

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 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

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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.

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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.

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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 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
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

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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*

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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.

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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
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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		1,886,141	66,727	-	1,952,868	1,946,230
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		2,634,913	17,783	-	2,652,696	2,126,786
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		(723,450)	52,866	21,236	(649,348)	(355,440)
Transfers between funds	13, 14	38,000	(38,000)	-	-	-
Net movement in funds		(685,450)	14,866	21,236	(649,348)	(355,440)
Reconciliation of funds						
Total funds brought forward		7,265,195	333,712	1,575,290	9,174,197	9,529,636
Total funds carried forward		6,579,745	348,578	1,596,526	8,524,849	9,174,197

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/> 986,736	<hr/> 924,025
Events	335,657	239,559
Publications	453,693	569,451
	<hr/> 1,776,086	<hr/> 1,733,035

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>
	<u><u>716,408</u></u>	<u><u>381,506</u></u>	<u><u>619,061</u></u>	<u><u>1,716,975</u></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>
	<u><u>457,924</u></u>	<u><u>355,328</u></u>	<u><u>569,191</u></u>	<u><u>1,382,443</u></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>
	<u><u>37,745</u></u>	<u><u>29,069</u></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>
	<u><u>1,248,761</u></u>	<u><u>984,223</u></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>
	<u><u>22</u></u>	<u><u>19</u></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		Fixtures and fittings	Digital	
	and buildings	IT equipment and software		WIP	Total
	£	£	£	£	£
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)
At 30 September 2023	5,451,144	622,413	64,396	-	6,137,953
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)
At 30 September 2023	315,000	286,200	47,155	-	648,355
Net Book Value					
At 30 September 2023	5,136,144	336,213	17,241	-	5,489,598
At 30 September 2022	5,166,144	54,220	20,871	220,019	5,461,254

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
Market value at 30 September 2023	3,150,351

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>
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>
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		

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

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
	333,712	66,727	(17,783)	3,922	(38,000)	348,578

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
	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

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