



RTPI

Royal Town Planning Institute

The Royal Town Planning Institute

Report and accounts

31 December 2017

Registered Charity No: 262865

Registered Charity in Scotland No: SC037841

The Royal Town Planning Institute

Report and Accounts 2017

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Annual Report of the Trustees for the year ended 31 December 2017

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 2017. 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 2018:	John Acres
President 2017:	Stephen Wilkinson
President 2016:	Phil Williams
Honorary Treasurer 2017 - 2018:	Andrew Taylor
Honorary Solicitor and Secretary 2016 - 2017:	Pat Thomas
Chair of the Board 2017 - 2018:	Graham Stallwood
Elected Trustees for 2017 - 2018:	Sue Bridge Tony Crook Ian Tant
Elected Trustees for 2016 - 2017:	Samer Bagaeen Peter Geraghty Colin Haylock
Trustee for Young Planners 2016 – 2017	Lucy Seymour-Bowdery
Appointed by Regions 2016 - 2017	Tom Venables
Trustee for Scotland 2016 - 2017:	Ian Angus
Independent Trustees 2017 – 2018:	John Fenna John Powell

Annual Report of the Trustees for the year ended 31 December 2017 *(continued)*

Senior staff at April 2017:

Chief Executive	Victoria Hills (appointed April 2018)
	Trudi Elliott (resigned March 2018)
Director of Commercial & Corporate Services	Richard Patrick (appointed August 2017)
	Phil Pluck (resigned April 2017)
Director of Professional Standards and Development	Roslyn Stuart
Finance Director	Jacqueline Rees

Other relevant organisations:

The Institute's bankers are	HSBC Bank PLC, City of London Commercial Centre, Level 6, 71 Queen Victoria Street, London, EC4V 4AY
The Institute's auditor is:	haysmacintyre LLP, 10 Queen Street Place, London EC4R 1AG
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 took up their roles in 2017.

Newly elected Trustees attend an RTPI induction session to provide an overview of the current work plans and structure of the RTPI. From 2018 onwards, all Trustees will be offered the opportunity to attend external training on Trustee duties and legal responsibilities.

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 Licentiate; 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". The contract with Kaplan Hawksmere ended on 31st December 2017.

The taxable profits of the company of £464k (2016 £429k) 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 regularly review the major risks to which the Royal Town Planning Institute is exposed. The Trustees monitor the management controls and actions in place to manage the 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:

Chartered membership loss - key elements in the management of this risk include:

- Strategies to increase conversion to Licentiate and Chartered membership
- Promotion of the value of membership - to the public and private sectors
- Routes to membership framework
- Member focussed subscription reminder/renewal process

Annual Report of the Trustees for the year ended 31 December 2017 *(continued)*

- Employer engagement - Learning Partnerships with employers
- Development of an apprenticeship offer
- Postgraduate student bursary scheme converting undergraduates to planning

Failure to comply with data protection legislation (DPA and GDPR) - key elements in the management of this risk include:

- Data Use and Confidentiality Policy in place
- Software protection in place to detect and prevent unauthorised systems access
- Password and systems access policies in place
- Director with responsibility for data protection and Data Champions in place
- Independent audit of all processes relating to the collection, storage and handling of personal data

Business Change - key elements in the management of this risk include:

- Prioritisation of key change projects - postponement of refurbishment of Botolph Lane
- Working group of trustees established in March 2018 to support and monitor the delivery of the CRM and Website projects.
- Comprehensive audit of the progress to date and detailed on going progress report to be reviewed by working group.

Commercial income opportunities make a loss - Key elements to manage this risk during 2018 include:

- Regular performance monitoring and against specific KPI's for all commercial contracts
- Sales and marketing support from the RTPI team for Planning Portal Quest (PPQ) sales team
- Revenue share arrangement to be put in place with PPQ to incentivise sales
- Six month operating model evaluation for new commercial income revenue streams
- Competition and market review process to be set up
- Delegate and customer feedback processes in place

Decision-making

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 delivery and management of day to day activities is delegated to the Chief Executive and the senior staff team.

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.

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

Volunteers work within over 100 local committees and groups to support RTPI's charitable objectives. One of the key activities undertaken by volunteers is organising events in the devolved nations and English regions. In 2017 14,902 members and non-members attended these events. The events supported CPD and networking both for long standing members and also Young Planners.

RTPI wishes to thank all volunteers for their contributions to the work of the Institute during 2017.

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 lowest 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.

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

Annual Report of the Trustees for the year ended 31 December 2017 *(continued)*

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.

Key activities undertaken during the year have been:

- Shaping and informing policy and practice. Continuing to develop the policy and research programme.
- Developing knowledge, education and raising standards. RTPI's bursary scheme for postgraduate students on accredited RTPI masters programmes and diversity bursaries for undergraduates.
- Championing the planning profession while supporting and growing membership. Embedding the new routes to membership.
- Empowering communities. Review and development of new strategy for Planning Aid England (PAE)

Achievements and delivery of corporate objectives:

In 2017 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.

Shaping and informing policy and practice.

The Institute raised the profile of planning through engagement with digital and non-digital media, key stakeholders in England and across the devolved nations and at international events and forums.

The combined research-practice-and-advocacy work programme continued to deliver with outputs on Better Planning with key position statements on Better Planning for Housing Affordability and Smart City Regions. Our housing affordability work was also supported through Local authority direct provision of housing in England - which identifies the practical ways local authorities in England are engaging in the direct provision of housing in their areas and the delivery and affordability of housing in the South West of England – commissioned by RTPI SW – into how large housing sites get delivered and how they contribute to housing affordability.

New practice notes were produced including a ground-breaking note on Planning and Dementia which was widely disseminated.

In England, two major consultations with Members were completed relating to the Housing White Paper and the Objectively Assessed housing need methodology and related matters. The latter including round tables around English regions.

The RTPI continued to work with sister institutes on influencing the UK government regarding managing the impact of EU Withdrawal.

Media highlights in 2017

News and Queries:

- 293 print and online media mentions of RTPI including in The Independent, The Guardian and the BBC
- 139 RTPI website news items
- 60 corporate media enquiries
- Appearances on TV and radio reports, including Radio 4 The Today Programme

Social Media Followers in 2017:

- RTPI Corporate Twitter account up by 16% since 2016
- RTPI Facebook up by 37% from 2016
- RTPI Instagram up by 81% from 2016
- RTPI Corporate LinkedIn Group up by 6% from 2016

The RTPI organised a roundtable of the United Kingdom Built Environment Advisory Group, of which this Institute is a member along with RIBA and the IstructE. British built environment professionals committed to advancing the UN's Sustainable Development Goals and Agenda 2030. The roundtable was attended by representatives of the United Nations, the DFID, FCO and the Prince's Foundation for Building Community.

In March, RTPI Cymru organised a training programme on householder projection software for Welsh Local Planning Authorities, funded by the Welsh Government. The need for the training across LPAs was identified through RTPI Cymru research by Cardiff University into the Process for Developing Housing Projections for LDPs, published in 2016.

The RTPI engaged with and influenced the Scottish Government's planning review and Planning Bill through producing five proactive think piece papers; being engaged in 5 working groups; and publishing 2 research reports on key issues.

The Institute influenced policy through giving oral evidence to the Scottish Parliament four times, sitting on advisory groups, and submitting responses to 24 consultation documents on issues including the Climate Change Plan, the National Transport Strategy, air quality and Brexit.

The RTPI influenced the development of the new National Planning Framework in the Republic of Ireland through our Chair sitting on the National Planning Framework Advisory Group and submitting papers to the Government on issues paper and subsequent draft consultation document.

A key meeting was held with Damien English TD, Minister for Housing and Urban Renewal, where there was a discussion about the Rebuilding Ireland strategy. The RTPI

Annual Report of the Trustees for the year ended 31 December 2017 *(continued)*

promoted the important role of planning as a solution to many of the issues faced.

In 2017, the RTPI expanded its international outreach in Europe, securing a partnership with the Hungarian Society for Urban Planning. British urban planning expertise on health, governance, the economy and the spatial implications of development was promoted in Hungary by translating our long-term policy series Policy Horizons into Hungarian. The reports were presented to the Hungarian planning community in a conference held in Budapest in February, at the presence of representatives of the British High Commission in Budapest.

The Institute took part in the ECTP-CEU's Biennale des Villes et des Urbanistes [Biennale of Cities and Urban Planners] in June in Paris, France. The event focussed on planning efforts for Olympic and Paralympic Games in European cities. RTPI representatives Richard Blyth, Head of Policy and Research, and Harry Burchill, Planning Policy Officer, showcased the 2012 London Olympics and Paralympics planning achievements. They presented the London approach in planning for a sustainable Olympic legacy that can foster better-designed places, more cohesive communities and stronger coordination across different local authorities.

Developing knowledge, education and raising standards.

In 2017, the RTPI delivered the largest Young Planners event ever, which sold out within 9 weeks of going on sale. Nearly 300 planners attended and engaged with Young Planners' valuable role in shaping society's future health and happiness.

2017 saw the expansion of our national schools competition for World Town Planning Day focusing on making places sustainable, inclusive and resilient. This hit the mark in the Institute's aim to promote the UN's new Sustainable Development Goals. Six winners across the UK came from different primary and secondary schools.

Alongside our work volunteering and outreach under the RTPI Future Planners initiative, there was an increase in postgraduate students of planning in 2017. The student bursary programme converted another 33 undergraduates from other subjects to go on to study on accredited Masters courses, and the RTPI Trust sponsored a further four bursaries to recognise talent, diversity and inclusion.

Over 1000 new users registered on RTPI Learn during 2017, our e-learning website, and new series of 1-hour bite-size CPD modules launched for members to access wherever they work.

The new RTPI Training Programme was successfully developed and launched. This involved creating a new brand, marketing strategy and collateral, and the service was launched in late 2017 for courses that commence in 2018. The programme aims to deliver cost effective tailored training courses to support members in their professional development.

The RTPI Nations and English Regions held in excess of 250 events and continued to deliver high-quality free and affordable CPD. Events included seminars, conferences, roundtables, debates and lectures. Regional Awards for

Planning Excellence celebrated achievements in planning in the Regions, garnering press coverage locally and showcasing best practice.

Regions also contributed to a number of policy initiatives including the RTPI's work on Local Authority provision of housing and work with the National Infrastructure Commission.

In conjunction with the Policy and Research team, RTPI South West published new research on Affordable Housing.

The Wales Planning Conference celebrated its 10th anniversary in June in Cardiff, reflecting on the journey and taking a view of what lies ahead. Since the first Conference in 2008, planning has been on a significant journey, including the first Planning Act and the Wales Act 2017, devolving further powers to Welsh Ministers. Despite the snap General Election being called for the same day, delegate numbers remained high and topped 200.

The Northern Ireland Planning Conference was held on Tuesday 26 September at the Europa Hotel, Belfast to a full room. The Institute secured excellent support from sponsors Francis Taylor Building and Tascomi. NILGA also sponsored places for Councillors and held a dedicated roundtable.

Delegates heard from the Permanent Secretary at the Department for Infrastructure, the PAC's Chief Commissioner and those delivering outside Northern Ireland to share experiences and good practice. The day was packed with plenary speakers, breakout seminars, lots of opportunity for discussion and networking.

The RTPI Northern Ireland CPD programme was well attended throughout the year. In addition RTPI Northern Ireland and RTPI Ireland teamed up to discuss Planning Across Boundaries in a Changing Context with a focus on the implications of Brexit.

Over 50 free or low cost events for members were held across Scotland as well as the RTPI Scotland Annual Conference, Scottish Young Planners' Conference and Sir Patrick Geddes Commemorative Lecture.

The Institute increased CPD opportunities in the Republic of Ireland through holding member Open Forum events, a seminar on Planning Across Boundaries in a Changing Context (in conjunction with RTPI NI), our Annual Law seminar and two APC workshops.

Championing the planning profession while supporting and growing membership.

The Institute's membership grew to over 25,000 members for the first time. The total number of members reached 25,154 at the end of 2017, an overall growth in membership of 3.96% in 2017. The main growth areas in membership in 2017 have been Student members, Affiliates and Associates. The free student membership class increased by 42.77% in 2017. Growth amongst student members and those at an early stage in their career represents an important growth in the pipeline of planners to ensure a sustainable future for the Institute.

The new streamlined routes to Chartered membership were implemented at the beginning of 2017 and the new Legal Associate class was launched. The three routes

Annual Report of the Trustees for the year ended 31 December 2017 *(continued)*

to Chartered membership are all competency based and follow a consistent structure, while allowing candidates with different educational backgrounds and experience to be eligible. Whichever route a candidate takes, the destination is Chartered membership — MRTPI — the most highly valued professional status for planners.

An online membership survey was launched to all members in June 2017. Overall, 4,225 RTPI members responded to the survey, a response rate of 18%. The findings from the survey will help the Institute to continue its commitment to providing its members with the best possible services, benefits and support to assist them at every stage of their career. The survey asked members what more the Institute can do to increase the value of membership. The findings of the survey were extremely positive with 85% of respondents valuing or strongly valuing their membership, and 79% would recommend membership to a friend or colleague. 83% of respondents think that Chartered status conveys high professional standards and ethical behaviours.

The development of RTPI degree apprenticeship scheme started from scratch in 2017 and has been endorsed by employers and universities. The title 'Chartered Town Planner' is now clearly listed on the UK Government's website alongside other built environment professions. The intention is a scheme that is ready for the latter part of 2018 once final approval has been secured by Government, which will open up access to the profession for a new group of members.

Empowering communities

A review of Planning Aid England's (PAE) strategy was approved by the Board in September 2017. The strategy included a revised work programme focussing efforts towards providing general advice and guidance to the public and adopting a more pro-active approach to help individuals and communities in need engage with the planning system. Both these work streams directly deliver the Corporate Strategy objective of "empowering communities".

A key objective from the review the PAE strategy was to broaden the range of opportunities for chartered volunteer activity. Volunteer training took place in December to enable a panel of volunteers to take over the operation of the PAE e-mail advice service from 9th January 2018 onwards. Prior to this, the advice service had been delivered by consultants over the last 18 months. Another panel of volunteers also reviewed and updated the material on the Planning Aid England website.

In 2017, PAE provided free, professional and independent planning advice via the e-mail advice service on 2,080 separate enquiries and had 30,531 views of the advice and guidance contained on the Planning Aid website. PAE volunteers also provided further advice to groups and individuals in relation to 12 cases.

With the support of the Isle of Anglesey and Gwynedd Councils and RTPI members, RTPI Cymru had a stand at the Môn Eisteddfod Genedlaethol in Anglesey; the stand gave RTPI an excellent opportunity to talk to the public about the purpose and value of planning. This also helped to stimulate interest in careers in planning. Across the eight

days over 650 visitors attended RTPI's stand, including 300 children using its model to plan their own places.

The celebration of Best Places across the UK was established by the RTPI to mark its centenary in 2014. Following the first successful Scotland's Best Places, further competitions followed in England, then Wales last year.

Derry/Londonderry has – following years of successful regeneration of its historic core - been crowned the winner of Northern Ireland's Best Places competition.

The competition celebrates the places protected, carefully planned or improved by town planners for communities.

Nearly 4,000 people voted on a shortlist of 10 places, with Derry's Historic Core, Peace Bridge and Ebrington, emerging as the most popular place. Rathlin Island and Armagh's historic city centre came second and third, respectively.

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).

The majority of the RTPI's total income (75%) was generated from subscriptions (2016 76%). Subscription income continues to be stable, during 2017 overall income increased by £244k (4%) compared to 2016. The main reason for the increase in income between 2016 and 2017 is the receipt of the funds from the solvent liquidation of the Town and Country Planning Summer School and one off grants received from the Scottish and Welsh governments.

Total expenditure increased by £687k (11%) compared to 2016. The main reason for the increased in expenditure compared to 2016 was the investment in the CRM and website projects and the managed cessation of the Kaplan Hawksmere contract and establishment of the infrastructure for the in-house training and conferencing functions.

Net income before investment gains reduced to £25k (2016 £468k), net income after investment gains of £139k was £164k (2016 £618k).

The current investments are split between funds, which seek to grow and maintain their capital value, and those which realise an annual return.

Annual Report of the Trustees for the year ended 31 December 2017 *(continued)*

The RTPI's investment and reserves policy are scheduled for review during the final quarter of 2018. The review of these policies has a dependency on the board's risk management actions with regard to their pension liability to the West Sussex Local Government Pension Scheme.

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 £4,847k - 9 months of operating costs (2016 £4,299k - 9 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 £1,560k (2016 £1,616k)

In addition to the fixed asset reserve, the following designated funds have been set aside at the end of 2017.

Property and maintenance £239k (2016 £239k): 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 £255k (2016 £359k); the Trustees topped up this reserve in 2017 to ensure that sufficient funds are available to fund the development costs of the CRM and website project.

Research £110k (2016 £116k): 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 £nil (2016 - £151k); the balance on this fund has been transferred to the general fund. The 2017 annual payments to repair the deficit on the West Sussex LGPS scheme have been charged to the general fund.

The Trustees have agreed that any accumulated reserves of the Regions should be designated. Regional reserves are £283k (2016 £274k). 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 2017 was £54k (2016 £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.

Provision of information to auditors

The Trustees in office on the date of approval of these financial statements confirm that as far as they are aware, there is no relevant audit information of which the auditors are unaware. The Trustees have taken all of the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

haysmacintyre LLP was appointed auditor at the Annual General Meeting held on 25th October 2017 and has indicated a willingness to continue in office, subject to re-appointment at the Annual General Meeting.

Approved by the Trustees on 16th May 2018 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)

Opinion

We have audited the financial statements of The Royal Town Planning Institute ("RTPI") for the year ended 31 December 2017 which comprise the Consolidated and Charity Statement of financial Activities, the Consolidated and Charity Balance Sheet, Consolidated Cash Flow Statement and related 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).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, 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 charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2017 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, 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 Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

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 group 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 14, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 group's and the parent charitable company'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 group or the parent charitable company 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.

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees. Our opinion

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

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Annual Report of the Trustees (which incorporates the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Annual Report of the Trustees (which incorporates the strategic report and the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Annual Report of the Trustees (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company; or

- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Jeremy Beard

(Senior Statutory Auditor)

*For and on behalf of haysmacintyre,
Statutory Auditors on 16th May 2018.*

10 Queen Street Place
London
EC4R 1AG

The Royal Town Planning Institute

Report and Accounts 2017

Consolidated Statement of Financial Activities (including consolidated income and expenditure accounts) Year ended 31 December 2017

	General Fund £'000	Designated Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
INCOME FROM:					
Charitable activities					
Membership subscriptions and fees	4,680	-	-	4,680	4,691
Grants towards promotion of spatial planning and membership	147	-	196	343	93
Support for members	860	462	16	1,338	1,351
Planning Aid	2	-	-	2	1
Investments	3 56	-	-	56	70
Total income	5,745	462	212	6,419	6,206
EXPENDITURE ON:					
Charitable activities					
Support for members and promotion of membership of the Institute	3,557	1,096	12	4,685	4,165
Promotion of spatial planning	1,434	11	45	1,490	1,333
Planning Aid	219	-	-	219	240
Total expenditure	4 5,230	1,107	57	6,394	5,738
Net income/(expenditure) before investment gains/(losses)	515	(645)	155	25	468
Net gains/(losses) on investment assets	139	-	-	139	150
Net income/(expenditure)	654	(645)	155	164	618
Transfers between funds	12 (106)	86	20	-	-
Net movement in funds	548	(559)	175	164	618
Reconciliation of funds					
Fund balances at 1 January	4,310	3,060	312	7,682	7,064
Fund balances at 31 December	4,858	2,501	487	7,846	7,682

All income arises from the continuing activities of the Institute and subsidiary companies.
 The notes on pages 15 to 27 form part of these accounts.

The Royal Town Planning Institute

Report and Accounts 2017

Charity Statement of Financial Activities (including income and expenditure account) Year ended 31 December 2017

	General Fund £'000	Designated Funds £'000	Restricted Funds £'000	Total 2017 £'000	Total 2016 £'000
INCOME FROM:					
Charitable activities					
Membership subscriptions and fees	4,680	-	-	4,680	4,691
Grants and Sponsorship towards promotion of spatial planning and membership	147	-	196	343	93
Support for members	722	462	16	1,200	1,182
Planning Aid	2	-	-	2	1
Investments	56	-	-	56	70
Total income	5,607	462	212	6,281	6,037
EXPENDITURE:					
Charitable activities					
Support for members and promotion of membership of the Institute	3,439	1,096	12	4,547	3,996
Promotion of spatial planning	1,434	11	45	1,490	1,333
Planning Aid	219	-	-	219	240
Total expenditure	5,092	1,107	57	6,256	5,569
Net income/(expenditure) before investment gains/(losses)	515	(645)	155	25	468
Net gains/(losses) on investment assets	139	-	-	139	150
Net income/(expenditure)	654	(645)	155	164	618
Transfers between funds	(106)	86	20	-	-
Net movement in funds	548	(559)	175	164	618
Reconciliation of funds					
Fund balances at 1 January	4,299	3,060	312	7,671	7,053
Fund balances at 31 December	4,847	2,501	487	7,835	7,671

The Royal Town Planning Institute

Report and Accounts 2017

Charity and Consolidated Balance Sheets As at 31 December 2017

	Notes	Charity		Consolidated	
		2017 £'000	2016 £'000	2017 £'000	2016 £'000
Fixed Assets					
Tangible fixed assets	8	1,560	1,616	1,560	1,616
Investments	9	1,833	1,680	1,833	1,680
Total fixed assets		3,393	3,296	3,393	3,296
Current Assets					
Debtors	10	414	674	489	609
Short term deposits		3,243	3,242	3,243	3,242
Bank balances and cash in hand		2,880	2,669	3,008	2,892
Total current assets		6,537	6,585	6,740	6,743
Liabilities					
Creditors: Amounts falling due within one year	11	2,095	2,210	2,287	2,357
Net current assets		4,442	4,375	4,453	4,386
Total assets less current liabilities		7,835	7,671	7,846	7,682
Creditors: Amounts falling due after more than one year		-	-	-	-
Total Net Assets		7,835	7,671	7,846	7,682
The funds of the charity					
General		4,847	4,299	4,858	4,310
Designated	12	2,501	3,060	2,501	3,060
Restricted	12	487	312	487	312
		7,835	7,671	7,846	7,682

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 15 to 27 form part of these accounts.

Statement of Cash Flows and Consolidated Statement of Cash Flows For the Year Ended 31 December 2017

	Note	Charity		Consolidated	
		2017 £'000	2016 £'000	2017 £'000	2016 £'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Net cash (used in)/provided by operating activities	a	187	660	92	399
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividends, interest and rents from investments		56	70	56	70
Purchase of property, plant and equipment		(18)	(10)	(18)	(10)
Purchase of investments		(13)	(16)	(13)	(16)
Net cash provided by investing activities		25	44	25	44
Change in cash and cash equivalents in the year		212	704	117	443
Cash and cash equivalents at the beginning of the year		5,911	5,207	6,134	5,691
Cash and cash equivalents at the end of the year	b	6,123	5,911	6,251	6,134

NOTES TO THE CASH FLOW STATEMENT

a Reconciliation of income/expenditure to net cash inflow from operating activities	Charity		Consolidated	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Net income/expenditure before transfers	164	618	164	618
Depreciation charges	75	69	75	69
Losses/(gains) on investments	(139)	(150)	(139)	(150)
Dividends, interest and rents from investments	(56)	(70)	(56)	(70)
(Increase) in debtors	258	496	118	299
(Decrease)/increase in creditors	(115)	(303)	(70)	(367)
Net cash (used in)/provided by operating activities	187	660	92	399

b Analysis of cash and cash equivalents	Charity		Consolidated	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Cash in hand	3,243	3,242	3,243	3,242
Notice deposits (less than 3 months)	2,880	2,669	3,008	2,892
Total cash and cash equivalents	6,123	5,911	6,251	6,134

Notes to the Financial Statements for the year ended 31 December 2017

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 2017 and 2016.
- 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 2017 and 2016.
- 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 2017 and 2016. 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 governance 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 governance 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 and allocation between activities

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) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Notes to the Financial Statements for the year ended 31 December 2017 *(continued)*

- j) Cash at Bank and in hand**
 Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.
- k) Creditors and provisions**
 Creditors and provisions 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
- l) 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 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.
- m) 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.
 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 pension increases. Any changes in these assumptions, which are disclosed in note 16, will impact the carrying amount of the pension liability.
- n) 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.
- o) Preparation of the accounts on a going concern basis.**
 The Trustees are satisfied that cash flow remains strong, income continues to be stable and operating costs are effectively managed. There are no immediate concerns with regard to the future of the institute for the next 12 – 18 months and on this basis the Institute is a going concern

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

3 Investment income

	2017 £'000	2016 £'000
Interest receivable on short term deposits	4	17
Investment income receivable	52	53
Total investment income	56	70

4 Analysis of expenditure on charitable activities

Charitable expenditure

	People related costs £'000	Other costs £'000	Total 2017 £'000	Total 2016 £'000
Support for members and promotion of membership of the Institute				
Direct costs	1,587	1,882	3,409	3,144
Governance costs	36	4	39	75
Allocation of overheads	705	532	1,237	1,105
	<u>2,328</u>	<u>2,357</u>	<u>4,685</u>	<u>4,324</u>
Promotion of spatial planning				
Direct costs	654	284	938	1,019
Governance costs	15	1	17	22
Allocation of overheads	305	230	535	521
	<u>974</u>	<u>516</u>	<u>1,490</u>	<u>1,562</u>
Planning Aid				
Direct costs	108	35	143	503
Governance costs	2	-	2	-
Allocation of overheads	42	32	74	45
	<u>152</u>	<u>67</u>	<u>219</u>	<u>548</u>
Total charitable expenditure	<u>3,454</u>	<u>2,940</u>	<u>6,394</u>	<u>6,434</u>

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:

	2017 £'000	2016 £'000
Premises related costs	169	150
Office services	363	354
Legal and professional fees (excluding audit)	53	30
Irrecoverable VAT	162	122
Allocated overheads - total	<u>747</u>	<u>656</u>

Notes to the Financial Statements for the year ended 31 December 2017 *(continued)*

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

	2017 £'000	2016 £'000
Wages and salaries (including redundancy costs)	2,490	2,482
Pension costs	290	256
Social security costs	255	253
	<u>3,035</u>	<u>2,991</u>
	2017	2016
Average number of staff employed		
Support for members and promotion of membership of the Institute	49	49
Promotion of spatial planning	22	22
Planning Aid	4	4
Governance	1	1
	<u>76</u>	<u>76</u>

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

Earnings band	Number of employees 2017	Number of employees 2016
£60,000 to £69,999	3	2
£70,000 to £79,999	2	-
£80,000 to £99,999	-	1
£100,000 to £109,999	-	-
£110,000 to £119,999	1	1
£130,000 to £139,999	-	-
	<u>6</u>	<u>4</u>

Pension contributions made during the year for these employees were £46k (2016 £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 the Finance Director. The total employee benefits of the key management personnel were £374k (2016 £415k).

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

6 Transactions with Trustees and Connected Persons

- a) No payments are made to Trustees in respect of their time spent on trustee activities or to compensate for loss of earnings. The Trustees only receive reimbursement for expenses actually incurred in attending meetings. During the year 18 trustees were reimbursed £20k including payments to travel agents (2016 18 trustees were reimbursed £22k including payments to travel agents) in respect of expenses actually incurred.
- b) The Royal Charter and Byelaws do allow APC assessors who are Trustees to be paid for time incurred on examinations. No payment was made in 2017 (2016 one Trustee £290).

7 Remuneration of Auditor

The audit fees for the Institute are £7k (2016 £7k) and the subsidiary company £3k (2016 £3k) totalling £10k (2016 £10k) for the group.

8 Tangible fixed assets – charity and group

	41 Botolph Lane Freehold land £'000	Refurbishment & plant & furniture £'000	Office Equipment & Furniture £'000	Total £'000
Cost				
At 1 January 2017	300	2,351	80	2,731
Additions	-	-	18	18
Disposals	-	-	(5)	(5)
At 31 December 2017	<u>300</u>	<u>2,351</u>	<u>93</u>	<u>2,744</u>
Depreciation				
At 1 January 2017	-	(1,054)	(61)	(1,115)
Charge for the year	-	(61)	(14)	(75)
Disposals	-	-	6	6
At 31 December 2017	<u>-</u>	<u>(1,115)</u>	<u>(69)</u>	<u>(1,184)</u>
Net book value				
At 31 December 2017	<u>300</u>	<u>1,236</u>	<u>24</u>	<u>1,560</u>
At 31 December 2016	<u>300</u>	<u>1,297</u>	<u>19</u>	<u>1,616</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 £3,154k as at March 2018.

9 Investments (consolidated)

	2017 £'000	2016 £'000
Market value of listed investments at 1 January	1,680	1,514
Acquisitions at cost	13	16
Disposals/proceeds	-	-
Gains/(losses) on investments	140	150
Market value of investments at 31 December (consolidated accounts)	<u>1,883</u>	<u>1,680</u>
Historical cost as at 31 December	<u>1,386</u>	<u>1,363</u>

Material investments within the portfolio as at 31 December 2017 include:
 CCLA COIF Charities investment fund £1,140k (62%)
 Barclays Wealth Global Markets investment fund £651k (36%)

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 2017

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

10 Debtors

	Charity		Consolidated	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Prepayments	102	70	102	70
Amount due from RTPI Services Limited	92	410	-	-
Other debtors	220	194	387	539
	<u>414</u>	<u>674</u>	<u>489</u>	<u>609</u>

11 Creditors: amounts falling due within one year

	Charity		Consolidated	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Receipts in advance	1,620	1,565	1,620	1,565
Other taxes and social security costs	67	100	67	100
Other creditors and accruals	408	545	600	692
	<u>2,095</u>	<u>2,210</u>	<u>2,287</u>	<u>2,357</u>

Receipts in Advance Note:

Receipts in advance b/f comprise £1,532k, amounts recognised in the year are £1,532k.

Income deferred in the year amounts to £1,620k, with receipts in advance c/f amount of £1,620k.

12 Outline summary of fund movements

	Fund balances brought forward 1 Jan 17 £'000	Income £'000	Expenditure £'000	Transfers £'000	Fund balances carried forward 31 Dec 17 £'000
Designated Funds					
Tangible fixed assets	1,616	-	-	(56)	1,560
Property and maintenance	239	-	-	-	239
Research	116	5	(11)	-	110
ICT development	359	-	(179)	75	255
Defined benefit pension	151	-	-	(151)	-
Kaplan exit/in house Training Fund	305	-	(251)	-	54
Regions					
East of England	9	37	(59)	24	11
East Midlands	1	7	(26)	19	1
London	11	14	(41)	28	12
North West	76	129	(144)	25	86
South East	53	33	(67)	36	55
South West	18	100	(129)	28	17
West Midlands	42	55	(78)	22	41
Yorkshire	23	27	(60)	20	10
North East	41	55	(62)	16	50
Regions – total	274	457	(666)	218	283
	<u>3,060</u>	<u>462</u>	<u>(1,107)</u>	<u>86</u>	<u>2,501</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 2017, 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.

Notes to the Financial Statements for the year ended 31 December 2017 *(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 2017, £11k of research expenditure was charged to the fund.

Information and communications technology development (ICT Development)

The Trustees have created a designated fund to enable the Institute 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, £179k of expenditure has been charged to the fund during 2017, and the Trustees have approved additional expenditure of £75k during the year.

Defined benefit pension

The designated fund to meet deficit payment obligations to the West Sussex Local Government Pension Scheme has been closed and the balance transferred to the general fund.

Kaplan exit/In house training fund

During 2017, the Trustees established a 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. £251k of expenditure has been charged to the fund during 2017 with the balance of set up costs to be incurred during the first quarter of 2018.

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 2017, transfers of £218k were made to the regions.

	Fund balances brought forward 1 Jan 17	Income	Expenditure	Transfers	Gains/ (losses)	Fund balances carried forward 31 Dec 17
	£'000	£'000	£'000	£'000	£'000	£'000
Restricted Funds						
George Pepler International	55	-	-	-	-	55
Lichfield Memorial Lecture	20	2	(1)	-	-	21
Peter Suttie Award	7	-	-	-	-	7
Future Planners' Bursary Fund	19	16	(12)	20	-	43
Scotland Convention	55	-	-	-	-	55
Practitioner Research Fund	1	146	-	-	-	147
Value of Planning in Wales	-	15	(14)	-	-	1
Consultation Scotland White Paper	-	15	(13)	-	-	2
Wales Training to LPA's	-	18	(17)	-	-	1
Planning Aid						
Grants and Donations	117	-	-	-	-	117
West Midlands Planning Aid	31	-	-	-	-	31
Gypsy and Traveller Training	7	-	-	-	-	7
	<u>312</u>	<u>212</u>	<u>(57)</u>	<u>20</u>	<u>-</u>	<u>487</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 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.

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.

Notes to the Financial Statements for the year ended 31 December 2017 *(continued)*

Peter Suttie Award

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.

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 2017 RTPI board agreed to transfer an additional £20k to the fund to ensure that the award for the 2017-18 academic year were fully funded.

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. Income of £146k was received during the year. The first award will be made during 2018.

Value of Planning in Wales

A restricted fund set up during the year for a joint research project with the Welsh government on the Value of Planning in Wales. The final expenditure will be incurred during 2018.

Consultation Scotland White Paper

A restricted fund set up during the year for funding received from the Scottish Government to help develop thinking and effective engagement with their planning consultation paper.

Wales Training to LPA's

A restricted fund set up during the year for an award from the Welsh government in relation to household projection training to LPA's. The project was completed during 2017.

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 2017; 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 2017, but funds are being held against future training activities in the context of current and emerging legislation.

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Notes to the Financial Statements for the year ended 31 December 2017 *(continued)*

13 Analysis of group net assets between funds

	General Fund £'000	Designated Funds £'000	Restricted Funds £'000	Total £'000
Tangible fixed assets	-	1,560	-	1,560
Listed investments	1,813	-	20	1,833
Current assets	5,323	941	476	6,740
Current liabilities	(2,323)	-	-	(2,323)
Net assets	<u>4,813</u>	<u>2,501</u>	<u>496</u>	<u>7,810</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.

The registered address and place of business is: 41 Botolph Lane, London EC3R 8DL

	2017 £'000	2016 £'000
Turnover	1,321	1,292
Cost of Sales	(813)	(819)
Gross Profit	508	473
Interest received	-	-
Administration	(44)	(44)
Operating Profit	464	429
Gift Aid to parent undertaking	(464)	(429)
Profit for the year, before and after taxation	-	-

	2017 £'000	2016 £'000
Balance sheet of RTPI Services Limited as at 31 December		
Current Assets		
Debtors	167	345
Cash and bank balances	128	223
	295	568
Creditors (amounts falling due within one year)	(284)	(557)
	11	11
Shareholders' funds	11	11

15 Operating leases

	2017 £'000	2016 £'000
Amount charged in the year		
Leasehold property	21	23
Equipment	9	10
Total	30	33

	Property 2017 £'000	Equipment 2017 £'000	Property 2016 £'000	Equipment 2016 £'000
Total Commitment				
Operating leases expiring within one year	25	9	21	6
Operating leases expiring between 2 and 5 years	46	4	48	7

Notes to the Financial Statements for the year ended 31 December 2017 *(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 17.7% (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 institute is currently consulting with those staff enrolled in this scheme, who commenced their employment prior to 31st March 2006 about moving to an equitable employer contribution of 12% for all staff. The total employer contribution for the year totalled £189k (2016 £199k).
- II. A funded, contributory, final salary scheme. The Institute is an admitted body to the West Sussex local government scheme. RTPI is currently carrying out a consultation with the active members of the West Sussex LGPS regarding RTPI's future membership of the scheme. An actuarial valuation of the schemes assets and liabilities is conducted every three years, by the West Sussex Fund. The latest triennial 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 and 31st December 2017 are set out below:

Defined benefit obligation and surplus/deficit	31st Dec 2017	31st Dec 2016	31st Mar 2016
Obligations	12,073	11,713	10,141
Fair value of assets	15,714	13,450	12,007
Surplus/(Deficit)	3,641	1,737	1,866
Financial Assumptions	31st Dec 2017	31st Dec 2016	31st Mar 2016
Discount Rate	2.6%	2.85%	3.5%
Salary Increases	3.2%	3.35%	3.7%
Pension Increases	2.4%	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 pension's guidance in the Charities SORP and FRS102. The Trustees will review their position when detailed guidance is available on the changes to the LGPS Amendment Regulations 2018 published on the 17th April 2018.

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. 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 employer's 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.

Recommended Contribution Rates based on West Sussex cessation valuation as at 31st March 2016.	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
2016/2017	21.6%	plus	235

Details of the formal triennial cessation valuations received from West Sussex as at 31st March 2013 and 31st March 2016 are set out below. The figures for 31st Dec 2017 are provided by an independent actuary and have no impact on the employer contribution rates.

Notes to the Financial Statements for the year ended 31 December 2017 *(continued)*

16 Pension Note *(continued)*

Funding Position Relative to Employer Funding Target	31st Dec 2017 cessation valuation	31st Mar 2016 cessation valuation	31st Mar 2013 cessation valuation
Liabilities	13,926	12,349	11,829
Asset Share	15,714	11,691	9,343
Surplus/(Deficit)	1,789	(658)	(2,486)
Funding Level	113%	95%	79%

Membership Statistics	31st Dec 2017	31st Mar 2016	31st Mar 2013
Actives	n/a	10	13
Deferred Pensioners	n/a	41	43
Pensioners	n/a	38	35
Totals	n/a	89	91

Financial Assumptions	31st Dec 2017	31st Mar 2016	31st Mar 2013
Discount Rate	1.8%	2.2%	3.0%
Salary Increases	n/a	2.9%	3.8%
Pensioner Increases	2.4%	2.1%	2.5%

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Notes to the Financial Statements for the year ended 31 December 2017 *(continued)*

17 Prior year comparatives by class of fund

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
INCOME FROM				
Charitable activities				
Membership subscriptions and fees	4,691	-	-	4,691
Grants towards promotion of spatial planning and membership	92	-	1	93
Support for members	853	449	49	1,351
Planning Aid	1	-	-	1
Investments	70	-	-	70
Total income	5,707	449	50	6,206
EXPENDITURE ON:				
Charitable expenditure				
Support for members and promotion of membership of the Institute	3,374	745	46	4,165
Promotion of spatial planning	1,329	1	3	1,333
Planning Aid	240	-	-	240
Total expenditure	4,943	746	49	5,738
Net income/(expenditure) before investment gains/(losses)	764	(297)	1	468
Net gains/(losses) on investment assets	149	-	1	150
Net income/(expenditure)	913	(297)	2	618
Transfers between funds	(812)	798	14	-
Net movement in funds	101	501	16	618
Reconciliation of funds				
Fund balances at 1 January	4,209	2,559	296	7,064
Fund balances at 31 December	4,310	3,060	312	7,682

Notes to the Financial Statements for the year ended 31 December 2017 (continued)

18 Financial instruments

Categories of financial instruments

	Charity		Consolidated	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Financial Assets				
Listed investments (fair value at amortised costs)	1,833	1,680	1,833	1,680
Debtors (amortised cost)	414	604	489	539
Cash and cash equivalents	6,123	5,911	6,251	6,134
	<u>8,370</u>	<u>8,195</u>	<u>8,573</u>	<u>8,353</u>
Financial liabilities (at amortised cost)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

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 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.

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Annual General Meeting 2017

NOTICE OF THE ANNUAL GENERAL MEETING OF THE ROYAL TOWN PLANNING INSTITUTE 2018
ETC Venues Monument, 8 East Cheap, London EC3M 1AE
At 13.30 on Wednesday 24 October 2018

AGENDA

- 1 **To receive and approve the minutes of the 2017 AGM**
- 2 **To receive the Annual Report and Accounts** for the year ending 31 December 2017 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 governance@rtpi.org.uk.

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APPENDIX 2

2019 Subscriptions – £9.00 increase in Chartered Rate & standardisation of rates across categories

	% tage of chartered rate	Non UK	2018		2019	
			UK/Ire £	Non UK/Ire £	UK/Ire £	Non UK/Ire £
Chartered Fellow	100%	65%	300	195	309	201
Chartered Member	100%	65%	300	195	309	201
Legal Member	100%	65%	300	195	309	201
Legal Associate Member	50%	65%	150	98	155	101
Associate Member	50%	65%	150	98	155	101
Licentiate Member > 3 years	50%	65%	150	98	155	101
Affiliate Member	30%	65%	90	60	93	62
Student (<i>non accredited courses</i>)	30%	65%	90	60	93	62
Licentiate Member < 3 years	20%	n/a	60	60	62	62
Retired Member	20%	n/a	60	60	62	62
Retired Lifetime Member	250%	n/a	750	750	773	773
Students (<i>accredited courses</i>)	n/a	n/a	Free	Free	Free	Free
Honorary Member	n/a	n/a	Free	Free	Free	Free

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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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