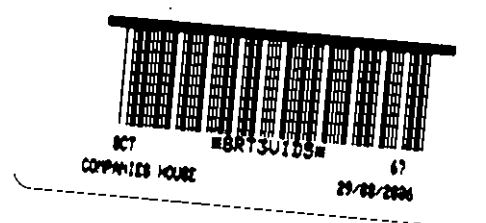


RIAS Services Limited

Report and Financial Statements

For the Year Ended

31 December 2005



Company Registration Number
SC 090513

RIAS Services Limited

**Report and Financial Statements
For the Year Ended 31 December 2005**

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RIAS Services Limited

Directors' Report

The Directors present their report and the audited financial statements for the year ended 31 December 2005.

Status Of Company And Principal Activities

The Company is wholly owned and controlled by the Royal Incorporation of Architects in Scotland. The distributable profits of the Company as defined by Schedule 19 of the Income and Corporation Taxes 1988 are payable to the Royal Incorporation of Architects in Scotland under the terms of a deed of covenant dated 23 December 1998. These payments now qualify as gift aid.

The principal activities of the company, continuing without significant change during the year, were the provision of services to architects and architectural practices and the sale of books and publications.

Financial Results

There was a profit for the year of £64,857 before payment of gift aid (2004 – profit of £47,799 before payment of gift aid). Gift aid of £64,857 is payable for the year leaving a residual profit of £Nil.

Directors and Their Interests

The directors who held office during the year were as follows:

G I Davies	(Chairman)
J A McLennan	
R Campbell	
G McL Wren	
S Riddell	
D Read	
F Sinclair	

There are no Directors' interests in the Company.

RIAS Services Limited

Directors' Report (continued)

Statement Of Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

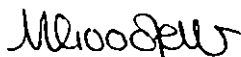
Small Company Exemptions

In preparing this report, advantage has been taken of the special exemptions applicable to small companies conferred by Part VII of the Companies Act 1985 relating to small companies.

Auditors

Springfords LLP have been appointed as the company's auditors and are willing to continue in office.

By Order of the Board



M. Goodfellow
Secretary

Date: 21 June 2006

Independent Auditors' Report To the Members of RIAS Services Limited

We have audited the financial statements of RIAS Services Ltd for the year ended 31 December 2005 which comprise the Profit and Loss account, the Balance Sheet and the related notes. The financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditors

As described in the statement of directors' responsibilities, the company directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, /

**Independent Auditors' Report
To the Members of RIAS Services Limited (continued)**

Opinion

In our opinion, the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2005, and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Springfords LLP

Springfords LLP

Date: 22 June 2006

Chartered Accountants and Registered Auditors
Dundas House,
Westfield Park,
Eskbank,
Edinburgh

RIAS Services Limited

Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and under the historical cost convention.

Cash Flow Statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard 1 (revised 1996) on the grounds that it is entitled to the exemptions available in Sections 246 and 247 of the Companies Act 1985 for small companies.

Related Party Transactions

The company has taken advantage of the exemption from disclosing details of transactions with fellow group entities conferred by Financial Reporting Standard No.8.

Turnover

Turnover represents income from the provision of services to architects and architectural practices, sales of books and publications and advertising revenue. Turnover is stated net of value added tax and trade discounts.

Stocks

Stocks are stated at the lower of cost and net realisable value and comprise stocks of books, products and publications held for resale, and work in progress.

RIAS Services Ltd**Profit And Loss Account****For the Year Ended 31 December 2005**

	Notes	2005 £	2004 £
Turnover	1	747,176	728,481
Cost of Sales		<u>484,338</u>	<u>498,702</u>
Gross Profit		262,838	229,779
Administrative Expenses	2	<u>197,981</u>	<u>181,980</u>
Profit on Ordinary Activities before taxation		64,857	47,799
Less: Gift Aid / Covenanted Donation	3	<u>64,857</u>	<u>47,799</u>
Retained profit for the Financial Year	7	<u>-</u>	<u>-</u>

None of the company's activities were acquired or discontinued during the above two financial years.

There are no recognised gains or losses in either year other than those included in the profit above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the years stated above and their historical cost equivalents.

RIAS Services Ltd**Balance Sheet****As at 31 December 2005**

	Notes	2005 £	2004 £
Current Assets:			
Stock & work in progress		67,666	83,368
Debtors	4	148,685	120,580
Cash at bank		-	-
		<u>216,351</u>	<u>203,948</u>
Creditors:			
Amounts falling due within one year	5	<u>218,740</u>	<u>206,337</u>
Net Current (Liabilities)		<u>(2,389)</u>	<u>(2,389)</u>
 Capital & Reserves			
Called up share capital	6	100	100
Profit & loss account	7	<u>(2,489)</u>	<u>(2,489)</u>
(Deficiency) in Shareholder's Funds	8	<u>(2,389)</u>	<u>(2,389)</u>

The directors have prepared the financial statements in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements on pages 6 - 10 were approved by the board of directors on 21 June 2006 and are signed on its behalf by:

Chairman



Director



RIAS Services Ltd

Notes to the Financial Statements

For the Year Ended 31 December 2005

1 Turnover

In the opinion of the directors, none of the turnover for the Company is attributable to geographical markets outside the UK. (2004 - nil)

2 Profit on Ordinary Activities before Taxation

Profit on ordinary activities before taxation is stated after charging:	2005 £	2004 £
Auditors' remuneration:		
current year	3,000	-
prior year	300	2,500
Total	<u>3,300</u>	<u>2,500</u>

3 Covenanted Donation / Gift Aid and Taxation

Under the terms of a Deed of Covenant dated 23rd December 1998, the annual distributable profits of the Company, as defined by Schedule 19 of the Income and Corporation Taxes Act 1988, are payable to the Royal Incorporation of Architects in Scotland, the parent body. Under the revised regulations, introduced in April 2000, this qualifies as a gift aid payment to be paid over without deduction of tax.

	2005 £	2004 £
Gift Aid payment due for year	<u>64,857</u>	<u>47,799</u>

4 Debtors

<i>Amounts falling due within one year:</i>	£	£
Trade debtors	49,807	29,082
Prepayments & accrued income	<u>98,878</u>	<u>91,498</u>
	<u>148,685</u>	<u>120,580</u>

5 Creditors

	£	£
Bank overdraft	1,393	3,834
Trade creditors	28,259	43,270
Amount due to parent undertaking	25,189	55,829
Accruals	12,001	2,967
Deferred income	133,254	91,719
Other creditors	<u>18,644</u>	<u>8,718</u>
	<u>218,740</u>	<u>206,337</u>

Management charges of £197,981 (2004: £181,980) were payable to the company's parent undertaking for the financial year.

RIAS Services Ltd

Notes to the Financial Statements (continued)

6 Called Up Share Capital	2005	2004
	£	£
Authorised, allotted, called up and fully paid 100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
7 Profit & Loss Account	£	£
At 1st January 2005	(2,489)	(2,489)
Profit for year	<u>-</u>	<u>-</u>
At 31st December 2005	<u>(2,489)</u>	<u>(2,489)</u>
8 Reconciliation of Movement in Shareholder's Funds	£	£
Profit for the financial year	-	-
Opening shareholder's funds	<u>(2,389)</u>	<u>(2,389)</u>
Closing shareholder's funds	<u>(2,389)</u>	<u>(2,389)</u>

9 Ultimate Parent Undertaking and Controlling Party

The company's ultimate parent undertaking and controlling party is the Royal Incorporation of Architects in Scotland by virtue of a 100 per cent holding of its ordinary share capital.