	<u>2,177</u>

18. RELATED PARTY TRANSACTIONS

There were no disclosable related party transactions during the year (2022: none).

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

19. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £
Income and expenditure					
Income and endowments from:					
Charitable Activities					
Membership	2	924,025	-	-	924,025
Events	2	239,559	-	-	239,559
Publications	2	569,451	-	-	569,451
Grants, Donations and legacies		32	-	-	32
Investment income	3	130,360	82,803	-	213,163
Total income and endowments		<u>1,863,427</u>	<u>82,803</u>	<u>-</u>	<u>1,946,230</u>
Expenditure on:					
Charitable Activities					
Membership	4	703,772	14,370	-	718,142
Events	5	463,400	952	-	464,352
Publications	6	941,655	2,637	-	944,292
Total expenditure		<u>2,108,827</u>	<u>17,959</u>	<u>-</u>	<u>2,126,786</u>
Net income before investment gains/losses		(245,400)	64,845	-	(180,556)
Gain/(loss) on investment assets	10	(151,874)	(5,495)	(17,515)	(174,884)
Net income before transfers		<u>(397,276)</u>	<u>59,350</u>	<u>(17,515)</u>	<u>(355,440)</u>
Transfers between funds	13, 14	38,000	(38,000)	-	-
Net movement in funds		<u>(359,274)</u>	<u>21,350</u>	<u>(17,515)</u>	<u>(355,440)</u>
Reconciliation of funds					
Total funds brought forward		<u>7,624,470</u>	<u>312,362</u>	<u>1,592,805</u>	<u>9,529,636</u>
Total funds carried forward		<u><u>7,265,196</u></u>	<u><u>333,712</u></u>	<u><u>1,575,290</u></u>	<u><u>9,174,196</u></u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

20. COMPARATIVE UNRESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
General funds	£7,624,470	1,863,427	(2,108,827)	(151,874)	38,000	7,265,196

21. COMPARATIVE RESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
Scholarship funds	194,924	41,231	(14,370)	(3,641)	-	218,144
Benevolent funds	90,942	39,118	(952)	(1,359)	(38,000)	89,749
Prize funds	26,495	2,455	(2,637)	(494)	-	25,819
	£312,361	82,804	(17,959)	(5,494)	(38,000)	333,712

22. COMPARATIVE ENDOWMENT FUNDS

	Opening Balance £	Gains/(Loss) on Investments £	Closing Balance £
Scholarship funds			
Permanent endowment	640,974	(7,048)	633,926
Expendable endowment	124,805	(1,372)	123,433
	765,779	(8,420)	757,359
Benevolent funds			
Permanent endowment	782,522	(8,606)	773,916
Prize funds			
Permanent endowment	44,504	(489)	44,015
	1,592,805	(17,515)	1,575,290

ROYAL INSTITUTION OF NAVAL ARCHITECTS

England & Wales - Charity number 211161

Accounts

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

Charity No: 211161
Company No: RC000489

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

PREAMBLE

Despite the challenges of the post-COVID pandemic, the Institution continues to be a leading professional body on the international platform. It has strengthened its global representation by developing newly formed branches which are bolstered by re-vitalised and growing membership. This success can be measured by increased attendance in both on-line presentations and meetings.

The Institution's standing committees remain well-regarded throughout the marine industry and provide expert advice to prominent bodies such as the IMO. The high standard of technical papers continues to deliver reference material for members and the maritime community.

As a commitment to the future, the Institution has embarked on a digital program to completely overhaul its operational systems and website. During 2023 members will experience an improved interface, facilities, and benefits such as online training. The Board will also review the strategic objectives over the next 5 years to maintain momentum and continue to develop the Institution as a learned society.

COVID and a commitment to the Institution's future has a financial impact. Fortunately, the Institution has adequate reserves to counter a short-term disruption in events while providing the necessary investment for the future. During the year we have experienced increased numbers attending live events and expect this trend to continue in 2023.

The Institution maintains its position as an internationally respected body and the investment in digital tools, people, and new learned ways of working significantly increase the value proposition, making the Institution attractive to new members and will enhance the benefits and services for our valued members.

OBJECTIVES OF THE INSTITUTION

The objectives of The Royal Institution of Naval Architects are as set out in the Charter of Incorporation 1910 - 'the improvement of ships and all that specially appertains to them, and the arrangement of periodic meetings for the purpose of discussing practical and scientific subjects bearing upon the design and construction of ships and their means of propulsion, and all that relates thereto'.

Today, reflecting the wider range of activities of the Institution as both a professional institution and learned society, the objectives of the Institution are more aptly described as "to encourage and assist in the achievement of the safe and efficient design, construction, maintenance and operation of marine vessels and structures."

These objectives are primarily achieved by:

- Setting of internationally recognised and accepted standards of professional competence and integrity required for membership.
- Encouraging membership of the Institution at all levels.
- Enabling of the exchange of technical information through the Institution's publications, conferences, and local meetings, which are open to all those involved in the design, construction, maintenance and operation of marine vessels and structures.
- Contributing its collective expertise to national and international maritime organisations for the benefit of the profession and society.

Building on the objectives for 2022, the Institution has continued to maintain and develop the internationalism of the organisation both in terms of both membership and activities. Furthermore, it has encouraged all members of the profession to become actively involved in events organised by the Institution and to strengthen its links with academia and industry. In order to support these initiatives, the Institution has reviewed all its operations, systems architecture and secretariat support and has started to modernise the working practices and systems, such as digital tools and skills mapping. These remain the Institution's specific objectives for the forthcoming year.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Institution organised/co-organised 11 courses and conferences, covering the full spectrum of maritime technology and ranging from one-day seminars to major 2-day conferences. Most of the courses and conferences were hybrid, but a number, such as the Warship conference and RINA Future Directions event, were supported by live attendance. Throughout the program the Institution followed the advice issued by the UK Government regarding COVID restrictions.

During the year, the Institution published 9 journal titles and 5 eNewsletters, reporting on developments in the maritime industry and the results of research and development. Conferences and publications have also contributed to the Institution's income.

The Institution's local Branches and Sections held regular meetings to present and discuss matters of professional interest. Subjects included: Carbon Neutral Shipping, Marine Renewable Energies, Performance of Propellers, Installation of Floating Offshore Wind Turbines, Cable Installation, Wave Interaction, Active Heave Compensation, Submarines for Australia, and many more including branch/section administration. Many of these presentations have been offered to non-members on our digital platforms both during and after the events.

The Institution also contributed its collective expertise to national and international organisations, particularly in matters relating to maritime safety and the protection of the maritime environment. Members participate in the following maritime groups:

- IMO Committee – concerned with matters relating to the regulation of the design, construction and operation of marine vessels and the protection of the maritime environment discussed at the IMO.
- Maritime Safety Committee – dealing with the design, construction and operating matters related to the safety of marine vessels and structures.
- Maritime Environmental Committee – covering matters concerning the protection of the maritime environmental and marine renewable energy.
- Maritime Innovation Committee – concerned with the impact on the maritime industry, the profession and the Institution of the development and use of innovative technologies.

The Institution continues to recognise and encourage the achievement of individuals at all stages of professional development through its custom of prizes and awards.

COVID led to certain restrictions with live events which were transferred online and/or to a hybrid arrangement, enabling an increase in their availability to both members and non-members. Feedback on activities confirmed that the Institution was maintaining the high standard and value of its conferences, publications etc., and meeting its objectives.

Trustees continue to develop the requisite skills that are required to maintain a balanced Board of Trustees. They were once again provided with a training course intended primarily for newly appointed trustees and will serve as an introduction to charity law and governance issues including:

- Understanding your charity's structure
- The powers and duties of trustees
- The role of the Charity Commission
- Commercial and key financial issues for charities

Updates and information from the Charity Commission are distributed on a regular basis to ensure trustees remain conscious of their responsibilities.

During 2022 the Institution's systems architecture, including the IT/OT system, was overhauled to improve communication and functionality, modernising the administration of the Institution. This included cyber security, benchmarking, and skills mapping. Specialist consultants were utilised to build the digital tools and skills, migrating to a cloud-based infrastructure including a bespoke Customer Relationship Management system to interface with the new system. The new systems, which will enhance the Website and improve the interface for Members, will be launched early in 2023.

Other activities include a review of the Institution's business management system to update governance in accordance with ISO policy. This was carried out in-house by the Chief Executive with specialist support from Bureau Veritas M&O.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Board of Trustees continued to support the Fund Steering Group (FSG) which consists of three trustees and is chaired by the Treasurer. It is bolstered by the Chief Executive and the Institution's Finance Director with third-party consultation from Independent Investment Reviews Ltd. The FSG completed a review of the Institution finances by benchmarking investment options before transferring £3million from M&G Investment Management Ltd to Churches, Charities and Local Authorities (CCLA) Investment Management Ltd. CCLA is one of the UK's largest charity fund managers and the funds have been invested on a total return option. The Institution's investment policy was updated and is now incorporated into the business management system.

COVID-19 continued to impact daily operations. However, the Institution has kept working smoothly and efficiently online providing learning and information to our members. The secretariat moved back into the headquarters and maintain a rotation-based work schedule so that operations include human element and interaction that cannot be replicated online. Our risk assessment is maintained in accordance with HSE governance and a COVID policy is in place. We have remained vigilant and followed Government guidelines.

Future Plans

In the forthcoming year, the Institution plans a full programme of courses, conferences, and local meetings, reflecting developments in the design, construction and maintenance of marine vessels and structures. It will continue contributing its collective expertise to appropriate national and international organisations, for the benefit of society and the profession. We maintain due diligence regarding the impact of post-COVID but members appetite for live attendance has increased.

The Institution will see the launch and upgrade of its systems architecture including a new membership CRM, reduce patchwork management and replace the existing systems with a turnkey Microsoft D365 platform which will enable cloud stabilisation and improve working processes and procedures. The Institution embraces ISO27001 for security against the ever-increasing threat of cyber-crime and ISO9001:2015 for quality management standards.

Employee training will facilitate better individual performance using the improved tools which, in turn, will enhance the communication and accessibility for all members and reach out to attract new members.

The Secretariat has introduced a new HR system whereby staff roles are monitored and reviewed in accordance with an appraisal system which also reviews pay and remuneration and benchmarks against the pay structure of other professional engineering institutions or similar. This is work in progress and will be rolled out in 2022/23 and reported to the trustees.

The Secretariat has undergone an internal strategic review and is 'fit for purpose' post-COVID with improved capability to support international membership. This will include the introduction of a Chief Operations Officer, Business Development Director, Digital News Editor and Operations Director with all positions sourced internally apart from the Business Development Director who is a direct hire. All staff roles and responsibilities will be reviewed with KPI's set and measured during the annual appraisal.

Key to maintaining efficiency is the continuous review of the Secretariat decision making and reporting process and to ensure there are sufficient resources to cover the various roles and responsibilities.

The role and capabilities of the Naval Architect within the maritime community is the subject of a focus group whereby we continue to identify the value and relevance of today's Naval Architect and raise our profile within Industry. We will be looking at continued professional development, engagement with Peers, Industry and Academia, but also how we attract youth into our profession and how they can become the 'Total Engineer' and 'Systems Integrator'. The Institution is a member of Engineering UK and the STEM Ambassadors program to support education and careers program.

We will continue to review and refresh our brand whilst maintaining operational focus for worldwide membership.

During 2022 the By-Laws were reviewed and approved by the Privy Council to incorporate equality, diversity, and inclusion. We will continue to maintain a consistent approach for everyone.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

BOARD OF TRUSTEES

The Royal Institution of Naval Architects, also known as “RINA,” is a registered charity in England and Wales (number 211161) incorporated under Royal Charter. The Board of Trustees is the governing body of the Institution. Members of the Board are principally elected members of Council, recommended by the Council to the Board for appointment as Trustees.

The Board of Trustees is responsible for the governance and management of the Institution. Responsibility for the day-to-day management of the Institution’s affairs is delegated to the Chief Executive, accountable through the Chairman to the Board of Trustees. All Trustees are provided with guidance documentation and updates issued by the Charity Commission concerning their responsibilities.

The members of the Board of Trustees confirm they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. In particular, the Institution has acted as a Licensed Member of the UK Engineering Council in promoting higher education and professional standards, and as an NGO of the International Maritime Organization in improving maritime safety and the protection of the maritime environment. It has also contributed its collective expertise to other appropriate maritime organisations.

Board of Trustees

Chairperson

C L Savage

Vice Chairperson

P G Wrobel

Treasurer

J D Frier

Trustees

M d’Amico

L A Santini

R M Cripps

R C Gehling

T Allan

E Pang

J K Paik

D Monioudis

T D Strang

The Board of Trustees met formally four times in the year, during which its principal considerations were the policy, management and review of the Institution’s investments, the management and review of the Risk Register and Fund policy.

During the year, the Board continued to review progress and recommendations arising from the Strategic Review, identified by the Working Groups which were tasked with determining what changes were necessary to continue achieving the Objectives in 2050, in expectation of changes in the maritime industry and members’ professional needs.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

COUNCIL

The members elect the Council. It is responsible for communicating the views of the Institution's membership to the Board of Trustees and for providing guidance and advice to the Board on all matters related to the governance of the Institution.

The Council holds delegated authority from the Board of Trustees for the management of the professional, technical, and learned society affairs of the Institution. Such delegated authority is principally exercised through the Institution's standing committees and the Chief Executive. There are no connected organisations.

Past Presidents

Professor J B Caldwell OBE PhD DSc FEng
Sir T J Parker FEng
Professor W Geraint Price FEng FRS
Dr N Gee DEng BSc FEng
Mr S Payne OBE Hon. PhD (Sc) BEng FEng
Mr P French FRINA FEng FRSA
Mr B S. Rosenblatt FRINA
Mr T Boardley FRINA
Professor R W Birmingham FRINA
Mr. Maurizio D'Amico FRINA

President

Professor C Savage

Honorary Vice Presidents

E C Tupper

Vice Presidents

A K Dev
T Allan
Dr D Aldwinckle
C De Marco
A Subahani
D Molyneux
IKAP Utama
J K Paik
P Krishnankutty
R Gehling

Fellows

B Y W Lau
J D Frier
D N Monioudis
R M Cripps
D Vassalos
R L Downs
P A Wilson
K W Hutchinson
R P Fernandez
G S Chopra
S Inayatullah
D Konovessis
J Black
P J S Kujala

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

M Renilson
N Ratukalou

Members

P Crossland
N J MacLennan
C Silitziotis
A J Aitken
L A Santini
H W Theunissen

Associate-Members

M H Ghaemi
S De Villiers
R A Miller
A Kumar
Y R Kamath
H Dixon
C Baxter
C McNair
C Baker

President of the Australian Division

J Black

President of the New Zealand Division

Position Vacant

Chairmen of Standing Committees

N Overfield (Publications Committee) +
R Cripps (Maritime Innovation Committee) +
F H Spencer (Disciplinary Committee) +
E Pang (IMO Committee) +
S Watts (Maritime Safety Committee) +
T Strang (Maritime Environment Committee) +
M Hart (Membership Committee) +
M Barton (Professional Affairs Committee) +

Chief Executive

C Boyd

Solicitors

Messrs Taylor, Joyson Garret & Co.

Auditors

Haysmacintyre LLP

Bankers

The Royal Bank of Scotland

Investment Advisors

CCLA Investment Management Ltd.
M&G Investment Management Ltd

RINA Headquarters principal office address

8-9 Northumberland Street, London, WC2N 5DA

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

+ *Ex officio members*

FINANCIAL REVIEW

Total income (Restricted and Unrestricted) in 2021/22 was £1.95m (2020/21: £1.72m) and total expenditure (Restricted and Unrestricted) in 2020/21 was £2.13m (2020/21: £2.12m). The increase in income has been due to events returning to pre-pandemic levels in the second part of the financial year whilst membership and publications activity has remained stable.

Net deficit before investment losses in 2021/22 was £181k (2020/21: £400k). The operating deficit in the Unrestricted Fund in 2021/22 was £245k (2020/21: £474k), and the operating surplus in the Restricted Fund in 2021/22 was £65k (2020/21: £74k).

Investment policy and performance

In accordance with authority enabled by the Order of the Charity Commissioners for England and Wales, dated 1 Nov 2002 and issued under Section 26 of the Charities Act 1993, the Trustees have sought and gained approval to use a 'Total Return' policy with regard to the Endowment Funds.

The investment powers of the Board of Trustees are set out in the Royal Charter and By-Laws, copies of which are available from the Chief Executive at RINA Headquarters. Under the terms of those powers, management of the investment portfolio has been delegated to two investment management companies: CCLA Investment Management Ltd and M&G Investment Management Ltd.

The Board of Trustees reviewed its investment policy and confirmed that it remains the purpose of the Investment Portfolio to provide the Institution with income whilst maintaining the value of capital in real terms. As such the investment aim is to generate a minimum total return in excess of inflation (UK RPI).

The value of the investments at September 2022 (£3.5m) has decreased by 14.1% from the previous year, as a result of some significant market turbulence throughout the year and the UK government's 'mini budget' fiasco just before the financial year-end as well as a disposal of £400k. The M&G dividend income generated a yield of 3.9% which is marginally ahead of the average yield FTSE All Share Index. In May 2022 £3m investment was transferred from M&G to CCLA to be invested on a higher long-term total return basis.

Reserves Policy

The total value of the Institution's funds (Unrestricted, Restricted and Endowment) on 30 September 2022 was £9.17m (2021: £9.53m). The value of the Unrestricted Fund on 30 September 2022 was £7.27m (2021: £7.62m). The value of Restricted Funds on 30 September 2022 was £334k (2021: £312k). The value of Endowment Funds on 30 September 2022 was £1.58m (2021: £1.59m). The total value of the Institution's investments on 30 September 2022 was £3.5m (2021: £4.07m).

The Institution's free reserves (unrestricted funds less designated funds and tangible fixed assets) stood at 30 September 2022 at £1.80m (2021: £2.33m). The Board of Trustees' policy is to maintain minimum cash reserves at the level of 3 months forward cash outflow from HQ operating costs net of rental and investment income, namely circa £300k, and to consider reserves in excess of this level for investment.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

Restricted Funds

The Board of Trustees' policy is to use all dividend income from Restricted Funds to assist and enable the continuing academic and professional development of members.

- Prize funds are awarded for outstanding articles published in the Institution's journals.
- Scholarship funds support student attendance at conferences and other events and provide for online learning.
- Benevolent funds provide membership funding to members in full-time education and assistance to other members requiring financial support.

Risk Management and Principal Risks

Operational and financial risks facing the Institution are listed in the Risk Register which is routinely reviewed and revised by the Trustees. Policies and procedures have been established to mitigate any risks identified during these reviews. Compliance with these policies and procedures is monitored by routine Internal Audit and Self-Assessment.

Risk and mitigation measures include, but not limited to:

RISK	MITIGATION
GOVERNANCE That effective governance of the Institution will be prejudiced by a lack of knowledge and understanding by individual Trustees of their responsibilities as a Trustee.	All Trustees shall be familiar with Charity Commission guidance on the roles and responsibilities of Trustees through review of online guidance documents and training. Terms of Reference for the Board of Trustees are published and shall be reviewed annually.
FINANCIAL That Inadequate management of the Institution's finances and assets leads to financial losses. This could include misconduct, wrongdoing, or embezzlement.	Financial controls and procedures are published and reviewed annually. An Investment and Reserves Policy is published and reviewed annually. An internal Audit of the implementation of financial controls and procedures is carried out annually. A statutory annual Audit is carried out by external Auditors. A Management Report by the external Auditors is received annually. A Trustee (the Treasurer) is appointed with lead responsibility for financial matters. Trustees receive financial activity reports. Random checks of financial transactions are carried out.

COVID-19 has presented a significant risk to both the operation and finances of the Institution. Furthermore, the depressed global maritime industry, continues to have a negative impact on the Institution's income from conferences and publications. The combination of these principal risks has the potential to undermine the Institution's ability to maintain the current level of its activities and services to members.

The Board routinely reviews cashflow, income and expenditure in both short and long term to manage financial risk.

Remuneration of key personnel

The remuneration of senior members of the Secretariat is reviewed and changes approved annually by the Trustees. See future plans on page 3 for further details of this process.

Fundraising

The Institution does not carry out any active fundraising, nor does it engage with any third party or professional fundraisers, and therefore has not signed up to any fundraising standards. There have been no fundraising complaints received during the year (2021: none). Complaints are considered by the Board or by independent non-Board members as appropriate.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

Statement of the Board of Trustees' responsibilities

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Institution's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Board of Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Institution will continue in operation.

The Board of Trustees is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Institution, and which enable them to ascertain the financial position of the Institution, and which enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the Institution and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Disclosure of information to auditor

The Trustees who held office at the date of approval of this Board of Trustees' Report confirm that, as far as they are each aware:

- there is no relevant audit information of which the auditor is unaware; and
- each Trustee has taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Haysmacintyre LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

Signed on behalf of the Board of Trustees:

Jeffrey Frier

J Frier
Trustee

10 January 2023

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

Opinion

We have audited the financial statements of the Royal Institution of Naval Architects for the year ended 30 September 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2022 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 trustees' 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 the charity'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Board of Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS (continued)

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charity SORP, and considered other factors such as payroll tax and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Inspecting correspondence with regulators and tax authorities;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at specific or unusual points in time, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Haysmacintyre LLP

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Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London, EC4R 1AG

Date 23/01/2023

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

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2022 £	Total 2021 £
Income and expenditure						
Income and endowments from:						
Charitable Activities						
Membership	2	924,025	-	-	924,025	898,492
Events	2	239,559	-	-	239,559	99,003
Publications	2	569,451	-	-	569,451	528,052
Grants, Donations and legacies		32	-	-	32	7
Investment income	3	130,360	82,803	-	213,163	197,656
Total income and endowments		<u>1,863,427</u>	<u>82,803</u>	<u>-</u>	<u>1,946,230</u>	<u>1,723,210</u>
Expenditure on:						
Charitable Activities						
Membership	4	703,772	14,370	-	718,142	852,051
Events	5	463,400	952	-	464,352	308,498
Publications	6	941,655	2,637	-	944,292	962,393
Total expenditure		<u>2,108,827</u>	<u>17,959</u>	<u>-</u>	<u>2,126,786</u>	<u>2,122,942</u>
Net income before investment gains/losses		(245,400)	64,845	-	(180,556)	(399,732)
Gain/(loss) on investment assets	10	(151,874)	(5,495)	(17,515)	(174,884)	880,820
Net income before transfers		<u>(397,275)</u>	<u>59,350</u>	<u>(17,515)</u>	<u>(355,440)</u>	<u>481,088</u>
Transfers between funds	13, 14	38,000	(38,000)	-	-	-
Net movement in funds		<u>(359,275)</u>	<u>21,350</u>	<u>(17,515)</u>	<u>(355,440)</u>	<u>481,088</u>
Reconciliation of funds						
Total funds brought forward		<u>7,624,470</u>	<u>312,362</u>	<u>1,592,805</u>	<u>9,529,636</u>	<u>9,048,548</u>
Total funds carried forward		<u><u>7,265,195</u></u>	<u><u>333,712</u></u>	<u><u>1,575,290</u></u>	<u><u>9,174,197</u></u>	<u><u>9,529,636</u></u>

All amounts relate to continuing activities.

The notes on pages 15 to 25 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BALANCE SHEET

AS AT 30 SEPTEMBER 2022

Company No: RC000489

	Notes	£	2022	£	£	2021	£
FIXED ASSETS							
Tangible assets	9			5,461,254			5,296,288
Investments	10			3,499,872			4,074,756
				<u>8,961,126</u>			<u>9,371,044</u>
CURRENT ASSETS							
Debtors	11	152,499			122,442		
Cash at bank and in hand		487,266			455,164		
				<u>639,765</u>		<u>577,606</u>	
CREDITORS: amounts falling due within one year	12	(426,694)			(419,014)		
NET CURRENT ASSETS				<u>213,071</u>			<u>158,592</u>
NET ASSETS	16			<u>9,174,197</u>			<u>9,529,636</u>
CHARITY FUNDS							
Unrestricted funds							
General funds	13			7,265,195			7,624,470
Restricted	14			333,712			312,361
Endowment	15			1,575,290			1,592,805
				<u>9,174,197</u>			<u>£9,529,636</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 10 January 2023 and signed on their behalf by:

Jeffrey Frier

J Frier
Trustee

The notes on pages 15 to 25 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2022	2022	2021	2021
	£	£	£	£
Operating activities				
Net income before investment gains	(180,556)		(399,732)	
Depreciation	75,967		79,879	
Impairment charge	-		122,778	
Investment income	(213,163)		(197,656)	
(Increase)/Decrease in debtors	(30,059)		74,433	
Increase/(Decrease) in creditors	7,678		22,571	
Net cash outflow from operating activities		(340,129)		(297,727)
Investing activities				
Purchase of tangible fixed assets	(241,963)		(90,182)	
Purchase of investments	(3,000,000)		-	
Investment income	213,163		197,656	
Proceeds from sale of tangible fixed assets	1,033		894	
Proceeds from sale of investments	3,400,000		244,049	
Net cash inflow from investing activities		372,233		352,417
Movement in cash and cash equivalents		(32,102)		54,690
Cash and cash equivalents at 1 October 2021		455,164		400,474
Cash and cash equivalents at 30 September 2022		<u>£487,266</u>		<u>£455,164</u>
Cash and cash equivalents comprise				
Cash at bank		<u>£487,266</u>		<u>£455,164</u>
Analysis of changes in net debt	Balance at		Other	Balance at
	1 Oct 2021	Cash flow	movements	30 Sep 2022
Cash at bank	<u>£455,164</u>	<u>32,102</u>	<u>-</u>	<u>£487,266</u>

The notes on pages 15 to 25 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1. ACCOUNTING POLICIES

a) Statement of compliance

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments. The format of the financial statements has been presented to comply with the Charities Act 2011, *The Financial Reporting Standard applicable in the UK and Ireland* ("FRS102") and the Statement of Recommended Practice *Accounting and Reporting by Charities* ("SORP") second edition effective 1 January 2019.

The Charity is a Public Benefit Entity as defined by FRS102.

b) General information

The Institution is a charity registered in England and Wales (charity number: 211161). The Charity's registered office address is: 8-9 Northumberland Street, London WC2N 5DA.

c) Going concern

The Trustees have considered the Institution's future budgets and cash flow forecasts, together with the current financial position within the balance sheet and are of the view that the Institution is a going concern, and there are no material uncertainties which would cast doubt on the Institution's ability to continue as a going concern. Although there is a deficit for the year to 30 September 2022 and a forecast deficit for the following year, the existence of significant unrestricted reserves, backed by investments that can be realised quickly, ensures that the Institution can and will continue to meet its financial obligations when they fall due.

d) Significant judgments and sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of accounting estimates. It also requires management to exercise judgment in applying the Charity's accounting policies. The Trustees do not consider there to be any key judgements or significant sources of estimation uncertainty.

The following principal accounting policies have been applied:

e) Income and endowments

All income and endowments are recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Membership subscriptions and other income derived from services is recognised in the period to which it relates.

Events income is recognised in the period in which the event takes place.

Publication and advertising income is recognised at the date the publication is issued and the performance obligation satisfied.

Investment income, including interest receivable, and other miscellaneous income are accounted for on a receivable basis.

Donations are accounted for on a received basis.

Income from the endowment funds is split between restricted and unrestricted funds according to the specific terms of each fund.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1. ACCOUNTING POLICIES (continued)

f) Expenditure

Expenditure is recognised as soon as the related liability is incurred and has been classified under headings that aggregate all costs relating to that category. Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

Expenditure on charitable activities comprises expenditure directly related to the provision of events, membership services and publications as well as the related support costs.

Support costs represent indirect costs relating to raising funds and the Charity's charitable activities. Support costs, including governance costs, are allocated to activities on bases that represent the Trustees' best estimate of actual use. Production costs are allocated on the basis of actual expenditure, other support costs are allocated proportionally based on the income relating to the charitable activity.

Governance costs comprise the costs of running the charity, including auditors' remuneration, certain legal costs and costs of Board meetings.

g) Tangible Fixed Assets and Depreciation

Tangible fixed assets are initially recognised at cost.

Depreciation is provided on fixed assets to write off their cost less estimated residual value over their estimated useful economic life by equal annual instalments as follows:

Land	not depreciated
Freehold buildings	2% straight line
Equipment and fittings	10% straight line
IT	20% straight line

The carrying values of tangible fixed assets are reviewed for impairment in accordance with the requirements of FRS102.

h) Investments

Investments held for the long-term to generate income or capital growth are carried as fixed assets at fair value, namely the quoted listed price.

Realised gains are the difference between sales proceeds and the carrying value of the investment. The carrying value is the fair value at the beginning of the year or the purchase cost where the investment was acquired during the year.

Unrealised gains are the change in value of investments after taking into account any movements in investment holdings such as purchases and disposals of investments.

Realised and unrealised gains are accounted for within the Statement of Financial Activities.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1. ACCOUNTING POLICIES (continued)

i) Financial instruments

Basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable are accounted for on the following basis:

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

j) Pensions

The Institution operates a group money purchase personal pension scheme on behalf of its employees. Contributions to the scheme are recognised as expenditure when they fall due.

k) Leases

Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

l) Foreign currency transactions

Transactions denominated in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling on the balance sheet date. All gains and losses arising from foreign currency transactions are accounted for within the Statement of Financial Activities.

m) Funds

General funds comprise the accumulated surplus or deficit from the Statement of Financial Activities which is neither restricted nor designated funds. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted income funds comprise unexpended balances of donations and grants held in trust to be applied for specific purposes or accumulated income derived from investments held as part of the Charity's endowment funds.

Where funds are given to be held by the Institution as capital, they are shown as endowment funds in the financial statements. Expendable endowments are those where the trust terms provide for conversion of income to capital under certain circumstances, permanent endowments are those for which the capital may not ever be applied as income.

2. INCOME FROM CHARITABLE ACTIVITIES

	2022	2021
	£	£
Membership		
Institution fees	809,697	779,149
EC fees	108,978	111,193
Prizes and Scholarships	5,350	8,150
	<u>924,025</u>	<u>898,492</u>
Events	239,559	99,003
Publications	569,451	528,052
	<u>1,733,035</u>	<u>£1,525,547</u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

3. INCOME FROM INVESTMENTS	Total 2022 £	Total 2021 £
Dividends	185,075	185,842
Bank interest	338	54
Rents	27,700	11,760
	<u>213,163</u>	<u>£197,656</u>
	<u><u>213,163</u></u>	<u><u>£197,656</u></u>
4. MEMBERSHIP EXPENDITURE	Total 2022 £	Total 2021 £
Salaries	151,717	140,769
Branch grants	5,619	39,225
EC fees (UK)	92,182	89,253
Prizes and Scholarships	10,700	16,861
Support costs	457,924	565,943
	<u>718,142</u>	<u>£852,051</u>
	<u><u>718,142</u></u>	<u><u>£852,051</u></u>
2,224 (2021: 2,224) members received grants during the year from the restricted funds.		
5. EVENTS EXPENDITURE	Total 2022 £	Total 2021 £
Salaries	109,024	117,314
Support costs	355,328	191,184
	<u>464,352</u>	<u>£308,498</u>
	<u><u>464,352</u></u>	<u><u>£308,498</u></u>
6. PUBLICATIONS EXPENDITURE	Total 2022 £	Total 2021 £
Salaries	375,101	357,167
Support costs	569,191	605,226
	<u>944,292</u>	<u>£962,393</u>
	<u><u>944,292</u></u>	<u><u>£962,393</u></u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

7. SUPPORT COSTS	Membership £	Events £	Publications £	Total 2022 £	Total 2021 £
HQ costs	348,656	90,391	250,453	689,500	590,824
Comm./IT	90,616	23,493	65,093	179,202	293,876
Production	3,953	237,633	243,086	484,672	437,739
Governance	14,699	3,811	10,559	29,069	39,914
	<u>457,924</u>	<u>355,328</u>	<u>569,191</u>	<u>1,382,442</u>	<u>£1,362,353</u>
Prior year	Membership £	Events £	Publications £	Total 2021 £	
HQ costs	328,882	41,357	220,585	590,824	
Comm./IT	163,586	20,571	109,719	293,876	
Production	51,257	126,462	260,020	437,739	
Governance	22,218	2,794	14,902	39,914	
	<u>£565,943</u>	<u>£191,184</u>	<u>£605,226</u>	<u>£1,362,353</u>	

HQ, Comm./IT and Governance costs are allocated to activity in relation to proportion of income from activity. Production costs are allocated on an actual basis across each category.

Governance costs comprise:	Total 2022 £	Total 2021 £
Council and Board travel	1,163	676
Audit	14,700	14,600
Other professional fees	13,206	24,638
	<u>29,069</u>	<u>£39,914</u>

8. STAFF COSTS	Total 2022 £	Total 2021 £
Wages and salaries	836,293	886,928
National insurance	89,433	96,563
Pension contributions	58,497	59,259
Termination payments	-	11,335
	<u>984,223</u>	<u>£1,054,085</u>

The average number of employees, analysed by function, was:

	No.	No.
Professional affairs	3	3
Events & Marketing	3	5
Publishing	6	5
Administration	7	8
	<u>19</u>	<u>21</u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

8. STAFF COSTS (continued)

One (2021: one) employee received remuneration in the range £60,000-£70,000, (2021: no) employee received remuneration in the range £80,000-£90,000, and (2021: one) employee received remuneration in the range £100,000-£110,000.

No trustees received remuneration in the year (2021: No trustees received remuneration in the year). Expenses totalling £Nil were reimbursed to trustees during the year in relation to travel and subsistence (2021: Expenses totalling £Nil were reimbursed to trustees in relation to travel and subsistence).

The aggregate remuneration of the charity's key management personnel amounted to £348,706 (2021: £351,038).

9. TANGIBLE FIXED ASSETS	Freehold land and buildings £	IT £	Fixtures and fittings £	Digital WIP £	Total £
Cost or valuation					
At 30 September 2021	5,451,144	425,240	44,339	-	5,920,723
Additions	-	3,084	18,861	220,019	241,963
Disposals	-	(1,342)	-	-	(1,342)
	<u>5,451,144</u>	<u>426,970</u>	<u>63,201</u>	<u>220,019</u>	<u>6,161,334</u>
At 30 September 2022	5,451,144	426,970	63,201	220,019	6,161,334
Accumulated depreciation					
At 30 September 2021	255,000	331,689	37,746	-	624,435
Charge for the year	30,000	41,384	4,583	-	75,967
Disposals	-	(311)	-	-	(311)
	<u>285,000</u>	<u>372,762</u>	<u>42,329</u>	<u>-</u>	<u>700,020</u>
At 30 September 2022	285,000	372,762	42,329	-	700,020
Net Book Value					
At 30 September 2022	<u>£5,166,144</u>	<u>£54,220</u>	<u>£20,871</u>	<u>£220,019</u>	<u>£5,461,254</u>
At 30 September 2021	<u>£5,196,144</u>	<u>£93,551</u>	<u>£6,593</u>	<u>£-</u>	<u>£5,296,288</u>

Land with book value of £4m is not depreciated, in line with accounting policy 1g.

10. INVESTMENTS

	UK Quoted investments £
Market value at 1 October 2021	4,074,756
Additions	3,000,000
Disposals	(3,400,000)
Unrealised loss	(174,885)
	<u>3,499,871</u>
Market value at 30 September 2022	<u>3,499,871</u>

The above investments are all held in Unit Trusts.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

11. DEBTORS	2022	2021
	£	£
Due within one year		
Trade debtors	91,960	65,181
Prepayments	53,753	42,998
Sundry Debtors	6,785	14,263
	<u>152,499</u>	<u>£122,442</u>
	<u><u>152,499</u></u>	<u><u>£122,442</u></u>
12. CREDITORS: amounts falling due within one year	2022	2021
	£	£
Trade creditors	73,223	21,366
Accruals	73,617	133,601
Deferred income & Income in advance	264,825	232,891
Tax and social security	6,498	25,789
Other creditors	8,531	5,367
	<u>£426,694</u>	<u>£419,014</u>
	<u><u>£426,694</u></u>	<u><u>£419,014</u></u>
Movement in deferred income		
Brought forward	232,891	224,539
Released into income during the year	(232,891)	(224,539)
Incurred during the year	264,825	232,891
	<u>264,825</u>	<u>£232,891</u>
Carried forward	<u><u>264,825</u></u>	<u><u>£232,891</u></u>

Deferred income comprises membership subscriptions which are to be recognised in the subsequent financial year.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

13. UNRESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
General funds	£7,624,470	1,863,427	(2,108,827)	(151,874)	38,000	7,265,195

14. RESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
Scholarship funds	194,924	41,231	(14,370)	(3,641)	-	218,144
Benevolent funds	90,942	39,118	(952)	(1,359)	(38,000)	89,749
Prize funds	26,495	2,455	(2,637)	(494)	-	25,819
	£312,361	82,803	(17,959)	(5,495)	(38,000)	333,712

The Institution's restricted funds comprise a large number of small funds which have been amalgamated for reporting purposes under the three main headings above. The Trustees administer the funds and make awards from them in accordance with the terms of each original gift. Further details appear in the Board of Trustees' Report.

The transfer from the Benevolent Fund represents an allocation of funds in respect of relevant expenditure incurred and charged to the Institute's general fund.

15. ENDOWMENT FUNDS

	Opening Balance £	Gains/(Loss) on Investments £	Closing Balance £
Scholarship funds			
Permanent endowment	640,974	(7,048)	633,926
Expendable endowment	124,805	(1,372)	123,433
	765,779	(8,421)	757,358
Benevolent funds			
Permanent endowment	782,522	(8,605)	773,917
Prize funds			
Permanent endowment	44,504	(489)	44,015
	1,592,805	(17,515)	1,575,290

The Institution's endowment funds represent a large number of small funds which have been amalgamated for reporting purposes under the three main headings above. The income arising from the underlying assets is allocated to the restricted funds shown in Note 14.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 30 September 2022 are represented by:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible fixed assets	5,461,254	-	-	5,461,254
Investments	1,633,656	290,925	1,575,290	3,499,871
Current assets	596,979	42,787	-	639,766
Current liabilities	(426,694)	-	-	(426,694)
Total net assets	<u>7,265,196</u>	<u>333,712</u>	<u>1,575,290</u>	<u>£9,174,197</u>

Fund balances at 30 September 2021 are represented by:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible fixed assets	5,296,288	-	-	5,296,288
Investments	2,481,951	-	1,592,805	4,074,756
Current assets	265,245	312,361	-	577,606
Current liabilities	(419,014)	-	-	(419,014)
Total net assets	<u>£7,624,470</u>	<u>£312,361</u>	<u>£1,592,805</u>	<u>£9,529,636</u>

17. FUTURE FINANCIAL COMMITMENTS

(a) OPERATING LEASES

At 30 September 2022 the charity had annual commitments under operating leases as set out below:

	Office Equipment	
	2022 £	2021 £
Operating leases which expire:		
In less than one year	1,244	1,244
In the second to fifth year	933	2,177
	<u>2,177</u>	<u>£3,421</u>

18. RELATED PARTY TRANSACTIONS

There were no disclosable related party transactions during the year (2021: none).

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

19. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2021 £
Income and expenditure					
Income and endowments from:					
Charitable Activities					
Membership	2	898,492	-	-	898,492
Events	2	99,003	-	-	99,003
Publications	2	528,052	-	-	528,052
Grants, Donations and legacies		7	-	-	7
Investment income	3	113,878	83,778	-	197,656
Total income and endowments		<u>1,639,432</u>	<u>83,778</u>	<u>-</u>	<u>1,723,210</u>
Expenditure on:					
Charitable Activities					
Membership	4	841,205	10,846	-	852,051
Events	5	309,021	(523)	-	308,498
Publications	6	963,284	(891)	-	962,393
Total expenditure		<u>2,113,510</u>	<u>9,432</u>	<u>-</u>	<u>2,122,942</u>
Net income before investment gains/losses		(474,078)	74,346	-	(399,732)
Gain/(loss) on investment assets	10	483,791	-	397,029	880,820
Net income before transfers		<u>9,713</u>	<u>74,346</u>	<u>397,029</u>	<u>481,088</u>
Transfers between funds	13, 14	38,000	(38,000)	-	-
Net movement in funds		<u>47,713</u>	<u>36,346</u>	<u>397,029</u>	<u>481,088</u>
Reconciliation of funds					
Total funds brought forward		<u>7,576,757</u>	<u>276,015</u>	<u>1,195,776</u>	<u>9,048,548</u>
Total funds carried forward		<u>£7,624,470</u>	<u>£312,361</u>	<u>£1,592,805</u>	<u>£9,529,636</u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

20. COMPARATIVE UNRESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
General funds	£7,576,757	£1,639,432	£(2,113,510)	£483,791	£38,000	£7,624,470

21. COMPARATIVE RESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
Scholarship funds	165,307	41,517	(11,900)	-	-	194,924
Benevolent funds	89,023	39,919	-	-	(38,000)	90,942
Prize funds	21,685	2,342	2,468	-	-	26,495
	£276,015	£83,778	£(9,432)	£-	£(38,000)	£312,361

22. COMPARATIVE ENDOWMENT FUNDS

	Opening Balance £	Gains/(Loss) on Investments £	Closing Balance £
Scholarship funds			
Permanent endowment	444,266	196,708	640,974
Expendable endowment	124,805	-	124,805
	569,071	196,708	765,779
Benevolent funds			
Permanent endowment	593,376	189,146	782,522
Prize funds			
Permanent endowment	33,329	11,175	44,504
	£1,195,776	£397,029	£1,592,805

ROYAL INSTITUTION OF NAVAL ARCHITECTS

England & Wales - Charity number 211161

Accounts

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Charity No: 211161
Company No: RC000489

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

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THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

PREAMBLE

Despite challenges of the COVID pandemic, the Institution continues to be a leading professional body on the International platform. It has strengthened its global representation by developing newly formed branches which are bolstered by growing membership. This success can be measured by increased attendance in both on-line presentations and meetings.

The Institution's standing committees remain well regarded throughout the marine industry and provide expert advice to august bodies such as the IMO. The high standard of technical papers continues to deliver reference material for members and the maritime community.

As a commitment to the future, the Institution has embarked on a digital program to completely overhaul its operational systems and website. This will provide an improved interface for members and facilitate increased benefits such as on-line training.

COVID and a commitment to the Institution's future has a financial impact. Fortunately, the Institution has adequate reserves to counter a short-term disruption in events while providing the necessary investment.

The Institution maintains its position as an internationally respected body and the investment in digital tools, people and new learned ways of working significantly increase the value proposition, making the Institution attractive to new members and will enhance the benefits and services for our valued members.

OBJECTIVES OF THE INSTITUTION

The objectives of The Royal Institution of Naval Architects are as set out in the Charter of Incorporation 1910 - 'the improvement of ships and all that specially appertains to them, and the arrangement of periodic meetings for the purpose of discussing practical and scientific subjects bearing upon the design and construction of ships and their means of propulsion, and all that relates thereto'.

Today, reflecting the wider range of activities of the Institution as both a professional institution and learned society, the objectives of the Institution are more aptly described as "to encourage and assist in the achievement of the safe and efficient design, construction, maintenance and operation of marine vessels and structures."

These objectives are primarily achieved by:

- Setting of internationally recognised and accepted standards of professional competence and integrity required for membership.
- Encouraging membership of the Institution at all levels.
- Enabling of the exchange of technical information through the Institution's publications, conferences and local meetings, which are open to all those involved in the design, construction, maintenance and operation of marine vessels and structures.
- Contributing its collective expertise to national and international maritime organisations for the benefit of the profession and society.

Building on the objectives for 2020, the Institution has continued to maintain and develop the internationalism of the organisation both in terms of both membership and activities. Furthermore, it has encouraged all members of the profession to become actively involved in events organised by the Institution and to strengthen its links with academia and industry. In order to support these initiatives, the Institution has reviewed all of its operations, systems architecture and secretariat support and has started to modernise the working practices and systems, such as digital tools and skills mapping. These remain the Institution's specific objectives for the forthcoming year.

ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The Institution organised/co-organised 14 courses and conferences, covering the full spectrum of maritime technology and ranging from one-day seminars to major 2-day conferences. Most of the courses and conferences were held online, but

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021 (Continued)

several hybrid courses, which combined actual and virtual attendance, were organised. Throughout the program the Institution followed the advice issued by the UK Government regarding COVID restrictions.

During the year, the Institution published 9 journal titles and 5 eNewsletters, reporting on developments in the maritime industry and the results of research and development. Conferences and publications have also contributed to the Institution's income.

The Institution's local Branches and Sections have held regular meetings to present and discuss matters of professional interest. Subjects include but not limited to Pollution aspects for the Northern Sea Route – Dry Cargo Ships, The Added Value of Marine Warranty Surveyor (MWS) in the Offshore and Marine Industry, Nuclear Maritime Propulsion Roadmap for Australia and many more including branch/section administration.

The Institution also contributed its collective expertise to national and international organisations, particularly in matters relating to maritime safety and the protection of the maritime environment. Members participate in the following maritime groups:

- IMO Committee – concerned with matters relating to the regulation of the design, construction and operation of marine vessels and the protection of the maritime environment discussed at the IMO
- Maritime Safety Committee – dealing with the design, construction and operating matters related to the safety of marine vessels and structures
- Maritime Environmental Committee – covering matters concerning the protection of the maritime environmental and marine renewable energy
- Maritime Innovation Committee – concerned with the impact on the maritime industry, the profession and the Institution of the development and use of innovative technologies.

The Institution continues to recognise and encourage the achievement of individuals at all stages of professional development through its custom of prizes and awards.

COVID led to certain restrictions with live events which were transferred online and/or to a hybrid arrangement, enabling an increase in their availability to both members and non-members. Feedback on activities confirmed that the Institution was maintaining the high standard and value of its conferences, publications etc., and meeting its objectives.

Trustees continue to develop the requisite skills that are required to maintain a balanced Board of Trustees. They were once again provided with a training course intended primarily for newly appointed trustees and will serve as an introduction to charity law and governance issues including:

- Understanding your charity's structure
- The powers and duties of trustees
- The role of the Charity Commission
- Commercial and key financial issues for charities

Updates and information from the Charity Commission are distributed on a regular basis to ensure trustees remain conscious of their responsibilities.

In order to assess the performance of the Institution's systems, a full gap analysis of the architecture was undertaken. This included but was not limited to the IT/OT facilities, Cyber Impact Assessment (CIA), skills mapping and benchmarking. A specialist third party was approved by the Trustees to process map the system's architecture gaps, areas of risk and provide recommendations and risk mitigation. The Board appointed the same consultant to carry out a business case and return on investment study. The recommendations include modernising the Institution's digital tools and skills, migrating to a cloud-based infrastructure, introducing bespoke Customer Relationship Management systems (CRM's) and developing a new website.

The business case was approved by the trustees and a steering group formed to oversee the governance of the project and investment for the digital transformation. The tools will be developed in 2022 enabling the Institution to improve its communication and efficiency. Other activities include a review of the Institution's HSE and HR policy and procedures which has been outsourced to Peninsula Group Ltd. to provide specialist support.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021 (Continued)

The Board of Trustees also established a Fund Steering Group (FSG). The group consists of three trustees and is supported by the Chief Executive and the Institution's Finance Director with third-party consultation from Independent Investment Reviews Ltd. The performance of the existing fund managers M&G was assessed and five prospective fund managers were short-listed to provide presentations to the FSG. Due diligence was carried out by IIR and the FSG against requisite return and policy standards. This process will continue in 2022 to appoint the new fund manager and update the Institution's Investment policy.

COVID-19 impacted on our daily operations, but we continued to work smoothly and efficiently online providing learning and information to our members. Our risk assessment is maintained in accordance with HSE governance and a COVID policy is in place. We have remained vigilant and follow the Government guidelines, but this has had an impact on our ability to hold live events.

Future Plans

In the forthcoming year, the Institution plans a full programme of courses, conferences and local meetings, reflecting developments in the design, construction and maintenance of marine vessels and structures. It will continue contributing its collective expertise to appropriate national and international organisations, for the benefit of society and the profession. COVID will continue to have an impact on events, with a balance being found between online and live events as COVID restrictions relinquish and members appetites for live attendance increases.

The Institution will upgrade its systems architecture including a new membership CRM, reduce patchwork management and replace the existing systems with a turnkey Microsoft D365 platform which will enable cloud stabilisation and improve working processes and procedures. The Institution moves towards ISO27001 for security against the ever-increasing threat of cyber-crime and ISO9001:2015 for quality management standards.

Employee training will facilitate better individual performance using the improved tools which, in turn, will enhance the communication and accessibility for all members and reach out to attract new members.

The Secretariat has introduced a new HR system whereby staff roles are monitored and reviewed in accordance with an appraisal system which also reviews pay and remuneration and benchmarks against the pay structure of other professional engineering institutions or similar. This is work in progress and will be rolled out in 2022 and reported to the trustees.

The Secretariat has undergone an internal strategic review and is 'fit for purpose' post COVID with improved capability to support international membership. This included introducing a Communications Manager and a Technical Assurance manager reporting on governance. All staff roles and responsibilities will be reviewed with KPI's set and measured during the annual appraisal.

Key to maintaining efficiency is the continuous review of the Secretariat decision making and reporting process and to ensure there are sufficient resources to cover the various roles and responsibilities.

The role and capabilities of the Naval Architect within the maritime community is the subject of a focus group whereby we continue to identify the value and relevance of today's Naval Architect and raise our profile within Industry. We will be looking at continued professional development, engagement with Peers, Industry and Academia, but also how we attract youth into our profession and how they can become the 'Total Engineer' and 'Systems Integrator'.

We will continue to review and refresh our brand whilst maintaining operational focus for worldwide membership.

The By-Laws will be reviewed to incorporate equality, diversity and inclusion and we maintain a consistent approach for everyone.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021 (Continued)

BOARD OF TRUSTEES

The Royal Institution of Naval Architects, also known as “RINA”, is a registered charity in England and Wales (number 211161) incorporated under Royal Charter. The Board of Trustees is the governing body of the Institution. Members of the Board are principally elected members of Council, recommended by the Council to the Board for appointment as Trustees.

The Board of Trustees is responsible for the governance and management of the Institution. Responsibility for the day to day management of the Institution’s affairs is delegated to the Chief Executive, accountable through the Chairman to the Board of Trustees. All Trustees are provided with guidance documentation and updates issued by the Charity Commission concerning their responsibilities.

The members of the Board of Trustees confirm they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. In particular, the Institution has acted as a Licensed Member of the UK Engineering Council in promoting higher education and professional standards, and as an NGO of the International Maritime Organization in improving maritime safety and the protection of the maritime environment. It has also contributed its collective expertise to other appropriate maritime organisations.

Board of Trustees

Chairman

M d’Amico

Vice Chairman

P G Wrobel

Treasurer

J D Frier

Trustees

C L Savage

L A Santini

R M Cripps

R C Gehling

T Allan

E Pang

J K Paik

D Monioudis

T D Strang

The Board of Trustees met formally four times in the year, during which its principal considerations were the policy, management and review of the Institution’s investments, the management and review of the Risk Register.

During the year, the Board continued to review progress and recommendations arising from the Strategic Review, identified by the Working Groups which were tasked with determining what changes were necessary to continue achieving the Objectives in 2050, in expectation of changes in the maritime industry and members’ professional needs.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021 (Continued)

COUNCIL

The Council is elected by the members. It is responsible for communicating the views of the Institution's membership to the Board of Trustees and for providing guidance and advice to the Board on all matters related to the governance of the Institution.

The Council holds delegated authority from the Board of Trustees for the management of the professional, technical and learned society affairs of the Institution. Such delegated authority is principally exercised through the Institution's standing committees and the Chief Executive. There are no connected organisations.

Past Presidents

Professor J B Caldwell OBE PhD DSc FREng
Sir T J Parker FREng
Professor W Geraint Price FREng FRS
Dr N Gee DEng BSc FREng
Mr S Payne OBE Hon. PhD (Sc) BEng FREng
Mr P French FRINA FREng FRSA
Mr B S. Rosenblatt FRINA
Mr T Boardley FRINA
Professor R W Birmingham FRINA

President

Ing Maurizio d'Amico

Honorary Vice Presidents

E C Tupper

Vice Presidents

A K Dev
T Allan
Dr D Aldwinckle
C De Marco
A Subahani
D Molyneux
IKAP Utama
J K Paik
P Krishnankutty
R Gehling

Fellows

B Y W Lau
J D Frier
D N Monioudis
R M Cripps
C L Savage
D Vassalos
R L Downs
P A Wilson
K W Hutchinson
R P Fernandez
G S Chopra
S Inayatullah
D Konovessis
J Black
P J S Kujala

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021 (Continued)

Members

D Viner
R J H Blazejczyk
P Crossland
N J MacLennan
C Silitziotis
A J Aitken
L A Santini
H W Theunissen

Associate-Members

M H Ghaemi
O S Ologe
S De Villiers
R A Miller
A Kumar
Y R Kamath

President of the Australian Division

G MacDonald +

President of the New Zealand Division

C Stimson +

Chairmen of Standing Committees

N Overfield (Publications Committee) +
R Cripps (Maritime Innovation Committee)
F H Spencer (Disciplinary Committee) +
E Pang (IMO Committee) +
A Bain (Maritime Safety Committee) +
T Strang (Maritime Environment Committee) +
C L Savage (Membership Committee)
A Bunney (Professional Affairs Committee) +

Chief Executive

C Boyd

Solicitors

Messrs Taylor, Joyson Garret & Co.

Auditors

Haysmacintyre LLP

Bankers

The Royal Bank of Scotland

Investment Advisors

M&G Investment Management Ltd

RINA Headquarters principal office address

8-9 Northumberland Street, London, WC2N 5DA

+ *Ex officio members*

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021 (Continued)

FINANCIAL REVIEW

Total income (Restricted and Unrestricted) in 2020/21 was £1.72m (2019/20: £1.86m) and total expenditure (Restricted and Unrestricted) in 2020/21 was £2.12m (2019/20: £1.93m). The reduction in income has been due to reduced events activity in light of the pandemic, whilst membership and publications activity has remained stable. Expenditure increased due to digital and other investments identified earlier in this report.

Net deficit before investment losses in 2020/21 was £400k (2019/20: £74k). The operating deficit in the Unrestricted Fund in 2020/21 was £474k (2019/20: £148k), and the operating surplus in the Restricted Fund in 2020/21 was £74k (2019/20: £74k).

Investment policy and performance

In accordance with authority enabled by the Order of the Charity Commissioners for England and Wales, dated 1 Nov 2002 and issued under Section 26 of the Charities Act 1993, the Trustees have sought and gained approval to use a 'Total Return' policy with regard to the Endowment Funds. Whilst such policy has not yet been implemented, this status will change in the forthcoming year.

The investment powers of the Board of Trustees are set out in the Royal Charter and By Laws, copies of which are available from the Chief Executive at RINA Headquarters. Under the terms of those powers, management of the investment portfolio has been delegated to PruM&G Investment Management Ltd.

The Board of Trustees reviewed its investment policy and confirmed that it remains the purpose of the Investment Portfolio to provide the Institution with income whilst maintaining the value of capital in real terms. As such the investment aim is to generate a minimum total return in excess of inflation (UK RPI).

The value of the investments at September 2021 (£4.1m) has increased by 18.6% from the previous year, as a result of improving stock market conditions. Whilst dividend income generated a yield of 4.41% , comfortably exceeding the FTSE All Share Index of 3.41%, the actual dividends received decreased by 15%, as a consequence of declining dividend distribution policies throughout the economy.

Reserves Policy

The total value of the Institution's funds (Unrestricted, Restricted and Endowment) at 30 September 2021 was £9.53m (2020: £9.05m). The value of the Unrestricted Fund at 30 September 2021 was £7.62m (2020: £7.58m). The value of Restricted Funds at 30 September 2021 was £312k (2020: £276k). The value of Endowment Funds at 30 September 2021 was £1.59m (2020: £1.20m). The total value of the Institution's investments at 30 September 2021 was £4.07m (2020: £3.44m).

The Institution's free reserves (unrestricted funds less designated funds and tangible fixed assets) stood at 30 September 2021 at £2.33m (2020: £2.17m). These free reserves will provide a barrier against the impact of Covid and enable the Institution to finance the overhaul of operating systems described in the Preamble.

The Board of Trustees' policy is to maintain minimum cash reserves at the level of 3 months forward cash outflow from HQ operating costs net of rental and investment income, namely circa £300k, and to consider reserves in excess of this level for investment.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021 (Continued)

Restricted Funds

The Board of Trustees' policy is to use all dividend income from Restricted Funds to assist and enable the continuing academic and professional development of members.

- Prize funds are awarded for outstanding articles published in the Institution's journals
- Scholarship funds support student attendance at conferences and other events and also provide for online learning
- Benevolent funds provide membership funding to members in full time education and assistance to other members requiring financial support.

Risk Management and Principal Risks

Operational and financial risks facing the Institution are listed in the Risk Register which is routinely reviewed and revised by the Trustees. Policies and procedures have been established to mitigate any risks identified during these reviews. Compliance with these policies and procedures is monitored by routine Internal Audit and Self-Assessment.

Risk and mitigation measures include, but not limited to:

RISK	MITIGATION
GOVERNANCE That effective governance of the Institution will be prejudiced by a lack of knowledge and understanding by individual Trustees of their responsibilities as a Trustee.	All Trustees shall be familiar with Charity Commission guidance on the roles and responsibilities of Trustees through review of online guidance documents and training. Terms of Reference for the Board of Trustees are published and shall be reviewed annually.
FINANCIAL That Inadequate management of the Institution's finances and assets leads to financial losses. This could include misconduct, wrongdoing or embezzlement.	Financial controls and procedures are published and reviewed annually. An Investment and Reserves Policy is published and reviewed annually. An internal Audit of the implementation of financial controls and procedures is carried out annually. A statutory annual Audit is carried out by external Auditors. A Management Report by the external Auditors is received annually. A Trustee (the Treasurer) is appointed with lead responsibility for financial matters. Trustees receive financial activity reports. Random checks of financial transactions are carried out.

COVID-19 has presented a significant risk to both the operation and finances of the Institution. Furthermore, the depressed global maritime industry, continues to have a negative impact on the Institution's income from conferences and publications. The combination of these principal risks has the potential to undermine the Institution's ability to maintain the current level of its activities and services to members.

The Board routinely reviews cashflow, income and expenditure in both short and long term to manage financial risk.

Remuneration of key personnel

The remuneration of senior members of the Secretariat is reviewed and changes approved annually by the Trustees. See future plans on page 3 for further details of this process.

Fundraising

The Institution does not carry out any active fundraising, nor does it engage with any third party or professional fundraisers, and therefore has not signed up to any fundraising standards. There have been no fundraising complaints received during the year (2020: none). Complaints are considered by the Board or by independent non-Board members as appropriate.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

BOARD OF TRUSTEES' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021 (Continued)

Statement of the Board of Trustees' responsibilities

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Institution's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Board of Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Institution will continue in operation.

The Board of Trustees is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Institution and which enable them to ascertain the financial position of the Institution and which enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the Institution and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Disclosure of information to auditor

The Trustees who held office at the date of approval of this Board of Trustees' Report confirm that, so far as they are each aware;

- there is no relevant audit information of which the auditor is unaware; and
- each Trustee has taken all steps that they ought to have taken as a Trustee to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Haysmacintyre LLP have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the Annual General Meeting.

Signed on behalf of the Board of Trustees:

J. Frier

J Frier
Trustee

18 January 2022

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

Opinion

We have audited the financial statements of the Royal Institution of Naval Architects for the year ended 30 September 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2021 and of the charity's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 trustees' 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 the charity'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Board of Trustees' Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the charity; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF
THE ROYAL INSTITUTION OF NAVAL ARCHITECTS (continued)**

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011 and GDPR, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Charity SORP, and considered other factors such as payroll tax and VAT.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Inspecting correspondence with regulators and tax authorities;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted at specific or unusual points in time, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.



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Haysmacintyre LLP
Statutory Auditors

10 Queen Street Place
London, EC4R 1AG

Date 18 January 2022

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

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2021 £	Total 2020 £
Income and expenditure						
Income and endowments from:						
Charitable Activities						
Membership	2	898,492	-	-	898,492	876,495
Events	2	99,003	-	-	99,003	119,768
Publications	2	528,052	-	-	528,052	601,487
Grants, Donations and legacies		7	-	-	7	7,236
Investment income	3	113,878	83,778	-	197,656	252,399
Total income and endowments		<u>1,639,432</u>	<u>83,778</u>	<u>-</u>	<u>1,723,210</u>	<u>1,857,385</u>
Expenditure on:						
Charitable Activities						
Membership	4	841,205	10,846	-	852,051	731,643
Events	5	309,021	(523)	-	308,498	267,683
Publications	6	963,284	(891)	-	962,393	932,023
Total expenditure		<u>2,113,510</u>	<u>9,432</u>	<u>-</u>	<u>2,122,942</u>	<u>1,931,349</u>
Net income before investment gains/losses		(474,078)	74,346	-	(399,732)	(73,964)
Gain/(loss) on investment assets	10	483,791	-	397,029	880,820	(1,019,997)
Net income before transfers		<u>9,713</u>	<u>74,346</u>	<u>397,029</u>	<u>481,088</u>	<u>(1,093,961)</u>
Transfers between funds	13, 14	38,000	(38,000)	-	-	-
Net movement in funds		<u>47,713</u>	<u>36,346</u>	<u>397,029</u>	<u>481,088</u>	<u>(1,093,961)</u>
Reconciliation of funds						
Total funds brought forward		<u>7,576,757</u>	<u>276,015</u>	<u>1,195,776</u>	<u>9,048,548</u>	<u>10,142,509</u>
Total funds carried forward		<u>£7,624,470</u>	<u>£312,361</u>	<u>£1,592,805</u>	<u>£9,529,636</u>	<u>£9,048,548</u>

All amounts relate to continuing activities.

The notes on pages 15 to 25 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	2021	2021	2020	2020
	£	£	£	£
Operating activities				
Net income before investment gains	(399,732)		(73,964)	
Depreciation	79,879		83,012	
Impairment charge	122,778		-	
Investment income	(197,656)		(252,399)	
Decrease in debtors	74,433		26,429	
Increase/(Decrease) in creditors	22,571		(658)	
Net cash outflow from operating activities		(297,727)		(217,580)
Investing activities				
Purchase of tangible fixed assets	(90,182)		(76,149)	
Investment income	197,656		252,399	
Proceeds from sale of tangible fixed assets	894		-	
Proceeds from sale of investments	244,049		-	
Net cash inflow from investing activities		352,417		176,250
Movement in cash and cash equivalents		54,690		(41,330)
Cash and cash equivalents at 1 October 2020		400,474		441,804
Cash and cash equivalents at 30 September 2021		<u>£455,164</u>		<u>£400,474</u>
Cash and cash equivalents comprise				
Cash at bank		<u>£455,164</u>		<u>£400,474</u>
Analysis of changes in net debt	Balance at		Other	Balance at
	1 Oct 2020	Cash flow	movements	30 Sep 2021
Cash at bank	<u>£400,474</u>	<u>£54,690</u>	<u>£-</u>	<u>£455,164</u>

The notes on pages 15 to 25 form part of these financial statements.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. ACCOUNTING POLICIES

a) Statement of compliance

The financial statements are prepared under the historical cost convention as modified to include the revaluation of investments. The format of the financial statements has been presented to comply with the Charities Act 2011, *The Financial Reporting Standard applicable in the UK and Ireland* (“FRS102”) and the Statement of Recommended Practice *Accounting and Reporting by Charities* (“SORP”) second edition effective 1 January 2019.

The Charity is a Public Benefit Entity as defined by FRS102.

b) General information

The Institution is a charity registered in England and Wales (charity number: 211161). The Charity’s registered office address is: 8-9 Northumberland Street, London WC2N 5DA.

c) Going concern

The Trustees have considered the Institution’s future budgets and cash flow forecasts, together with the current financial position within the balance sheet and are of the view that the Institution is a going concern, and there are no material uncertainties which would cast doubt on the Institution’s ability to continue as a going concern. Although there is a deficit for the year to 30 September 2021 and a forecast deficit for the following year, the existence of significant unrestricted reserves, backed by investments that can be realised quickly, ensures that the Institution can and will continue to meet its financial obligations when they fall due.

d) Significant judgments and sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires the use of accounting estimates. It also requires management to exercise judgment in applying the Charity’s accounting policies. The Trustees do not consider there to be any key judgements or significant sources of estimation uncertainty.

The following principal accounting policies have been applied:

e) Income and endowments

All income and endowments are recognised when the criteria of entitlement, measurement and probability of receipt have been satisfied.

Membership subscriptions and other income derived from services is recognised in the period to which it relates.

Events income is recognised in the period in which the event takes place.

Publication and advertising income is recognised at the date the publication is issued and the performance obligation satisfied.

Investment income, including interest receivable, and other miscellaneous income are accounted for on a receivable basis.

Donations are accounted for on a received basis.

Income from the endowment funds is split between restricted and unrestricted funds according to the specific terms of each fund.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. ACCOUNTING POLICIES (continued)

f) Expenditure

Expenditure is recognised as soon as the related liability is incurred and has been classified under headings that aggregate all costs relating to that category. Liabilities are recognised as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

Employment benefits, including holiday pay, are recognised in the period in which they are earned. Termination benefits are recognised in the period in which the decision is made and communicated to the relevant employee(s).

Expenditure on charitable activities comprises expenditure directly related to the provision of events, membership services and publications as well as the related support costs.

Support costs represent indirect costs relating to raising funds and the Charity's charitable activities. Support costs, including governance costs, are allocated to activities on bases that represent the Trustees' best estimate of actual use. Production costs are allocated on the basis of actual expenditure, other support costs are allocated proportionally based on the income relating to the charitable activity.

Governance costs comprise the costs of running the charity, including auditors' remuneration, certain legal costs and costs of Board meetings.

g) Tangible Fixed Assets and Depreciation

Tangible fixed assets are initially recognised at cost.

Depreciation is provided on fixed assets to write off their cost less estimated residual value over their estimated useful economic life by equal annual instalments as follows:

Land	not depreciated
Freehold buildings	2% straight line
Equipment and fittings	10% straight line
IT	20% straight line

The carrying values of tangible fixed assets are reviewed for impairment in accordance with the requirements of FRS102.

h) Investments

Investments held for the long-term to generate income or capital growth are carried as fixed assets at fair value, namely the quoted listed price.

Realised gains are the difference between sales proceeds and the carrying value of the investment. The carrying value is the fair value at the beginning of the year or the purchase cost where the investment was acquired during the year.

Unrealised gains are the change in value of investments after taking into account any movements in investment holdings such as purchases and disposals of investments.

Realised and unrealised gains are accounted for within the Statement of Financial Activities.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. ACCOUNTING POLICIES (continued)

i) Financial instruments

Basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable are accounted for on the following basis:

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

Debtors and creditors

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognised as expenditure.

j) Pensions

The Institution operates a group money purchase personal pension scheme on behalf of its employees. Contributions to the scheme are recognised as expenditure when they fall due.

k) Leases

Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

l) Foreign currency transactions

Transactions denominated in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the rate ruling on the balance sheet date. All gains and losses arising from foreign currency transactions are accounted for within the Statement of Financial Activities.

m) Funds

General funds comprise the accumulated surplus or deficit from the Statement of Financial Activities which is neither restricted nor designated funds. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted income funds comprise unexpended balances of donations and grants held in trust to be applied for specific purposes or accumulated income derived from investments held as part of the Charity's endowment funds.

Where funds are given to be held by the Institution as capital, they are shown as endowment funds in the financial statements. Expendable endowments are those where the trust terms provide for conversion of income to capital under certain circumstances, permanent endowments are those for which the capital may not ever be applied as income.

2. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Membership		
Institution fees	779,149	755,095
EC fees	111,193	109,450
Prizes and Scholarships	8,150	11,950
	<u>898,492</u>	<u>876,495</u>
Events	99,003	119,768
Publications	528,052	601,487
	<u>£1,525,547</u>	<u>£1,597,750</u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

3. INCOME FROM INVESTMENTS	Total 2021 £	Total 2020 £
Dividends	185,842	218,866
Bank interest	54	913
Rents	11,760	32,620
	<u>£197,656</u>	<u>£252,399</u>
	<u><u>£197,656</u></u>	<u><u>£252,399</u></u>
4. MEMBERSHIP EXPENDITURE	Total 2021 £	Total 2020 £
Salaries	140,769	136,059
Branch grants	39,225	36,215
EC fees (UK)	89,253	87,102
Prizes and Scholarships	16,861	24,123
Support costs	565,943	448,144
	<u>£852,051</u>	<u>£731,643</u>
	<u><u>£852,051</u></u>	<u><u>£731,643</u></u>
2,224 (2020: 2,691) members received grants during the year from the restricted funds.		
5. EVENTS EXPENDITURE	Total 2021 £	Total 2020 £
Salaries	117,314	120,957
Support costs	191,184	146,726
	<u>£308,498</u>	<u>£267,683</u>
	<u><u>£308,498</u></u>	<u><u>£267,683</u></u>
6. PUBLICATIONS EXPENDITURE	Total 2021 £	Total 2020 £
Salaries	357,167	354,570
Support costs	605,226	577,453
	<u>£962,393</u>	<u>£932,023</u>
	<u><u>£962,393</u></u>	<u><u>£932,023</u></u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

7. SUPPORT COSTS	Membership £	Events £	Publications £	Total 2021 £	Total 2020 £
HQ costs	328,882	41,357	220,585	590,824	634,945
Comm./IT	163,586	20,571	109,719	293,876	104,747
Production	51,257	126,462	260,020	437,739	412,139
Governance	22,218	2,794	14,902	39,914	20,492
	<u>£565,943</u>	<u>£191,184</u>	<u>£605,226</u>	<u>£1,362,353</u>	<u>£1,172,323</u>
Prior year	Membership £	Events £	Publications £	Total 2020 £	
HQ costs	327,240	51,096	256,609	634,945	
Comm./IT	53,985	8,429	42,333	104,747	
Production	56,358	85,552	270,229	412,139	
Governance	10,561	1,649	8,282	20,492	
	<u>£448,144</u>	<u>£146,726</u>	<u>£577,453</u>	<u>£1,172,323</u>	

HQ, Comm./IT and Governance costs are allocated to activity in relation to proportion of income from activity. Production costs are allocated on an actual basis across each category.

Governance costs comprise:	Total 2021 £	Total 2020 £
AGM	-	68
Council and Board travel	676	2,568
Audit	14,600	13,800
Other professional fees	24,638	4,056
	<u>£39,914</u>	<u>£20,492</u>

8. STAFF COSTS	Total 2021 £	Total 2020 £
Wages and salaries	886,928	876,532
National insurance	96,563	87,744
Pension contributions	59,259	51,081
Termination payments	11,335	-
	<u>£1,054,085</u>	<u>£1,015,357</u>

The average number of employees, analysed by function, was:

	No.	No.
Professional affairs	3	3
Events & Marketing	5	5
Publishing	5	5
Administration	8	8
	<u>21</u>	<u>21</u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

8. STAFF COSTS (continued)

One (2020: one) employee received remuneration in the range £60,000-£70,000, no (2020: one) employee received remuneration in the range £80,000-£90,000, and one (2020: no) employee received remuneration in the range £100,000-£110,000.

No trustees received remuneration in the year (2020: No trustees received remuneration in the year). Expenses totalling £Nil were reimbursed to trustees during the year in relation to travel and subsistence (2020: Expenses totalling £2,337 were reimbursed to 5 trustees in relation to travel and subsistence).

The aggregate remuneration of the charity's key management personnel amounted to £351,038 (2020: £324,381).

9. TANGIBLE FIXED ASSETS	Freehold land and buildings £	IT £	Fixtures and fittings £	Total £
Cost or valuation				
At 30 September 2020	5,451,144	336,649	44,339	5,832,132
Additions	-	90,182	-	90,182
Disposals	-	(1,591)	-	(1,591)
	<u>5,451,144</u>	<u>425,240</u>	<u>44,339</u>	<u>5,920,723</u>
At 30 September 2021	5,451,144	425,240	44,339	5,920,723
	<u>5,451,144</u>	<u>425,240</u>	<u>44,339</u>	<u>5,920,723</u>
Accumulated depreciation				
At 30 September 2020	225,000	163,192	34,283	422,475
Charge for the year	30,000	46,416	3,463	79,879
Impairment charge	-	122,778	-	122,778
Disposals	-	(697)	-	(697)
	<u>255,000</u>	<u>331,689</u>	<u>37,746</u>	<u>624,435</u>
At 30 September 2021	255,000	331,689	37,746	624,435
	<u>255,000</u>	<u>331,689</u>	<u>37,746</u>	<u>624,435</u>
Net Book Value				
At 30 September 2021	£5,196,144	£93,551	£6,593	£5,296,288
	<u>£5,196,144</u>	<u>£93,551</u>	<u>£6,593</u>	<u>£5,296,288</u>
At 30 September 2020	£5,226,144	£173,457	£10,056	£5,409,657
	<u>£5,226,144</u>	<u>£173,457</u>	<u>£10,056</u>	<u>£5,409,657</u>

Land with book value of £4m is not depreciated, in line with accounting policy 1g. The impairment charge is in respect of developed software no longer fit for purpose.

10. INVESTMENTS

	UK Quoted investments £
Market value at 1 October 2020	3,437,983
Additions	-
Disposals	(244,049)
Gains	880,820
	<u>880,820</u>
Market value at 30 September 2021	£4,074,756
	<u>£4,074,756</u>

The above investments are all held in Unit Trusts.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

11. DEBTORS	2021 £	2020 £
Due within one year		
Trade debtors	65,181	122,962
Prepayments	42,998	52,552
Sundry Debtors	14,263	20,333
Staff loans	-	1,028
	<u>£122,442</u>	<u>£196,875</u>
	<u><u>£122,442</u></u>	<u><u>£196,875</u></u>
12. CREDITORS: amounts falling due within one year	2021 £	2020 £
Trade creditors	21,366	52,130
Accruals	133,601	87,250
Deferred income & Income in advance	232,891	224,539
Tax and social security	25,789	26,276
Other creditors	5,367	6,246
	<u>£419,014</u>	<u>£396,441</u>
	<u><u>£419,014</u></u>	<u><u>£396,441</u></u>
Movement in deferred income		
Brought forward	224,539	256,386
Released into income during the year	(224,539)	(256,386)
Incurred during the year	232,891	224,539
	<u>£232,891</u>	<u>224,539</u>
	<u><u>£232,891</u></u>	<u><u>£224,539</u></u>

Deferred income comprises membership subscriptions which are to be recognised in the subsequent financial year.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

13. UNRESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
General funds	£7,576,757	£1,639,432	£(2,113,510)	£483,791	£38,000	£7,624,470

14. RESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
Scholarship funds	165,307	41,517	(11,900)	-	-	194,924
Benevolent funds	89,023	39,919	-	-	(38,000)	90,942
Prize funds	21,685	2,342	2,468	-	-	26,495
	£276,015	£83,778	£(9,432)	£-	£(38,000)	£312,361

The Institution's restricted funds comprise a large number of small funds which have been amalgamated for reporting purposes under the three main headings above. The Trustees administer the funds and make awards from them in accordance with the terms of each original gift. Further details appear in the Board of Trustees' Report.

The transfer from the Benevolent Fund represents an allocation of funds in respect of relevant expenditure incurred and charged to the Institute's general fund.

15. ENDOWMENT FUNDS

	Opening Balance £	Gains/(Loss) on Investments £	Closing Balance £
Scholarship funds			
Permanent endowment	444,266	196,708	640,974
Expendable endowment	124,805	-	124,805
	569,071	196,708	765,779
Benevolent funds			
Permanent endowment	593,376	189,146	782,522
Prize funds			
Permanent endowment	33,329	11,175	44,504
	£1,195,776	£397,029	£1,592,805

The Institution's endowment funds represent a large number of small funds which have been amalgamated for reporting purposes under the three main headings above. The income arising from the underlying assets is allocated to the restricted funds shown in Note 14.

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 30 September 2021 are represented by:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible fixed assets	5,296,288	-	-	5,296,288
Investments	2,481,951	-	1,592,805	4,074,756
Current assets	265,245	312,361	-	577,606
Current liabilities	(419,014)	-	-	(419,014)
Total net assets	<u>£7,624,470</u>	<u>£312,361</u>	<u>£1,592,805</u>	<u>£9,529,636</u>

Fund balances at 30 September 2020 are represented by:

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £
Tangible fixed assets	5,409,657	-	-	5,409,657
Investments	2,242,207	-	1,195,776	3,437,983
Current assets	321,334	276,015	-	597,349
Current liabilities	(396,441)	-	-	(396,441)
Total net assets	<u>£7,576,757</u>	<u>£276,015</u>	<u>£1,195,776</u>	<u>£9,048,548</u>

17. FUTURE FINANCIAL COMMITMENTS

(a) OPERATING LEASES

At 30 September 2021 the charity had annual commitments under operating leases as set out below:

	Office Equipment	
	2021	2020
	£	£
Operating leases which expire:		
In less than one year	1,244	2,640
In the second to fifth year	2,177	3,421
	<u>£3,421</u>	<u>£6,061</u>

- (b)** At the year end the Institution had £nil capital commitments (2020: £50,079 in relation to the upgrade of the membership system software).

18. RELATED PARTY TRANSACTIONS

There were no disclosable related party transactions during the year (2020: none).

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

19. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £
Income and expenditure					
Income and endowments from:					
Charitable Activities					
Membership	2	876,495	-	-	876,495
Events	2	119,768	-	-	119,768
Publications	2	601,487	-	-	601,487
Donations and legacies		6,881	355	-	7,236
Investment income	3	153,734	98,665	-	252,399
Total income and endowments		<u>1,758,365</u>	<u>99,020</u>	<u>-</u>	<u>1,857,385</u>
Expenditure on:					
Charitable Activities					
Membership	4	709,684	21,959	-	731,643
Events	5	266,552	1,131	-	267,683
Publications	6	930,098	1,925	-	932,023
Total expenditure		<u>1,906,334</u>	<u>25,015</u>	<u>-</u>	<u>1,931,349</u>
Net income before investment gains/losses		(147,969)	74,005	-	(73,964)
Gain/(loss) on investment assets		(560,234)	-	(459,763)	(1,019,997)
Net income before transfers		<u>(708,203)</u>	<u>74,005</u>	<u>(459,763)</u>	<u>(1,093,961)</u>
Transfers between funds	13, 14	47,000	(47,000)	-	-
Net movement in funds		<u>(661,203)</u>	<u>27,005</u>	<u>(459,763)</u>	<u>(1,093,961)</u>
Reconciliation of funds					
Total funds brought forward		8,237,960	249,010	1,655,539	10,142,509
Total funds carried forward		<u>£7,576,757</u>	<u>£276,015</u>	<u>£1,195,776</u>	<u>£9,048,548</u>

THE ROYAL INSTITUTION OF NAVAL ARCHITECTS

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

20. COMPARATIVE UNRESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
General funds	£8,237,960	£1,758,365	£(1,906,334)	£(560,234)	£47,000	£7,576,757

21. COMPARATIVE RESTRICTED FUNDS

	Opening Balance £	Income £	Expenditure £	Gains/ (losses) on Investments £	Transfers £	Closing Balance £
Scholarship funds	135,738	49,250	(19,681)	-	-	165,307
Benevolent funds	89,011	47,012	-	-	(47,000)	89,023
Prize funds	24,261	2,758	(5,334)	-	-	21,685
	£249,010	£99,020	£(25,015)	£-	£(47,000)	£276,015

22. COMPARATIVE ENDOWMENT FUNDS

	Opening Balance £	Gains/(Loss) on Investments £	Closing Balance £
Scholarship funds			
Permanent endowment	672,056	(227,790)	444,266
Expendable endowment	124,805	-	124,805
	796,861	(227,790)	569,071
Benevolent funds			
Permanent endowment	812,408	(219,032)	593,376
Prize funds			
Permanent endowment	46,270	(12,941)	33,329
	£1,655,539	£(459,763)	£1,195,776