

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND
(THE ROYAL ASIATIC SOCIETY)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2013

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 2013.

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

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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 2013 were as follows:

Officers

(all posts served on an Honorary basis)

Professor P Robb	(President, elected 2012)
Professor A J Stockwell	(Vice-President, until May 2013, co-opted from 2013)
Mr J D Pullen	(Treasurer, until May 2013)
Dr S Ansari	(Editor of the Journal of the Royal Asiatic Society, appointed 2009) ex officio
Mr L Knight	(Treasurer, elected 2013)

Members

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

Dr H Ashrafian	(elected May 2013)
Mr K Bakhtiar	(elected May 2012)
Dr İ E Binbaş	(elected May 2011)
Dr B Brend	(elected May 2010)
Mr P Collin	(elected May 2011)
Dr R G S Cooper	(elected May 2012)
Mr F de Blois	(elected May 2010)
Dr H E Driver	(elected May 2010)
Mr D Ferguson	(elected May 2013)
Dr G Johnson	(elected May 2012)
Mr L Knight	(retired May 2013)
Mr T Lobetti	(elected May 2010)
Professor D O Morgan	(elected May 2011)
Mr C C F Naylor	(retired May 2013)
Professor F C R Robinson	(retired May 2013)
Mr N Saidi	(elected May 2011)
Dr T C Sherman	(elected May 2013)
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 2013

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

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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

The main and student lecture series continued to provide the main focus of activity for 2013. Mr. Stuart Laing of the University of Cambridge lectured on British-Omani relations 1650-1975 and Professor Max Deeg of the University of Cardiff delivered the AGM lecture in May entitled *Between Cultures- the Chinese Buddhist Pilgrim Records*. The Society continued to make pod casts of the lectures which are available on-line. The student series included a wide variety of topics ranging *Prehistoric Cuisine in Thailand: Rice, Beans and Spices* by Cristina Castillo of UCL to *The Relationship between Religious Education and Islamic Extremism in Pakistan* by Sarah Ashraf of the LSE. An introductory evening for New Fellows was held on the 18th April 2013 and included talks, an exhibition of the Society's manuscripts and an Indian dance performance by Menaka P.P. Bora. This was a new event on the Society's calendar and 62 new fellows attended. The Society continued to hold book launches and extra lectures including the British Georgian's Society's first annual Rustaveli lecture on 12th March 2013, delivered by Prof. Rudi Mathee of the University of Delaware entitled *Safavid Iran and Georgia: How the dominated came to dominate*. The Society's 190th birthday was celebrated at a restaurant on the 15th March 2013 and a trip was organised for the Society's members to Sezincote House in Gloucestershire on the 29th March 2013. Also, a lecture was given by Professor David Morgan on 24th January 2013 to commemorate the life of one of the Society's members, Mr. Alexander Morton, a distinguished Persian scholar, who had been a Member of Council and had catalogued the Society's collection of Persian manuscripts.

The Society was particularly grateful for a generous grant from the University Of London Extra Mural History Of Art Society towards the framing of paintings hanging in the Society's rooms. A substantial part of the money was used to screen the painting of *Qajar Ladies of the Court* in the Council Room. The Society was also awarded funding for the conservation and digitisation of selected items from the Society's collection of Jain material by the Jiv Daya Foundation of America. Thanks are due to Dr. Vinay Jain and the Shraman Foundation for the financial support and the Institute of Jainology whose hard work brought the project to a successful conclusion. The digital images are now freely available for scholars and the general public to view thorough the Institute of Jainology 's Jainpedia website.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

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The Society also lent two items from the collection to the exhibition *The Everlasting Flame: Zoroastrianism in History and Imagination* at the Brunei Gallery, SOAS, and 11th October - 15th December 2013. The loan comprised a Persian manuscript entitled *History of Bukhara* and an engraving of a portrait of Sir Jamsetjee Jejeebhoy (1793-1859). The portraits of the Parsi Shipbuilders, Jamsetjee Bomanjee and Nourojee Jamsetjee remain on loan to the Museum of London for another year as part of the East India Company display.

The Society celebrated the launch of its publication *The British Presence in Macau 1635-1793* by Dr. Rogério Puga in collaboration with the University of Hong Kong Press on the 12th September 2013. In addition, the Society undertook in collaboration with the Cambridge Library Collection, the digitisation of volumes from the Society's extensive library of rare books that shed light on eighteenth- and nineteenth-century responses to the cultures of the Middle East and Asia.

In 2013 the Journal achieved one of its long term goals, to become a participant Journal on Cambridge University Press' 'First View' facility. This required extra work throughout 2010, 2011 and 2012 but now authors who publish with us will be able to reap the benefit of quicker publication online through Cambridgejournals.org and online publication of illustrations in colour. We are, of course, continuing to publish in print as well. The number, quality and breadth of submissions to the Journal continue to increase and we look forward to publishing additional pages in 2015.

The Society participated for the fourth time in the Open City Weekend in September. The Society is very grateful to all those who volunteered on the day. The event was organised by Kaveh Bakhtiar and Helen Porter, Helen Cordell, Lionel Knight, Camilla Larsen, Aneeka Bartlett and Alison Ohta who gave talks and shepherded the numerous visitors that attended throughout the day.

During the year, the Society hosted visits by students from the Aga Khan University, SOAS, St.James' School and the V&A as well as various librarian groups including The Friends of the National Library, CILIP and students from the UCL library school. The Society also hosted the annual conferences for the Historic Libraries Forum and the National Committee for Information Resources on Asia. Throughout 2013, the library received a steady stream of visitors from overseas including members of our sister societies. The Society also provided a work experience placement in the summer to Amanda Waters from St. James' Girls School, Olympia who entered items from the Francklin collection onto the on line catalogue. The Society remains eternally grateful to the NADFAS volunteers under the expert direction of Fiona Enthoven and to Roger Parsons who has volunteered in the library for over nine years providing support in many ways.

Financial Review

Highlights of 2013

Overall 2013 was a relatively stable year financially.

Income and Expenditure

Incoming resources showed a substantial increase from £316,723 in 2012 to £429,000. This was largely due to a very generous donation of approximately £100,000 made through Dr. Elizabeth Driver which was credited to the Investment account. Subscription income declined slightly from £40,906 in 2012 to £39,266. However, there was an increase in the income from the hire of facilities from £27,128 in 2012 to £32,003. Outgoing resources increased from £403,000 in 2012 to £407,013. Last year, the Trustees' report referred to the need for substantial funds for a long-standing project to upgrade the basement to protect the Society's collections. After extensive consultation with a number of experts, necessary work was carried out at a very much lower cost than predicted last year. Continuous monitoring has confirmed that conditions remain appropriate to house the collections. This cost, and other exceptional items (new computers and telephone system), were covered by an additional draw-down from the investment portfolio of £14,000.

**ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND
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Staff salaries increased by 3.5 % overall effective from 1st April 2013, but the total outgoings were reduced to £166,093 from £171,855 in 2012, due to a decision not to fill the post of Publications Consultant after August 2013.

Policy on Fixed Assets

The Society's freehold property was valued at £2,000,000 in 2010 and last year the value on the books was recorded at £1,915,507, reflecting the standard 2% depreciation policy per annum. However, the Council has accepted the Director's recommendation, made after informal soundings with informed individuals and the auditors, that a more appropriate valuation for 2013 would be £3.0m. It has also been agreed in accordance with rules on the reporting of fixed assets by charities, and given that the Society's income and expenditure are not related to the property value, that approved annual estimates will be reported in future, and more elaborate enquiries undertaken every five years, starting from next year's accounts.

The Society also continues to receive a valuable rental income stream of £69,330 per annum plus contributions to overheads.

Investments: The transfer of the investment portfolio began in January 2013 from HSBC Global Management to Rathbones Investment Management. This change resulted in a substantial decrease in the total expense ratio from about 1.4% of the value of the portfolio to around 0.7%. Investment income increased to £60,711 from £54,436 in 2012. The value of the investment portfolio increased from £1,721,246 at 31st December 2012 to £2,052,399 at 31st December 2013. The Society drew down a fixed quarterly sum of £15,000 as a contribution to normal operating costs. Currently, this amount has been taken from portfolio income rather than its increased value. Given the long-term performance of equities, despite market fluctuations, the Council treats the increases in real values as a reserve for unexpected exceptional expenditure and not for normal running costs.

Heritage Assets: The Society's heritage assets continue to be carried in the Balance Sheet at a nil value but are insured. There have been no disposals in 2013.

Current Assets and Liabilities

As agreed in 2012 another third of the remaining stock of Juki publications were written down in 2013.

Cambridge University Press The annual surplus from the journal increased from £32,937 in 2012 to £38,785. The Society also continued to receive income from the sales of the Digital Archive which was unexpected and amounted to £19,322.

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

Outlook for 2014

During the summer of 2013, all long-term service contracts were re-assessed, and some changes made to reduce costs or improve efficiency. A budget has since been drawn up to reassure Council and the auditors that the Society's finances will be sound in 2014/15. Costs will continue to be kept under review, and several Council committees are considering ways of increasing income.

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2013

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 28 April 2014 and signed on their behalf by:

Professor P Robb
President

L Knight
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 10 to 24 for the year ended 31 December 2013, 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 7, 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 2013, 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

28 April 2014

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 2013

	Note	Unrestricted funds		Restricted	Restricted	Total	Total
		General	Designated	Funds	Permanent	Funds	Funds
		Funds	Funds		Endowment	2013	2012
		£	£	£	Fund	£	£
					£		
Incoming resources							
Incoming resources from generated funds:							
Voluntary income – Donations		110,244	-	-	-	110,244	17,590
Activities for generating funds	13	189,366	-	-	-	189,366	175,286
Investment income	15	44,013	6,911	9,592	195	60,711	54,436
Other incoming resources	16	69,330	-	-	-	69,330	69,411
Total incoming resources		412,953	6,911	9,592	195	429,651	316,723
Resources expended							
Cost of generating funds		9,889	-	-	-	9,889	13,786
Charitable activities	12	316,051	372	-	-	316,423	305,687
Governance costs	12	80,701	-	-	-	80,701	83,616
Total resources expended		406,641	372	-	-	407,013	403,089
Net incoming/(outgoing) resources before other recognised gains and losses		6,312	6,539	9,592	195	22,638	(86,366)
Other recognised gains and losses							
Realised and unrealised gains on investment assets		208,830	32,790	45,516	924	288,060	145,499
Unrealised gain on revaluation of property		1,113,406	-	-	-	1,113,406	-
Net movement in funds		1,328,548	39,329	55,108	1,119	1,424,104	59,133
Reconciliation of funds							
Total funds brought forward		3,272,004	207,721	288,341	5,853	3,773,919	3,714,786
Total funds carried forward		4,600,552	247,050	343,449	6,972	5,198,023	3,773,919

There are no recognised gains or losses for either 2013 or 2012, 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 2013**

	Note	2013 £	2012 £
Fixed assets			
Freehold property	5	3,000,000	1,915,507
Other tangible assets	6	5,860	501
Investments	7	2,052,399	1,721,246
Heritage assets	1(o)	-	-
		-----	-----
		5,058,259	3,637,254
		-----	-----
Current assets			
Stock of the Juki publication		5,658	10,277
Debtors	9	126,999	143,195
Current asset investments		68,513	33,058
Cash on current account and in hand		19,413	35,295
		-----	-----
		220,583	221,825
Liabilities			
Creditors: amounts falling due within one year	10	(80,819)	(85,160)
		-----	-----
Net current assets		139,764	136,665
		-----	-----
Net assets		5,198,023	3,773,919
		=====	=====
The funds of the charity:			
Unrestricted - General	18	4,600,552	3,272,004
- Designated	21	247,050	207,721
Restricted	21	343,449	288,341
Permanent endowment	21	6,972	5,853
		-----	-----
Total charity funds		5,198,023	3,773,919
		=====	=====

The notes on pages 12 to 24 form part of these accounts.

These reports and financial statements were approved by Council at their meeting on 28 April 2014 and were signed on their behalf by:

Professor P Robb
President

L Knight
Treasurer

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

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 2013

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 its 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 2013

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 2013

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 (2012: £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

	2013	2012
	£	£
Wages and salaries	147,491	153,208
Social security costs	14,819	14,830
Contributions to pension schemes	3,783	3,817
	<u>166,093</u>	<u>171,855</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:

	2013	2012
	No.	No.
Direct charitable activity	5	5
Administration of the charity	-	1
	<u>5</u>	<u>6</u>
	=====	=====

Included in the above are 3 part-time employees (2012: 4).

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

4.3 No member of Council received any remuneration for services rendered in either 2013 or 2012.

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 2013	2,000,000
Revaluation	1,000,000

At 31 December 2013	3,000,000

Depreciation	
At 1 January 2013	84,493
Charge for the year	28,913
Revaluation	(113,406)

At 31 December 2013	-

Net book value	
31 December 2013	3,000,000
	=====
31 December 2012	1,915,507
	=====

The freehold property was last valued externally on 31 December 2009 by Colliers CRE, Chartered Surveyors, on the basis of existing use at £2,000,000. Due to changes in the property market since the date of the last valuation, the director considers a valuation of £3,000,000 to be a reasonable approximation of the market value of the property as at 31 December 2013.

On a historical cost basis the freehold property would have been included at an original cost of £3,218,598 (2012: £3,218,598), which included refurbishment costs capitalised of £1,372,598. The net book value on the historic cost would have been £1,944,420 (2012: £1,987,335).

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

6 Other tangible fixed assets

	Furniture & fittings £	Equipment £	Total £
Cost			
At 1 January 2013	65,830	93,906	159,736
Additions	-	7,812	7,812
	-----	-----	-----
At 31 December 2013	65,830	101,718	167,548
Depreciation			
At 1 January 2013	65,830	93,405	159,235
Charge for year	-	2,453	2,453
	-----	-----	-----
At 31 December 2013	65,830	95,858	161,688
	-----	-----	-----
Net book value			
31 December 2013	-	5,680	5,680
	=====	=====	=====
31 December 2012	-	501	501
	=====	=====	=====

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

7 Investments

Analysis of investment portfolio (at Market Value)

	2013 £	2012 £
Debt related funds	289,081	355,378
Equity related funds	1,550,848	1,161,645
Property funds	183,244	133,456
Other funds	29,226	70,767
	<hr/>	<hr/>
	2,052,399	1,721,246
	=====	=====
Historical cost	1,779,758	1,539,714

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	26%
------------------------------	-----

8 Movement in investments

	2013 £	2012 £
Market value at 1 January	1,721,246	1,604,713
Additions	1,286,188	295,302
Disposal proceeds	(1,238,311)	(324,268)
Unrealised gains	192,118	184,539
Realised gains/(losses) during the year	91,158	(39,040)
	<hr/>	<hr/>
Market value at 31 December	2,052,399	1,721,246
	=====	=====

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

9 Debtors

	2013 £	2012 £
Prepayments and accrued income	40,892	59,074
Due from Cambridge University Press	86,107	84,121
	<hr/>	<hr/>
	126,999	143,195
	=====	=====

10 Current liabilities - creditors

	2013 £	2012 £
Accruals and deferred income	33,056	37,898
Due to Cambridge University Press	41,860	38,155
Taxes and social security costs	4,014	3,954
VAT payable	1,889	5,153
	<hr/>	<hr/>
	80,819	85,160
	=====	=====

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 2013

12 Allocation of support costs and overheads

Cost type	2013							2012	Basis of apportionment
	Total allocated	Governance	Library	Journal	Cultural Events	Publications	Fundraising & other	Total allocated	
	£	£	£	£	£	£	£	£	
Staff costs	166,093	45,424	95,487	25,182	-	-	-	171,855	Actual cost incurred
Other direct costs	83,697	-	1,502	42,217	4,196	12,957	22,825	74,371	Actual cost incurred
House and building	63,928	17,483	36,753	9,692	-	-	-	65,229	Staff cost
Administration	38,756	3,415	27,966	7,375	-	-	-	34,070	Staff cost
Depreciation	31,365	5,704	20,306	5,355	-	-	-	31,428	Staff cost
Legal and agency costs	5,635	1,025	3,648	962	-	-	-	4,700	Staff cost
Other professional costs	7,650	7,650	-	-	-	-	-	7,650	Cost
	<u>397,124</u>	<u>80,701</u>	<u>185,622</u>	<u>90,783</u>	<u>4,196</u>	<u>12,957</u>	<u>22,825</u>	<u>389,303</u>	

Other professional costs include audit fee of £7,650 (2012: £7,650); other non-audit services were provided by the auditors including payroll services of £820 (£800) and accountancy services of £7,200 (2012: £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 2013

13 Analysis of activities for generating funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total funds 2013 £	Total funds 2012 £
Subscriptions	39,266	-	-	39,266	40,906
Merchandising	4,505	-	-	4,505	5,029
Journal (note 14)	99,967	-	-	99,967	100,033
Hire of facilities	32,003	-	-	32,003	27,128
Juki publications	4,198	-	-	4,198	2,190
Jain project	8,359	-	-	8,359	-
Fellows project	1,068	-	-	1,068	-
	189,366	-	-	189,366	175,286

14 Journal income

	2013 £	2012 £
Sales by Cambridge University Press	80,645	72,734
Sales of the <i>JRAS</i> digital archive	19,322	27,299
	99,967	100,033
	99,967	100,033

15 Analysis of investment income

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total funds 2013 £	Total funds 2012 £
Investment income	43,990	6,907	9,782	60,679	54,436
Interest	23	4	5	32	-
	44,013	6,911	9,787	60,711	54,436

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 2013**

16 Analysis of other incoming resources

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total funds 2013 £	Total funds 2012 £
Rent	69,330	-	-	69,330	69,411
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total other income	69,330	-	-	69,330	69,411
	<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	3,000,000	-	-	-	3,000,000
fittings and equipment	5,860	-	-	-	5,860
Investments	1,454,928	247,050	343,449	6,972	2,052,399
Net current assets	139,764	-	-	-	139,764
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	4,600,552	247,050	343,449	6,972	5,198,023
	=====	=====	=====	=====	=====

ROYAL ASIATIC SOCIETY OF GREAT BRITAIN AND IRELAND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

18 Analysis of charitable funds

	Balance as at 31 Dec 2012	Incoming resources	Resources expended	Gains & losses	Fund as at 31 Dec 2013
	£	£	£	£	£
Unrestricted funds – General	3,272,004	412,953	(406,641)	1,322,236	4,600,552
Unrestricted funds – Designated	207,721	6,911	(372)	32,790	247,050
Restricted funds	288,341	9,592	-	45,516	343,449
Permanent Endowment Fund	5,853	195	-	924	6,972
	<u>3,773,919</u>	<u>429,651</u>	<u>(407,013)</u>	<u>1,401,466</u>	<u>5,198,023</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	
	2013	2012
	£	£
Expiry date:		
Between two and five years	2,700	2,340
	<u>=====</u>	<u>=====</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 2013

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	1,740	490	4,298	383	195	364	2,105	300	894	925	410	196	4,398
Total	1,740	490	4,298	383	195	364	2,105	300	894	925	410	196	4,398
Resources expended	-	-	(372)	-	-	-	-	-	-	-	-	-	-
	-	-	(372)	-	-	-	-	-	-	-	-	-	-
Net Incoming Resources													
Other Recognised Gains & Losses	8,258	2,323	20,393	1,816	924	1,728	9,992	1,422	4,244	4,390	1,943	927	20,870
	8,258	2,323	20,393	1,816	924	1,728	9,992	1,422	4,244	4,390	1,943	927	20,870
Net Movement in funds	9,998	2,813	24,319	2,199	1,119	2,092	12,097	1,722	5,138	5,315	2,353	1,123	25,268
Balances b/fwd 01/01/2013	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 31/12/2013	62,311	17,529	153,510	13,700	6,972	13,036	75,393	10,733	32,021	33,123	14,665	6,998	157,480
Balances c/fwd 31/12/2013	62,311	17,529	153,510	13,700	6,972	13,036	75,393	10,733	32,021	33,123	14,665	6,998	157,480