

**ARCHITECTS BENEVOLENT SOCIETY**  
**Report of the Council for the Year 2008**

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## Officers of the Society

<b>Patron</b>	His Royal Highness The Duke of Gloucester KG GCVO	
<b>President</b>	Ken Shuttleworth RIBA	
<b>Vice Presidents</b>	James Ackland OBE RIBA Chris Cowen RIBA John Lane PPRIAS FRIBA Brian Lingard DA FRIBA David Rock PPRIBA FCSD Hon FAIA	
<b>Chairman</b>	Kenneth Bingham RIBA	
<b>Vice Chairman</b>	Ronnie McDaniel RIBA	
<b>Honorary Secretary</b>	Stewart Henderson	
<b>Honorary Treasurer</b>	Geoffrey Purves BA B Arch RIBA FRIAS MCI Arb	
<b>Members of the Council</b>	James Ackland OBE Stephen Arthurell <i>(London Region)</i> John Assael Kenneth Bingham <i>(South Western Region)</i> Chris Cowen Eleanor Crowe <i>(resigned 11 June 2008)</i> Selina Dix Hamilton <i>(Landscape Institute)</i> Lelia Dunlea-Jones William Evans <i>(East Midlands Region)</i> Chris Everitt Chris Goodall George Hall Alex Henderson MBE <i>(Northern Region)</i> Stewart Henderson Terry Hopegood John Lane <i>(RIAS)</i> Roger Latham <i>(appointed 13 February 2008)</i> Brian Lingard Peter Low <i>(Association of Consultant Architects)</i>	John MacDonald <i>(resigned 11 June 2008)</i> Ronnie McDaniel <i>(Royal Society of Ulster Architects)</i> Peter McKinley Cyril Morris <i>(North West Region)</i> Colin Morse Geoffrey Purves David Ramsay Russ Randall <i>(Eastern Region)</i> David Rock Ian Sanders Stella Saunders <i>(Wales Region)</i> Freni Shroff Malcolm Sinclair <i>(South East Region)</i> Marjorie Smith <i>(Chartered Institute of Architectural Technologists)</i> Malcolm Stuart Chris Warburton <i>(appointed 13 February 2008)</i> Hugh Woodeson

*In accordance with Article 38, one third of members retire from the Council each year and being eligible may offer themselves for re-election.*

## Company Information

<b>Secretary</b>	Keith Robinson
<b>Welfare Officers</b>	Mrs Peta Whiston Mrs Naomi Bello-Lopez
<b>Company number</b>	1084747
<b>Charity number</b>	265139
<b>Registered office</b>	43 Portland Place London W1B 1QH
<b>Auditors</b>	Saffery Champness Lion House Red Lion Street London WC1R 4GB
<b>Bankers</b>	C Hoare and Co 37 Fleet Street London EC4P 4DQ  Lloyds TSB Bank PLC 8/10 Waterloo Place London SW1Y 4BE
<b>Investment Managers</b>	Schroder and Co Limited 100 Wood Street London EC2V 7ER  C Hoare and Co 37 Fleet Street London EC4P 4DQ
<b>Solicitors</b>	Hunters 9 New Square, Lincoln's Inn London WC2A 3QN
	<i>All correspondence should be addressed to:</i>
	<i>The Secretary Architects Benevolent Society 43 Portland Place, London W1B 1QH Telephone 020 7580 2823 Fax 020 7580 7075, Email <a href="mailto:help@absnet.org.uk">help@absnet.org.uk</a> <a href="http://www.absnet.org.uk">www.absnet.org.uk</a></i>

## Committees of the Council

The Council is the governing body of the Society, but most of the day to day work is delegated to committees which undertake the administration and decision making which is essential to the continuation of the work of the Society. All committee members are volunteers who give a considerable amount of time and expertise for the benefit of those members of the profession who have fallen on hard times. Enquiries from those willing to serve on committee are always welcome.

### Case Committee:

Kenneth Bingham\* (Chairman)  
Stewart Henderson\*  
Terry Hopegood\*  
Colin Morse\*  
David Ramsay\*  
Russ Randall\*  
Freni Shroff\*  
Marjorie Smith\*

### Executive and Finance Committee:

Stewart Henderson\* (Chairman)  
Kenneth Bingham\*  
Chris Cowen\*  
Lelia Dunlea-Jones\*  
John Lane\*  
Ronnie McDaniel\*  
Geoffrey Purves\*  
David Ramsay\*  
Freni Shroff\*  
Malcolm Sinclair\*

### External Affairs Committee:

Ronnie McDaniel\* (Chairman)  
Stephen Arthurell\*  
Kenneth Bingham\*  
Geoffrey Purves\*  
Russ Randall\*

### Frenchlands Hatch Management Committee:

Malcolm Sinclair (Chairman)\*  
Penelope McClelland  
David Ramsay\*  
Malcolm Stuart\*  
*[following the sale of Frenchlands Hatch in December 2007 this Committee was wound up and the last meeting took place on 26 February 2008]*

### Claverton Court Management Committee:

Lelia Dunlea-Jones (Chairman)\*  
Chris Cowen\* (resigned 4 September 2008)  
Eleanor Crowe\* (resigned 11 June 2008)  
Chris Goodall\*  
Roger Latham  
Cyril Morris\* (resigned 4 September 2008)  
Ian Sanders\* (resigned 4 September 2008)  
Chris Warburton

\*Indicates Member of Council and Trustee of the Charity

## Regional Contacts and Branch Representatives

Representatives in the regions and branches are part of a countrywide network of members of the profession who are prepared to act as advisers to their colleagues locally and to promote understanding and spread information within their area about the Society and its activities and needs. Regional Contacts are Trustees of the Society and members of the Council. They co-ordinate activities within their region. One of the most important roles the branch representatives can play is to try to ensure that any architect, technologist or assistant or their dependants in the area, whether they are members of the RIBA, or CIAT or the Landscape Institute, or not, know that the ABS is there to help wherever it can in times of need.

39 Branches and Chapters have nominated an ABS branch representative to act in this way so far. If you notice that your branch is not included in the following list then no member has been nominated to date.

Please persuade your local branch to do so as soon as possible, or better still volunteer yourself!

### Eastern Region

*Regional contact*  
*Russ Randall*  
*472 Ashingdon Road*  
*Rochford*  
*Essex*  
*SS4 3ET*

### Bedford Branch

David Pratt  
PRP Architects, Lloyds Court  
667 Silbury Boulevard  
Milton Keynes  
MK9 3AZ

### Hertfordshire Association of Architects

David Kirby  
Kirby Cove Architects  
The Castle  
Hertford  
Hertfordshire  
SG14 1HR

### Huntingdon and Peterborough Branch

Joseph Robotham  
Mathew Robotham Associates  
42 Cowgate  
Peterborough  
PE1 1NA

### Norfolk Association of Architects

James Cornish  
James Cornish Partnership  
Boscarne  
124 Norwich Road  
Stoke Holy Cross  
Norwich  
NR14 8QJ

### South Essex Chapter

R H L Randall  
472 Ashingdon Road  
Rochford, Essex  
SS4 3ET

### East Midlands Region

*Regional Contact*  
*Bill Evans*  
*The Evans Partnership*  
*Prebend Passage*  
*Westgate*  
*Southwell*  
*Nottinghamshire*  
*NG25 0JH*

### Leicester and Rutland Society of Architects

Thomas Hart  
RGP  
130 New Walk  
Leicester LE1 7JA

### Lincolnshire Society of Architects

Barry Johnson  
16 Main Ridge West  
Boston, Lincolnshire  
PE21 6QN

**Northamptonshire Society of Architects**

Will Asseheton  
GSS Architecture  
35 Headlands  
Kettering  
Northamptonshire, NN15 7ES

**Nottingham and Derby Society of Architects**

Tony Pearson  
Faulks Perry Culley and Rech  
Lockington Hall  
Lockington, Derbyshire  
DE74 2RH

**South East Region**

*Regional Contact*  
*Malcolm Sinclair*  
*37 Fairlands Road*  
*Fairlands*  
*Worplesdon*  
*Guildford*  
*GU3 3JA*

**Canterbury Branch**

Sam Webb  
Walnut Tree Cottage  
68 Shalmsford Street  
Chartham  
Canterbury  
Kent  
CT4 7RH

**West Kent Branch**

Susan Glass  
The Mill House  
London Road  
West Malling  
Kent  
ME19 5AS

**London Region**

*Regional Contact*  
*Stephen Arthurell*  
*Arthurell and Kirkland*  
*13 Wharfdale Road*  
*London*  
*N1 9SB*

**North West London Society of Architects**

Raymond Stigant  
27 Bedford Road,  
London  
N15 4HA

**East London Branch**

D P Davighi  
24 Forest Way  
Woodford Wells  
Essex  
IG8 0QF

**South Western Region**

*Regional Contact*  
*K S Bingham*  
*21 Tern Gardens*  
*Plympton*  
*Plymouth*  
*PL7 2HZ*

**Cornwall Branch**

Robert Winter  
Studio Winter Ltd  
Guildhall  
Pike Street  
Liskeard  
Cornwall  
PL14 3JE

**Exeter Branch**

Brian Godfrey  
The Godfrey Partnership  
20 Fore Street  
Teignmouth  
Devon  
TQ14 8DU

**Northern Region**

*Regional Contact*  
*Geoffrey Purves*  
*Hawthorn House*  
*Kirkwhelpington*  
*Northumberland*  
*NE19 2RT*

**Cheshire Society of Architects**

Chris Goodall  
25 Hughes Lane  
Octon  
Merseyside  
CH43 5TU

**Liverpool Architectural Society**

M A Paddock  
Paddock Johnson Associates  
33 Boundary Road  
Port Sunlight  
Wirral  
CH62 5ER

**Wessex Region**

*Regional Contact*  
*Vacant*

**Wiltshire Branch**

Andrew Bumphrey  
2-3 Silverless Street  
Marlborough  
Wiltshire  
SN8 1JQ

**Somerset Branch**

Christopher Mitchell  
Mitchell Architects  
9 Fore Street  
Williton  
Taunton  
Somerset  
TA4 4PX

**North West Region**

*Regional Contact*  
*C M Morris JP*  
*8 Deanery Close*  
*Chester*  
*CH1 4AU*

**Berkshire Society of Architects**

Geoffrey Morgan  
Enborne House  
Enborne  
Newbury  
Berkshire  
RG20 0EU

**Buckinghamshire Society of Architects**

Anthony Eaves  
Misbourne  
Woodside Close  
Chalfont St Peter  
Buckinghamshire  
SL9 9PA

**West Midlands Region**

*Regional Contact*  
*Vacant*

**Worcester Society of Chartered Architects**

Anthony Clerici  
1 Townsend Street  
Worcester  
WR1 3JQ

**Southern Region**

*Regional Contact*  
*Andrew Plumridge*  
*Peter Scott and Partners*  
*7 Inch's Yard*  
*Market Street*  
*Newbury*  
*Berkshire*  
*RG14 5DP*

**Hampshire Branch**

Mark Penfold  
MacAllan Penfold  
18 Northfield Road  
Church Crookham  
Fleet, Hampshire  
GU13 0ED

**Isle of Wight Branch**

Norden Patton  
Arbutus Cottage  
Arreton, Newport  
Isle of Wight  
PO30 3AL

**Yorkshire Region**

*Regional Contact*  
*Vacant*

**Oxfordshire Society of Architects**

Michael Vaughton  
Michael Vaughton Associates  
Rectory Mews, Crown Road  
Wheatley, Oxfordshire  
OX33 1UL

**Northern Ireland**

*Regional Contact*  
*J R McDaniel*  
*45 Stormont Park*  
*Belfast*  
*BT4 3GW*

**Scotland**

Regional Contact  
J A Lane  
Planetree  
Planetree Park  
Gatehouse of Fleet  
Kirkcudbrightshire  
DG7 2EQ

**Aberdeen Society of Architects**

Sheila Riddell  
69 Devonshire Road  
Aberdeen  
AB10 6XP

**Edinburgh Architectural Association**

Thomas M Young  
1 Glencairn Crescent  
Edinburgh  
EH12 5BS

**Inverness Architectural Association**

Keith Edwards  
Cromal  
16 South Guidry Street  
Elgin  
IV30 1QN

**Dundee Institute of Architects**

Andrew Black  
Andrew Black Design  
36 Main Street  
Invergowrie  
Dundee  
DD2 5AA

**Glasgow Institute of Architects**

Angus Kerr  
Building Design Partnership  
15 Exchange Place  
Glasgow  
G1 3AN

**Stirling Society of Architects**

Morag Phillips  
AHA Architects  
15 Melville Terrace  
Stirling  
FK8 2NE

**Wales Region**

Regional Contact  
Stella Saunders  
Moseley House  
1 Heath Halt Road  
Heath  
Cardiff  
CF23 5QF

**North Wales Society of Architects**

B H Lingard  
Lingard Styles Landscape  
The Studio  
Farm Lodge  
Leighton  
Powys  
SY21 8HJ

**South Wales Branch**

Stella Saunders  
Moseley House  
1 Heath Halt Road  
Heath  
Cardiff  
CF23 5QF

**Report of the Members of Council  
for the year ended 30 September 2008**

## Report of the Members of Council

The members of the Council are pleased to submit their report and the financial statements of the Architects Benevolent Society for the year ended 30 September 2008.

### Structure, Governance and Management

#### Structure

The Society is a Registered Charity and a Company limited by guarantee governed by Articles and a Memorandum of Association. It is not liable for Corporation Tax on its charitable operations.

Membership of the Society is by invitation from Council and is drawn from those who have assisted in the charitable work or have expressed a willingness to do so. It is not restricted to membership of the architectural profession. All Members of the Society are entitled to attend, to speak and to vote at General Meetings.

#### Governance

The Council is composed of Members of the Society and is the governing body. Members of Council are the Trustees of the charity and the Directors of the Company for the purposes of company law. They are elected at the Annual General Meeting, normally held in June each year, and one third retire from office annually, but are eligible for re-election. The Society encourages the appointment of trustees from disciplines other than architecture where their expertise will be appropriate for furthering the charitable work. Prospective trustees are interviewed by a small panel of existing trustees prior to their appointment being recommended. A formal induction procedure is in place which includes training and familiarization for the first year of trusteeship. This procedure is regularly reviewed and it is the Council's intention to include measures for the ongoing training of all trustees in the future.

The composition of the Council for the year ended 30 September 2008 is set out on page 2. The Secretary of the Society is directly responsible to the Council in the execution of his duties.

#### Management

Most of the day to day work of the Society is carried out by formally appointed Committees which report directly and regularly to the full Council. At the heart of the Society is the Case Committee which advises Council on the whole of the Society's charitable work and considers on an individual and confidential basis what help should be given in each case. Two Welfare Officers, who are permanent members of the Society's staff, meet personally with all new applicants for assistance and make regular annual visits to all existing beneficiaries. They are able to make informed and appropriate recommendations for consideration by the Case Committee. Some cases may call for a gift to meet a special need; others may require regular financial help. Some may not need pecuniary help at all, just a friendly face and considered advice in moments of extreme crisis or perhaps during a period of long endured loneliness or painful illness.

The Society owns and administers sheltered accommodation in Chester and some beneficiaries are given financial assistance in nursing and

residential homes and sheltered housing in other parts of the country, but the majority of the Society's beneficiaries are supported and helped to continue living in their own homes.

The other main committee of Council is the Executive and Finance Committee which deals with financial and administrative matters. Income is generated from investments, from property and by fundraising which is undertaken both by volunteers and by the Society's own staff. The Articles of Association place no specific restriction on the powers of the Trustees generally with regard to investments held in the Long Term Funds, which represent the majority of the Society's investments and capital holdings. But the Society also operates the Sawyer Benevolent Fund the terms of which are more restrictive. The Sawyer Bequest was a legacy in 1930 in favour of twenty old retired architects in poor circumstances, and specified the type of investment that may be held. The Trustees are not authorised to reduce the capital value, only to utilise the income from the invested fund as set out in the bequest, and the fund has been invested in accordance with the Trustee Investment Act 1961.

#### Relationships

The Society's work is promoted and assisted by region and branch representatives throughout the country who give voluntarily of their time. Their work is important in helping to make local members of the profession aware of the help that the Society can offer.

The Society has informal but close links with the Royal Institute of British Architects, the Royal Incorporation of Architects in Scotland, the Royal Society of Ulster Architects, the Royal Society of Architects in Wales, the Architects Registration Board, the Worshipful Company of Chartered Architects, the Chartered Institute of Architectural Technologists, the Landscape Institute and others. It is also a subscribing member of Careways Trust, the Professional Classes Aid Council, the Charity Officers Association and the Occupational Benevolent Funds Alliance.

#### Major Risks

In 2002 the Council undertook an assessment of the major risks to which the charity is exposed and systems were established to monitor and mitigate those risks. This assessment is reviewed regularly.

### Objects and Activities

#### Objects

The main objects set out at the first meeting of the Society on 27 November 1850 remain the same today. In accordance with its Articles and Memorandum of Association the ABS continues to fulfil its role in providing relief to *'persons engaged or formerly engaged in the practice of architecture, and the wives, widows, children and other dependants of such persons being in necessitous circumstances'*.

Council includes in the definition of 'persons engaged .....in architecture' any person in the United Kingdom, the Channel Islands or the Isle of Man who works or has worked as an architect (including landscape architect but excluding naval architect) or in employment as an architectural technologist or assistant.

**Public Benefit**

The Architects Benevolent Society is a registered charity whose charitable purpose defined within the Charities Act 2006 is for the relief and prevention of poverty. The Society provides public benefit through financial help and other assistance to past and present members of the architectural profession and their dependants. This help is extended to all those who work or have worked in the design process within architecture in the United Kingdom, Channel Islands and the Isle of Man. It is not restricted to qualified architects or to members of any particular professional body.

**Aims**

The Society is the only occupational benevolent fund for the architectural profession in the UK and its aim is to offer real help wherever it can to those who are eligible and in need, to improve the quality of life to those who are experiencing difficulty through advanced age, infirmity, poverty or illness, to afford opportunities for a fresh start in life for those who have met with adversity and generally give comfort and hope to those who are in trouble of various kinds.

**Objectives for the year**

A major project during the year was the completion of the sale of the Society's sheltered accommodation at Frenchlands Hatch. This was well under way at the start of the year and most of the residents had been moved to their new homes. During the latter part of 2007 the last few were relocated and the property was offered on the open market with vacant possession. A sale was successfully concluded at the end of December and the proceeds used to pay off the Society's bank loan with the balance being invested.

A fundamental look at the Society's current and future activities and the supporting structure and governance had been started in the previous year and a report from the consultant was made to the Council in October.

Every trustee was then given the opportunity to make written comments on the recommendations in the report and these comments were collated and analysed by a group of trustees set up for this purpose. Towards the end of the year a report with the group's recommendations for action was made ready for the trustees with a view to approval and implementation during 2009.

A plan to make alterations and improvements to the head office premises progressed during the year with architects and other professional consultants being appointed. The intention was to expand and upgrade lettable space in order to maximise rental income from commercial tenants. In late summer, as the detailed costs became known and the economic situation in the country worsened, it became clear that the time was not right to embark on a major capital project and it was shelved for the time being.

An ongoing objective for the Society is to seek out those potential beneficiaries who may not currently be aware of the work of the ABS, especially those people such as widows of architects who may have lost touch with the profession but are nevertheless eligible for help. The number of individual cases in receipt of financial assistance rose slightly to 275 (272 in the previous year) and spending on the relief of poverty rose by just over 12%. Charitable expenditure overall increased by 2.5%, rather less being spent on the provision of sheltered housing following the sale of Frenchlands Hatch.

**Strategies**

As with many occupational benevolent funds the strategy for both income generation and for increasing the number of people helped, is centred on raising awareness of the charity so that the majority of people in the architectural profession know of the Society's existence. This is done through regular newsletters in both printed and electronic forms, by personal visits to firms of architects and to regional and branch meetings, by holding events, by promotion of the website and by involving well-known architects in our work. The Society also takes part in awareness initiatives run by umbrella organisations such as the Association of Charity Officers, the Occupational Benevolent Funds Alliance, Benevolence Today and Turn2us. A pilot scheme for direct contact with referring organisation such as the CAB was also started during the year.

**Voluntary Work**

All of the work carried out by the formal committees and working groups appointed by Council is done voluntarily. Many of the tasks, particularly publicity and event organisation, involve a great deal of work in addition to attending meetings. The Society is particularly grateful to those people who are not trustees but who give up their evenings and weekends to assist in this way. Efforts have been made to encourage younger members of the profession to become involved, either directly or by taking part in a sporting or other sponsored activity to raise money. Our volunteer representatives in the regions and branches all over the country continue to raise funds, often substantial sums, and to identify those people who might need the Society's help. A new scheme of voluntary help to beneficiaries was started during the year and is described in the Case Committee section below.

**Achievements and performance****The Case Committee and its work with beneficiaries**

The Case Committee, chaired by Ken Bingham, advises Council on the whole of the Society's charitable work for those in necessitous circumstances. The committee assesses the circumstances of each new applicant and reviews each case at least once every twelve months and more frequently when necessary. This year the Society awarded grants, gifts and loans of just over £494,000 from both restricted and unrestricted funds, slightly less than the £503,000 given during 2006-2007.

Grants are made to those who need help on a regular basis and gifts are provided for specific essential items that a person would otherwise be unable to afford. Interest free loans are sometimes made instead of gifts where a beneficiary may be able to repay the Society at some time in the future.

The committee works in close cooperation with the two full time Welfare Officers who visit all beneficiaries in person on a regular basis and thus have first hand knowledge of the circumstances of each case. Assessments and recommendations are prepared by the welfare team for consideration by the committee.

The Welfare Officers keep up to date with the latest information on state benefits and with the work of their colleagues in other professional benevolent funds. As well as CPD and training, they attend meetings of the Charity Officers Association and the Occupational Benevolent Fund Alliance and exchange information on changes in legislation, best

practice and skills development. They also sit on the Publicity Working Group which has a number of initiatives to promote the Society to potential beneficiaries as well as to those who may make a donation to the funds.

In assessing the financial need of beneficiaries, the Committee is provided with details of their monthly income and spending. All of these figures are provided by the applicant save for that spent on food and clothing. This latter element is based on an assessment made by the Society according to the number of persons in the household and this assessment is reviewed annually. As the year progressed it became clear on welfare visits that people were struggling with the rapid inflation in the price of food with staples like bread, eggs and milk rising by more than 10% over a short period. The Committee exceptionally made a six monthly re-assessment of the food and clothing element.

The year also saw the start of a scheme to provide voluntary assistance to beneficiaries. This initiative came from John Assael, a trustee of the Society, whose office staff have volunteered to help with decorating, gardening, taking people shopping or to the theatre and generally being a friendly link to the less fortunate members of the profession.

The Society is able to provide financial assistance very rapidly in cases of pressing need and can do so within 24 hours when necessary. In this regard the welfare team works closely with the Chairman of the Case Committee who is authorised to agree urgent applications for financial help between committee meetings.

Stella Saunders is one of the ABS trustees representing Wales. She writes "As a Regional Representative I take calls, letters or emails in confidence from potential beneficiaries or their concerned relatives and pass them on to our trained Welfare Officers for an immediate call and as early a visit as possible. I've lost count of the number of times that people in difficult circumstances have told me of their great relief when the astute and potent ABS walks through their door and shoulders the pain and worry of their situation. Suddenly they are not alone. They are under the wing of the heritage that is the ABS."

*"Suddenly they are not alone.  
They are under the wing of the  
heritage that is the ABS."*

Here are two examples of the sort of help which the Society is called upon to give and although every case is different these are typical of the range of problems which face distressed members of the profession today. The Society preserves the anonymity of all who receive help but in each of the following cases the beneficiaries have agreed to the publication of their stories.

"I have had help from the ABS for many years. Without their support my life would have been so much harder. My husband became ill with Parkinson's disease then he had several strokes which left him unable to walk. I live a mile from the shops in a small village and pushing

him up the hill became very difficult. The ABS helped me purchase a scooter for him. As you can imagine it changed both our lives. We had regular visits from both Welfare Officers who discovered that I also had a problem getting my husband in and out of the bath. Within a short time an electric bath seat arrived that lifted him in to and out of the bath. My husband died four years ago and now they visit me. It is a wonderful charity whose kindness I will always appreciate."

"It was my misfortune to develop Multiple Sclerosis in my early forties. Unable to walk and in a parlous financial state the ABS came to my assistance. Since then my MS has cycled between relapse and remission instead of regressing headlong into a spiral of disability. But it is progressively deteriorating, walking is now very difficult and lack of exercise exacerbates my condition. However, the ABS again came to my rescue by providing a movement therapy machine for neuromuscular illness that builds muscle strength and reduces reliance on a wheelchair. I am very vulnerable without my wife's help and when she became ill earlier this year the ABS immediately arranged convalescent care for us. She received appropriate nursing care and I my normal physiotherapy. With assistance from the ABS I am still working and look forward to the future."

*"With assistance from the ABS I  
am still working and look forward  
to the future."*

In all 429 separate cases were helped during 2007-2008. Of these 275 received financial assistance (272 in 2006-2007) and the remainder pastoral care and advice. New applications were received from 32 people and of these 26 were given financial help during the year. Taking into account children, spouses and other dependants of beneficiaries, the Society has helped 620 individuals this year, rather more than the previous year when 555 were helped.

Sadly 29 of our beneficiaries have died during the year but 14 others are no longer in need of assistance and are able to manage on their own. Even in some of these cases the Welfare Officers may keep in touch to ensure that all is well and that further care is forthcoming should the need arise.

Times today are very different from when the Society was founded in 1850 but despite the best advances in health provision and present day State benefits, cruel and unexpected setbacks can still spell disaster for the many vulnerable members of the architectural profession and distressing examples of personal misfortune continue to be brought to the attention of the Case Committee.

#### **Executive and Finance Committee**

The Executive and Finance Committee is responsible for advising Council on the whole range of the Society's activities and it has delegated power to act on behalf of Council at any time when that should be necessary, its decisions being submitted to the following Council meeting. About a third of all trustees are members of this committee which acts as a sounding board for all matters to be presented to the

trustees as a whole and receives reports and minutes from all other committees and working parties except for those of the Case Committee which are sent direct to Council. It does, however, receive financial summary information from the Case Committee.

The Committee controls and supervises all arrangements for the custody and best use of the Society's monies, investments, property and other assets and plans for both short and long term financial needs. At each meeting full portfolio reports are received from the Society's investment managers, and their representatives attend most meetings in person to advise the committee in detail and to review investment policy matters in line with the approved Investment Policy Statement. The Society's auditors attend the January meeting at which the Annual Report and Financial Statements are examined and approved for submission to Council. The Society's Reserves policy is also approved at this meeting. Budgets for the coming year are approved in September and Management Accounts are submitted to every meeting.

In the early part of the year arrangements were finalised for the sale of the sheltered housing complex at Frenchlands Hatch. A good price was achieved despite the approaching economic gloom. Part of the proceeds were used to pay off the loan of £3.5 millions on 43 Portland Place and the loan of £2 millions which had been used to buy properties to re-house the Frenchlands residents. The balance of approximately £3.6 millions was invested with C Hoare and Co, the trustees having made a decision to place the investment there rather than with Schroder and Co.

Some of the residents from Frenchlands Hatch moved into rented accommodation and some into flats purchased by the Society, the intention being that these properties would be held as investments and sold when the residents moved away or died. During the course of the year, three of the nine flats fell vacant and are proving difficult to either sell or let.

In May, the mews house in what was formerly the garden to the rear of the Society's headquarters building came onto the market. This was originally part of 43 Portland Place but was sold off in the 1950s. In addition to its long term potential as a large residential property in a prime part of London's West End, the Society's acquisition of 9 Weymouth Mews would also help solve a difficult means of escape problem from the rear of the main building. The purchase was successfully completed in July and modest refurbishment was started prior to letting.

Two other major items dealt with by the committee during the year were the proposed extension to the fourth floor at Portland Place and the ongoing review of the work of the Society. Both these matters are dealt with earlier in this report under Objectives.

The routine of general administration, management and staff matters continued throughout the year.

#### **External Affairs Committee**

This committee, chaired by Ronnie McDaniel, embraces all activities related to fundraising and public relations with the architectural professions which the ABS serves. It promotes understanding about the Society, advises on all matters of fundraising and publicity and coordinates events. Much of the detailed work involved is carried out by separate working

groups which meet as necessary to deal with specific aspects of this work.

#### **Fundraising**

The increased awareness of the Society within the professions in recent years is evident and this has helped with fundraising generally. The President's Appeal of 2004-2005 continued to bring in substantial standing order donations from practices. Overall donation income was £203,000 compared with £214,000 in the previous year. The drop reflecting the difficult economic conditions within the architectural profession.

#### **Publicity**

Under the chairmanship of Russ Randall, the Publicity Working Group dealt with all matters relating to the promotion of the Society and its activities. After careful scrutiny of the design, content and effectiveness of the quarterly newsletter it was decided to publish the ABS News bi-annually and to supplement this with more precisely targeted letters and emails.

The Society is grateful for the support of the Chartered Institute of Architectural Technologists, the Landscape Institute and Building Design in the distribution of 42,000 printed copies of each edition. The newsletter is also available by email and on the Society's website.

Publicity material continued to concentrate on the people we help and the sort of assistance we give. Although all beneficiaries' details are treated confidentially a number gave their consent to having their stories told, either under their own names or anonymously. The ABS DVD *Changing Lives* was shown on a number of occasions during the year. Four of the people we help appeared on screen talking about how the Society had helped them and the film was narrated by the ABS President, Ken Shuttleworth.

The RIBA informs relatives of deceased members about the work of the Society and how to make contact in times of need. The Society is grateful to the RIBA for support in publicising their work in a number of ways through the year. The Chartered Institute of Architectural Technologists continued to give their support by publishing both advertisements and editorial matter about the work of the Society. Relations with the Landscape Institute continue to strengthen.

#### **Events**

Under the chairmanship of Stephen Arthurell, the Events Working Group continued its programme of regular activity including the Fun Run which, thanks to sponsorship from HOK Sport, was re-named the ABS HOK Sport Fun Run. Louis Hellman drew a series of cartoons to publicise the event and £7,921 was raised, a considerably larger sum than in previous years. A number of other sporting events which encouraged younger architects to become involved with the Society were arranged.

A team of people from Make Architects and their construction industry partners travelled to India with the aim of assisting local families and also generating significant funds and publicity for the Society in the UK. Participants raised sponsorship money which was split between the ABS and Habitat for Humanity.



The RIBA North West continued their support of the Society by donating the proceeds of their Spring Ball. A raffle was held at the Architect of the Year Award and a number of other events were held in support of the ABS. The Society is grateful to all those individuals and organisations who worked hard to arrange events which publicised its work and raised valuable funds.

#### **Frenchlands Hatch Management Committee**

This committee, under the chairmanship of Malcolm Sinclair, continued to meet regularly until the property was sold at the end of December 2007. The task of clearing and disposing of almost fifty year's worth of accumulated goods and chattels, relating not only to the sheltered bungalows and flats but also to the former residential care home was a tremendous one. The Society is very grateful to Malcolm Sinclair, Penelope McClelland, Malcolm Stuart and David Ramsay for dealing with this final clearance problem but more particularly for the time and effort which they, and former committee member Sylvia McKinley, devoted to Frenchlands Hatch over many years of the regular, often monthly meetings, necessary to keep the buildings, the staff and the residents in good order.

When Frenchlands Hatch was opened in 1958 it was an exemplar of sheltered care for older people. The subject of an architectural competition in 1956, the winning design by Clifford Culpin and Partners won a Civic Trust Commendation. For half a century architects and their widows lived out their retirement in this beautiful wooded low density grouping of bungalows and flats around a landscaped green.

But in recent years with the property ageing, the estate consumed a progressively increasing amount of annual expenditure and a large proportion of the Society's assets were tied up in caring for a relatively small number of beneficiaries. ABS Council took the hard decision to dispose of the property and the proceeds will help to fund the work of the Society for many years to come.

#### **Claverton Court Management Committee**

Claverton Court is a modern block of sheltered flats in the City of Chester which is owned and operated by the Society. The Management Committee, chaired by Lelia Dunlea-Jones, works closely with the Manager, Christine Phillips, and meets quarterly to look after the fabric of the building and ensure the well-being of the residents.



The task of maintaining a bank of competent staff to stand in for the manager when she is ill or on holiday has continued to be a problem during the year. The work is intermittent and people are hard to find. Another perennial difficulty is the number of trees on the site which are protected. They grow rapidly, blocking the light from some of the flats, but cannot be cut back without specific permission from the City Council.

But amongst these and other problems the committee has also had the pleasant task of organising two very successful and enjoyable social occasions. The first took place in March when the Lord Mayor of Chester paid a visit and had lunch with the residents. Chester has had a mayor since 1229 and this particular one, James Latham, was especially welcome at Claverton Court being both an architect and a former member of the management committee. The second event took place on a warm summer evening in July when the grounds echoed to the sound of jazz, one of the members of the band being a Claverton Court resident.

At the final meeting of the year three very long standing members of the committee indicated their wish to resign. Ian Sanders had been involved with the "Chester Project" since 1980 serving on the Building Committee until 1984 when the construction took place. He joined the Management Committee in 1996 and had served on it since then. Chris Cowen was also on the Building Committee from 1982 switching seamlessly to the Management Committee in 1984, serving as Chairman of it for the next two years and as a member ever since. Comparative newcomer Cyril Morris, former City Architect of Chester, did not join until 1989 but had a long stint as Chairman between 1993 and 2002. Between them, these three have given 61 years of service to the ABS at Claverton Court. The Society is extremely grateful and we are pleased that all three are to remain as members of the Council.

## Appointments and retirements

Two members of the Council, Eleanor Crowe and John MacDonald retired during the year. We thank them for the contribution which they made to the smooth running of the Society and wish them well in the future.

A warm welcome is extended to Roger Latham and Chris Warburton, both current members of the Claverton Court Management Committee, who were appointed trustees in February and joined the Council at the June meeting.

## Financial Review

### Incoming resources

Money from donations, gifts and from fundraising events during the year totalled £203,423 compared with £272,708 for 2006-2007. The apparent reduction in income from this source is because the highly successful Royal Academy auction in 2006-7 boosted the figures for that year well beyond the norm.

Legacies have decreased, being £57,450 in the current year compared with £98,049 in 2006-7. This form of income is, of course, difficult to predict or rely on and the Society takes a cautious approach in budgeting for legacy income.

Income from both sheltered housing and commercial property totalled £467,035, a significant drop on the figure of £536,533 in the previous year. Commercial rents did, in fact, show a modest increase but with the sale of Frenchlands Hatch in December and most of the sheltered tenants having moved out months before, income from this source decreased by just over £71,000.

However, the profit on the sale of Frenchlands Hatch and the two adjoining properties of Frenchlands House and Woodlands Cottage, was some £6,233,009.

### Resources Expended

Costs of generating funds Fund-raising, events and merchandising costs this year total £201,038 compared with £206,037 in 2006-2007 the slight drop being attributable to the fact that fewer fundraising events were held. The Trustees are aware that this figure is close to the total income of £203,423 for this activity.

The cost of running the commercial properties rose by just over £8,000 from £160,700 in 2006-2007 to £168,719 in the current year.

Interest on borrowings dropped significantly from £276,378 in 2006-2007 to £120,794 in the current year. This was because the Society was able to repay the whole of the £5.5 millions borrowed to fund the purchase of 43 Portland Place and the flats to re-house Frenchlands residents when the sale proceeds from Frenchlands were received at the end of December 2007. A further loan of £2.5 millions was taken out in July in order to purchase 9 Weymouth Mews and a small element of the bank interest in 2007-8 will relate to this new loan.

### Charitable Expenditure

The Society's overall charitable expenditure in 2007-2008 totalled £1,242,878 up by £64,333 on the £1,178,545 expended last year. Of this, the increase in poverty relief was £84,533, the amount spent on provision of accommodation having fallen by £55,200 following the sale of Frenchlands Hatch.

### Designated fund

On the recommendation of its professional advisers, the Society designates from its unrestricted fund all funds that are held in assets of a permanent nature, either tangible assets or investments, to create the Long Term Fund. This is because these assets are required to produce the income the Society needs in order to continue with its work. In June 2007, the Trustees established a designated fund within the Long Term Fund for the construction of the fourth floor extension at 43 Portland Place. The initial value of this designated fund was agreed at £500,000.

### Surplus

The Society had a net income for the year of £5,489,673 a figure completely distorted by the profit on the sale of Frenchlands Hatch. It compares with a deficit of £721,051 in the previous year. If the profit on the sale is taken out then the net deficit would be £743,336. The surplus from the sale proceeds after repayment of debts also had a marked effect on the total value of the unrestricted funds which at 30 September 2008 amounted to £18,822,145 compared with £15,521,073 in the previous year.

### Investments

The level of the main (unrestricted) investment portfolio at 1 October 2007 was £10,931,978 and at 30 September 2008 stood at £11,631,836. This apparent increase is due to the fact that in December 2007 some £3.6 millions was added to the investments combined with the net unrealised losses on investments of £2,351,735 for the year reflecting the very severe downturn in markets and in the world economy generally. The level of the Sawyer Bequest (restricted) endowment fund investments at 1 October 2007 was £483,431 and at 30 September 2008 stood at £479,641.

### Market Value of Land and Buildings

The Society's original freehold properties were revalued in 1986 and the revaluations were incorporated into the accounts. The property known as Frenchlands House was acquired in May 1999 and that known as Woodlands Cottage in March 2001. The long lease on 43 Portland Place was purchased in July 2003. Further residential properties in Guildford, East Horsley, Cobham, Tenby and Acle, Norfolk were acquired during 2007-8 and all are shown in the accounts at cost with depreciation as necessary.

In the opinion of the members of Council, the total market value of the properties at 30 September 2008 was in excess of the total book value of the properties shown in the accounts. Notwithstanding that the value of recently acquired flats was now less than their book value, the more substantial properties at Claverton Court and 43 Portland Place remained in excess of their book value.

## Legacies

In the past legacies have often provided a considerable contribution to the income of the Society and frequently exceeded the total amount received from all individual and practice donations. This year legacy income has been below average but the Society is nonetheless most grateful to those who are generous in helping to finance its charitable

work in this way and commends the charity as a worthy recipient to those who are contemplating bequests when drawing up their wills. Legacies received during 2007-2008 are :

Miss Bertha Maud Beatty	£500
Mr K W Farms	£5,162
Miss Anne Kathleen Field	£20,008
Mr G Jameson	£22
Mr W B W Pite	£2,000
Mr William T C Walker	£12,695
Mrs H J R Walker	£17,580
Mrs B J Wise	£2,500

## Reserves Policy

It is the view of Council that the calls on the Society's funds will continue to increase over the years ahead, and particularly so with an ageing population and the current severe downturn in the world economic situation. The new Reserves Policy adopted on 13 February 2008 therefore includes a commitment to increase the level of investment capital in the medium and long term to ensure that the Society will be in a position to continue its important work in the future.

### Reasons for reserves

The Society supports approximately 620 needy people each year. The annual expenditure at present stands at £1.7 million per annum, excluding irregular major capital works.

This expenditure is met from four main sources:  
 Donations and legacies. These vary but not more than £250,000 per annum can be counted on with certainty.  
 Income from investments. This also varies but is unlikely to exceed £300,000 at present.  
 Income from commercial property. Approximately £350,000 pa.  
 Sales of investments. Necessary to make up the shortfall to meet annual expenditure and inadvisable when the capital value of investments is falling rather than increasing.

Without a significant capital reserve in investments the Society would lose a major source of its annual income and be at risk of failing to fulfill its duty to support the Society's beneficiaries as set out in the Memorandum and Articles of Association.

### Performance against policy

The Society wishes to maintain a balance of free reserves in the Current Fund at £425,000 a level sufficient for the Society to continue to operate and fulfill its obligations for a period of three months. At 30 September 2008 the balance was £795,000 a figure which the Trustees believe to be higher than is necessary.

### Range of reserves required

Up to 1997 the annual increase in market value of the Society's investments more than compensated for the sales of investments and the reserve therefore gradually increased. Due to the adverse market conditions from 1998 however this did not occur and the reserves were significantly depleted. Another period of economic difficulty has now begun and the reserves have again fallen with further reduction in prospect.

Although there had been a diminution in direct financial help given to beneficiaries in recent years, this trend was reversed in 2005 and spending has continued to increase since then. It is anticipated that calls on the Society will be greater in the medium to long term particularly with the current recession and lack of work within the architectural profession and the demographic changes which mean that a significantly greater proportion of the population will be of retirement age. The Trustees are of the opinion that the Society's outgoings will continue to rise at a significant rate for the foreseeable future.

In order to meet the above requirements the Society believes that reserves, currently at just over £19 millions, should rise to between £25 millions and £30 millions by 2012.

### Proposed action to achieve target reserves

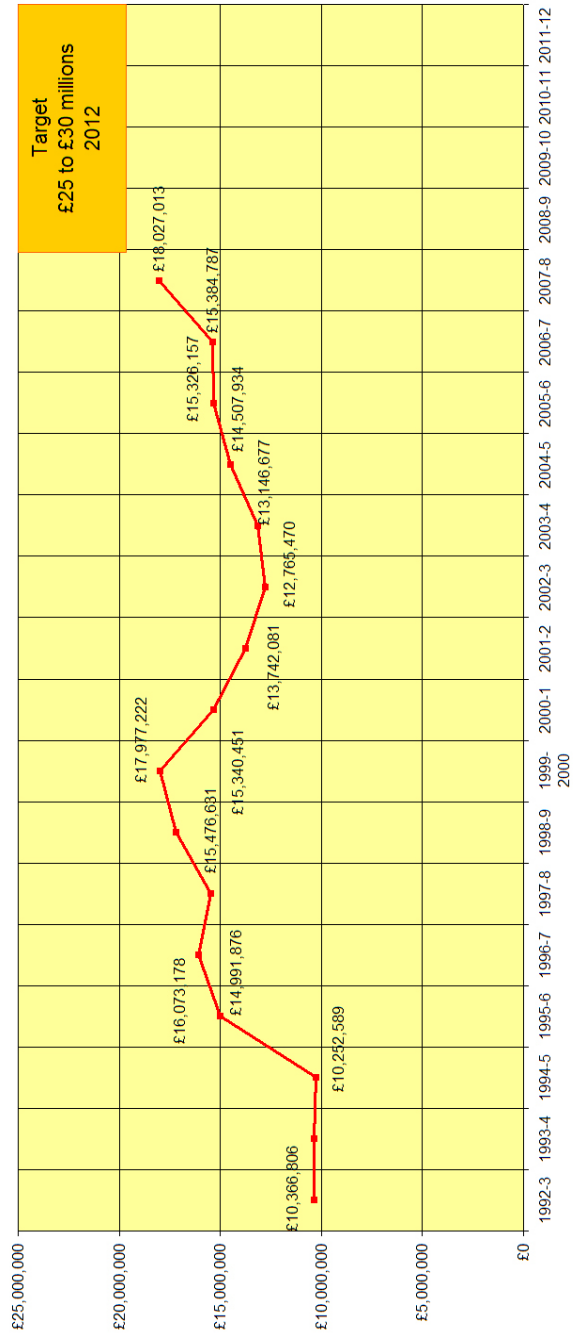
Council continues to support an active fundraising programme with the specific object of increasing the level of ordinary annual donations to reduce the shortfall against annual expenditure. However, given that almost the whole of the voluntary income is derived from the architectural profession and architects are suffering very badly from the current recession, the likelihood is that income from fundraising will diminish rather than increase. The Trustees therefore believe that very little headway will be made during 2009 towards achieving the reserves target but hope to see growth in all income streams from 2010-11 onwards.

### Monitoring and review procedures

Monitoring of the financial performance of the investments is carried out by the Executive and Finance Committee each time it meets. Formal reports are submitted by the investment managers every three months and their representatives attend in person a minimum of twice per annum to expand on these written reports. The committee minutes and recommendations are put forward for approval and ratification at the following meeting of the Society's Council.

A review of forward financial planning is carried out annually by the Executive and Finance Committee at its January meeting when the preliminary accounts for the previous year are available for examination, and at the May meeting when the accounts have been approved. Any changes recommended are minuted and submitted to the following meetings of Council for formal approval of the Trustees.

# Long Term Fund



## Annual General Meeting

Twenty eight members of the Society and members of Council attended the 35th Annual General Meeting of the Society at the Millennium Centre, Cardiff on Wednesday 11 June 2008

For the first time as Chairman of the Society, Ken Bingham reported on the work of the ABS in the year to 30 September 2007, the 157th since its foundation in November 1850, and outlined plans for the year to come. The meeting adopted the Annual Report and Accounts for 2006-2007 and after the election of the Members of Council for the coming year confirmed the appointment of Messrs Saffery Champness as Auditors for the Society and authorised Council to agree their remuneration. The AGM was also the opportunity for the trustees to make a presentation to Elisabeth Marples who retired in June having been a member of ABS staff for almost 27 years.

## Responsibilities of Members of Council

Company law requires the members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the surplus or deficit of the Society for that period. In preparing those financial statements the members are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in operation.

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

So far as each of the Members of Council are aware, there is no relevant information that has not been disclosed to the company's auditors and each of the Members of Council believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the company's auditors have been made aware of that information.

## Activities in the Regions and Branches

The Society is most grateful to all those who work in raising awareness and in fundraising activities and sponsorship in the Regions and Branches and in the architectural institutions throughout the UK. The ABS receives a significant income from a variety of sources such as raffles, dinners, collections or carol concerts, organised either by groups or individuals and the number of such events has continued to increase. The Society is very grateful for the contribution this makes to the funds and to improving awareness of the ABS and its work.

Particular thanks are due to the following for their help over the last year

Aberdeen Society of Architects  
Bradshaw Gass Trust  
Broad Oak Trust  
C Hoare & Co  
Chartered Institute of Architectural Technologists  
Edinburgh Architectural Association  
HOK Sport  
ML5G Productions Ltd  
North Wales Society of Architects  
North West London Society of Architects  
Nottingham & Derby Society of Architects  
Plymouth Architectural Trust  
RIBA Colchester Branch  
RIBA Council Dinner Club  
RIBA Dorset Branch  
RIBA East Midlands  
RIBA Leicestershire & Rutland Society of Architects  
RIBA London  
RIBA North West Region  
RIBA Northamptonshire Society of Architects  
RIBA Richmond, Kingston & Merton Branch  
RIBA South  
RIBA South Essex Chapter  
RIBA West Kent Branch  
RIBA West Midlands  
Royal Incorporation of Architects in Scotland  
Royal Institute of British Architects  
Twigg Trust  
Worshipful Company of Chartered Architects

## Future plans

The Society, in common with many other occupational benevolent funds, faces a year of increased calls on its services at a time when income from all sources is diminishing. Projects for increasing commercially lettable space in the headquarters building have been put on hold as the demand for office space is decreasing and the capital available to fund the work must, for the moment, be conserved.

The review of the Society's current work and activities will be concluded during the year and in different economic circumstances from when it was initiated two years ago. The size and shape of governance and staffing will be reviewed in the light of the findings and the decisions made by the trustees.

## Acknowledgements

The Society wishes to express its appreciation and gratitude to the following: The RIBA and in particular the staff at Portland Place and in the regions, the RIAS, the RSAW, the RSUA, the Architects Registration Board, CIAT, the Landscape Institute and other Regional and Branch Councils and many other architectural organisations throughout the UK for help in various ways.

Our professional advisers for their continuing guidance and support throughout 2007-2008.

The Secretary of the Society, Keith Robinson, the Welfare Officers and the staff at 43 Portland Place and the Society's homes in East Horsley and Chester, who have looked after the day to day business of the Society as well as the administration of the individual care which the Society gives to its beneficiaries. All those members of the profession and others who continue to do so much in support of the charity, both financially and by giving generously of their time.

By order of the Board

Keith Robinson  
Secretary  
11 February 2009

## Independent Auditors' Report to the Members

We have audited the financial statements on pages 27 to 39. These financial statements have been prepared in accordance with the accounting policies set out therein.

### Respective responsibilities of trustees and auditors

The Trustees' (who are also the directors of Architects Benevolent Society for the purposes of company law) responsibilities 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) are set out in the Statement of Trustees' Responsibilities.

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

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.

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 and whether, in our opinion, the information given in the Trustees' report is consistent with the financial statements. We also report to you if the charity 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 Trustees' remuneration and transactions with the charity is not disclosed.

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

### Basis of audit 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 judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 as to whether 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

- the financial statements give a true and fair view of the charity's state of affairs as at 30 September 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' report is consistent with the financial statements.

*Saffery Champness, Chartered Accountants, Registered Auditors, Lion House, Red Lion Street, London WC1R 4GB.*

**Financial Statements  
for the year ended 30 September 2008**

## Statement of Financial Activities for the year ended 30 September 2008

	Notes	Unrestricted Funds		Endowment Fund £	Restricted Fund £	Total 2008 £	Total 2007 £
		Current Fund £	Long Term Fund £				
<b>INCOME AND EXPENDITURE</b>							
<b>Incoming resources from generated funds</b>							
<i>Voluntary income</i>	1						
Donations and gifts		203,423	-	-	-	203,423	214,013
Legacies		57,450	-	-	-	57,450	98,049
<i>Activities for generating funds</i>							
Fundraising income		-	-	-	-	-	58,695
Commercial rent receivable		319,357	-	-	-	319,357	317,436
<i>Investment income</i>	3	338,509	-	-	20,521	359,030	269,964
<b>Incoming resources from charitable activities</b>							
Income from residents of sheltered housing		147,678	-	-	-	147,678	219,097
<b>Profit on sale of investment property</b>		-	6,233,009	-	-	6,233,009	-
<b>Total incoming resources</b>		<u>1,066,417</u>	<u>6,233,009</u>	<u>-</u>	<u>20,521</u>	<u>7,319,947</u>	<u>1,177,254</u>
<b>Resources expended</b>							
<b>Cost of generating funds:</b>							
Cost of generating voluntary income		199,841	-	-	-	199,841	183,425
Cost of events and merchandise		1,197	-	-	-	1,197	22,612
Investment management fee		57,437	-	1,639	-	59,076	45,202
Costs of running commercial properties		89,757	78,962	-	-	168,719	160,700
Interest on borrowings		120,794	-	-	-	120,794	276,378
		<u>504,026</u>	<u>78,962</u>	<u>1,639</u>	<u>-</u>	<u>549,627</u>	<u>688,317</u>
<b>Charitable activities:</b>							
Relief of poverty	4	749,678	-	-	20,521	770,199	685,666
Provision of accommodation		401,230	71,449	-	-	472,679	492,879
<b>Governance</b>	5	<u>37,769</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,769</u>	<u>31,443</u>
<b>Total resources expended</b>	7	<u>1,657,703</u>	<u>150,411</u>	<u>1,639</u>	<u>20,521</u>	<u>1,830,274</u>	<u>1,898,305</u>
Net (outgoing)/incoming resources before Transfer		(591,286)	6,082,598	(1,639)	-	5,489,673	(721,051)
Transfer between funds		1,250,132	(1,250,132)	-	-	-	-
Net incoming/(outgoing) resources before revaluation and investment							
asset disposal		658,846	4,832,466	(1,639)	-	5,489,673	(721,051)
Gain/(loss) on sale of investments		-	98,878	-	-	98,878	(21,614)
(Loss)/gain on revaluation of Investments		-	(2,289,118)	(2,151)	-	(2,291,269)	681,193
Net movements in funds		<u>658,846</u>	<u>2,642,226</u>	<u>(3,790)</u>	<u>-</u>	<u>3,297,282</u>	<u>(61,472)</u>
Fund balances brought forward at 1 October 2007		136,286	15,384,787	483,431	-	16,004,504	16,065,976
<b>Fund balances carried forward at 30 September 2008</b>	15	<u>795,132</u>	<u>18,027,013</u>	<u>479,641</u>	<u>-</u>	<u>19,301,786</u>	<u>16,004,504</u>

All results during the year related to continuing operations.

The above statement of financial activities includes the Society's statement of total recognised gains and losses, a separate income and expenditure account is presented on page 31.

The notes on pages 33 to 42 form part of these financial statements.

## Summary Income and Expenditure Account for the year ended 30 September 2008

	2008 £	2007 £
Gross income	1,086,938	1,177,254
Net gain from disposals of fixed assets	<u>6,233,009</u>	<u>-</u>
<b>Total income</b>	<u>7,319,947</u>	<u>1,177,254</u>
Total expenditure	<u>1,927,513</u>	<u>1,918,060</u>
<b>Net (expenditure)</b>	<u><u>5,392,434</u></u>	<u><u>(740,806)</u></u>

Total income comprises £7,299,426 for unrestricted funds and £20,521 restricted funds. A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities.

Expenditure before asset disposals comprises £1,774,753 for unrestricted funds and £20,521 for restricted funds.

This income and expenditure account excludes all movement on the Charity's permanent endowment fund so as to comply with the requirements of Companies Act 1985.

The summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 30 which together with the notes to the financial statements on pages 33 to 42 provide full information on the movements during the year on all the funds of the Society.

The notes on pages 33 to 42 form part of these financial statements.

## Balance Sheet as at 30 September 2008

	Notes	2008		2007	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	9	8,930,954		10,127,843	
Investments	10	12,050,865		11,333,734	
Programme related investments	11	57,477		62,887	
		<u>21,039,296</u>		<u>21,524,464</u>	
<b>Current assets</b>					
Investment property held for sale		699,950		-	
Debtors	12	109,985		84,908	
Cash at bank and in hand		197,841		156,270	
		<u>1,007,776</u>		<u>241,178</u>	
<b>Creditors: Amounts falling due within one year</b>	13	<u>(2,745,286)</u>		<u>(5,761,138)</u>	
<b>Net current (liabilities)</b>		<u>(1,737,510)</u>		<u>(5,519,960)</u>	
<b>Net assets</b>		<u>19,301,786</u>		<u>16,004,504</u>	
<b>Funds</b>					
Permanent Endowment Fund	14	479,641		483,431	
Unrestricted Funds:					
Current Fund	15	795,132		136,286	
Long Term Fund					
- Investment and Property Fund	15	17,621,370		14,884,787	
- Designated Fund	15	405,643		500,000	
		<u>19,301,786</u>		<u>16,004,504</u>	

The notes on pages 33 to 42 form part of these financial statements.

Approved by the Council on 11 February 2009  
and signed on its behalf by

Member of the Council  
Geoffrey Purves

## Notes to the Financial Statements for the year ended 30 September 2008

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention with the exception of investments and land and buildings, which have been included at revalued amounts. They are prepared in accordance with the Companies Act 1985 and with the "Statement of Recommended Practice – Accounting and Reporting by Charities" issued in March 2005.

#### 1.2 Incoming resources

Incoming resources are recognised on a receivable basis subject to the following specific points:-  
– Legacies are regarded as receivable once their income is reasonably certain and measurable.  
– Gifts other than cash are recognised at market value on the date that they are received.  
– Income on the endowment fund is regarded as restricted income due to the original terms of the fund.

All the incoming resources are included in the financial statements gross i.e. before taking account of any associated expenditure.

#### 1.3 Allocation of costs

Premises costs relating to the running of head office are allocated between the various expenditure headings on the SOFA on the basis of space occupied by staff at head office. Other costs are allocated on the basis of staff time spent on various activities.

#### 1.4 Costs of generating funds

Expenses are included as costs of generating funds if they can be directly related to a source of the Society's income or are for publicity intended to raise the profile of the charity.

#### 1.5 Grants payable

Grants payable include single amounts given to needy members of the profession for specific reasons and to improve their quality of life. They also include regular grants given to beneficiaries to help them cope with day to day living expenses. All cases are regularly examined by the Case Committee both to ensure that the beneficiary is still eligible for any awards and to ensure that any new awards fall within the charity's objectives.

#### 1.6 Charitable activities

The Society has identified two charitable activities through which it achieves its charitable objectives.

##### 1.6.1 Relief of poverty

The Society relieves poverty through the making of grants, gifts and interest free loans to those the trustees judge to be in need. The assessment of individuals is carried out by the welfare officers whose costs are included as a direct charitable expense.

##### 1.6.2 Provision of accommodation

The Society runs two sheltered housing units and all direct costs of running the unit plus the welfare officers' time in supporting the units are included as a direct charitable expense.

#### 1.7 Governance costs

Governance costs include all costs of maintaining the charity as a legal entity including audit fees, costs of trustees meetings and costs of complying with statutory requirements.

### 1.8 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Freehold and long leasehold buildings are written off in accordance with their useful lives. No depreciation is charged on land

Frenchlands Hatch (Freehold)	- over 60 years
Claverton Court, Chester (Freehold)	- over 60 years
Frenchlands House (Freehold)	- over 60 years
Woodlands Cottage, East Horsley (Freehold)	- over 60 years
Echohurst (Freehold)	- over 60 years
43 Portland Place, London (Long Leasehold)	- over 60 years
Bluhm Bungalow, Ainsdale (Long Leasehold)	- over 30 years
Linden Place (Long Leasehold)	- over 60 years
Cobham Grange (Long Leasehold)	- over 60 years
8 Serpentine Gardens (Long Leasehold)	- over 60 years
Flat 18 The Limes (Long Leasehold)	- over 60 years
9 Weymouth Mews (Long Leasehold)	- over 60 years
Motor vehicles	- 25% per annum straight line
Fixtures, fittings and equipment	- 5% - 25% per annum straight line

Items purchased are capitalised where their cost is above £500 and they are expected to have an ongoing use in the charity's operations. Purchases costing less than this are shown as part of expenditure in the Statement of the Financial Activities in the year of purchase.

### 1.9 Investments

Fixed asset investments are valued at the current market value at the balance sheet date. Any unrealised gains or losses are credited/charged to the Statement of Financial Activities. Realised gains or losses on disposal of investments are included in the Statement of Financial Activities as they arise.

#### 1.10 Programme related investments

The Society makes loans to its beneficiaries that are interest free. These loans can be secured or unsecured.

To reflect the Society's expectation of receiving the money to redistribute in a reasonable timeframe 75% of any new loan will be provided against.

#### 1.11 Investment property held for sale

Property held with the intention of sale is included in the accounts at the lower of cost and net realisable value.

#### 1.12 Pension costs

The Charity operates a defined contribution scheme, which is a Group Personal Plan. Contributions to the Scheme are charged to the SOFA in the financial year in which they become payable.

#### 1.13 Restricted funds

Restricted funds are those received which are earmarked for a specific purpose by the donors. Expenditure which meets the criteria specified is allocated directly to the fund.

#### 1.14 Unrestricted funds

Funds received or generated for the objects of the Charity without a further specified purpose are treated as unrestricted funds. Some of these resources are designated by the Members of the Council for particular purposes as they deem appropriate.

The Society's unrestricted funds comprise a Current Fund, and a Long Term Fund. The Long Term Fund, which represents the long-term operational requirements of the Society, currently consists of the investment and property fund together with the Designated Fund which represents funds designated for the works to be carried out on the property owned by the Society, 43 Portland Place.

## 2 Company status

The Architects Benevolent Society is a company limited by guarantee.

The liability of each member is restricted to a maximum of £1 in the event of a winding up.

## 3 Investment income

	2008 £	2007 £
Fixed asset investments	324,059	244,950
Gross interest receivable	34,971	25,014
	<u>359,030</u>	<u>269,964</u>

## 4 Relief of poverty

	2008 £	2006 £
Grants	385,865	379,740
Gifts	22,046	20,432
Change in interest free loans	64,658	38,418
Other direct costs including welfare officers	164,123	147,153
Indirect costs	133,507	99,923
	<u>770,199</u>	<u>685,666</u>

The Society made grants and gifts in the year to 275 (2007: 272) individual cases. All of these were made for the welfare of those who have worked in the profession of architecture and their families who were in need.

3 (2007: 3) grants are classified as institutional grants and details are given below:

	2008 £	2006 £
RAF association	1,400	250
Leonard Cheshire	116	-
	522	-
Soldiers, Sailors, Airmen and Families Association	-	250
Royal British Legion	-	2,000
	<u>2,068</u>	<u>2,500</u>

## 5 Governance costs

	2008 £	2006 £
Trustees' indemnity insurance	4,073	3,996
Trustees and committee meetings	17,048	13,157
Audit fee	8,000	8,000
Other costs	8,648	6,290

## 6 Analysis of total resources expended

	Staff costs £	Depreciation and disposals £	Grants and gifts £	Other £	Total direct costs £	Head office cost staff £	Head office cost other £	Head office depreciation £	Total costs £
Costs of generating voluntary income	73,055	-	-	27,666	100,721	33,349	64,145	1,626	199,841
Costs of events and merchandise	-	-	-	1,197	1,197	-	-	-	1,197
Investment management fees	-	-	-	59,076	59,076	-	-	-	59,076
Cost of running commercial properties	-	79,044	-	51,831	130,875	14,478	22,660	706	168,719
Interest on borrowings	-	-	-	120,794	120,794	-	-	-	120,794
Relief of need	131,437	7,997	407,911	88,347	636,692	44,248	87,102	2,157	770,199
Provision of accommodation	76,688	113,136	-	105,957	295,781	67,673	105,926	3,299	472,679
Governance	-	-	-	29,193	29,193	2,928	5,505	143	37,769
	281,180	200,177	407,911	485,061	1,374,329	162,676	285,339	7,931	1,830,274

## 7 Net incoming/(outgoing) resources for the year

The net incoming/(outgoing) resources for the year are stated after charging:

Depreciation and amounts written off tangible fixed assets	171,846	172,487
(Profit)/Loss on disposal of fixed assets	(6,233,009)	2,969
Loss on reallocation of investment property from tangible fixed assets to current assets	67,550	-
Amounts paid to auditors - audit	8,000	8,000
- other services	9,226	9,635
Hire of equipment	3,071	3,128

## 8 Staff costs

The average monthly number of persons employed by the Society during the year was:

	2008 £	2007 £
	<b>Number</b>	<b>Number</b>
Office management and welfare	11	12
Staff costs (for the above persons)		
Wages and salaries		
- own employees	326,648	356,171
- temporary staff	31,083	38,743
	357,731	394,914
Social security costs	39,406	39,023
Other pension costs	28,550	32,557
	67,956	71,580
Health and other staff benefits	18,170	21,246
	443,857	487,758

No employee was paid over £60,000 in the year (2007: None).

9 Tangible Fixed Assets

	Land and buildings Freehold £	Land and buildings Leasehold £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 October 2007	5,823,528	5,449,367	373,994	33,255	11,680,144
Additions	-	2,720,781	4,861	-	2,725,642
Reallocated to current assets	-	(783,861)	-	-	(783,861)
Disposal	(3,534,233)	-	(168,930)	-	(3,703,163)
At 30 September 2008	2,289,295	7,386,287	209,925	33,255	9,918,762
<b>Depreciation</b>					
At 1 October 2007	1,020,965	286,725	233,377	11,234	1,552,301
Charge for year	47,139	103,272	13,121	8,314	171,846
Reallocated to current assets	-	(16,362)	-	-	(16,362)
Disposal	(625,856)	-	(94,121)	-	(719,977)
At 30 September 2008	442,248	373,635	152,377	19,548	987,808
<b>NBV at 30 September 2008</b>	<b>1,847,047</b>	<b>7,012,652</b>	<b>57,548</b>	<b>13,707</b>	<b>8,930,954</b>
<b>NBV at 30 September 2007</b>	<b>4,802,563</b>	<b>5,162,642</b>	<b>140,617</b>	<b>22,021</b>	<b>10,127,843</b>
The net book value at 30 September 2008 represents fixed assets used for:					
Generating funds	-	5,904,274	17,649	-	5,921,923
Charitable activities	1,847,047	1,108,378	38,764	13,707	3,007,896
Governance	-	-	1,135	-	1,135
	<b>1,847,047</b>	<b>7,012,652</b>	<b>57,548</b>	<b>13,707</b>	<b>8,930,954</b>

Upon adoption of Financial Reporting Standard 15, the company has taken advantage of the transitional arrangements with regard to freehold and long leasehold property previously revalued.

Property acquired prior to 30 September 1986 was revalued at that date as £2,020,000 in respect of freehold property and £60,000 in respect of long leasehold property. These revaluations have not subsequently been updated. Later property additions have been included at cost.

10 Fixed asset investments

	Quoted investment equities and unit trusts £	Cash £	Total £
<b>Market value</b>			
At 1 October 2007	10,850,616	483,118	11,333,734
Additions	8,623,706	-	8,623,706
Disposals	(5,573,826)	-	(5,573,826)
Net unrealised investment gains	(2,351,735)	-	(2,351,735)
Net movement in the year	-	18,986	18,986
At 30 September 2008	11,548,761	502,104	12,050,865
Historical cost of quoted investments			11,689,581
Investments in individual entities held at 30 September 2008 which are considered material in the context of the market value of the portfolio:			<b>Market value £</b>
OPUS AIF Diversified Hedge Funds			1,135,612
Schroder Charity Equity Fund A Inc Units			1,116,455
Schroder UK Alpha Plus Fund Inc Units			820,624
Schroder Charity Fixed Interest A Fund Inc Units			697,595
Schroder Exempt Property Fund Units			686,888
All investment assets are held in the United Kingdom.			

## 11 Programme related investments

	2008 £	2007 £
The charity makes interest free loans to its beneficiaries		
Loans to beneficiaries		
At 1 October 2007	884,218	829,334
Loans made in year	86,210	97,272
Loans written off in year	(15,170)	(3,039)
Loans repaid in the year	(26,962)	(39,349)
	<hr/>	<hr/>
At 30 September 2008	928,296	884,218
	<hr/>	<hr/>
Provision against loans		
At 1 October 2007	821,331	785,952
Provisions against loans written off	(15,170)	(3,039)
Increase in provision in the year	64,658	38,418
	<hr/>	<hr/>
At 30 September 2008	870,819	821,331
	<hr/>	<hr/>
Net balance	57,477	62,887

Total of these loans that were secured at 30 September 2008 was £332,092 (2007: £322,894).

### Debtors

	2008 £	2007 £
Income tax recoverable	9,489	10,724
Other debtors	18,291	41,586
Prepayments and accrued income	82,205	32,598
	<hr/>	<hr/>
	109,985	84,908

### Creditors: Amounts falling due within one year

	2008 £	2007 £
Bank loan	2,464,522	5,512,396
Other tax and social security	8,578	161
Other creditors	120,862	121,309
Accruals and deferred income	116,571	104,785
Service charge account	34,753	17,487
	<hr/>	<hr/>
	2,745,286	5,761,138

During 2008 a loan of £2.43 million was taken out with C Hoare and Co. The loan was used to finance the purchase of 9 Weymouth Mews. The entire loan is repayable on demand. The interest is charged at 1 ¼% above the Bank's base rate. Security has been taken in the form of a first legal charge over 43 Portland Place.

## 14 Permanent endowment fund

### Sawyer Benevolent Fund

The Sawyer Benevolent Fund is a registered subsidiary charity of the Architects Benevolent Society and is the only permanent endowment that the charity administers. At 30 September 2008 the value of the fund amounted to £479,641 (2007: £483,431).

Under the terms of the trust the annual income of the fund, which is recorded as a restricted fund in the Statement of Financial Activities on page 30 of the accounts is to be applied for the relief of such twenty old retired Architects in poor circumstances as the trustees shall from time to time select.

## 15 Unrestricted funds

	Current fund £	Long Term Fund		Total £
		Investment and property fund £	Designated fund £	
At 1 October 2007	136,286	14,884,787	500,000	15,521,073
Net movement in funds	(591,286)	3,986,715	(94,357)	3,301,072
Fund transfers	1,250,132	(1,250,132)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2008	870,201	17,621,370	405,643	18,822,145

The Current Fund represents short terms funds for the day to day operation of the Society.

The Investment and Property Fund is part of the Long Term Fund of the Society and represents assets held for the ongoing operational requirements of the Charity. It is equal to the carrying value of the investments and freehold and leasehold properties net of bank finance.

The Designated Fund is the remainder of the Long Term Fund and represents funds designated for the planned works at one of the properties owned by the Society, 43 Portland Place.

Transfers between the funds have been made to ensure that they give an accurate reflection of the assets they represent at the balance sheet date and represents capital realised in the year.

## 16 Analysis of net assets between funds

	Endowment fund £	Current fund £	Long term fund £	Total fund £
Fund balances at 30 September 2008 are represented by:				
Tangible fixed assets	-	71,255	8,859,699	8,930,954
Investments	419,029	-	11,631,836	12,050,865
Programme related investments	-	57,477	-	57,477
Current assets	-	1,082,845	-	1,082,845
Current liabilities	-	(280,764)	(2,464,522)	(2,745,286)
Due to/(from) funds	60,612	(60,612)	-	-
<b>Total net assets</b>	<b>479,641</b>	<b>870,201</b>	<b>18,027,013</b>	<b>19,376,855</b>
Unrealised gains/(losses) included above:				
On tangible fixed assets - revaluation reserve	-	-	60,000	60,000
On investment assets	(10,714)	-	371,998	361,284
<b>Total unrealised (losses)/gains at 30 September 2008</b>	<b>(10,714)</b>	<b>-</b>	<b>431,998</b>	<b>421,284</b>
		<b>Tangible fixed assets £</b>	<b>Investment assets £</b>	<b>Total £</b>
Reconciliation of movements in unrealised gains				
Unrealised gains at 1 October 2007		1,234,265	2,970,568	4,204,833
Realised loss on disposals in the year		-	(318,015)	(318,015)
		1,234,265	2,652,553	3,886,818
Realised on disposal in the year		(1,174,265)	-	(1,174,265)
Net gains arising on revaluation in the year		-	(2,291,269)	(2,291,269)
Unrealised gains at 30 September 2008		60,000	361,284	421,284

## 17 Trustee expenses

No Trustees received any remuneration for their services, however travel and out of pocket expenses incurred in their work were reimbursed. The total amount of expenses reimbursed to Trustees, non-Trustee committee members and branch representatives was £17,048 (2007: £13,157).