

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND
(THE ROYAL ASIATIC SOCIETY)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012

The Trustees of the Royal Asiatic Society of Great Britain and Ireland are pleased to present their report together with the financial statements of the Society for the year ending 31 December 2012.

The Royal Asiatic Society was established in 1823 ‘for the investigation of subjects connected with and for the encouragement of science, literature and the arts in relation to Asia’. The Society is incorporated by a Royal Charter dated 11 August 1824, together with a Supplemental Charter granted by Her Majesty Queen Elizabeth II under Her Sign Manual dated 11 November 1988.

The Society was registered on 22 September 1962 with The Charity Commission for England and Wales.

Professional advisors and principal office

Charity number:	209629
Principal office:	14 Stephenson Way London NW1 2HD
Auditors	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
Bankers	Lloyds TSB Bank Pall Mall, St James’s 8-10 Waterloo Place London SW1Y 4BE
Investment Managers	HSBC Global Asset Management 78 St James’s Street London SW1A 1HL
Solicitors	Manches LLP Aldwych House 81 Aldwych London WC2B 4RP

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012

Trustees

All Members of Council of the Royal Asiatic Society are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees. In some cases Members of Council serve as Officers.

The Officers and Council serving for the year ended 31 December 2012 were as follows:

Officers

(all posts served on an Honorary basis)

Professor P Robb	(President, elected 2012)
Professor A J Stockwell	(Vice-President, elected 2010)
Mr J D Pullen	(Treasurer, elected 2010)
Dr S Ansari	(Editor of the Journal of the Royal Asiatic Society, appointed 2009) ex officio

Members

(elected or retired at the Anniversary General Meeting in the year shown)

Mr K Bakhtiar	(elected May 2012)
Dr İ E Binbaş	(elected May 2011)
Dr B Brend	(elected May 2010)
Mr F De Blois	(elected May 2010)
Mr P Collin	(elected May 2011)
Dr R G S Cooper	(elected May 2012)
Miss H Cordell	(resigned May 2012)
Dr H E Driver	(elected May 2010)
Professor C Hillenbrand	(retired May 2012)
Dr G Johnson	(elected May 2012)
Mr L Knight	(elected May 2011)
Mr T Lobetti	(elected May 2010)
Professor D O Morgan	(elected May 2011)
Mr C C F Naylor	(elected May 2009)
Dr A A Powell	(resigned May 2012)
Professor F C R Robinson	(elected May 2009)
Mr N Saidi	(elected May 2011)
Dr K B Schofield	(resigned May 2012)
Dr K Taylor	(elected May 2010)
Dr C van Ruymbeke	(elected May 2011)

Director and Secretary of the Council: Dr Alison Ohta

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012

Structure, Governance and Management

Governance

The Society is governed by the Council comprising a President, a Vice President (currently two while the full effect of a constitutional amendment comes into effect), a Treasurer and the Editor of the Journal of the Royal Asiatic Society, together with not more than twenty-four ordinary Members. The Officers and Members of the Council are treated as Trustees for the purposes of the Charities Acts. Council is elected from among the Members (or Fellows) of the Society. Elections are governed by the provisions of Chapter III of The Byelaws of the Society as amended at a Special General Meeting of the Society held on 15 April 2010. Vacancies are filled by vote upon nominations placed in May each year before the Members of the Society at the Anniversary General Meeting.

The President, Vice President and Treasurer are similarly elected from within the Members of the Council.

The Editor of the Journal of the Royal Asiatic Society is appointed by the Council.

No one shall be elected to the Council who has not been a Member of the Society for at least one year. An Ordinary Member of Council is elected for a term of four years and is eligible for re-election after a lapse of one year. Officers normally serve for three years.

The Director is the full-time Chief Executive Officer of the Society, reporting to the President and responsible to the Council. The Director is appointed by the Council.

Appointment of Trustees

The Society is governed by a Council. Members of the Council are treated as Trustees for the purposes of the Charities Acts. Council is elected from among the Members (or Fellows) of the Society. Elections are governed by the provisions of Chapter III of The Byelaws of the Society with vacancies being filled by vote upon nominations placed in May each year before the Members of the Society at the Anniversary General Meeting. Honorary Officers are similarly elected from within the Members of the Council. No one shall be elected to the Council who has not been a Member of the Society for at least one year. An Ordinary Member of Council is elected for a term of four years and is eligible for re-election after a lapse of one year. Honorary Officers normally serve for three years.

Trustee induction and training

New Trustees are briefed by the President on their duties and on their legal obligations under charity law, the content of the Constitution and Byelaws of the Society, the Council and its decision-making processes and the recent financial performance of the charity. Before their first Council Meeting they meet employees and other Trustees.

Organisation

The Council is responsible for the operation of the charity. The Council meets normally six times each year, between October and June inclusive. The Council is responsible for taking all significant decisions relating to the Society's affairs. The Society is managed by a Director responsible to Council, with the assistance of a number of other remunerated employees. The operations of the Society are monitored through separate Council committees for Finance and Investments, Fellowship and Development, Events and House, Library, Publications and a separate Editorial Board, which meet regularly according to defined schedules at meetings chaired by the President (or the Vice-President or another Member of the Council). The transactions of the committee meetings are submitted to Council meetings for report and for such approvals as may be appropriate.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012

Related parties

The charity is an independent body in the sense of being self-standing and administering, although it aims to foster collaborative arrangements with other organisations with similar or overlapping interests and aims.

Risk Management

The Trustees regularly monitor and assess ongoing risks through the appropriate sub-committees responsible for areas in which risks, in whatever form, might arise. Wherever considered necessary, those risks are managed or mitigated through a combination of changed or updated procedures and with the purchase of insurance products, where appropriate.

All signatories to the Society's financial accounts are obliged to have completed an HMRC 'Fit and Proper Persons' declaration.

Objectives and activities

The objects of the charity are to investigate and encourage science, literature and the arts in relation to Asia. The Society promotes a number of activities in this field, including programmes of lectures, research workshops and student events. It also publishes works of scholarship and a journal of high international standing. The Society maintains an important library including prints, drawings and manuscripts relating to the history, religions, languages, art and customs of Asia.

The Trustees have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission with regard to public benefit.

Achievements and Performance

This has been another busy year with the main and student lecture series as well as a number of associated events generating much interest. The main series started with a lecture given by Professor Bowring from the University of Cambridge on *Bushido: Yet another invented tradition*. The AGM lecture in May 2012 was given by Professor Edmund Herzig, University of Oxford entitled *For God, King and Country: Monarchy, Religion and Nationalism in Modern Iran*. The student series continues to attract speakers of a very high standard with a variety of topics ranging from *Fourteenth Century Tablewares of the Golden Horde* by Rosalind Wade-Haddon (SOAS) to *Trinkets and Treasures: Looting during the British Mission to Tibet of 1904* by Tim Myatt (University of Oxford). Rory Stewart MP addressed the Society in January 2012 on the importance of the role of the RAS in the dissemination of knowledge of languages and cultures of Asia. Later in the year, Dr. Geoff Wade and Prof. Tansen Sen from the Nalanda-Sriwijaya Centre in Singapore lectured on Zheng He's voyages in the early 15th century. A joint meeting was held with the British Georgian Society in November to celebrate the 100th anniversary of the publication of the translation of Georgia's national epic into English, *The Man in a Panther's Skin* by Rustaveli. The first translation had been published by the Oriental Translation Fund in 1912.

This was the 3rd year that the Society participated in the 'Open House' weekend in September. The Society is very grateful to all the volunteers who helped on the day. Kaveh Bakhtiar organised the event and Professor Anthony Stockwell, Helen Cordell, Kathy Lazenbatt all gave talks on the collections held by the Society. Helen Porter and Camilla Larsen helped with the organisation and shepherding of the visitors.

The Society has also received several student groups from SOAS, the Agha Khan University, St. James' School, the V and A and Sotheby's as well as other interested societies such as the Bedford Art Group to view parts of its collections. Throughout 2012, the library has received a steady stream of visitors from overseas including members of our sister societies.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012

We are eternally grateful to our NADFAS volunteers led under the expert direction of Fiona Enthoven who are tireless in their attention to the care of our collection. The Society is also very grateful to its long term volunteer Roger Parsons who provides library support in many ways. The library has embarked on the cataloguing of the Arabic and Ottoman manuscripts. This work has been made possible by a grant from the Islamic Manuscript Association and Mr. Peter Colvin and Dr. Evrim Binbaş have undertaken this important task. Aneeka Bartlett from St. James' School also contributed to the work of the library while doing a work placement during the summer holidays.

The Society celebrated the launch of the publication of the *Making of Western Indology* in collaboration with Routledge by Rosane and Ludo Rocher on the life of Henry Thomas Colebrooke, the founder of the Royal Asiatic Society. Later in the year, Paul Wittek's *The Rise of the Ottoman Empire*, edited by Colin Heywood was also published and a book launch was held at the Society. In collaboration with CUP, the Society undertook to digitise rare volumes from the RAS library for their reissue forming part of the Cambridge Library Collection entitled *Perspectives from the Royal Asiatic Society*. The journal continued to thrive during 2012 with an increase in submissions in both quality and quantity.

Two small exhibitions were held in the Society's Council Room. In May, an *Ofuda* study day and exhibition was organised by Dr. Tullio Lobetti and Dr. Gaynor Sekimori. In November, an exhibition was held of Byzantine inspired bindings created by art students and others at workshops in Bucharest, Budapest, Athens and Campobasso. The exhibition was accompanied by two lectures on the subject. This was a STUDITE project supported by the Culture Programme of the European Union and partnered with International Academic Projects.

The Society continued to lend to exhibitions. The portrait of Madhav Rao continued on its travels in the United States as part of the Maharaja Exhibition. The loan of the portraits of the Parsi shipbuilders was extended for another year to the Museum of London. The beautifully illustrated *Gulistan* manuscript (RAS Ms.258) was lent to the *Akbar* exhibition (Oct 2012-Feb 2013) at the Museo Fondazione, Rome and folios of the Muhammad Juki *Shahnamah* were lent to the L'Institut du Monde Arabe in Paris for an exhibition entitled *Les Mille et Une Nuits* (Nov 2012 - April 2013).

Financial Review

Highlights of 2012

Overall 2012 proved another year of relative financial stability for the Society.

Following the exceptional result of a Net incoming resources figure or operating surplus of £1,210 for 2011, the first surplus for over ten years, financial activities during 2012 generated a Net outgoing resources figure or operating deficit of £86,366. The operating deficit for 2012 needs to be measured against operating deficits of £62,317 in 2010 and £129,547 in 2009.

However, unlike both 2010 and 2009 when it proved necessary for the trustees to approve drawdowns from the Society's investments to meet operating cash flow requirements, no drawdown was necessary in 2012. The shortfall in incoming cash from a four month rent free period for our principal tenant was offset by the timing of advance payments from our Journal publisher.

The Balance Sheet indicates a Total charity funds figure as at 31 December 2012 of £3,773,919, a nominal 2% increase on the £3,714,786 figure as at 31 December 2011. The Net outgoing resources figure was more than offset by an increase in the market value of our investments.

The Society continued to be free of any borrowings as at 31 December 2012.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012

Income and Expenditure

Income: Incoming resources decreased by 17.5% from £383,155 in 2011 to £316,723 in 2012. Income figures declined in all categories except for Subscriptions which showed a marginal increase of 3% to £40,906 and Rental essentially unchanged at £69,411. Voluntary income, including grants for specific projects, declined 40% to £17,590 whilst Investment income from our endowment fund declined by 21% to £54,436.

Expenditure: Resources expended increased by 5.5% from £381,945 in 2011 to £403,089 in 2012. Note 12 indicates that these increases were spread across all categories. However Publications incurred two exceptional charges totalling some £15,000 resulting from settling the retrospective invoices of a former consultant and from completing previously committed publications. Invoices from all our suppliers continue to reflect present inflationary pressures, with our Camden business rates now having increased 90% over the past three years. The Cost of generating funds figure, which represents management fees paid on our endowment fund, is now included net of VAT.

Year-end staff numbers remained unchanged at 6 whilst total staff costs increased 3.75% to £171,855 and continue to represent 42.5% of total resources expended. This movement reflects the 3.5% increase in staff salaries effective 1 January 2012. A five year review of staff responsibilities and remuneration is due in 2013.

Policy on Fixed Assets

Freehold Property: As at 31 December 2012 the value has been adjusted by £28,913 in line with our standard 2% per annum depreciation policy. The freehold property continued to yield a valuable rental income stream of some £70,000. During 2012 the rental agreement with our principal tenant was renewed on the same terms for another five years. Continuing redevelopments along Stephenson Way, and the possibility of High Speed 2 terminating at Euston, should ensure the value of this principal asset has been sustained when next valued in 2014.

Other tangible assets: We continue to pursue a policy of writing down the value of furniture, fittings and equipment in as short a time permitted. There were no acquisitions in 2012 which were not immediately fully written off.

Investments: Positive movements in domestic and international markets resulted in a 7% increase in the value of our investments from £1,604,713 at 31 December 2011 to £1,721,246 at 31 December 2012. We continued to receive a fixed quarterly income stream of £14,000 from the investments which necessitated drawing down some £1,500 from the principal in 2012. The special review of the external management of our investments was completed in 2012 as scheduled. As a result of this review your trustees approved a transfer of the management from HSBC Global Asset Management to Rathbones Investment Management. This transfer was completed in January 2013. The fixed quarterly payments are being increased to £15,000 from 2013.

Heritage Assets: The Society's heritage assets continue to be carried in the Balance Sheet at a nil value as covered in Note 1 o). Our heritage assets continue to be insured. There was no discussion of any disposal in 2012.

Current Assets and Liabilities

Stock of Juki publications: As anticipated last year, your trustees approved a one third write-down of the remaining stock of Juki publications as at 31 December 2012. Another one third will be written down in 2013.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012

Cambridge University Press: Once again the extent of the financial significance of our Journal and of this relationship is revealed under our Debtors and Creditors figures as explained in Notes 9 and 10. The advance payment on our annual 2011 surplus was exceptionally deferred until early 2012 whilst the advance payment on our 2012 surplus was received normally in late 2012. Income from our digital archive sales, although reduced from the figure of £58,311 in 2011, held up more than expected at £27,299 in 2012. The digital archive sales figure is expected to decline further in coming years.

Value Added Tax: The exceptional opportunity in 2011 which resulted in a VAT recoverable figure has now reverted to our usual VAT payable figure.

Outlook for 2013

Externally the UK economy is expected to remain flat in 2013. It is anticipated the prevailing austerity conditions will continue throughout this year and into the next. As indicated previously, living standards and disposable incomes will remain under downward pressure whilst inflation continues to place relentless upward pressure on all operating expenses.

Internally the Society's accounts in 2013 will be dominated by the need to identify funds for the outstanding basement project. These works which were first estimated at £70,000 in our 2010 accounts, and then upwardly estimated at £130,000 in our 2011 accounts, are now estimated once again at their original £70,000 figure. The complexity of this technical engineering project has continued to confound our extensive research into the optimal manner to proceed. Considerations include how best to improve the quality of the basement air and the integrity of the basement walls. It is hoped this project will be finally completed in 2013.

The Society should be encouraged that Subscriptions received from Fellows in 2012 surpassed the £40,000 mark. However our internal administration efforts continue to be dominated by the need to manage the receipt of these annual subscriptions. Once again all Fellows are requested to double check that they have completed their Direct Debit mandates and cancelled with their bankers all other previous forms of annual payment.

The trustees will be considering in 2013 some increases in the annual Fellowship subscriptions in 2014 to accommodate the inexorable rise in the Society's operating costs, whilst further encouraging Fellows to settle their annual subscriptions by Direct Debit. The trustees have also discussed offering a limited number of Life Fellowships each year.

The trustees have approved the acquisition of new computers and software for the Society's offices which are expected to be acquired as soon as operating cash flow permit. Other general building maintenance costs are also expected to be identified during 2013.

There are no plans for any Heritage asset disposals or any major publications investments in 2013.

In the face of the need to fund the basement project, together with other asset acquisitions and maintenance, and in recognition of the ever present inflationary pressures, the trustees continue to acknowledge that the Society may need to withdraw monies from the endowment fund to meet any operating cash flow shortfalls.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2012

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report 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 and Wales 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper records which disclose with reasonable accuracy the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the charity's assets and hence taking reasonable steps for the prevention and detection of fraud and breaches of law and regulations.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to auditor

So far as the Board of Trustees is aware:

- a) there is no relevant audit information of which the charity's auditors are unaware; and
- b) they have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by the Trustees on 11 April 2013 and signed on their behalf by:

Professor P Robb
President

J D Pullen
Treasurer

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

We have audited the financial statements of The Royal Asiatic Society of Great Britain and Ireland on pages 11 to 25 for the year ended 31 December 2012, which comprise the Statement of Financial Activities, the Balance Sheet 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 charity's members, as a body, in accordance with section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' 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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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. 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

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2012, and of its 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.

**INDEPENDENT AUDITORS' REPORT
TO THE TRUSTEES OF THE ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND**

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 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

UHY Hacker Young
Chartered Accountants
Statutory Auditor

2013

UHY Hacker Young is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	Unrestricted funds		Restricted		Total	Total
		General	Designated	Restricted	Permanent	Funds	Funds
		Funds	Funds	Funds	Fund	2012	2011
		£	£	£	£	£	£
Incoming resources							
Incoming resources from generated funds:							
Voluntary income – Donations		5,290	12,300	-	-	17,590	29,197
Activities for generating funds	13	175,286	-	-	-	175,286	214,027
Investment income	15	40,714	5,508	8,051	163	54,436	68,494
Other incoming resources	16	69,411	-	-	-	69,411	71,437
Total incoming resources		290,701	17,808	8,051	163	316,723	383,155
Resources expended							
Cost of generating funds		13,786	-	-	-	13,786	16,368
Charitable activities	12	303,850	1,837	-	-	305,687	287,954
Governance costs	12	83,616	-	-	-	83,616	77,623
Total resources expended		401,252	1,837	-	-	403,089	381,945
Net (outgoing)/incoming resources before other recognised gains and losses		(110,551)	15,971	8,051	163	(86,366)	1,210
Other recognised gains and losses							
Realised and unrealised gains/(losses) on investment assets		108,823	14,721	21,518	437	145,499	(102,774)
Net movement in funds		(1,728)	30,692	29,569	600	59,133	(101,564)
Reconciliation of funds							
Total funds brought forward		3,273,732	177,029	258,772	5,253	3,714,786	3,816,350
Total funds carried forward		<u>3,272,004</u>	<u>207,721</u>	<u>288,341</u>	<u>5,853</u>	<u>3,773,919</u>	<u>3,714,786</u>

There are no recognised gains or losses for either 2012 or 2011, other than those included in the Statement of Financial Activities.

All incoming resources and resources expended derive from continuing activities.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

**BALANCE SHEET
AS AT 31 DECEMBER 2012**

	Note	2012 £	2011 £
Fixed assets			
Freehold property	5	1,915,507	1,944,420
Other tangible assets	6	501	3,013
Investments	7	1,721,246	1,604,713
Heritage assets	1(o)	-	-
		-----	-----
		3,637,254	3,552,146
Current assets			
Stock of the Juki publication		10,277	15,415
Debtors	9	143,195	182,809
Current asset investments		33,058	21,892
Cash on current account and in hand		35,295	17,596
		-----	-----
		221,825	237,712
Liabilities			
Creditors: amounts falling due within one year	10	(85,160)	(75,072)
		-----	-----
Net current assets		136,665	162,640
		-----	-----
Net assets		3,773,919	3,714,786
		=====	=====
The funds of the charity:			
Unrestricted - General	18	3,272,004	3,273,732
- Designated	21	207,721	177,029
Restricted	21	288,341	258,772
Permanent endowment	21	5,853	5,253
		-----	-----
Total charity funds		3,773,919	3,714,786
		=====	=====

The notes on pages 13 to 25 form part of these accounts.

These reports and financial statements were approved by Council at their meeting on 11 April 2013 and were signed on their behalf by:

Professor P Robb
President

J D Pullen
Treasurer

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1 Accounting Policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the inclusion of the freehold property and investments at market value and are prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities" (SORP 2005), issued in March 2005, applicable UK Accounting Standards and the Charities Act 2011.

b) Incoming resources

Investment income is recognised when the charity has entitlement to the resources and to the extent that the resources will be received. All other items of income are accounted for on an accruals basis.

c) Donations

Donations to the Society are provided either as:

1. contributions to the Society's general purpose funds; or
2. a specific donation for a separate and distinct project or purpose.

Contributions to the Society's general purpose funds are firstly applied to supplementing the Society's ongoing requirements for operational funding, but any surplus funds are then added to the Society's endowment to enhance its capacity to support and expand its core objectives on a long-term basis.

Donations provided for a separate and distinct project or purpose can be provided either for a one-off project or in the form of a designated fund, the income from which can be applied annually to support the donor's desired objective. In either case, the Society will consult fully with the donor and provide a detailed account statement to demonstrate how the funds have been employed.

Any donation will be applied to the Society's general purpose funds, unless the donor specifies the donation as being for a separate and distinct project or purpose.

d) Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure, except taxation in relation to Gift Aid, is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

e) Taxation in relation to Gift Aid

Income Tax recoverable in respect of subscriptions received under Gift Aid is brought into account up to the end of the fiscal year ending within the calendar year.

f) Allocation of overhead and support costs

Overheads and support costs are allocated first between charitable activity and governance. Overhead and support costs relating to charitable activities are apportioned to departments based on the staff salaries in that department as a percentage of total staff salaries.

g) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

h) Charitable activities

Costs of charitable activities include costs related to the library, journal, and events. Included within the costs is an apportionment of overhead and support costs, as shown in note 12.

i) Cost of generating funds

The cost of generating funds consists of investment management fees.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

j) Freehold buildings

The freehold property is carried in the accounts at market value, as the charity has adopted a policy of revaluation based on FRS 15 (Tangible Fixed Assets).

Depreciation is provided at a rate of 2% per annum on a straight line basis on the building element of the property from the date of occupation.

k) Furniture, Fittings and Equipment

Furniture, fittings and equipment are shown at cost and written off over their useful lives. Depreciation is provided on furniture, fittings and equipment, calculated to write off the cost on a straight line basis over their estimated useful lives as follows:

Furniture and Fittings	20% per annum
Equipment	25% per annum

l) Investments

In accordance with the requirements of SORP 2005, investments held for the purpose of income generation are stated at market value at the balance sheet date. Any unrealised gain or loss from the change in market value is taken to the Statement of Financial Activities. Realised gains and losses from the disposal of investments in the year are recognised immediately in the Statement of Financial Activities.

m) Current asset investments

The current asset investments represent the balances held by the charity's investment fund managers.

n) Stock of Publications for Sale

Stock of the Juki book is valued at the lower of cost and estimated realisable value.

No value is taken in the accounts of the stock of the charity's other own publications for sale, on the grounds that the cost figure would be difficult to ascertain and the saleability is uncertain.

o) Heritage assets

The Society holds and maintains a collection of heritage assets principally for their contribution to the knowledge and culture of Asia. These heritage assets have been published in the Society's monographs, such as the 2010 *Muhammad Juki Shahnama*, the Society's specific Catalogues and periodic Journals now available on-line, and are generally accessible through the Society's website www.royalasiaticsociety.org. Any heritage assets considered of particular importance are stored in an off-site controlled environment. These heritage assets were received as donations in the nineteenth and early twentieth century and have never been formally valued. The Trustees consider that owing to the diverse nature of the assets held, conventional valuation approaches lack sufficient reliability and that, even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the Society and users of the accounts. Therefore the Society does not recognise these heritage assets on their Balance Sheet. Any costs associated with or income derived from holding these heritage assets is recognised in the Society's Income and Expenditure Account.

p) Cashflow statement

The charity has taken advantage of the exemption permitted by FRS 1 whereby a cashflow statement need not be prepared by a small charity.

2 The Funds of the charity

The following is a brief description of the objects and purpose of the Funds. A Statement of Financial Activities for each of the Designated Unrestricted and Restricted Funds (including one Permanent Endowment) is included on Page 25.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

Restricted funds:

Permanent Endowment

Dr. B. C. Law Trust Fund

Established by a donation of 12,000 Indian Rupees by Dr B C Law in 1935. The income to be used for the publication of original works on Buddhism, Jainism or the history or geography of Ancient India.

Other Restricted Funds

The Barwiss-Holliday Fund

Established in 1977 by the donation of investments to the value of £690 by Major I.E. Barwiss-Holliday and supplemented by a bequest of £1,000 from the estate of the donor. The income to be used to finance a monetary award for a paper upon a Far-Eastern subject to be published in the Journal of the Royal Asiatic Society.

The James G. R. Forlong Fund

Derives from a bequest included in a Will made by Major-General Forlong in 1901. Initiated in 1923 with the income to be used for the "encouragement of the study of the religions, history, character, languages and customs of Eastern races" and within this definition to be devoted to the funding of scholarships and the publication of short works on these subjects.

The Monograph Fund

Established in 1904 for the publication of original works on Oriental subjects.

The Oriental Translation Fund

Originally established in 1828 and financed from a subsidy received from the East India Company. The Fund was revived c.1888 from financial support from certain Fellows. Established "for translating and publishing such interesting and valuable works on Eastern History, Science and belles-lettres as are still in Ms." The translated text to be accompanied by the original text printed separately.

The Dr O. W. Samson Fund

Established by the late Mrs. E Samson as a gift in memory of her late husband. Mrs. Samson verbally expressed the wish that the income be used for the award of scholarships for research in Oriental subjects or to mount study groups or seminars devoted to such subjects.

The Prize Publication Fund

Founded in commemoration of Queen Victoria's Diamond Jubilee from subscriptions donated in the Madras Presidency for the award of a gold medal. Initiated in 1906. It was subsequently agreed that the Fund could also be used for the publication of original works connected with the history and geography of the former Indian Empire.

The Universities Prize Essay Fund

Established in 1901 by donations made by certain Chiefs and Gentlemen of Southern India as the Public School Prize and Essay Fund. Amended to the present title under a scheme made by the Board of Education on 15 December 1931. The income to be applied to provide a Prize (in cash or gold medal) for an essay or treatise on an Indian or Oriental subject to be competed for by students of Universities in the United Kingdom and the Republic of Ireland.

The Ibrahim Pasha of Egypt Fund

The fund was established in June 2001 following the receipt of a donation of a little over \$100,000 (£75,992) from Princess Fazile Ibrahim. The Purpose of the fund is to publish Ottoman documents from archives and manuscripts up to 1839.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

Designated Funds (unrestricted):

The Rylands Fund

The bequest was not specific as to the use to which it could be put. Agreed by the Council of the charity that it be used for publications.

The Storey Fund

From a bequest by the late Professor C A Storey. The bequest did not stipulate the purpose to which the monies were to be put. Agreed by the Council of the charity that the principal and interest be used towards the completion and publication of a bio-bibliographical survey of Persian Literature commenced by Professor Storey, the first installment of which had appeared in 1927.

The Wales Fund

The bequest received by the charity in 1995 from the late Mrs. Dorothy Wales did not stipulate the purpose to which it should be put. Agreed by Council that the income received from the capital be applied to such charitable objects as Council may from time to time determine. The Trustees approved the application of The Wales Fund for the Society's investment in the Juki publication.

Other Funds

These are donations given to the Society in response to successful applications for grants for specific work on the RAS collection from trusts or from institutions and individuals who wish to offer support for a specific project and will be used as designated by the application.

3 Reimbursements to Council Members for expenditure incurred

During the year no payment was made to any member of the Council (2011: £Nil) in reimbursement of any purchase made on behalf of the Society and required for the Society's activities.

4 Employee information

4.1 Staff costs

	2012	2011
	£	£
Wages and salaries	153,208	147,550
Social security costs	14,830	14,531
Contributions to pension schemes	3,817	3,556
	<u>171,855</u>	<u>165,637</u>

No single employee received remuneration exceeding £60,000 per annum.

4.2 Staff numbers

The average weekly number of employees during the year was as follows:

	2012	2011
	No.	No.
Direct charitable activity	5	5
Administration of the charity	1	1
	<u>6</u>	<u>6</u>

Included in the above are 4 part-time employees (2011: 4).

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

4.3 No member of Council received any remuneration for services rendered in either 2012 or 2011.

4.4 Pension costs

In 2002, the Society introduced a Stakeholder Pension Scheme for permanent employees, to which the Society contributes. There is no further liability upon the Society for the payment of a pension on retirement to any present or past employees.

4.5 Volunteers' services

In addition to salaried employees and contributions of time by Trustees without remuneration, other volunteers contributed time to the charity by providing professional and other services during the year. Due to the difficulty in determining their value, contributed services are not recorded in the financial statements.

5. Freehold property

	Freehold Property £
Valuation	
At 1 January 2012 and at 31 December 2012	2,000,000

Depreciation	
At 1 January 2012	55,580
Charge for the year	28,913

At 31 December 2012	84,493

Net book value	
31 December 2012	1,915,507
	=====
31 December 2011	1,944,420
	=====

The freehold property was valued on 31 December 2009 by Colliers CRE, Chartered Surveyors, on the basis of existing use at £2,000,000. On a historical cost basis the freehold property would have been included at an original cost of £3,218,598 (2011: £3,218,598), which included refurbishment costs capitalised of £1,372,559. The accumulated depreciation on the historic cost would have been £1,987,335 (2011: £1,944,420).

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

6 Other tangible fixed assets

	Furniture & fittings £	Equipment £	Total £
Cost			
At 1 January 2012 and as at 31 December 2012	65,830	93,906	159,736
	-----	-----	-----
Depreciation			
At 1 January 2012	64,071	92,652	156,723
Charge for year	1,759	753	2,512
	-----	-----	-----
At 31 December 2012	65,830	93,405	159,235
	-----	-----	-----
Net book value			
31 December 2012	-	501	501
	=====	=====	=====
31 December 2011	1,759	1,254	3,013
	=====	=====	=====

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

7 Investments Analysis of investment portfolio (at Market Value)

	2012 £	2011 £
Debt related funds	355,378	305,078
Equity related funds	1,161,645	1,051,607
Property funds	133,456	140,541
Other funds	70,767	107,487
	<hr/>	<hr/>
	1,721,246	1,604,713
	<hr/> <hr/>	<hr/> <hr/>
Historical cost	1,539,714	1,573,839

All investments assets, except for the overseas funds and overseas bonds are held within the UK. Investments are held for the purpose of income generation.

The following holdings represent more than 5% of the total portfolio:

HSBC Global Asset Management	30%
M&G Securities Limited	10%
Artemis Fund Managers	11%

8 Movement in investments

	2012 £	2011 £
Market value at 1 January	1,604,713	1,726,265
Additions	295,302	902,197
Disposal proceeds	(324,268)	(920,975)
Unrealised gains/(losses)	184,539	(45,742)
Realised losses during the year	(39,040)	(57,032)
	<hr/>	<hr/>
Market value at 31 December	1,721,246	1,604,713
	<hr/> <hr/>	<hr/> <hr/>

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

9 Debtors

	2012 £	2011 £
Prepayments and accrued income	59,074	57,616
Due from Cambridge University Press	84,121	124,061
VAT recoverable	-	1,132
	<hr/>	<hr/>
	143,195	182,809
	<hr/> <hr/>	<hr/> <hr/>

10 Current liabilities - creditors

	2012 £	2011 £
Accruals and deferred income	37,898	33,810
Due to Cambridge University Press	38,155	37,206
Taxes and social security costs	3,954	4,056
VAT payable	5,153	-
	<hr/>	<hr/>
	85,160	75,072
	<hr/> <hr/>	<hr/> <hr/>

11 Taxation status

The Society's charitable activities fall within the exemptions afforded by section 466 to 493 Corporation Tax Act 2010. Accordingly, there is no corporation tax charge in these accounts. The Society is registered for Value Added Tax.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

12 Allocation of support costs and overheads

Cost type	2012							2011	Basis of apportionment
	Total allocated	Governance	Library	Journal	Cultural Events	Publications	Fundraising & other	Total allocated	
	£	£	£	£	£	£	£	£	
Staff costs	171,855	40,477	104,122	27,256	-	-	-	165,637	Actual cost incurred
Other direct costs	74,371	-	1,196	39,795	8,083	18,015	7,282	68,708	Actual cost incurred
House and building	65,229	15,363	39,520	10,346	-	-	-	54,338	Staff cost
Administration	34,070	8,024	20,642	5,404	-	-	-	32,440	Staff cost
Depreciation	31,428	7,402	19,042	4,984	-	-	-	33,304	Staff cost
Legal and agency costs	4,700	4,700	-	-	-	-	-	3,750	Staff cost
Other professional costs	7,650	7,650	-	-	-	-	-	7,400	Cost
	<u>389,303</u>	<u>83,616</u>	<u>184,522</u>	<u>87,785</u>	<u>8,083</u>	<u>18,015</u>	<u>7,282</u>	<u>365,577</u>	

Other professional costs include audit fee of £7,650 (2011: £7,400); other non audit services were provided by the auditors including payroll services of £800 and accountancy services of £7,200. These costs are included within administration.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

13 Analysis of activities for generating funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total funds 2012 £	Total funds 2011 £
Subscriptions	40,906	-	-	40,906	39,583
Merchandising	5,029	-	-	5,029	6,812
Journal (note 14)	100,033	-	-	100,033	129,501
Hire of facilities	27,128	-	-	27,128	35,521
Juki publications	2,190	-	-	2,190	2,610
	<u>175,286</u>	<u>-</u>	<u>-</u>	<u>175,286</u>	<u>214,027</u>

14 Journal income

	2012 £	2011 £
Sales by Cambridge University Press	72,734	71,190
Sales of the <i>JRAS</i> digital archive	27,299	58,311
	<u>100,033</u>	<u>129,501</u>

15 Analysis of investment income

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total funds 2012 £	Total funds 2011 £
Investment income	40,714	5,508	8,214	54,436	68,494
Total investment income	<u>40,714</u>	<u>5,508</u>	<u>8,214</u>	<u>54,436</u>	<u>68,494</u>

The apportionment of income is based on the proportion of the specific funds held at the beginning of the year.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

16 Analysis of other incoming resources

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total funds 2012 £	Total funds 2011 £
Rent	69,411	-	-	69,411	71,437
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total other income	69,411	-	-	69,411	71,437
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

17 Analysis of net assets between funds

	Unrestricted General £	Designated £	Restricted Funds £	Permanent Endowment Fund £	Total funds £
Freehold property and fixtures fittings and equipment	1,916,008	-	-	-	1,916,008
Investments	1,230,832	196,220	288,341	5,853	1,721,246
Net current assets	125,164	11,501	-	-	136,665
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	3,272,004	207,721	288,341	5,853	3,773,919
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

18 Analysis of charitable funds

	Balance as at 31 December 2011	Incoming resources	Resources expended	Gains & losses	Fund as at 31 December 2012
	£	£	£	£	£
Unrestricted funds – General	3,273,732	290,701	(401,252)	108,823	3,272,004
Unrestricted funds – Designated	177,029	17,808	(1,837)	14,721	207,721
Restricted funds	258,772	8,051	-	21,518	288,341
Permanent Endowment Fund	5,253	163	-	437	5,853
	<u>3,714,786</u>	<u>316,723</u>	<u>(403,089)</u>	<u>145,499</u>	<u>3,773,919</u>

19 Capital commitments

The Society had no capital expenditure contracted for future periods.

20 Financial commitments

At 31 December the charity had annual commitments under operating leases as follows:

	Plant and equipment	
	2012	2011
	£	£
Expiry date:		
Between two and five years	<u>2,340</u>	<u>2,340</u>

The above financial commitment relates to an office photocopier.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

21 Movements to designated unrestricted funds, permanent endowment and restricted funds

	DESIGNATED FUNDS				PERMANENT ENDOWMENT BC Law Fund	RESTRICTED FUNDS							
	Storey Fund	Rylands Fund	Wales Fund	Other Funds		Barwiss Holliday	James GR Forlong	Monograph Fund	O.T.F Fund	OW Samson Fund	P.P.F Fund	University Prize Essay	Fazile Ibrahim
	£	£	£	£	£	£	£	£	£	£	£	£	£
Incoming Resources													
Investment income & interest	1,461	411	3,636	12,300	163	306	1,767	252	751	776	344	164	3,691
Total	1,461	411	3,636	12,300	163	306	1,767	252	751	776	344	164	3,691
Resources expended	-	-	1,038	799	-	-	-	-	-	-	-	-	-
	-	-	1,038	799	-	-	-	-	-	-	-	-	-
Net Incoming Resources	1,461	411	2,598	11,501	163	306	1,767	252	751	776	344	164	3,691
Other Recognised Gains & Losses	3,904	1,098	9,719	-	437	817	4,724	672	2,006	2,075	919	438	9,867
Net Movement in funds	5,365	1,509	12,317	11,501	600	1,123	6,491	924	2,757	2,851	1,263	602	13,558
Balances b/fwd 01/01/2012	46,948	13,207	116,874	-	5,253	9,821	56,805	8,087	24,126	24,957	11,049	5,273	118,654
Balances c/fwd 31/12/2012	52,313	14,716	129,191	11,501	5,853	10,944	63,296	9,011	26,883	27,808	12,312	5,875	132,212
Balances c/fwd 31/12/2012	207,721				5,853	288,341							