

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
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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.

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

+ *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.

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)		
					<u></u>		
NET CURRENT ASSETS				213,071			158,592
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
	<hr/> 924,025	<hr/> 898,492
Events	239,559	99,003
Publications	569,451	528,052
	<hr/> 1,733,035	<hr/> £1,525,547

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)
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)
At 30 September 2022	285,000	372,762	42,329	-	700,020
Net Book Value					
At 30 September 2022	£5,166,144	£54,220	£20,871	£220,019	£5,461,254
At 30 September 2021	£5,196,144	£93,551	£6,593	£-	£5,296,288

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)
Market value at 30 September 2022	3,499,871

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>
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>
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>

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