

Company Registered Number SC293107
Charity Number SC012497

THE CHARLES RENNIE MACKINTOSH SOCIETY
ANNUAL REPORT AND ACCOUNTS
FOR THE PERIOD
1 JANUARY 2016 TO 31 DECEMBER 2016

DIRECTORS REPORT

The Directors present their Report and Accounts for the year to 31/12/2016.

Objectives & Activities

The company's objectives and principal activities are:

- To support the conservation, preservation, maintenance and improvement of buildings and artefacts designed by Charles Rennie Mackintosh (CRM) and his contemporaries;
- To advance public education in the works of CRM by means of exhibitions, lectures, tours and productions of an educational nature.

Statement of Directors Responsibilities

The trustees (who are also directors of the company for the purposes of company law) 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).

Company law 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 company and of the incoming resources and application of resources, including the income and expenditure, of the company for that period. In preparing these financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 accounts comply with the requirements of the Companies Act 2006. 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.

Independent Examiner

JS Thom will be considered for re-appointment.

DIRECTOR'S REPORT

Achievements, Performance & Future Plans

The Charles Rennie Mackintosh Society (CRMS) is now in its forty second year of existence – and has looked after the Mackintosh Church at Queen's Cross for nearly forty years! During those years, the CRM Society has stayed true to its founding principles of protecting, preserving and promoting the works of the great architect, artist and designer CR Mackintosh – whilst running and maintaining the Mackintosh Church building. Notable successes over the decades have ranged from having the demolition order removed from Martyrs' School through to the rescue of the Mackintosh Church and campaigns and practical projects to preserve, restore and promote Mackintosh's legacy. The Society has continued to play a leading role in promoting Mackintosh through exhibitions, events, marketing, visitor services, academic queries and education programmes. This has included the instigation of the city-wide Mackintosh Heritage Group (Glasgow Mackintosh), running education workshops for children and adults and dealing with visitor, student and research queries from around the world.

All of this happens without any core-funding and through the support and dedication of members, volunteers and minimal staffing. An ever-increasing pressure on resources, with growing demand for advice and information, against dwindling resources and increasing costs has always put the organisation under a lot of strain and we are looking to build capacity and resilience for the future.

We are looking at ways to make our charity more sustainable and robust, and therefore more secure for the decades to come. We aim to continue our important work as a unique Heritage and Arts Centre (Mackintosh's only Church), information service (dealing with over 100 information requests each month) and key player in promoting, preserving and explaining Mackintosh's work – often as an introduction to the other great Glasgow architects and architecture.

The Glasgow School of Art Update

In July contractors Kier Construction Limited started on site after a lengthy, EU procurement process.

Kier demonstrated that they had the necessary strength in depth and logistical ability to manage the project at the Mack, bringing in experienced and highly skilled subcontractors and working to achieve best value and the highest quality on specialist contractor designed elements of the restoration works.

The programme will extend to January 2019 when the School hopes to enter a careful commissioning phase and then be able to open to the public for a number of months prior to full student occupation in September of that year.

Main works have been concentrated on stabilising the west tower facade of the building prior to selective dismantling. Massive, specially fabricated steel braces have been clamped to the stone piers of the Library windows whose frames are now removed. Once complete the work will commence to take down all the stone that once framed these windows. Already, the close inspection that the scaffold allows us has revealed hairline fractures on the stone, as a result of the extremes of heat and the stresses put upon the structure by the expansion and rapid cooling of metal element; the effort to retain as much of the carved and tooled original surface of the masonry will be a challenge.

Elsewhere on the top floor of the former professors' studios - the new timber framework of the flat roofs is being constructed and the temporary roof being modified to allow the lifting shortly of the first of the new steel beams that make up this space. On reopening the top floor will be used as studios for the design school so whilst the form of the professors' studios will largely be recreated, they will be put to a new, student-focussed use.

In November six steel girders, weighing a quarter of a tonne each, were lifted by crane into the top floor Mackintosh Building, through an opening in the temporary roof. The girders were custom made to match the profile of the originals and to fit into the existing pockets within the Mackintosh Building.

Mackintosh Restoration Project Manager Sarah MacKinnon said "It is a very important and exciting moment for us. It marks the beginning of the reconstruction of the Mackintosh Building. Up until now, we've spent a lot of time stripping fire damaged fabric out of the building and this is the first major piece of construction going into the building."

DIRECTOR'S REPORT*The Willow Tea Rooms Trust*

In October we heard the great news that the Heritage Lottery Fund had awarded a Development Grant of £250,000 to enable the Willow Tea Rooms Trust to progress its plans and apply for the Stage 2 pass of £3.7 million.

Work has now started on a £10m project to restore and preserve one of Glasgow's most famous and best loved buildings - the Charles Rennie Mackintosh Willow Tea Rooms. This eighteen month project will complete in time for the celebrations to mark Mackintosh's 150th birthday in 2018. The Society looks forward to being involved in this World Class project that will see the Tearooms restored to their former glory.

Mackintosh Buildings Survey

The first-ever assessment of the Mackintosh built heritage of over 50 buildings and monuments was initiated by the Society last year. The survey determines the current condition of a range of prioritised Mackintosh buildings and related works, including interiors and gravestones, within public and private ownership. The survey work is being undertaken by Simpson & Brown Architects and Page\Park Architects and is being led by the Society's director Stuart Robertson and board member Pamela Robertson, former Professor of Mackintosh Studies at the University of Glasgow.

The first phase of survey work is complete and phase 2 is underway. The Mackintosh Buildings Survey is one of the best examples of the Society's value and contribution to conserving Scotland's heritage. The project could not have been delivered without the support and generosity of The Monument Trust.

The Mackintosh heritage is small, fragile and precious, and action is needed to ensure this is protected. So it is imperative that this internationally important heritage continues to receive the attention it deserves.

Mackintosh Tours

We continue to host and organise a wide range of bespoke Mackintosh tours throughout the year to introduce visitors to the delights of the Church and Mackintosh venues in and around Glasgow.

In March and November we arranged further Society visits to 49 Glebe Place in London. The studio-house designed for the painter Harold Squire was one of the last architecture projects completed by Charles Rennie Mackintosh between 1920/21. A big thank you must go to Richard and Angela Burrows for giving us access to this wonderful studio and for their kind donation and hospitality.

Exhibitions and Events

It has been another busy year of exhibitions and events.

In January and February we were delighted to be part of Celtic Connections Glasgow Film Festival for a second year. We hosted nine fabulous concerts with an audience of nearly 4000. The audiences loved the building and the musicians commented that they felt privileged to have been given the opportunity to perform in such a beautiful venue.

June was a busy month, with our AGM programme, which included an evening reception at the Glasgow Art Club, with a talk on the Gallery and frieze restoration by James Macauley. On Saturday we had a special private view of Martyrs' School and then on Sunday we headed down to Helensburgh and Michael Davis took us on a walking tour which finished at the former Conservative Club. We then made our way to Cove and lunch at Knockderry House Hotel (designed by William Leiper) and finally we had a private view of Craig Ailey Villa (Alexander Thomson).

Again in June we played a major role in the West End Festival and at the end of June we had a very successful 3 day jazz workshop by Laura Macdonald. A repeat workshop is planned for June 2017.

In October we hosted a series of events as part the Mackintosh Festival, which included an Architectural Exhibition by Minty Sainsbury, Various talks, Lids Open Day, and Scottish Mask and Puppet Centre. We also had two classical concerts featuring the talented guitar duo of Laura Browne and Lewis Dunsmore and an evening of piano and violin classics by the Miller Nite Duo. We also had the renowned Scottish artist Avril Paton creating a work of art from a piano.

DIRECTOR'S REPORT

In November we hosted a special film day as part of the Glasgow Film Theatre's Hollywood Dreams of Scotland.

We ended the year on a high with a fabulous Christmas concert by the Les Sirènes Female Chamber Choir.

This is an amazing achievement for a small team and could not happen without everybody pulling together and especially the support of key volunteers.

Membership

During the year we have had an overhaul of our Membership system and Sven has taken over the role of running this. Letters to members and communications in general have been improved. This is an interim stage prior to a more radical development of membership. A new style membership pack has now been created and this includes Membership, Gift Membership and the Patron Scheme.

Journal

We reached a special landmark in May with our 100th Journal. The new style has been well received.

Education and Volunteer Outreach

We continue to build on introductions to Mackintosh for our young people so that they can continue to be inspired both by the creativity and the fabulous interiors of the Mackintosh Church. Our exciting workshops are designed to cultivate participation and arts involvement in order to develop a long term relationship with artistic pursuits for young people. We hope to encourage children to involve themselves in arts programmes so that they can develop an interest and understanding of their cultural heritage.

The Society continues to participate in a number of informal events throughout the year, i.e. Easter Workshops, Mackintosh Birthday, Doors Open and The Big Draw, Creative Mackintosh Puppet Theatre and Workshops, Christmas Lights Switch on Celebrations and our free openings on Wednesdays - and Children's Programme are all good examples of our community involvement. We recognise that the local housing association works with various communities including disadvantaged groups, asylum seekers etc. We welcome all groups through our continued policy of free admission on a Wednesday afternoon. Volunteer opportunities are more-structured and wide-ranging than ever before.

Grants and Bequests

This year our fundraising has brought in over £60,000 with £44,275 from the Monument Trust (second part of the funding for the Mackintosh Buildings Survey), £6,000 from the Robertson Trust (£18,000 over 3 years), £3,000 from the MacRobert Trust (£9,000 over 3 years) and £10,000 from the Voluntary Action Fund.

In addition we received a bequest of £1,000 from William Gartshore Dewar and £17,048.37 from the estate of our former colleague Irene Grundy Dunnett.

This funding has been of great benefit in allowing us to explore new ways in developing Mackintosh Queen's Cross and enabling the Society to continue its extensive education and advocacy role in safeguarding and promoting the work of Charles Rennie Mackintosh.

Financial Review

As detailed above the principal funding source of funds are donations and grants. The surplus for 2016 was £515 (prior year £30,006). Net assets at 31 December 2016 were £980,403, of which £88,175 were net current assets and £892,228 were tangible fixed assets (prior year net assets were £979,888 of which £83,164 were net current assets and £896,724 were tangible fixed assets).

The company aims to maintain the real value of the general fund over a period of five years .

It is the policy of the company to maintain free, unrestricted funds at a level equal to approximately six months unrestricted expenditure. This provides funds to cover normal operating costs, and to respond to any unexpected expenditure demands which may arise.

DIRECTORS REPORT**Structure Governance & Management**

The Society was formed in 1973 and incorporated on 13 November 2005. Operations transferred to the company on 1 March 2006.

The company is limited by guarantee and governed by its Memorandum and Articles of Association. The liability of members is limited to £1 each. The company is accepted as a charitable body by the Inland Revenue.

Directors are appointed in accordance with the companies Memorandum and Articles of Association and are known as Members of the Council which will have a minimum of 5 directors. The term of office is 3 years from the AGM with directors eligible to stand for a further 3 years.

Newly appointed directors have an induction meeting with the chairman and executive director and will usually have a good understanding of the operations of the Society prior to appointment. Any further instruction required would normally be carried out in conjunction with board meetings.

The Society Council oversees the company's operations, through a number of sub groups, including finance and funding, publications, building maintenance, and built heritage with the Glasgow Mackintosh Group. During the financial year the company was run by 4 paid staff: full time executive director; p/t events and business development officer; p/t retail officer, p/t administrator; and a complement of 30 volunteers.

The Society is indebted to its many volunteers who give unstintingly of their time, energy and expertise to furthering the cause of the Charles Rennie Mackintosh Society.

Reference & administrative information

Charity Number SC012497	Company Registered Number SC293107
Executive director & secretary	Stuart Robertson
Principal & Registered Office	870 Garscube Road Glasgow G20 7EL
Bankers	CAF Bank 2 Kings Hill Avenue Westmalling Kent ME19 4JQ Bank of Scotland 258 Dumbarton Road Glasgow G11 6TU
Solicitors	Brodies LLP 2 Blythswood Square Glasgow G2 4AD
Independent Examiner	JS Thom CA, JS Thom Ltd Chartered Accountants 12 Paterson Place Bearsden G61 4RU
Honorary President	The Rt Hon The Lord Macfarlane of Bearsden KT
Honorary Vice Presidents	Roger Billecliffe Bailie Elizabeth Cameron
Directors & trustees	
Carol Matthews - Chair	Pamela Freedman
Alison Brown - Vice Chair	Prof. Pamela Robertson
Mairi Bell	Stuart Robertson
Kathleen Benham Hon Treasurer	Charlotte Rostek (appointed 10/9/16)
Helen Crawford	Garry Sanderson

In preparing this report advantage has been taken of the small companies exemption.
Approved by the board of directors and signed on their behalf.

Carol Matthews
Director



Date of approval: 30/5/2017

THE CHARLES RENNIE MACKINTOSH SOCIETY

I report on the accounts of the company for the year ended 31/12/2016 set out on pages 7 to 13.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of regulation 10(1)(a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
to keep accounting records in accordance with section 44(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations
have not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

J S Thom Chartered Accountant
JS Thom Ltd
Chartered Accountants



Date: 30/5/2017

12 Paterson Place
BEARSDEN G61 4RU

COMBINED STATEMENT OF FINANCIAL ACTIVITIES
AND INCOME & EXPENDITURE
FOR THE YEAR TO 31 DECEMBER

				<u>2016</u>	<u>2015</u>
	<i>Notes</i>	£	£	£	£
		unrestricted <u>Funds</u>	restricted <u>Funds</u>	Total <u>Funds</u>	Total <u>Funds</u>
Income from:	2				
Donations & legacies		66,536	63,275	129,811	184,105
Charitable activities		14,780	0	14,780	28,293
Other trading activities		25,918	0	25,918	27,287
Investments - interest		90	0	90	0
Other		0	0	0	11,584
		-----	-----	-----	-----
Total income		107,324	63,275	170,599	251,269
		-----	-----	-----	-----
Expenditure on:	3				
Raising funds		(18,501)	0	(18,501)	(20,076)
Charitable activities		(88,308)	(63,275)	(151,583)	(201,187)
		-----	-----	-----	-----
Total expenditure		(106,809)	(63,275)	(170,084)	(221,263)
		-----	-----	-----	-----
Net income		515	0	515	30,006
Transfers		0	0	0	0
		-----	-----	-----	-----
Net movement in funds		515	0	515	30,006
		-----	-----	-----	-----
Reconciliation of funds:					
Total funds brought forward		979,888	0	979,888	949,882
		-----	-----	-----	-----
Total funds carried forward		980,403	0	980,403	979,888
		=====	=====	=====	=====

BALANCE SHEET AS AT 31 DECEMBER

		<u>2016</u>	<u>2015</u>
	<i>Notes</i>	<u>£</u>	<u>£</u>
FIXED ASSETS			
Tangible assets	4	892,228	896,724
CURRENT ASSETS			
Stocks		10,798	12,929
Debtors	5	10,000	10,800
Cash at bank and in hand		80,144	76,400
		<u>100,942</u>	<u>100,129</u>
CREDITORS-Amounts due within 1 year	6	(12,767)	(16,965)
Net current assets		<u>88,175</u>	<u>83,164</u>
Total assets less current liabilities		<u><u>980,403</u></u>	<u><u>979,888</u></u>
FUNDS			
Unrestricted funds	8	980,403	979,888
Restricted funds	8	0	0
		<u>980,403</u>	<u>979,888</u>

For the year to 31/12/2016 the company was entitled to exemption under subsection 1 of section 477 of the Companies Act 2006.

Directors' responsibilities:

The Members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the board of directors and signed on their behalf.

Date of approval: 30/5/2017



Carol Matthews
Director

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The company is a private company incorporated in Scotland and limited by guarantee. The company is a Scottish Charity (No. SC012497), registered office 870 Garscube Road Glasgow G20 7EL.

The accounts are prepared under the historical cost convention, the Financial Reporting Standard 102 section 1A, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations (2006) and the Statement of Recommended Practice - Accounting and Reporting by Charities.

Incoming resources are recognised when the company has entitlement to the resources, it is probable that the resources will be received and the monetary value of the resources can be measured with sufficient reliability.

Expenditure is included on the accrual basis and is recognised when there is a legal or constructive obligation to incur the expenditure.

Fixed assets are included in the accounts at cost. Items are capitalised if their useful life is estimated at more than one year and their cost exceeds £500.

Tangible fixed assets are depreciated at rates estimated to write off the cost of the assets over their useful lives. The principal rates are:
Fittings & equipment 20% reducing balance

Depreciation is not charged on the Mackintosh Queen's Cross Church Property as none is considered necessary in view of the company's objective to conserve and maintain the property. The church is considered to be a heritage asset. A full log of the history of heritage assets held is maintained by the company. The history is available to visitors to the church.

Stocks of goods for resale are valued at the lower of cost and net realisable value.

Funds are classified between restricted and unrestricted funds. Restricted funds are those donated to the company which are applied in accordance with the donor's specified conditions. Unrestricted funds are those which are applied at the discretion of the directors. Within the unrestricted funds the directors may designate funds for specific uses.

NOTES TO THE ACCOUNTS

2. INCOME	<u>2016</u>	<u>2015</u>
	£	£
Donations & legacies		
Subscriptions	16,788	14,767
Donations & grants	113,023	169,338
	-----	-----
	129,811	184,105
	-----	-----
Restricted donations & grants were £63,275 (prior year £150,990).		
Charitable activities		
Tours	1,222	15,365
Mackintosh ticket	0	1,171
Events functions & catering	10,862	7,336
Admissions	2,126	2,690
Miscellaneous	570	1,731
	-----	-----
	14,780	28,293
	-----	-----
Other trading activities		
Retail sales	12,434	15,846
Use of premises	13,484	11,441
	-----	-----
	25,918	27,287
	-----	-----
Investments		
Interest receivable	90	0
	-----	-----
Other		
Asset disposals	0	11,584
	-----	-----

NOTES TO THE ACCOUNTS

3. RESOURCES EXPENDED	<u>2016</u>	<u>2015</u>
	£	£
Costs of raising funds		
Staff costs	8,955	8,961
Retail costs	9,546	11,115
	-----	-----
	18,501	20,076
	-----	-----
Charitable Activities		
Tours	506	13,238
Events functions & catering	4,945	4,541
Education	239	379
Marketing	2,057	1,735
Staff costs	67,445	71,077
Promotion inc. Glasgow Mackintosh Membership	4,453	2,719
Property costs	43,817	56,560
Office costs	5,847	6,068
Professional fees	16,156	37,653
Bank charges & interest	422	597
Depreciation	4,496	5,620
Independent examiner's remuneration	1,200	1,000
	-----	-----
	151,583	201,187
	-----	-----
Restricted expenditure was £63,275 (prior year £150,990).		
STAFF COSTS		
The following costs are included in total resources expended:		
Wages and salaries	72,885	75,898
Social security costs	3,515	4,140
	-----	-----
	76,400	80,038
	=====	=====
Directors and key management employee benefits	32,460	32,460
	=====	=====

The average number of employees (including 1 director) was 4 (2015 4). The directors received no remuneration or expenses for serving on the Council. S Robertson, director received remuneration (under authority of the articles) of £32,460 (prior year £32,460) in connection with executive services. No employee received emoluments in excess of £60,000.

NOTES TO THE ACCOUNTS

4. **FIXED ASSETS**

Tangible Assets	Heritage Assets: Queen's Cross		Other Assets:	Total
	Church		Equipment	
Cost at 1/1/16	874,242		54,847	929,089
Additions	0		0	0
Disposals	0		0	0
Cost at 31/12/16	874,242		54,847	929,089
Depreciation at 1/1/16	0		32,365	32,365
Charge for year	0		4,496	4,496
Disposals	0		0	0
Depreciation at 31/12/16	0		36,861	36,861
NET BOOK VALUE				
As at 31/12/16	874,242		17,986	892,228
As at 31/12/15	874,242		22,482	896,724

The insurance value of the Church at 31 December 2016 was £4,571,295. The directors are of the opinion that the Church is worth more than the carrying value in these financial statements, and therefore no write down on the cost of the Church has been applied. The directors will carry out regular impairment reviews. There has been no movement in heritage assets over the past 5 years.

	<u>2016</u>	<u>2015</u>
	£	£
5. DEBTORS - Due within one year		
Grants & donations receivable	10,000	10,150
Other debtors	0	650
	10,000	10,800
	=====	=====
6. CREDITORS - Due within one year		
Other tax & social security	1,882	141
Other creditors & accruals	10,885	16,824
	12,767	16,965
	=====	=====

7. **COMMITMENTS**

The company has granted a standard security over Queens Cross Church, to the Scottish Ministers, for all sums due or to become due by the Society to the Scottish Ministers, in connection with the funds of £189,000 granted by Historic Scotland to the Society.

NOTES TO THE ACCOUNTS

8. FUNDS	Unrestricted funds	Restricted funds
At 1/1/16	979,888	0
Net income/(deficit) for the year	515	0
Transfers	0	0
	-----	-----
At 31/12/16	980,403	0
	=====	=====
Analysis of net assets between funds:		
Tangible fixed assets	892,228	0
Net current assets	88,175	0
	-----	-----
Net assets	980,403	0
	=====	=====

	<u>At 1/1/16</u>	<u>Movement in SOFA</u>	<u>Fixed asset additions</u>	<u>At 31/12/16</u>
Unrestricted fund movements				
General	83,164	5,011	0	88,175
Designated fixed asset fund	896,724	(4,496)	0	892,228
	-----	-----	-----	-----
	979,888	515	0	980,403
	=====	=====	=====	=====
Restricted fund movements	<u>At 1/1/16</u>	<u>Income</u>	<u>Expend.</u>	<u>At 31/12/16</u>
Mackintosh building funds:				
The Monument Trust	0	44,275	(44,275)	0
Education funds:				
The Robertson Trust	0	6,000	(6,000)	0
The MacRobert Trust	0	3,000	(3,000)	0
Voluntary Action Fund				
Volunteering support grant	0	10,000	(10,000)	0
	-----	-----	-----	-----
	0	63,275	(63,275)	0
	=====	=====	=====	=====

SOFA=statement of financial activities.

The General Fund encompasses all income and expenditure relating to the primary focus activities of the company other than those for which funding is restricted.

The Designated Fixed Asset Fund represents the amount of unrestricted funds tied up in fixed assets.