



**RTPI**

Royal Town Planning Institute

The Royal Town Planning Institute

# Report and accounts

31 December 2016

Registered Charity No: 262865

Registered Charity in Scotland No: SC037841

# The Royal Town Planning Institute

## Report and Accounts 2016

### Index

Page	Contents
2	Index
2 - 7	Annual Report of the Trustees
8	Independent Auditor's Report
9	Consolidated Statement of Financial Activities
10	Charity Statement of Financial Activities
11	Charity and Consolidated Balance Sheets
12	Charity and Consolidated Cash Flow Statement
13 - 24	Notes to the financial statements

### Annual Report of the Trustees for the year ended 31 December 2016

The Trustees of the Royal Town Planning Institute are pleased to present their Report and Financial Statements for the Institute for the year ended 31 December 2016. The Trustees confirm that the Report and Financial Statements of the Institute comply with the current statutory requirements of the Institute's governing document and the provisions of the Charities SORP (FRS 102), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015).

#### Reference and administrative details

Royal Town Planning Institute (RTPI) is a charity, registered in England and Wales (Charity number: 262865).

RTPI is also registered in Scotland (Charity number: SC 037841).

The principal and registered office of the Institute is:  
 41 Botolph Lane, London EC3R 8DL

#### Trustees

President 2017:	Stephen Wilkinson
President 2016:	Phil Williams
President 2015:	Janet Askew
Honorary Treasurer 2017 - 2018:	Andrew Taylor
Honorary Treasurer 2015 - 2016:	Graham Stallwood (Retired 31 December 2016)
Honorary Solicitor and Secretary 2016 - 2017:	Pat Thomas
Chair of the Board 2017 - 2018:	Graham Stallwood
Chair of the Board 2015 - 2016:	Andrew Taylor (Retired 31 December 2016)
Elected Trustees for 2016 - 2017:	Samer Bagaeen Peter Geraghty Colin Haylock
Elected Trustees for 2015 - 2016:	Marion Chalmers Tony Crook Vincent Goodstadt
Trustee for Young Planners 2016 – 2017	Lucy Seymour-Bowdery
Appointed by Regions 2016 - 2017	Tom Venables
Trustee for Scotland 2016 - 2017:	Ian Angus

### Annual Report of the Trustees for the year ended 31 December 2016 *(continued)*

#### Senior staff at April 2017:

Chief Executive	Trudi Elliott
Director of Professional Standards	Rosslyn Stuart
Director of Commercial & Corporate Services	Phil Pluck (Resigned April 2017)
Finance Director	Jacqueline Rees (Appointed Aug 2016)

#### Other relevant organisations:

The Institute's bankers are:	HSBC Bank plc, 196 Oxford Street, London W1D 1ND
The Institute's auditor is:	Moore Stephens LLP, 150 Aldersgate Street, London EC1A 4AB
The Institute's solicitors are:	Blandy and Blandy, One Friar Street, Reading, RG1 1DA

#### Structure, governance and management

RTPI is a body politic and corporate established in 1914 and granted a Royal Charter in 1959 as amended by a Supplemental Charter granted in 1971 and by orders in Council from 1982 to 2001. The Royal Charter was comprehensively updated by a Supplemental Charter granted in 2003, which was further amended in October 2012, and the new governance arrangements are effective from 1 January 2013.

The Chair of the Board of Trustees is elected by the General Assembly for a term of two years and may be re-elected for a further term of two years.

Trustees are elected by the General Assembly. Corporate Members who have held office in any capacity with the RTPI's governance structures for at least two consecutive years during the previous five are eligible to stand for election as Vice President. Once Vice President, the Trustee moves forward at the start of each subsequent year to become President and Immediate Past President.

Members of the General Assembly elect up to three Trustees each year to serve for a two-year period and also a young planner from those nominated by the young planners for a two year period each alternate year. The General Assembly will elect one Chartered member to represent the Regions and Nations (excluding Scotland), and one to represent Scotland.

The Board of Trustees may elect up to two additional Trustees for such renewable terms as the Board of Trustees may determine and agreed in 2016 to appoint two independent Trustees to provide additional skills in finance and marketing and communications. These Trustees will take up their roles in 2017.

All Corporate members may stand for election. They may serve for a maximum of three terms of two years and are not subsequently eligible for re-election until they have been out of office for at least one year.

The General Assembly comprises the following representatives, all elected following a call for candidates published to all members: 28 Fellow and Members; 2 Legal Members or Legal Associates; 2 Technical Members; 6 Student Members or Licentiates; one representative from each Region in England, 2 from RTPI Cymru (Wales), 2 from RTPI in Ireland, 2 from RTPI in Scotland.

RTPI Services Limited, which is a wholly owned subsidiary of RTPI, has continuing contracts with Redactive

Publishing Ltd for the production of RTPI's magazine "The Planner" and Kaplan Hawksmere for commission on running the RTPI Conferences seminar series and the Planning Convention. The contract with Kaplan Hawksmere will end in December 2017.

The taxable profits of the company of £429k (2015 £580k) were transferred to the Institute under Gift Aid.

More information on the results of RTPI Services Limited is given in note 14 of the notes to the financial statements.

#### Risk review

The Trustees have identified and kept under review the major risks to which the Royal Town Planning Institute is exposed and continue to regularly review the management controls and systems to manage those risks. The risks are reviewed by the staff of the Institute and the Trustees on an ongoing basis and the risk register updated accordingly.

The principal risks identified during this process are:

Loss of financial resources to maintain current service levels. Key elements in the management of this financial risk include:

- a six year strategic plan
- annual business and operational plans
- a reserves policy agreed by board
- monthly management accounts to ensure any emerging funding shortages are identified rapidly
- a clear focus on efficiency and cost containment
- the development and implementation of a membership retention strategy
- to develop opportunities for the diversification of income

Weaknesses within the current CRM system, which represent an operational and reputational risk. The ongoing risk arising from flaws within the current system is being managed by manual checking of data before communications are sent to members and the employment of additional temporary resources to respond to members' queries. Key actions undertaken during 2016 in the management and mitigation of the CRM risk include:

- The commissioning of an internal review of the website
- Competitive tendering and due diligence process to award the contract for the new CRM system
- Competitive tendering and due diligence process to award the contract for the new website

### Annual Report of the Trustees for the year ended 31 December 2016 *(continued)*

- Project manager appointed
- Commencement of the project to replace the current CRM and website

#### Volunteers

The structure, governance and management section of the annual report outlines the formal roles of elected volunteers on the Board and the General Assembly.

The Board of Trustees have ultimate responsibility for governing the institute and directing how it is managed and run.

The work of the Board is supported by five standing committees:

- Audit Committee
- Education and Lifelong Learning Committee
- International Committee
- Membership and Ethics Committee
- Policy Practice and Research Committee.

At least 50% of the membership of the standing committees are elected General Assembly members. The Chair or Vice Chair of all of the standing committees are members of the Board.

Local members in RTPI nations and regions volunteer to work on national and regional committees. These committees support the work of RTPI's national and regional staff in the delivery of local events and the charitable work of the Institute.

Volunteers work within over 100 local committees and groups to support RTPI's charitable objectives.

The table below illustrates the number members and non-members attending RTPI national and regional events in 2015 and 2016.

Nations/ Regions	Total 2015	Training	Social	Young Plan- ners	Total 2016	% increase/ (decrease)
East Midlands	773	384	110	278	772	(0.1%)
East of England	830	411	151	204	766	(7.7%)
London	1,664	1,403	182	366	1,951	17.2%
North East	1,127	431	361	163	955	(15.3%)
North West	2,122	1,230	961	280	2,471	16.4%
South East	1,183	907	175	244	1,326	12.1%
South West	2,217	1,605	200	170	1,975	(10.9%)
West Midlands	1,849	1,064	446	387	1,897	2.6%
Yorkshire	1,782	1,157	481	152	1,790	0.4%
Wales	1,147	548	163	0	711	(38.0%)
Scotland	2,050	1,672	346	293	2,311	12.7%
Ireland	86	223	60	0	283	229.1%
Northern Ireland	330	315	140	150	605	83.3%
<b>Totals</b>	<b>17,160</b>	<b>11,350</b>	<b>3,776</b>	<b>2,687</b>	<b>17,813</b>	<b>3.8%</b>

RTPI wishes to thank all volunteers for their contributions to the work of the Institute during 2016.

#### Pay policy for senior staff

The pay of all RTPI staff excluding the Chief Executive is reviewed annually based on a recommendation from the

Chief Executive and approval by the Board of Trustees. The recommendation takes into consideration a number of factors including:

- affordability including RTPI performance against budget, reserve levels and projected performance for the current financial year
- external factors such as CPI and pay levels in other comparable organisations
- the full value of RTPI benefits such as pension contributions
- recruitment and retention rates
- UK and London living wage
- the pay multiples – the ratios between the highest and salaries, and the highest and the median salaries of an organisation

The Chief Executive's Appraisal Panel (comprising Board members) reviews on an annual basis the performance of the Chief Executive and recommends any annual pay award. The panel takes account of the factors listed above; including the impact on the organisation's pay multiples, when recommending the level of the annual pay award for the Chief Executive.

#### Objectives and activities

The objectives of the Chartered Institute, as incorporated in the Supplemental Charter 2003 and amended in 2012, are to advance the science and art of planning (town and country and spatial planning) for the benefit of the public. The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the Institute's aims and objectives and when planning future activities.

#### Key objectives during the year have been:

- Promoting the value of planning and planners.
- Encouraging people to join the profession.
- Continuing to develop the policy and research programme.
- Launching the new routes to membership.
- RTPI's bursary scheme for postgraduate students on accredited RTPI masters programmes.
- The launch of Wales' Great Places competition.
- Maintaining and building the Institute's financial reserves in order to enable effective management of risk.

#### Achievements and performance

In 2016 the RTPI engaged in a very full programme and delivered enhanced services for members as it continues to serve the specific needs of planners and support them in developing their professional skills, while promoting the role and importance of planning across the world.

#### Support for members and promotion of membership

This year saw the launch of the streamlined routes to membership at the Planning Convention in June 2016. There was an overall growth in membership of 2.4% in

### Annual Report of the Trustees for the year ended 31 December 2016 *(continued)*

2016. The total number of members reached 24,197 at the end of 2016 and this is the first time the Institute has ever reached over 24,000 members.

The biggest growth area in membership in 2016 was in the number of applications for Chartered membership through the non-accredited routes. The number of first time applications through the non-accredited routes increased by 228% in 2016, compared to 2015.

The RTPI Future Planners Bursary fund for postgraduate students continued after a successful pilot in 2015. This aims to addressing the pipeline of planners and received both private and public sector funding. The new RTPI Trust diversity bursary illustrates there are no barriers to gaining access to profession at undergraduate level.

The future pipeline of planners was also supported by the Education team's marketing careers in town planning to young people; with the first RTPI World Town Planning Day schools competition. The winners aged 11–17 were from Bromley, Torquay and Dundee.

The RTPI technical apprenticeship scheme was launched in 2015 at three colleges. The scheme has helped to open access to the profession to school leavers and technicians. The scheme is being used to engage with RTPI Learning Partners and regional and national employers to promote excellence in training and promote new routes to membership. Technical Apprenticeships increased from 10 in 2015-16 to 37 in the 2016-17 intake.

The Institute's Education Policy was reviewed in the course of the year and found that the approach adopted after the 2003 Education Commission report remains fit for purpose ensuring that high standards of initial professional education continue to be provided by the Institute's accredited university planning schools both in the UK and abroad.

Resources were also provided to support members with CPD support and monitoring, a revised Code of Conduct and ethics guidance, new RTPI Learning Partners and online training with RTPI Learn

### Promotion of Spatial Planning

The RTPI influenced policy development through the production of various policy and research papers. These included a focus on planning and the Tech Industry. Research was published on key considerations for the Location of Development. The RTPI also published a key report on the links between Place, Poverty and Inequality which stressed the importance of place-based factors of poverty and inequality; 'people-based' approaches on their own are not enough to tackle these issues.

The Delivering the Value of Planning report demonstrated how good planning can deliver sustainable economic growth and housing, and helped to promote as well as further advance key RTPI arguments. It achieved extensive media coverage across both print and social media with over 13,596 impressions and 458 'engagements' (retweets, responses etc.) on Twitter.

The RTPI joined a coalition of professional bodies representing the construction and built environment sectors

outlining their concerns around skills, as well as five other priorities that

the UK Government should focus on in light of the UK's Brexit vote. The six priorities are: access to skills, common standards, research excellence, infrastructure investment, devolution commitment, and community development. This collaboration helps to ensure that priorities for the profession are focussed on.

The RTPI launched its #RTPI16Ways campaign. The campaign outlined the Institute's recommendations for tackling the housing crisis in England ahead of the release of the Housing White Paper for England to help the Government achieve its ambitious house building targets.

The RTPI appeared before six Westminster parliamentary committees to give oral evidence on flooding, public parks, Neighbourhood Planning Bill, disability and the built environment, housing economics and National Planning Policy Framework. The RTPI influenced the Environment, Food and Rural Affairs (EFRA) Select Committee's final report on flooding and the Committee Housing Report included recommendations it had put forward in its evidence.

The RTPI received significant local, regional and national media coverage and references in other reports and publications. Policy and research work added to the evidence base for planning, as the RTPI continued to engage with governments, politicians and other stakeholders.

The RTPI Awards for Research Excellence recognise and promote high quality, impactful spatial planning research from RTPI accredited planning schools, and planning consultancies, in the UK, the Republic of Ireland and internationally. 2016 saw a record number of entries across all categories, and in particular for the new consultancy category.

The Annual RTPI Awards for Planning Excellence 2016 saw the introduction of two new awards, The Volunteer Planner of the Year Award, and the International Award for Planning Excellence, which received an impressive 22 entries. Nick Raynsford MP chaired the panel of independent judges and the ceremony was a sell out with 400 guests. The winner of the prestigious 2016 Silver Jubilee Cup was Plymouth City Council's ambitious Plan for Homes.

The annual Young Planners Conference is organised by a different regional Young Planner network each year. In 2016 it was the turn of the Northern Irish Young Planners who held a two day conference and networking event in Belfast for 200 delegates. The event was so successful it has been selected as a finalist for the Association Excellence Award for Best Networking Event 2016.

2016 was an election year for the UK devolved nations and RTPI produced an election 'asks' document and through the year met with leading politicians with each of the parties to make

the case for planning. Successful fringe events were organised at the Conservative and Labour party conferences.

### Annual Report of the Trustees for the year ended 31 December 2016 *(continued)*

#### Media highlights in 2016

News and Queries:

- 533 print and online media mentions of RTPI including in Financial Times, The Times, The Guardian, The Daily Mail, The Sun, The Sunday Times
- 270 RTPI website news items
- 180 corporate media enquiries
- Appearances on multiple regional and national TV and radio reports, including Radio 4 The Today Programme

Social Media Followers in 2016:

- RTPI Corporate Twitter account up by 20% since 2015
- RTPI Facebook up by 40% from 2015
- RTPI Instagram up by 117% from 2015
- RTPI Corporate Linked In (relaunched) up by 12%

#### Nations and Regions

The RTPI Nations and Regions held in excess of 200 events and continued to deliver high-quality free and affordable CPD to over 11,350 delegates.

Young Planners networks increased in number and attendances of RTPI social and networking events rose to over 3,000.

Three Regions published region specific research covering the role of Local Enterprise Partnerships, Support for Community Planning and the Role of Planning Cultures and Legacies in Delivering Growth, supported by the Policy and Research team. In addition, reports from Location of Development research were published for the South East and South West.

The RTPI Nations continued to engage with the devolved administrations on planning issues in Scotland, Wales and Northern Ireland and Ireland.

RTPI Scotland has been heavily engaged in, and has influenced, the consultation exercises on Scottish Government review of the planning system. RTPI Scotland participated in over 20 advisory groups including the Scottish Government Joint Housing Policy and Delivery Group; the Ministerial High Level Group on Planning Performance and the Ministerial Advisory Group on the Crown Estate.

RTPI Ireland's Chair was appointed to the Advisory Group to the emerging National Planning Framework which has helped influence the Framework. Member Open Forum events were held in Dublin and Limerick bringing together members to discuss key planning issues.

RTPI Cymru ran a campaign to select Wales' Best Place, which was voted for by over 5,000 people and resulted in nearly fifty media stories. The award was won by Aberaeron, one of Wales' first planned towns. RTPI Cymru also promoted planning and the RTPI at the National Eisteddfod in Abergavenny.

RTPI Northern Ireland introduced annual Northern Ireland Planning Conference and established the Northern Ireland Policy and Research Forum to ensure that the right skills are available to consider emerging policy and research issues collectively.

#### International

The RTPI actively promoted and contributed to Habitat III, the third United Nations conference on housing and sustainable development, which was held in Quito, Ecuador in October 2016. We helped influence the government document the New Urban Agenda, and inputted to The City We Need document, which is civil society's views. In both documents, we argued for the inclusion of addressing air quality and the need for built environment professionals to be able to deliver on these international commitments. This year we committed to international humanitarian activities and published guidance for our members on how to assist after the earthquakes in Japan and Ecuador. We also launched our new UK Built Environment Advisory Group (UKBEAG) at Habitat III, with the Charge D'Affaires from the British Embassy. The UKBEAG is a new virtual network comprising the RTPI, the Royal Institute of British Architects (RIBA) and the Institution of Structural Engineers. The new network will provide access to built environment expertise to humanitarian organisations and enjoys the support from the International Federation of the Red Cross and Red Crescent Societies, and the UK Government's Department for International Development. We also joined the Global Alliance for Urban Crises, which was launched in May at the first World Humanitarian Summit

The RTPI's inaugural award for Excellence in International Planning received a record-breaking 22 entries from members around the world. The awards ceremony was held in London in May and the winner was the Tana River Delta Land Use Plan and Tana River Delta Strategic Environmental Assessment from Kenya.

#### Planning Aid

In 2016 PAE provided free, professional and independent planning advice via the Advice Line on 2,300 separate enquiries and informed guided citizens who made 21,000 views of Planning Aid Direct, our online resource

#### Plans for future periods

During 2014, the Regions, Nations, General Assembly and the RTPI's standing committees were consulted about the RTPI's strategy for the next six years. The strategy for 2015-20 was agreed by the Board of Trustees in December 2014.

The RTPI's strategic objectives for 2015-20 are:

- Shaping and informing policy and practice.
- Developing knowledge, education and raising standards.
- Championing the planning profession while supporting and growing membership.
- Empowering communities.
- Delivering strong financial and business management in a member focused organisation.

#### Financial review

The financial statements have been prepared in accordance with the Statement of Recommended Practice on Accounting and Reporting by Charities (FRS 102).

### Annual Report of the Trustees for the year ended 31 December 2016 *(continued)*

76% of RTPI's total income was generated from subscription income (2015 65%). Subscription income continues to be stable, but total Income has reduced by £861k (12%) compared to 2015. The main reason for the reduction in income between 2015 and 2016 was the closure during 2015 of the Supporting Communities in Neighbourhood Planning contract (the income from the contract included in the 2015 accounts was £760k); in addition, during 2016 there was a reduction in the gift aid payment from RTPI services of £151k compared to 2015.

Total expenditure reduced by £696k (11%) compared to 2015. The main reason for the reduction in expenditure compared to 2015 was the closure of the Supporting Communities in Neighbourhood Planning contract and cyclical property maintenance costs included with the 2015 accounts.

Net income before investment gains reduced to £468k (2015 £633k), net income after investment gains of £150k was £618k (2015 £629k).

#### Reserves policy

The Trustees have reviewed the reserves of the Institute. The Trustees' policy is to set aside designated reserves to meet specific requirements (see below) and in addition to maintain a general reserve at a minimum of 6 months' operating costs, to safeguard the continued provision of services to our members and to manage the Institute's risk with regard to the potential exit cost from the West Sussex LGPS.

The general reserve is £4,299k - 9 months of operating costs (2015 £4,198k - 8 months of operating costs.)

The reserves are invested in fixed assets, listed investments and short-term deposits. The fixed assets include the freehold property in London used for the charitable activities of the Institute. A separate designated reserve has been created equal to the net book value of fixed assets not financed by restricted funds or other designated reserves. Tangible fixed asset reserve £1,616k (2015 £1,675k)

In addition to the fixed asset reserve, the following designated funds have been set aside at the end of 2016.

Property and maintenance £239k (2015 £200k): this sum has been set aside to fund major repairs to property or related plant and equipment as well as potentially acquiring new premises or facilitating the sale of existing freehold or leasehold properties.

Information and communications technology development £359k (2015 £390k); the Trustees increased the value of this reserve in 2015 to ensure that funds are available to replace the existing CRM system.

Research £116k (2015 £37k): The Trustees have decided to retain this separate fund to give them the flexibility for funding future research projects as they arise.

Defined benefit pension £151k (2015 £nil); this sum has been set aside by the Trustees to meet the scheduled deficit repayment obligations (in respect of 2017-2019) agreed with the administrators of the West Sussex Local Government Pension Scheme.

The Trustees have agreed that any accumulated reserves of the Regions should be designated. Regional reserves

are £274k (2015 £257k). The Regions provide the local membership support, learning opportunities and engagement with Regional planning policy of the Institute.

During 2016, the Trustees set up an additional designated fund of £310k to manage the cessation of the Kaplan Hawksmere contract and to establish the infrastructure for the in house training and conferencing functions. The balance on this fund as at 31st December 2016 was £305k.

Restricted funds are those received for specific purposes.

#### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales and Scotland requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments 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 the going concern basis unless it is inappropriate to presume that the charity will continue in business.

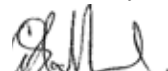
The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland)

Regulations 2006 and the Charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Auditor

Moore Stephens LLP was re-appointed auditor at the Annual General Meeting held on 21st October 2016 and has indicated a willingness to continue in office, subject to re-appointment at the Annual General Meeting.

Approved by the Trustees on 17th May 2017 and signed on their behalf by:



Graham Stallwood – Chair of the Board

### Independent Auditor's Report to the Trustees of The Royal Town Planning Institute (RTPI)

We have audited the financial statements of RTPI for the year ended 31 December 2016, which comprise the Consolidated and Charity Statement of Financial Activities, the Consolidated and Charity Balance Sheets, Consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act and also in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the 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 and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement (set out on page 11), the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in

accordance with regulations made under that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those

Standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 31 December 2016 and of the group's incoming

resources and application of resources, for the year then ended

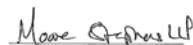
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and the requirements of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Annual Report of the Trustees is inconsistent in any material respect with the financial statements; or
- proper 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.

MOORE STEPHENS LLP  
 Chartered Accountants and  
 Statutory Auditor  
 LONDON



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



# The Royal Town Planning Institute

## Report and Accounts 2016

### Consolidated Statement of Financial Activities (including consolidated income and expenditure accounts) Year ended 31 December 2016

	General Fund £'000	Designated Funds £'000	Restricted Funds £'000	Total 2016 £'000	Total 2015 £'000
<b>INCOME FROM:</b>					
<b>Charitable activities</b>					
Membership subscriptions and fees	4,691	-	-	4,691	4,618
Grants towards promotion of spatial planning and membership	92	-	1	93	177
Support for members	853	449	49	1,351	1,453
Planning Aid	1	-	-	1	761
Investments	3 70	-	-	70	60
<b>Total income</b>	<u>5,707</u>	<u>449</u>	<u>50</u>	<u>6,206</u>	<u>7,067</u>
<b>EXPENDITURE ON:</b>					
<b>Charitable activities</b>					
Support for members and promotion of membership of the Institute	3,374	745	46	4,165	4,324
Promotion of spatial planning	1,329	1	3	1,333	1,562
Planning Aid	240	-	-	240	548
<b>Total expenditure</b>	<u>4,943</u>	<u>746</u>	<u>49</u>	<u>5,738</u>	<u>6,434</u>
Net income/(expenditure) before investment gains/(losses)	764	(297)	1	468	633
Net gains/(losses) on investment assets	149	-	1	150	(4)
Net income/(expenditure)	913	(297)	2	618	629
Transfers between funds	12 (812)	798	14	-	-
<b>Net movement in funds</b>	<u>101</u>	<u>501</u>	<u>16</u>	<u>618</u>	<u>629</u>
<b>Reconciliation of funds</b>					
Fund balances at 1 January	4,209	2,559	296	7,064	6,435
<b>Fund balances at 31 December</b>	<u>4,310</u>	<u>3,060</u>	<u>312</u>	<u>7,682</u>	<u>7,064</u>

All income arises from the continuing activities of the Institute and subsidiary companies.  
 The notes on pages 13 to 22 form part of these accounts.

# The Royal Town Planning Institute

## Report and Accounts 2016

### Charity Statement of Financial Activities (including income and expenditure account) Year ended 31 December 2016

	General Fund £'000	Designated Funds £'000	Restricted Funds £'000	Total 2016 £'000	Total 2015 £'000
<b>INCOME FROM:</b>					
<b>Charitable activities</b>					
Membership subscriptions and fees	4,691	-	-	4,691	4,616
Grants and donations towards promotion of spatial planning and membership	92	-	1	93	177
Support for members	684	449	49	1,182	1,282
Planning Aid	1	-	-	1	761
Investments	70	-	-	70	60
<b>Total income</b>	<b>5,538</b>	<b>449</b>	<b>50</b>	<b>6,037</b>	<b>6,896</b>
<b>EXPENDITURE:</b>					
<b>Charitable activities</b>					
Expenditure on charitable activities					
Support for members and promotion of membership of the Institute	3,205	745	46	3,996	4,153
Promotion of spatial planning	1,329	1	3	1,333	1,562
Planning Aid	240	-	-	240	548
<b>Total expenditure</b>	<b>4,774</b>	<b>746</b>	<b>49</b>	<b>5,569</b>	<b>6,263</b>
Net income/(expenditure) before investment gains/(losses)	764	(297)	1	468	633
Net gains/(losses) on investment assets	149	-	1	150	(4)
<b>Net income/(expenditure)</b>	<b>913</b>	<b>(297)</b>	<b>2</b>	<b>618</b>	<b>629</b>
Transfers between funds	(812)	798	14	-	-
<b>Net movement in funds</b>	<b>101</b>	<b>501</b>	<b>16</b>	<b>618</b>	<b>629</b>
<b>Reconciliation of funds</b>					
Fund balances at 1 January	4,198	2,559	296	7,053	6,424
<b>Fund balances at 31 December</b>	<b>4,299</b>	<b>3,060</b>	<b>312</b>	<b>7,671</b>	<b>7,053</b>

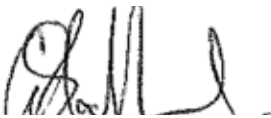
# The Royal Town Planning Institute

## Report and Accounts 2016

### Charity and Consolidated Balance Sheets As at 31 December 2016

	Notes	Charity		Consolidated	
		2016 £'000	2015 £'000	2016 £'000	2015 £'000
<b>Fixed Assets</b>					
Tangible fixed assets	8	1,616	1,675	1,616	1,675
Investments	9	1,680	1,514	1,680	1,514
<b>Total fixed assets</b>		<b>3,296</b>	<b>3,189</b>	<b>3,296</b>	<b>3,189</b>
<b>Current Assets</b>					
Debtors	10	674	1,170	609	908
Short term deposits		3,242	1,982	3,242	1,982
Bank balances and cash in hand		2,669	3,225	2,892	3,709
<b>Total current assets</b>		<b>6,585</b>	<b>6,377</b>	<b>6,743</b>	<b>6,599</b>
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	11	2,210	2,513	2,357	2,724
Net current assets		4,375	3,864	4,386	3,875
Total assets less current liabilities		7,671	7,053	7,682	7,064
<b>Total Net Assets</b>		<b>7,671</b>	<b>7,053</b>	<b>7,682</b>	<b>7,064</b>
<b>The funds of the charity</b>					
General		4,299	4,198	4,310	4,209
Designated	12	3,060	2,559	3,060	2,559
Restricted	12	312	296	312	296
		<b>7,671</b>	<b>7,053</b>	<b>7,682</b>	<b>7,064</b>

These financial statements were approved by the Board of Trustees and authorised for issue on 5 May 2017 and were signed on its behalf by:



Graham Stallwood - Chair of the Board.

The notes on pages 18 to 33 form part of these accounts.

### Statement of Cash Flows and Consolidated Statement of Cash Flows For the Year Ended 31 December 2016

	Note	Charity		Consolidated	
		2016 £'000	2015 £'000	2016 £'000	2015 £'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<b>Net cash (used in)/provided by operating activities</b>	a	660	(449)	399	(20)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Dividends, interest and rents from investments		70	60	70	60
Purchase of property, plant and equipment		(10)	0	(10)	0
Proceeds from sale of investments		-	1	-	1
Purchase of investments		(16)	(6)	(16)	(6)
<b>Net cash provided by investing activities</b>		44	55	44	55
Change in cash and cash equivalents in the year		704	(394)	443	35
Cash and cash equivalents at the beginning of the year		5,207	5,601	5,691	5,656
<b>Cash and cash equivalents at the end of the year</b>	b	5,911	5,207	6,134	5,691

### NOTES TO THE CASH FLOW STATEMENT

a Reconciliation of income/expenditure to net cash inflow from operating activities	Charity		Consolidated	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Net income/expenditure before transfers	618	629	618	629
Depreciation charges	69	73	69	73
Losses/(gains) on investments	(150)	4	(150)	4
Dividends, interest and rents from investments	(70)	(60)	(70)	(60)
(Increase) in debtors	496	(505)	299	(48)
(Decrease)/increase in creditors	(303)	(590)	(367)	(618)
<b>Net cash (used in)/provided by operating activities</b>	660	(449)	399	(20)

b Analysis of cash and cash equivalents	Charity		Consolidated	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Cash in hand	3,242	1,982	3,242	1,982
Notice deposits (less than 3 months)	2,669	3,225	2,892	3,709
<b>Total cash and cash equivalents</b>	5,911	5,207	6,134	5,691

### Notes to the Financial Statements for the year ended 31 December 2016

#### 1 Structure and basis of consolidation

- a** The financial statements of The Royal Town Planning Institute ("The Institute") have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015), the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act, 2005 and applicable accounting standards. The financial statements are prepared under the Historical Cost convention with the exception of investments which are included at market value.
- b** The Royal Town Planning Institute is a public benefit entity (No 262865) as defined by FRS 102, registered as a charity in England and Wales, also a registered charity in Scotland (SC037841).
- c** RTPI Services Limited (Company No 2463662 registered in England) is the wholly owned subsidiary of The Royal Town Planning Institute and its financial statements have been consolidated, on a line by line basis, in the Institute's accounts. The principal activities of the company (providing planning conferences, and the publication and distribution of planning books and magazines) are sub contracted to third parties in return for royalty payments.
- d** Scottish Town Planning Institute (Company No 145741 registered in Scotland) is a wholly owned subsidiary of RTPI Services Limited. This company is limited by guarantee and was dormant for 2016 and 2015.
- e** RTPI Services ITA Limited (Company No 5018796 registered in England) is a wholly owned subsidiary of RTPI Services Limited. This company is limited by shares and was dormant in 2016 and 2015.
- f** The National Council for Housing and Planning is a separate charity (No 252002) and company limited by guarantee (Company 496385 registered in England). The Trustees of the Institute appoint the Trustees of the National Council. The charitable company was dormant in 2016 and 2015, following the merger of its business (previously trading under the name "ROOM") with the Institute in 2002.
- g** The RTPI Trust is a benevolent fund for the benefit of planners. The Trust was established by a Trust Deed dated 25 April 1994 and is a registered charity (No 1041078). Although a majority of its Trustees are Past Presidents of the Institute, the financial statements have not

been consolidated as the objects of the Trust are considered dissimilar and the management independent of the Institute.

- h** Planning Aid Trust, a company limited by guarantee (Company No 4259433 registered in England) is registered as a charity (No 1092185). The financial statements of Planning Aid Trust have not been consolidated as management of the Trust is independent of the Institute.

#### 2 Accounting policies

##### a Income recognition

Income is included in the Statement of Financial Activities when receipt is probable and the amount can be quantified with reasonable accuracy. Member subscriptions are recognised in the calendar year to which they relate. Amounts received in advance for future periods are deferred.

Grants are recognised in the period to which they relate as specified by the funder. Where usage is restricted, they are credited to a restricted fund. Bank deposit interest is stated on a receivable basis. Other income includes rechargeable activities undertaken by the Institute and its subsidiary companies. Investment income is recognised when receivable and the amount can be measured reliably which is usually on notification of the dividend payable.

##### b Expenditure recognition

Liabilities are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Expenditure is recognised on an accruals basis and includes irrecoverable VAT. Charitable expenditure includes the direct costs of pursuing the objectives of the Institute together with an allocation of overheads. Governance costs include the direct costs of the Governance Office, an appropriate allocation of central overheads (where these relate to the strategic work of the Institute) and the direct costs of compliance with statutory requirements.

##### c Regional activities

Income and expenditure related to Regional activities are included in these financial statements and brought in as designated funds and reported as such in the Statement of Financial Activities.

- d** Operating leases are charged to the Statement of Financial Activities over the period of the lease.

##### e Taxation

The Royal Town Planning Institute is a registered charity and is therefore potentially exempt from taxation of its income and gains to the extent that they are applied for charitable purposes. No charge has arisen during the year.

##### f Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donors or which have been raised by the charity for specific purposes. Further details are given in the notes to the financial statements

##### g Tangible Fixed assets

All assets are capitalised where the useful life is expected to exceed 2 years and the cost is over £1,000. Depreciation is charged on a straight-line basis at a rate which will write off the cost of the assets over their useful life. The depreciation rates charged are as follows:

Asset class	Depreciation rate
Freehold property excluding land	2%
Refurbishment of freehold property	4%
Plant and machinery	10%
Office equipment and furniture	20%
Computer equipment	33.33%

##### h Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently re-measured at their fair value as at the Balance Sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

##### i Pension costs

Details of the pension schemes operated for the Institute are given in note 16.

Defined Contribution Schemes - pension costs charged in the financial statements represent contributions payable by the Institute during the year.

Defined Benefit Scheme - pension costs charged in the financial statements represent

# The Royal Town Planning Institute

## Report and Accounts 2016

contributions payable by the Institute during the year. The rate is calculated in accordance with the recommendations of qualified actuaries.

Group Personal Pension Plan - pension costs charged in the financial statements represent contributions payable by the Institute during the year.

*j* Critical accounting estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

RTPI makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis

using a variety of assumptions. The assumptions used in determining the net present value of RTPI's future pension liability (asset) include the discount rate, future salary increases and future pensions increases. Any changes in these assumptions, which are disclosed in note 16, will impact the carrying amount of the pension liability.

*k* Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially at transaction value and subsequently measured at their settlement value.

# The Royal Town Planning Institute

## Report and Accounts 2016

### Notes to the Financial Statements for the year ended 31 December 2016 (continued)

#### 3 Investment income

	2016 £'000	2015 £'000
Interest receivable on short term deposits	17	16
Investment income receivable	53	44
<b>Total investment income</b>	<b>70</b>	<b>60</b>

#### 4 Analysis of expenditure on charitable activities

##### Charitable expenditure

	People related costs £'000	Other costs £'000	Total 2016 £'000	Total 2015 £'000
<b>Support for members and promotion of membership of the Institute</b>				
Direct costs	1,430	1,660	3,090	3,144
Governance costs	25	30	55	75
Allocation of overheads	587	433	1,020	1,105
	<u>2,042</u>	<u>2,123</u>	<u>4,165</u>	<u>4,324</u>
<b>Promotion of spatial planning</b>				
Direct costs	661	199	860	1,019
Governance costs	11	14	25	22
Allocation of overheads	258	190	448	521
	<u>930</u>	<u>403</u>	<u>1,333</u>	<u>1,562</u>
<b>Planning Aid</b>				
Direct costs	160	3	163	503
Allocation of overheads	44	33	77	45
	<u>204</u>	<u>36</u>	<u>240</u>	<u>548</u>
<b>Total charitable expenditure</b>	<b><u>3,176</u></b>	<b><u>2,562</u></b>	<b><u>5,738</u></b>	<b><u>6,434</u></b>

People related costs include all the costs of recruitment, employment and training of members of staff employed by the Institute. The allocation here relates to people related costs of members of staff in central services.

Overheads of the central services and registered office are allocated on the basis of staff numbers who work at the registered office.

Allocation of overheads under "other costs" above comprise:

	2016 £'000	2015 £'000
Premises related costs	150	227
Office services	354	402
Legal and professional fees (excluding audit)	30	47
Irrecoverable VAT	122	38
<b>Allocated overheads - total</b>	<b>656</b>	<b>714</b>

### Notes to the Financial Statements for the year ended 31 December 2016 *(continued)*

#### 5 Analysis of staff costs and the cost of key management personnel

	2016	2015
	£'000	£'000
Wages and salaries (including redundancy costs)	2,482	2,668
Pension costs	256	258
Social security costs	253	262
	<u>2,991</u>	<u>3,188</u>
Average number of staff employed	2016	2015
Support for members and promotion of membership of the Institute	49	50
Promotion of spatial planning	22	21
Planning Aid	4	14
Governance	1	1
	<u>76</u>	<u>86</u>

The number of staff whose total employee benefits, including taxable benefits but excluding pension contributions, from The Royal Town Planning Institute exceeded £60,000 during the year was:

Earnings band	Number of employees	Number of employees
	2016	2015
£60,000 to £69,999	2	1
£70,000 to £79,999	-	1
£80,000 to £99,999	1	1
£100,000 to £109,999	-	-
£110,000 to £119,999	1	-
£130,000 to £139,999	-	1
	<u>4</u>	<u>4</u>

Pension contributions made during the year for these employees were £35k (2015 £35k).

The key management personnel of the parent charity and the group comprise the trustees, the Chief Executive Officer, the Director of Corporate and Commercial Services, the Director of Professional Standards and Development and the Finance Director. The total employee benefits of the key management personnel were £415k (2015 £317k).



# The Royal Town Planning Institute

## Report and Accounts 2016

### Notes to the Financial Statements for the year ended 31 December 2016 *(continued)*

#### 6 Transactions with Trustees and Connected Persons

- a The Trustees only receive reimbursement for expenses actually incurred in attending meetings. No payments are made in respect of time or to compensate for loss of earnings. During the year Trustees were reimbursed £22k including payments to travel agents (2015 £29k including payments to travel agents) in respect of expenses actually incurred.
- b The Royal Charter and Bye laws do allow APC assessors who are Trustees to be paid for time incurred on examinations. Payment was made in 2016 to one Trustee totalling £290 (2015 one Trustee £3k).

#### 7 Remuneration of Auditor

The audit fees for the Institute are £7k (2015 £7k) and the subsidiary company £3k (2015 £3k) totalling £10k (2015 £10k) for the group.

#### 8 Tangible fixed assets – charity and group

	41 Botolph Lane		Office	Total
	Freehold land	Refurbishment & plant	Equipment & Furniture	
	£'000	£'000	£'000	£'000
<b>Cost</b>				
At 1 January 2016	300	2,351	75	2,726
Additions	-	-	10	10
Disposals	-	-	(5)	(5)
At 31 December 2016	<u>300</u>	<u>2,351</u>	<u>80</u>	<u>2,731</u>
<b>Depreciation</b>				
At 1 January 2016	-	(993)	(58)	(1,051)
Charge for the year	-	(61)	(8)	(69)
Disposals	-	-	5	5
At 31 December 2016	<u>-</u>	<u>(1,054)</u>	<u>(61)</u>	<u>(1,115)</u>
<b>Net book value</b>				
At 31 December 2016	<u>300</u>	<u>1,297</u>	<u>19</u>	<u>1,616</u>
At 31 December 2015	<u>300</u>	<u>1,358</u>	<u>17</u>	<u>1,675</u>

As at October 2015 the fair value of the premises at 41 Botolph Lane was £4,000k, the reinstatement value for insurance purposes was £2,780k.

#### 9 Investments (consolidated)

	2016	2015
	£'000	£'000
Market value of listed investments at 1 January	1,514	1,513
Acquisitions at cost	16	6
Disposals/proceeds	-	(1)
Gains/(losses) on investments	150	(4)
Market value of investments at 31 December	<u>1,680</u>	<u>1,514</u>
Historical cost as at 31 December	<u>1,363</u>	<u>1,346</u>

Material investments within the portfolio as at 31 December 2016 include:

CCLA COIF Charities investment fund £1,081k (64%)

Barclays Wealth Global Markets investment fund £589k (35%)

In addition to the above, the charity's balance sheet includes an investment of £1k in RTPI Services Limited (see note 14)

# The Royal Town Planning Institute

## Report and Accounts 2016

### Notes to the Financial Statements for the year ended 31 December 2016 (continued)

#### 10 Debtors

	Charity		Consolidated	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Prepayments	70	83	70	83
Amount due from RTPI Services Limited	410	705	-	-
Other debtors	194	382	539	825
	<u>674</u>	<u>1,170</u>	<u>609</u>	<u>908</u>

#### 11 Creditors: amounts falling due within one year

	Charity		Consolidated	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Receipts in advance	1,565	1,532	1,565	1,532
Other taxes and social security costs	100	98	100	98
Other creditors and accruals	545	651	692	862
Local government pension deficit	0	232	0	232
	<u>2,210</u>	<u>2,513</u>	<u>2,357</u>	<u>2,724</u>

#### 12 Outline summary of fund movements

	Fund balances brought forward 1 Jan £'000	Income £'000	Expenditure £'000	Transfers £'000	Fund balances carried forward 31 Dec £'000
<b>Designated Funds</b>					
Tangible fixed assets	1,675	-	-	(59)	1,616
Property and maintenance	200	-	(61)	100	239
Research	37	-	(1)	80	116
ICT development	390	-	(31)	-	359
Defined benefit pension	0	-	-	151	151
Kaplan exit/in house training fund	0	-	(5)	310	305
<b>Regions</b>					
East of England	8	35	(59)	24	8
East Midlands	-	7	(25)	19	1
London	9	12	(37)	27	11
North West	58	121	(129)	25	75
South East	43	27	(53)	36	53
South West	34	104	(147)	28	19
West Midlands	44	59	(82)	21	42
Yorkshire	27	32	(55)	20	24
North East	34	52	(61)	16	41
Regions – total	<u>257</u>	<u>449</u>	<u>(648)</u>	<u>216</u>	<u>274</u>
	<u>2,559</u>	<u>449</u>	<u>(746)</u>	<u>798</u>	<u>3,060</u>

#### Tangible fixed assets

The Trustees have decided to create a designated reserve equal to the net book value of tangible fixed assets not allocated to restricted funds or another designated fund, which represents assets in use for charitable purposes. During 2016, this fund has been reduced in line with the depreciation charge for the year to ensure the fund matches the net book value of fixed assets.

#### Property and maintenance

This fund has been created by the Trustees in order to fund major repairs to Botolph Lane and related plant and equipment. During 2016 £61k of expenditure on external works to Botolph Lane were charged to the fund and the Trustees have agreed to transfer £100k to top and extend the fund to ensure funds are available for future scheduled works and major repairs.

### Notes to the Financial Statements for the year ended 31 December 2016 *(continued)*

#### 12 Outline summary of fund movements *(continued)*

##### Research

The Trustees have allocated funds for bids to be made for funding research projects along with matched funding where appropriate. During 2016, £1k of research expenditure was charged to the fund. The Trustees have agreed to top up the fund by £80k during 2016 to ensure that the planned programme of research continues to be supported.

##### Information and communications technology development (ICT Development)

The Trustees have created a designated fund to enable the Institute to in developing its systems capability, and to ensure that the information and communications infrastructure remain up to date and fit for purpose. A major investment in IT infrastructure is underway, £31k of expenditure has been charged to the fund during 2016, the project is scheduled to be completed during 2017.

##### Defined benefit pension

The Trustees have established a designated fund of £151k in order to meet the scheduled deficit payment obligations agreed with the administrators of West Sussex Local Government Pension Scheme in respect of 2017, 2018, 2019.

##### Regions

The Institute transfers part of its UK subscription income to its Regions. Regions also raise funds locally. The Trustees have agreed that any accumulated reserves in respect of the Regions should be designated as Regional Funds. During 2016, transfers of £216k were made to the Regions.

##### Kaplan exit/in house training fund

During 2016, the Trustees have established an additional designated reserve to fund the costs of exiting the Kaplan contract; setting up a new in house training and conferencing function and replacing the website for the planning consultants' directory.

	Fund balances brought forward 1 Jan	Income	Expenditure	Transfers	Gains/ (losses)	Fund balances carried forward 31 Dec
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Restricted Funds</b>						
George Pepler International	55	-	-	-	-	55
Lichfield Memorial Lecture	21	1	(3)	-	1	20
Peter Suttie Award	7	-	-	-	-	7
Future Planners' Bursary Fund	2	49	(46)	14	-	19
Scotland Convention	55	-	-	-	-	55
Practitioner Research Fund	1	-	-	-	-	1
<b>Planning Aid</b>						
Grants and Donations	117	-	-	-	-	117
West Midlands Planning Aid	31	-	-	-	-	31
Gypsy and Traveller Training	7	-	-	-	-	7
	<u>296</u>	<u>50</u>	<u>(49)</u>	<u>14</u>	<u>1</u>	<u>312</u>

The Institute has received the income shown above, which is restricted to the purposes for which it has been received.

##### The projects are:

##### George Pepler International Award

This biennial award is made to anyone in their first 10 years of post qualification planning experience who wishes to visit another country to that of their residence for a short period in order to study some particular aspect of town and country planning. The Award was established by Sir George Pepler, one of the founder members of RTPI, and offered for the first time in 1973.

##### Peter Suttie

This award is organised by the Scottish Young Planners' Network and supported by RTPI Scotland, Heads of Planning Scotland and the Aberdeenshire Council. It is awarded to young planners to undertake a comparative study into planning issues. It was first awarded in July 2013.

### Notes to the Financial Statements for the year ended 31 December 2016 *(continued)*

#### 12 Outline summary of fund movements *(continued)*

##### Lichfield Memorial Lecture

In 2011, the Institute received a grant from Dalia Lichfield to fund a series of annual lectures in memorial of Professor Nathaniel Lichfield. The first lecture was held in October 2011.

##### Future Planners Bursary Fund

A restricted fund established during 2015 with the purpose of increasing the number of students choosing to study Planning at Masters degree level. During 2016, the bursaries awarded by the fund were extended to include undergraduate diversity bursaries. RTPI Trust sponsored four of the diversity bursaries awarded in 2016.

##### Scotland Convention

A restricted fund established from monies received to hold a regeneration conference in Scotland, which was later cancelled. Discussions are continuing to agree an appropriate use for the funds.

##### Practitioner Research Fund

A restricted fund setup to manage the fund established by the closure of the Town and Country Planning Summer School (TCPSS). The fund will be used to make a biennial research award.

##### Planning Aid Grants and Donations

This fund includes the balance of DCLG grants and donations for Planning Aid activities received prior April 2013. A review of the monies held in the restricted and the appropriate use of the remaining funds is ongoing.

##### West Midlands Planning Aid Service

Donations received in the West Midlands specifically for the furtherance of the Planning Aid programme. No expenditure was incurred in 2016; a review of the monies held in the restricted and the appropriate use of the remaining funds is ongoing.

##### Gypsy and Traveller Training

No expenditure was incurred in 2016, but funds are being held against future training activities in the context of current and emerging legislation.

# The Royal Town Planning Institute

## Report and Accounts 2016

### Notes to the Financial Statements for the year ended 31 December 2016 *(continued)*

#### 13 Analysis of group net assets between funds

	General Fund £'000	Designated Funds £'000	Restricted Funds £'000	Total £'000
Tangible fixed assets	-	1,616	-	1,616
Listed investments	1,660	-	20	1,680
Current assets	5,007	1,444	292	6,743
Current liabilities	(2,357)	-	-	(2,357)
Net assets	<u>4,310</u>	<u>3,060</u>	<u>312</u>	<u>7,682</u>

#### 14 Investment in subsidiary company

The Institute holds 100% of the issued share capital of RTPI Services Limited, a company registered in England, whose primary activities are to provide conferences and publications.

	2016 £'000	2015 £'000
Turnover	1,292	1,440
Cost of Sales	(819)	(816)
Gross Profit	473	624
Interest received	-	-
Administration	(44)	(44)
Operating Profit	429	580
Gift Aid to parent undertaking	(429)	(580)
Profit for the year, before and after taxation	-	-
Balance sheet of RTPI Services Limited as at 31 December	2016 £'000	2015 £'000
Current Assets		
Debtors	345	443
Cash and bank balances	223	484
	568	927
Creditors (amounts falling due within one year)	(557)	(916)
	11	11
Shareholders' funds	11	11

#### 15 Operating leases

Amount charged in the year	2016 £'000	2015 £'000
Leasehold property	23	16
Equipment	10	11
Total	<u>33</u>	<u>27</u>

Total Commitment	Property 2016 £'000	Equipment 2016 £'000	Property 2015 £'000	Equipment 2015 £'000
Operating leases expiring within one year	21	6	21	6
Operating leases expiring between 2 and 5 years	48	7	57	10
Operating leases > 5 years	-	-	10	-

### Notes to the Financial Statements for the year ended 31 December 2016 *(continued)*

#### 16 Pension Note

- I. The Group Personal Pension Plan was created for employees recruited after 14 December 2005 or as selected by employees employed prior to that date. Contributions are invested in personal pension plans with an insurance company. Contributions to this scheme for new staff are employee 6% and employer 12% or employee 3%, employer 6%. Employees transferring into this scheme from the former defined contribution scheme, contribute 6% with employer contributions at 16.5% from April 2008, (17.7% to April 2008) (not to be reduced below 12%). The Institute continues to make additional 10% contributions for those members of staff with over five years' service prior to 2004. The total employer contribution for the year totalled £199k (2015 £209k).
- II. A funded, contributory, final salary scheme. The Institute is an admitted body to the West Sussex local government scheme. An actuarial valuation of the schemes assets and liabilities is conducted every three years, by the West Sussex Fund. The latest valuation was at 31st March 2016.

Details of the FRS102 Fair Value of RTPI's Plan Assets, Defined Benefit Obligation and Net Liability based on the West Sussex triennial valuation as at 31st March 2016 and as at 31st December 2016 are set out below:

Defined benefit obligation and surplus/deficit	31st Dec 2016	31st Mar 2016
Obligations	11,713	10,141
Fair value of assets	13,450	12,007
Surplus/(Deficit)	1,737	1,866
<b>Financial Assumptions</b>	<b>31st Dec 2016</b>	<b>31st Mar 2016</b>
Discount Rate	2.85%	3.5%
Salary Increases	3.35%	3.7%
Pension Increases	2.55%	2.2%

Since it is unlikely that RTPI will be able to recover the fair value surplus through either reduced future contributions or refunds from the scheme. The trustees have elected not to include the pension scheme assets and liabilities within the balance sheet. This is in line with the pensions guidance in the Charities SORP and FRS102.

The West Sussex Pension Fund has classified RTPI as a high-risk employer. The reason for this classification is that RTPI has no assets charged as security for our pension liability and our scheme is closed to new entrants. Employees who joined this scheme before 31 March 2006 will continue as members for future service. This means that in due course RTPI will have no active members of the scheme and the fund will trigger the cessation of RTPI's involvement in the fund. At this point RTPI will be required to settle the future pension obligation in full. As such, RTPI's triennial valuation from the fund, which is used to set our contribution rates, is valued on a gilts and cessation basis not on a fair value basis. A qualified actuary carries out the valuation, which is used to set the contribution rates for the next 3 years.

The triennial valuation is used to set two contribution rates: A primary contribution rate, which is expressed as the employers contribution of active members salaries. This contribution is included in the monthly payroll calculations. A secondary contribution expressed as an annual lump sum payable annually for the next three years towards repairing the deficit position.

Details of the triennial cessation valuation received from West Sussex are set out below:

Funding Position Relative to Employer Funding Target	31st Mar 2016 cessation valuation	31st Mar 2013 cessation valuation
Liabilities	12,349	11,829
Asset Share	11,691	9,343
Surplus/(Deficit)	(658)	(2,486)
<b>Funding Level</b>	<b>95%</b>	<b>79%</b>

Membership Statistics	31st Mar 2016	31st Mar 2013
Actives	10	13
Deferred Pensioners	41	43
Pensioners	38	35
<b>Totals</b>	<b>89</b>	<b>91</b>

# The Royal Town Planning Institute

## Report and Accounts 2016

### Notes to the Financial Statements for the year ended 31 December 2016 *(continued)*

#### 16 Pension Note *(continued)*

Recommended Contribution Rates	Primary Rate % of payroll		Secondary Rate £(000)p.a.
2017/18	42.7%	plus	49
2018/19	42.7%	plus	51
2019/20	42.7%	plus	52
2016/17	21.6%	plus	235

Financial Assumptions	31st Mar 2016	31st Mar 2013
Discount Rate	2.2%	3.0%
Salary Increases	2.9%	3.8%
Pension Increases	2.1%	2.5%

#### 17 Prior year comparatives by class of fund

### Consolidated Statement of Financial Activities (including consolidated income and expenditure accounts) Year ended 31 December 2015

	General Fund £'000	Designated Funds £'000	Restricted Funds £'000	Total 2015 £'000
<b>INCOME</b>				
Membership subscriptions and fees	4,616	-	-	4,616
Grants towards promotion of spatial planning and membership	101	-	76	177
Support for members	1,032	402	19	1,453
Planning Aid	-	-	761	761
Investment income	60	-	-	60
<b>Total income</b>	<b>5,809</b>	<b>402</b>	<b>856</b>	<b>7,067</b>
<b>EXPENDITURE ON:</b>				
<b>Charitable expenditure</b>				
Support for members and promotion of membership of the Institute	3,549	758	17	4,324
Promotion of spatial planning	1,476	52	34	1,562
Planning Aid	-	-	548	548
<b>Total expenditure</b>	<b>5,025</b>	<b>810</b>	<b>599</b>	<b>6,434</b>
Net income/(expenditure) before investment gains/(losses)	784	(408)	257	633
Gains/(losses) on investment assets	(3)	-	(1)	(4)
Net income/(expenditure)	781	(408)	256	629
Transfers between funds	(351)	559	(208)	-
<b>Net movement in funds</b>	<b>430</b>	<b>151</b>	<b>48</b>	<b>629</b>
<b>Reconciliation of funds</b>				
Fund balances at 1 January	3,779	2,408	248	6,435
<b>Fund balances at 31 December</b>	<b>4,209</b>	<b>2,559</b>	<b>296</b>	<b>7,064</b>

### Notes to the Financial Statements for the year ended 31 December 2016 *(continued)*

#### 18 Financial instruments

##### Categories of financial instruments

	Charity		Consolidated	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Financial Assets				
Listed investments (fair value at amortised costs)	1,680	1,514	1,680	1,514
Debtors (amortised cost)	604	1,087	539	825
Cash and cash equivalents	5,911	5,207	6,134	5,691
	<u>8,195</u>	<u>7,808</u>	<u>8,353</u>	<u>8,030</u>
Financial liabilities (at amortised cost)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Financial liabilities comprise other taxes and social security costs, other creditors and accruals, and the provision for the local government pension deficit repayments.

##### Market risk

Market risk arises from the Charity's listed investments. It is the risk that the fair value of investments will fluctuate because of market factors. RTPI's investment policy requires all investments to be held in pooled funds. RTPI does not rely on listed investments for income generation.

##### Credit risk

Credit risk is the risk or not of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. The majority of credit sales relate to attendance at events the risk is spread across a large number of customers. Customers with invoices for more than 6 months are blocked from booking on future events until any outstanding invoices have been cleared.

Credit risk also arises from cash and cash equivalents deposits with banks and financial institutions. RTPI's cash balances are held with financial institutions with a minimum Standard & Poor's credit rating of A.

##### Liquidity risk

Liquidity risk arises from the Group's management of working capital it is the risk that the Group will encounter difficulty in meeting its financial obligations. RTPI has a strong cash flow with the majority of income collected via member subscriptions in the first quarter of the year.



# The Royal Town Planning Institute

## Annual General Meeting 2017

NOTICE OF THE ANNUAL GENERAL MEETING OF THE ROYAL TOWN PLANNING INSTITUTE 2017

ETC Venues Marble Arch, 86 Edgware Rd, London W2 2EA

At 13.30 on Wednesday 25 October 2017

### AGENDA

- 1 **To receive and approve the minutes of the 2016 AGM**
- 2 **To receive the Annual Report and Accounts** for the year ending 31 December 2016 and the Auditor's report
- 3 **To appoint the auditors**
- 4 **Members' subscriptions**  
The subscription rates payable by the various classes of membership are available at <http://www.rtpi.org.uk/about-the-rtpi/governance/annual-report-and-accounts/>
- 5 **Question Time**  
After the conclusion of the business of the Annual General Meeting time will be allowed at the discretion of the President for members to raise any points and for informal discussions to take place on any matter relevant to the objects of the Institute.

### EXPLANATORY NOTES OF THE AGM AND THE INSTITUTE'S ANNUAL REPORT ARE AVAILABLE AT

<http://www.rtpi.org.uk/about-the-rtpi/governance/annual-report-and-accounts/>

If you wish to attend, please RSVP to [Berenice.Seel@rtpi.org.uk](mailto:Berenice.Seel@rtpi.org.uk).

# The Royal Town Planning Institute

## Report and Accounts 2016

### APPENDIX 2

2018 Subscriptions – £10.00 increase in Chartered Rate & standardisation of rates across categories

	% tage of chartered rate	Non UK	2017		2018	
			UK/Ire £	Non UK/Ire £	UK/Ire £	Non UK/Ire £
Chartered Fellow	100%	65%	290	189	300	195
Chartered Member	100%	65%	290	189	300	195
Legal Member	100%	65%	290	189	300	195
Legal Associate Member	50%	65%	145	145	150	98
Associate Member	50%	65%	145	145	150	98
Licentiate Member > 3 years	50%	65%	145	145	150	98
Affiliate Member	30%	65%	87	87	90	60
Student ( <i>non accredited courses</i> )	30%	65%	90	57	90	60
Licentiate Member < 3 years	20%	n/a	58	58	60	60
Retired Member	20%	n/a	53	53	60	60
Retired Lifetime Member	250%	n/a	740	740	750	750
Students ( <i>accredited courses</i> )	n/a	n/a	Free	Free	Free	Free
Honorary Member	n/a	n/a	Free	Free	Free	Free

# The Royal Town Planning Institute

## Report and Accounts 2016

Application form	Administration fee	Applications accepted
Fellow	£250	Quarterly
Chartered Member L-APC	£230	Quarterly
Chartered Member A-APC (2016 guidance)	£290	Quarterly
Chartered Member A-APC (2015 guidance)	£360	Anytime
Chartered Member EP-APC	£290	Quarterly
Associate	£90	Quarterly
Legal Associate	£90	Quarterly
Licentiate	£45	Weekly
Affiliate	£20	Weekly
Student	NA	Weekly
Retirement	NA	Weekly
Re-joining	Chartered, Legal Associate, Associate: £50 Affiliate, Retired: £20 Licentiate, Student: No charge	Weekly
Resignation	NA	Weekly
Reversion	£50	Weekly



**RTPI**

Royal Town Planning Institute

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Registered Charity in Scotland No: SC037841