

**The Architectural  
Association Foundation**

**Annual Report and Financial  
Statements**

31 July 2025

Charity Registration Number  
328455

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## Reference and administrative information

<b>Trustees</b>	Joanna Bacon James Eyre Lawrence Malcic Nick Viner (Chair) Steve McGuckin Jim Eyre (resigned on 28 October 2025)
<b>Registered office</b>	36 Bedford Square London WC1B 3ES
<b>Charity registration number</b>	328455
<b>Auditor</b>	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
<b>Banker</b>	Metro Bank PLC One Southampton Row London WC1B 5HA
<b>Accountant</b>	ChadSan Castle House Castle Street Guildford GU1 3UW
<b>Solicitor</b>	Fieldfisher Riverbank House 2 Swan Lane London EC4R 3TT
<b>Investment manager</b>	Evelyn Partners 45 Gresham Street London EC2V 7BG

## **Trustees' Report Year ended 31 July 2025**

The trustees present the report and financial statements of The Architectural Association Foundation (the "Foundation") for the year ended 31 July 2025.

The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 16 of the attached financial statements and comply with the charity's trust deed, applicable laws and the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

### **Introduction**

The Architectural Association Foundation was constituted on 18 October 1989 to provide for the advancement of architectural education for the public benefit. It is governed by its trust deed of the same date. The Foundation is a registered charity, charity registration number 328455 (England and Wales).

### **Objectives and activities**

The Architectural Association Foundation is established with objects which allow it to do anything which is a charitable purpose according to the laws of England and Wales from time to time, principally in the support of the advancement of architecture and architectural education for the public benefit and for raising funds and ensuring their proper management, investment and distribution all in accordance with its Declaration of Trust dated 18 October 1989.

### **Aims**

The charity aims to support students of architecture for the purpose of providing student scholarships, bursaries and prizes, and for improvements to their learning facilities and environment.

The trustees have reviewed the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Foundation. The current policy set by the trustees is to support students at the Architectural Association (the AA). They believe support of students in this way ensures that the public benefit of the charity is preserved.

### **Relationship with associated charities**

The Architectural Association Foundation maintains a close relationship with Architectural Association (Incorporated), a registered charity in England and Wales (Charity Registration Number 311083) and a registered company (Company Registration Number 171402). The Foundation supports its work through an annual grant towards its programme of student awards and prizes and through support of improvements to its learning facilities and environment.

**Review of activities and financial review**

Total income for the year ended 31 July 2025 was £215,214 (2024: £238,188). Total expenditure for the year was £339,217 (2024: £325,940) and total committed grant expenditure of £276,772 (2024: £264,772) will provide scholarships and bursaries and awards for students. The charity had net expenditure of £124,003 (2024: £87,752). There was a gain on the value of investments of £234,501 (2024: £281,376). In total, the charity has generated a surplus of £110,498 (2024: £193,624) after gains and losses. The value of restricted and unrestricted funds increased to a total of £4,644,831 (2024: £4,534,333).

**Reserves**

Restricted funds as at 31 July 2025 were £2,692,418 (2024: £2,602,773). Further details of the nature and purposes of the restricted funds are set out in note 12 to the financial statements.

At 31 July 2025 unrestricted funds of the charity were £1,952,413 (2024: £1,931,560). This includes designated funds of £880,000 (2024: £880,000), represented by heritage assets of £280,000 and programme related investment of £600,000, which are not readily available to meet expenditure. This leaves free reserves held by the Foundation of £1,072,413 (2024: £1,051,560).

The trustees aim to retain free reserves of £200,000 and are satisfied that the current level of free reserves is in line with this policy.

**Investment policy**

The investments held by the Foundation are kept under constant review and the trustees are agreed upon safeguarding and maintaining the growth of the funds in order to protect the capital. During the year ended 31 July 2025, the trustees terminated Rathbone Investment Management Limited's appointment leaving Evelyn Partners as the sole advisor to assist with strategic advice on investments.

The trustees review the performance of investments through monthly and quarterly valuation reports. The trustees review investment performance at every meeting, at least twice each year.

The trustees have agreed with their investment managers to pursue an investment policy that provides capital growth with a medium level of risk over the long term. In delegating their investment management, the trustees require their investment manager to pay attention to the standard investment criteria namely the suitability of the class of investment and the need for diversification insofar as appropriate to the circumstances of the charity. Any restrictions on the type of investments or markets in which the managers may invest on the charity's behalf will be given in writing.

An income target of 3-3.5% has been set on the investment portfolios. There are no specific restrictions on the types of investments or markets in which the managers may invest on the Foundation's behalf. The trustees have chosen to invest on a prudent basis to achieve a return on funds at least in line with the WM Charity ex property index. Reference is also made to the FTSE All Share, FTSE World and FTA Govt All Stock indices.

### **Fundraising statement**

The Architectural Association Foundation primarily generates income through the investment of funds which the Foundation applies to the furtherance of its charitable objects i.e. the advancement of architecture and architectural education for the public benefit. In the year, the Foundation donated £276,772 (2024: £264,772) to Architectural Association (Incorporated), £276,772 of which was applied toward scholarships, bursaries and awards for students (2024: £264,772).

The Architectural Association Foundation also received £nil (2024: £5,361) from a number of regular and one-off donations directly from generous individuals. When such donations are received, the Foundation aims to protect donor's personal data and never sells data or swaps data with other organisations.

The Architectural Association Foundation does not engage external fundraisers and has not entered any commercial participation arrangements. All fundraising activity is conducted within the regulations and framework set out by the Office for Students, and the Foundation is committed to upholding the standards set out by the Fundraising Regulator and the Institute of Fundraising. During 2024/25, the charity received no complaints about fundraising activities.

### **Governance, Structure and Management**

#### ***Trustees***

In accordance with the Trust Deed of 1989 there must be no less than four and no more than eight trustees at all times. Trustees are appointed by means of a resolution passed by the current trustees and recorded in a supplemental Trust Deed. Trustees must be approved by the Council of the AA but cannot be employees or directors thereof.

The following trustees were in office during the year to 31 July 2025 and served throughout that year and up to the date of approval of this report:

#### **Trustees**

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Steve McGuckin  
Joanna Bacon  
Nick Viner (Chair)  
James Eyre OBE  
Lawrence Malcic

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The trustees met three times during the course of the year.

The trustees are made aware of their responsibilities when joining the Board and ensure that they are kept up to date with changes to statutory requirements. Training is available to trustees whenever this is considered appropriate or necessary.

## **Governance, Structure and Management** (continued)

### ***Key management personnel***

The trustees consider that they comprise the key management of the charity. The Foundation has no directly employed staff. Administration and support is provided by the staff of the Architectural Association (Incorporated) for which a fee of £7,500 (2024: £7,500) is paid by the Foundation.

None of the trustees received payments in respect of remuneration or expenses in the year (2024: none).

### ***Risk management***

The trustees have examined the major strategic, business and operational risks that the Foundation faces and confirm that systems have been established to enable reports to be produced so that the necessary steps can be taken to mitigate these risks.

### ***Principal risks and uncertainties***

The trustees consider the main risks faced by the charity to be as follows:

- 1 Disclosure of anonymous or protected information or mishandling of data could bring potential regulatory action.*

The AA has a Data Protection Officer in place to ensure compliance with data protection law and good practice.

- 2 Financial loss through inappropriate or speculative investment or lack of investment advice.*

The board reviews the investment policy on an annual basis, receives quarterly reports from the Investment Managers on the progress of the portfolios and meets with them on an annual basis.

- 3 If Trustees are not fully aware of their responsibilities, or they lack the relevant skills, the charity may fail to achieve its purpose.*

The trustees receive a copy of the CC3 guidance 'The Essential Trustee' and additional relevant training is offered as required. Terms of Reference for the board are in place and board competencies and any skills gaps are reviewed on an annual basis.

## Trustees' Report Year ended 31 July 2025

The charity has continued to operate as it has done in the past and has continued to offer grants and support to students of the Architectural Association School of Architecture.

### Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and 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 income and expenditure 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards 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 accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the charity's trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board and signed on its behalf by:

Trustee

Approved by the trustees on: 5th February 2026



**Independent auditor's report to the trustees of The Architectural Association Foundation**

**Opinion**

We have audited the financial statements of The Architectural Association Foundation for the year ended 31 July 2025 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2025, 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

We have nothing to report in respect of the following matters 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
- the charity has not kept adequate accounting records; 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 required for our audit.

### **Responsibilities of the Trustees**

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the audit of the financial statements**

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.

## Independent Auditor's Report 31 July 2025

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**Independent Auditor's Report 31 July 2025**

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

*Moore Kingston Smith LLP*

**Neil Finlayson (Senior Statutory Auditor)**

For and on behalf of Moore Kingston Smith LLP,

20 February 2026

Statutory auditor

Date

9 Appold Street

London

EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

**Statement of Financial Activities** Year ended 31 July 2025  
**(Including Income and Expenditure Account)**

		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		funds	funds	2025	funds	funds	2024
Notes		£	£	£	£	£	£
<b>Income</b>							
Donations and legacies	1	120,120	—	<b>120,120</b>	114,405	5,361	<b>119,766</b>
Investment income	2	11,240	83,041	<b>94,281</b>	12,583	91,433	<b>104,016</b>
Income from copyrights		813	—	<b>813</b>	591	13,815	<b>14,406</b>
<b>Total income</b>		<b>132,173</b>	<b>83,041</b>	<b>215,214</b>	<b>127,579</b>	<b>110,609</b>	<b>238,188</b>
<b>Expenditure</b>							
Raising funds	3	3,733	23,315	<b>27,048</b>	3,406	20,923	<b>24,329</b>
Charitable activities	4	135,493	176,676	<b>312,169</b>	128,931	172,680	<b>301,611</b>
<b>Total expenditure</b>		<b>139,226</b>	<b>199,991</b>	<b>339,217</b>	<b>132,337</b>	<b>193,603</b>	<b>325,940</b>
<b>Net expenditure before investment gains</b>		<b>(7,053)</b>	<b>(116,950)</b>	<b>(124,003)</b>	<b>(4,758)</b>	<b>(82,994)</b>	<b>(87,752)</b>
Gain/(Loss) on investments	9	27,906	206,595	<b>234,501</b>	33,484	247,892	<b>281,376</b>
<b>Net income and net movement in funds before revaluation</b>		<b>20,853</b>	<b>89,645</b>	<b>110,498</b>	<b>28,726</b>	<b>164,898</b>	<b>193,624</b>
Gain on revaluation of heritage assets	8	—	—	—	—	—	—
Transfer between funds		—	—	—	(20,182)	20,182	—
<b>Net income and net movements in funds after revaluation</b>		<b>20,853</b>	<b>89,645</b>	<b>110,498</b>	<b>8,544</b>	<b>185,080</b>	<b>193,624</b>
<b>Reconciliation of funds</b>							
Total funds brought forward at 1 August 2024		1,931,560	2,602,773	<b>4,534,333</b>	1,923,016	2,417,693	<b>4,340,709</b>
Total funds carried forward at 31 July 2025	14	1,952,413	2,692,418	<b>4,644,831</b>	1,931,560	2,602,773	<b>4,534,333</b>

All of the above results derive from continuing activities.

## Balance Sheet 31 July 2025

	Notes	2025 £	2025 £	2024 £	2024 £
<b>Fixed assets</b>					
Intangible fixed assets	6	1,058		1,244	
Programme related investment	7	600,000		600,000	
Heritage assets	8	280,000		280,000	
Listed investments	9	3,926,243		3,753,736	
<b>Total fixed assets</b>			<b>4,807,301</b>		<b>4,634,980</b>
<b>Current assets</b>					
Cash at bank		298,671		68,242	
Debtors	10	120,183		115,468	
<b>Total current assets</b>			<b>418,854</b>		<b>183,710</b>
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	581,324		284,357	
<b>Net current liabilities</b>			<b>(162,470)</b>		<b>(100,647)</b>
<b>Net assets</b>					
			<b>4,644,831</b>		<b>4,534,333</b>
<b>Represented by</b>					
Restricted funds	12		2,692,418		2,602,773
Unrestricted funds					
. Designated funds	13	880,000		880,000	
. General funds		1,072,413		1,051,560	
<b>Total unrestricted funds</b>			<b>1,952,413</b>		<b>1,931,560</b>
<b>Total funds</b>			<b>4,644,831</b>		<b>4,534,333</b>

Approved by the trustees and signed on their behalf by:



Trustee

Approved on: 5th February 2026

## Principal Accounting Policies 31 July 2025

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### **Basis of preparation**

These financial statements have been prepared for the year to 31 July 2025 with comparative information presented for the year to 31 July 2024.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP FRS 102) Update Bulletin 2, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

### **Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the trustees to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ assessment of the need for impairment of heritage assets and programme related investments; and
- ◆ allocation of investment income and gains between funds.

### **Assessment of going concern**

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable entity to continue as a going concern. The trustees have considered the charity's projections and have taken account of pressures on investment income and donations. The charity's ability to give grants can be reduced in line with future income if required and it has minimal core costs. The charity also holds significant reserves and has liquid assets in the form of investments and cash held in short term deposits. After making enquiries the trustees have concluded that there is a reasonable expectation that the charitable entity therefore continues to adopt the going concern basis in preparing its financial statements and there are no material uncertainties at the date of signing.

**Income recognition**

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received.

Investment income is included in full in the statement of financial activities when receivable. Legacies are included when the charity is advised by the personal representative of an estate that payment will be made, or property transferred and the amount involved can be quantified. Donations are accounted for when received and the amount can be measured reliably by the charity; this is normally when the charity has been notified in writing of both the amount and settlement date.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed are not accrued for but are disclosed as financial commitments in the notes to the financial statements.

***Raising funds***

Costs of generating funds constitute all costs incurred in order to raise income for the charity including investment management fees.

***Governance costs***

Governance costs comprise all costs involving the public accountability of the charity and costs related with statutory requirements.

**Copyrights and design rights**

Copyrights are capitalised at their value at the date of donation to the Foundation where this can be established. They are amortised at 15% per annum on a reducing balance basis to represent the expected diminishing returns.

Where no such value can be attributed to such rights this is stated in note 6.

**Programme related investments**

Programme related investments are social investments made directly in pursuit of the charity's charitable purposes. They are recognised at cost less any provision for impairment.

### **Heritage assets**

The charity will hold assets donated to it that are thought to be of architectural and historic significance. These assets are valued at the point of donation. No depreciation is charged as it would be immaterial given that the assets have a long useful economic life.

### **Fixed asset investments**

Investments are included in the financial statement at their market value at the balance sheet date.

### **Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

### **Cash at bank and in hand**

Cash at bank and in hand represents such financial statements and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

### **Funds**

The unrestricted fund is maintained by the charity to use in accordance with the charitable objects at the discretion of the trustees.

Restricted funds comprise monies raised for, or which have their use restricted to, a specific purpose, or contributions subject to donor-imposed conditions.

Designated funds comprise monies set aside out of unrestricted general funds for specific future purposes or projects and funds represented by fixed assets that are not readily realisable and are therefore not available to meet charitable needs.

## Notes to the Financial Statements 31 July 2025

### 1 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2025 £
Donations from the Architectural Association (Incorporated)	120,120	-	120,120
Other donations	-	-	-
<b>2025 Total funds</b>	<b>120,120</b>	<b>-</b>	<b>120,120</b>
<i>Comparatives:</i>			
	Unrestricted funds £	Restricted funds £	Total 2024 £
Donations from the Architectural Association (Incorporated)	114,405	-	114,405
Other donations	-	5,361	5,361
<b>2024 Total funds</b>	<b>114,405</b>	<b>5,361</b>	<b>119,766</b>

### 2 Investment Income

	Unrestricted funds £	Restricted funds £	Total 2025 £
Bank interest	23	-	23
Income from listed investments	11,217	83,041	94,258
<b>2025 Total funds</b>	<b>11,240</b>	<b>83,041</b>	<b>94,281</b>
<i>Comparatives:</i>			
	Unrestricted funds £	Restricted funds £	Total 2024 £
Bank interest	233	-	233
Income from listed investments	12,350	91,433	103,783
<b>2024 Total funds</b>	<b>12,583</b>	<b>91,433</b>	<b>104,016</b>

### 3 Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	Total 2025 £
Copyright amortisation (note 6)	-	186	186
Investment management fees	3,124	23,129	26,253
Other expenses	609	-	609
<b>2025 Total funds</b>	<b>3,733</b>	<b>23,315</b>	<b>27,048</b>

#### Comparatives:

	Unrestricted funds £	Restricted funds £	Total 2024 £
Copyright amortisation (note 6)	-	220	220
Investment management fees	2,796	20,703	23,499
Other expenses	610	-	610
<b>2024 Total funds</b>	<b>3,406</b>	<b>20,923</b>	<b>24,329</b>

### 4 Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total 2025 £
Grants awarded	100,096	176,676	276,772
Administration costs (note 5)	7,500	-	7,500
Governance costs (see below)	27,897	-	27,897
<b>2025 Total funds</b>	<b>135,493</b>	<b>176,676</b>	<b>312,169</b>

#### Comparatives:

	Unrestricted funds £	Restricted funds £	Total 2024 £
Grants awarded	92,092	172,680	264,772
Administration costs (note 5)	7,500	-	7,500
Governance costs (see below)	29,339	-	29,339
<b>2024 Total funds</b>	<b>128,931</b>	<b>172,680</b>	<b>301,611</b>

The Foundation made grant commitments of £276,772 (2024: £264,772) to Architectural Association (Incorporated), a charity registered in England and Wales (Charity Registration Number 311083) to help fund the studies of individuals (note 15).

Governance costs comprise the auditor's remuneration for the statutory audit of £12,321 (2024: £13,800) and fees for accountancy fees, not payable to the statutory auditor, of £15,576 (2024: £15,539).

**5 Staff costs, key management and trustees' remuneration**

The Foundation has no directly employed staff. Administration and support is provided by the staff of the Architectural Association (Incorporated) for which a fee of £7,500 (2024: £7,500) is paid by the Foundation.

Quarterly management accounts are prepared by independent accountants, ChadSan Limited.

None of the trustees received payments in respect of remuneration or expenses for this period or the previous year.

**6 Intangible fixed assets**

	Total £
<b>Valuation</b>	
At 31 July 2024 and at 31 July 2025	<u>29,000</u>
<b>Amortisation</b>	
At 31 July 2024	27,756
Charge for the year	186
At 31 July 2025	<u>27,942</u>
<b>Net book value</b>	
At 31 July 2025	<u>1,058</u>
At 31 July 2024	<u>1,244</u>

The Architectural Association Foundation holds a seventh of the interest in the Eileen Gray Copyrights, which were inherited from the estate of Prunella Clough-Taylor. At the time of Ms Clough-Taylor's death on 26 December 1999 the copyrights were valued at a total of £203,000 giving the Foundation a share of £29,000. These rights were received from the estate in the year ended 5 April 2005 and have been amortised from 6 April 2005. The copyrights comprise:

- ◆ The Aram design licence relating to copyrights exploited by Zeev Aram over Eileen Gray designs of furniture and fittings.
- ◆ Copyright on Eileen Gray material managed by the Victoria & Albert Museum and on a separate collection of negatives and photographs.

As part of the same legacy, the Architectural Association Foundation has also inherited a seventh of the interest in the copyright of Prunella Clough-Taylor's work, owned by Ann-Robin Banks and managed by the Design and Artists Copyright Society. The value of these rights has not been established.

## Notes to the Financial Statements 31 July 2025

### 7 Programme related investment

Leasehold property	2025 £	2024 £
Cost at 1 August 2024 and 31 July 2025	600,000	600,000

The Architectural Association (Incorporated) purchased a majority share in the equity of a 125 year lease on the property at 34-36 Bedford Square on 12 May 1998. The Foundation acquired a 25% interest in the equity of the long lease recognised by a Declaration of Trust.

The proportionate interest acquired in the 125-year lease granted to the AA continues to generate funds for the Foundation. In return for a contribution of £600,000 towards the purchase of the lease, the AA gave a commitment to make an annual payment to the Foundation of an amount equivalent to fifteen one-term bursaries.

### 8 Heritage assets

Slide collection	2025 £	2024 £
Valuation at 1 August 2024 and 31 July 2025	280,000	280,000

The Architectural Association Foundation holds negatives from the Eric de Mare collection which were donated to the Foundation. The Foundation does not seek to acquire assets of historic importance but will act as guardian to such assets when they are donated. The Eric de Mare slides are held as they are believed to have architectural and educational importance and can be viewed on request. These slides were valued in October 2013 and again in May 2020.

No acquisitions of heritage assets have been made in the past five years. The Eric de Mare collection of negatives and prints is housed in archival quality sheets and boxes in the Architectural Association Photo Library, 37 Bedford Square.

## Notes to the Financial Statements 31 July 2025

### 9 Listed investments

	2025 £	2024 £
UK Managed funds	3,721,357	3,499,420
Cash held as part of the portfolio	204,886	254,316
	<u>3,926,243</u>	<u>3,753,736</u>
Managed funds:		
Market value at 1 August 2024	3,499,420	3,253,362
Additions at cost	2,524,412	29,619
Disposal proceeds	(2,536,976)	(64,937)
Gain on disposal and revaluation	234,501	281,376
Market value at 31 July 2025	<u>3,721,357</u>	<u>3,499,420</u>
Historical cost of managed funds	<u>3,010,241</u>	<u>2,304,603</u>

At 31 July 2025, the following holdings contained in the UK Managed Funds had a market value in excess of 5% of the UK Managed Funds at that date:

	MV £	% of portfolio
JP Morgan UCITS ETF USD	771,755	20%

### 10 Debtors

	2025 £	2024 £
Income tax recoverable	63	63
Accounts receivable	-	1,000
Other debtors	120,120	114,405
	<u>120,183</u>	<u>115,468</u>

### 11 Creditors

	2025 £	2024 £
Accruals	11,940	11,100
Amount due to the Architectural Association (Incorporated)	556,234	271,962
Other trade creditors	13,150	1,295
	<u>581,324</u>	<u>284,357</u>

## 12 Restricted funds

	Balance at 1 August 2024 £	Income £	Expenditure/ transfers £	Gains on investments £	Balance at 31 July 2025 £
<b>Building funds</b>					
AA Master Plan Fund	321,800	8,766	(2,441)	21,808	349,933
Compton Memorial library	22,014	-	-	-	22,014
<b>General funds</b>					
AA Prize fund	184,790	8,577	(18,589)	21,340	196,118
AA Scholarship and Bursaries fund	194,960	-	-	-	194,960
Public Programme	1,000	-	-	-	1,000
<b>Named funds</b>					
AAXX100	13,621	-	-	-	13,621
Alexander Memorial fund	40,504	-	-	-	40,504
Andrew Szmidla	570,643	23,376	(56,959)	58,156	595,216
Anthony Pott Memorial	55,079	-	(8,332)	-	46,747
Beverly Bernstein	18,820	-	-	-	18,820
Bob Trimble	62,500	-	-	-	62,500
Denis Sharp	3,319	-	-	-	3,319
Denys Lasdun	31,544	-	-	-	31,544
Eileen Gray	747,877	31,011	(76,088)	77,151	779,951
Elizabeth Chesterton	217,913	11,311	(36,782)	28,140	220,582
Enid Caldicott	275	-	-	-	275
Eyre Family Fund	800	-	(800)	-	-
Hugo Hinsley	1,000	-	-	-	1,000
Jane Chu	1,042	-	-	-	1,042
Keith Critchlow Collection	14,000	-	-	-	14,000
Mark Cousins Annual Lecture Fund	22,418	-	-	-	22,418
Nick Pozner	37,089	-	-	-	37,089
Peter Sabara	34,266	-	-	-	34,266
Three Monkeys Trust	1,250	-	-	-	1,250
Student Hardship Fund	4,250	-	-	-	4,250
	<u>2,602,773</u>	<u>83,041</u>	<u>(199,991)</u>	<u>206,595</u>	<u>2,692,418</u>

The specific purposes for which the funds are to be applied are as follows:

- ◆ AA Masterplan Fund  
This fund is to be used to improve the School's estate in Bedford Square.
- ◆ AA Prize Fund  
This fund represents a small number of funds providing for student awards.

**12 Restricted funds** (continued)

- ◆ AA Scholarships and Bursaries Fund  
This fund represents amounts contributed by various individuals towards fee and travel bursaries.
- ◆ Andrew Szmidla Fund  
This represents a memorial bursary fund.
- ◆ Anthony Pott Memorial Fund  
This represents a fund for awards for research and/or publication of studies.
- ◆ Eileen Gray Fund  
This fund represents a donation from Prunella Clough-Taylor towards a series of annual student awards in memory of Eileen Gray, the pioneering architect and designer.
- ◆ Elizabeth Chesterton Fund  
This fund represents donations from AA alumna Dame Elizabeth Chesterton OBE, towards bursaries to enable students from the UK to attend the School.

**13 Designated funds**

	As at 31 July 2024 £	Revaluation £	As at 31 July 2025 £
Programme related investment fund	600,000	-	600,000
Heritage fixed assets fund	280,000	-	280,000
	<b>880,000</b>	<b>-</b>	<b>880,000</b>

The programme related investment fund and heritage fixed assets fund represent fixed assets that are not available to meet charitable expenditure.

**14 Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Total funds 2024 £
Intangible fixed assets	-	1,058	1,058
Programme related investments	600,000	-	600,000
Heritage assets	280,000	-	280,000
Listed investments	1,234,883	2,691,360	3,926,243
Cash at bank	298,671	-	298,671
Debtors	120,183	-	120,183
Creditors	(581,324)	-	(581,324)
	<b>1,952,413</b>	<b>2,692,418</b>	<b>4,644,831</b>

**14 Analysis of net assets between funds** (continued)

Comparatives:

	<i>Unrestricted funds</i> £	<i>Restricted funds</i> £	<i>Total funds 2024</i> £
<i>Intangible fixed assets</i>	-	1,244	<b>1,244</b>
<i>Programme related investments</i>	600,000	-	<b>600,000</b>
<i>Heritage assets</i>	280,000	-	<b>280,000</b>
<i>Listed investments</i>	1,152,207	2,601,529	<b>3,753,736</b>
<i>Cash at bank</i>	68,242	-	<b>68,242</b>
<i>Debtors</i>	115,468	-	<b>115,468</b>
<i>Creditors</i>	(284,357)	-	<b>(284,357)</b>
	<u>1,931,560</u>	<u>2,602,773</u>	<u><b>4,534,333</b></u>

**15 Related party transactions**

During the year, the Foundation awarded grants totalling £276,772 (2024: £264,772) to Architectural Association (Incorporated) a charity registered in England and Wales (Charity Registration Number 311083) to help fund the studies of individuals as shown in note 4.

The Foundation also paid Architectural Association (Incorporated) a fee of £7,500 (2024: £7,500) for administrative support services.

The Foundation also received a donation from Architectural Association (Incorporated) as shown in note 1 of £120,120 (2024: £114,405) under the terms of an agreement dated 1997.

The amounts due to the Architectural Association (Incorporated) as at 31 July 2025 are shown in note 11.

During the year, the Eyre Family Fund had £800 expenditure and is a fund related to the trustee, Jim Eyre, who resigned on 28 October 2025.