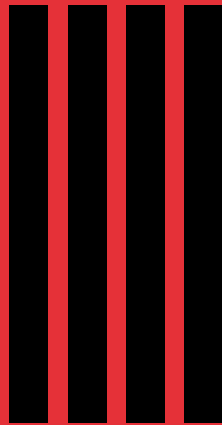


ARCHITECTS  
BENEVOLENT  
SOCIETY



Annual Report of the Society

**2007**



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# Officers of the Society

<b>Patron</b>	His Royal Highness The Duke of Gloucester KG GCVO	
<b>President</b>	David Rock PPRIBA FCSD Hon FAIA (resigned 6 June 2007) Ken Shuttleworth RIBA (appointed 6 June 2007)	
<b>Vice Presidents</b>	James Ackland OBE RIBA Chris Cowen RIBA Brian Lingard DA FRIBA John Lane PPRIAS FRIBA (appointed 6 June 2007) David Rock PPRIBA FCSD Hon FAIA (resumed 6 June 2007)	
<b>Chairman</b>	John Lane PPRIAS FRIBA (resigned 6 June 2007) Kenneth Bingham RIBA (appointed 6 June 2007)	
<b>Vice Chairman</b>	Ronnie McDaniel RIBA	
<b>Honorary Secretary</b>	Stewart Henderson ( <i>appointed 14 June 2006</i> )	
<b>Honorary Treasurer</b>	Geoffrey Purves BA B Arch RIBA FRIAS MCI Arb	
<b>Members of the Council</b>	<p>James Ackland OBE Stephen Arthurell (<i>London Region</i>) John Assael Kenneth Bingham (<i>South Western Region</i>) Chris Cowen Eleanor Crowe 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>) Brian Lingard Peter Low (<i>Association of Consultant Architects</i>)</p>	<p>John MacDonald (<i>Southern Region</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 Hugh Woodeson</p>

*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
<b>Solicitors</b>	Hunters 9 New Square, Lincoln's Inn London WC2A 3QN

*All correspondence should be addressed to:*

*The Secretary  
Architects Benevolent Society  
43 Portland Place, London W1B 1QH  
Telephone 020 7580 2823  
Fax 020 7580 7075,  
Email [help@absnet.org.uk](mailto:help@absnet.org.uk)  
[www.absnet.org.uk](http://www.absnet.org.uk)*

## Committees of the Council

The Council is the governing body of the Society, but most of the day to day work is delegated to various committees of the Council. These meet throughout the year to cope with the heavy load of administration and decision making which is essential to the continuation of the work of the Society. All members of the committees are volunteers and their commitment often involves considerable sacrifice of time which is given unselfishly 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\*  
James Ackland\* (resigned 6 June 2007)  
Kenneth Bingham\*  
Chris Cowen\*  
Lelia Dunlea-Jones\*  
John Lane\*  
Ronnie McDaniel\*  
Geoffrey Purves\*  
David Ramsay\*  
David Rock\* (resigned 6 June 2007)  
Freni Shroff\*  
Malcolm Sinclair\*

### **External Affairs Committee:**

John Lane\* (Chairman until 6 June 2007)  
Ronnie McDaniel\* (Chairman from 6 June 2007)  
Stephen Arthurell\*  
Kenneth Bingham\*  
Geoffrey Purves\*  
Russ Randall\*  
David Rock\* (Resigned 23 August 2007)

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

Malcolm Sinclair (Chairman)\*  
Penelope McClelland  
David Ramsay\*  
Malcolm Stuart\*

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

Lelia Dunlea-Jones (Chairman)\*  
Chris Cowen\*  
Eleanor Crowe\*  
Chris Goodall\*  
Roger Latham  
Cyril Morris\*  
Ian Sanders\*  
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 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*

## **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

**London Region**

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

**North West London Society of Architects**

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27 Bedford Road,  
London  
N15 4HA

**East London Branch**

D P Davighi  
24 Forest Way  
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Essex  
IG8 0QF

**Northern Region**

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22 Albert Road  
Fairfield  
Stockton-on-Tees  
TS19 7EW

**North West Region**

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*C M Morris JP*  
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*CH1 4AU*

**Cheshire Society of Architects**

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CH43 5TU

**Liverpool Architectural Society**

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

**Southern Region**

*Regional Contact*  
*John MacDonald*  
*2 Humberstone Road*  
*Andover*  
*Hampshire*  
*SP10 2EJ*

**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

**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

**Oxfordshire Society of Architects**

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

**South East Region**

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

**South Western Region**

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

**Wessex Region**

*Regional Contact*  
Vacant

**West Midlands Region**

*Regional Contact*  
Vacant

**Yorkshire Region**

*Regional Contact*  
Vacant

**Northern Ireland****Canterbury Branch**

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

**Cornwall Branch**

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Hunt Winter Partnership  
Heathlands House  
Heathlands  
Liskeard  
Cornwall  
PL14 4DH

**Plymouth Branch**

K S Bingham  
21 Tern Gardens  
Plympton  
Plymouth  
PL7 2HZ

**Wiltshire Branch**

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

**Worcester Society of Chartered  
Architects**

Anthony Clerici  
1 Townsend Street  
Worcester  
WR1 3JQ

**West Kent Branch**

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

**Exeter Branch**

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

**Somerset Branch**

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

**Scotland**

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Planetree  
Planetree Park  
Gatehouse of Fleet  
Kirkcudbrightshire  
DG7 2EQ

**Aberdeen Society of Architects**

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69 Devonshire Road  
Aberdeen  
AB10 6XP

**Dundee Institute of Architects**

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Andrew Black Design  
36 Main Street  
Invergowrie  
Dundee  
DD2 5AA

**Edinburgh Architectural Association**

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1 Glencairn Crescent  
Edinburgh  
EH12 5BS

**Glasgow Institute of Architects**

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

**Inverness Architectural Association**

Keith Edwards  
Cromal  
16 South Guidry Street  
Elgin  
IV30 1QN

**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 2007

# Report of the Members of Council

The members of Council are pleased to submit their report and the financial statements of the Architects Benevolent Society for the year ended 30 September 2007.

## 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 2007 is set out on page 3. The Secretary of the Society is directly responsible to the Council in the execution of his duties.

### Management

Much 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 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 by volunteers and 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 Crossways 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.

**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**

The main objective for the year was to reverse the recent decline in beneficiary numbers and grants made. Overall spending on the relief of poverty was improved by 11% and charitable spending overall rose by 14%. The number of individual cases in receipt of grants and gifts rose to 272 (244 in the previous year). The Society also continued with its plan to sell the functional property at Frenchlands Hatch whilst providing secure homes for the beneficiaries living there. Most were found new accommodation during the year and, although the sale was not completed in the period covered by this report, it had been achieved by the end of 2007. A fundamental look at the Society's current and future activities, structure and governance was undertaken during the year with help from outside consultants and an initial report made to the Council just after the year end.

**Strategies**

In common with many professional benevolent funds, the Society's 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 its existence. This is done through regular newsletters in both printed and electronic forms, by holding events, by promotion of the website and by involving well-known architects in our work. During the year a short publicity video was made. The Society also takes part in awareness initiatives run by umbrella organisations such as the Association of Charity Officers and the Occupational Benevolent Funds Alliance. The work of the Case Committee remained the primary function of the Society and full reports on assistance given to beneficiaries continued to be submitted to each Council meeting.

**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. It is encouraging to see younger members of the profession becoming 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.

## 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 applicant when reported for the first time and reviews each case at least once every twelve months and more frequently if necessary. This year the Society awarded grants, gifts and loans of almost £503,000 from both restricted and unrestricted funds, compared with £471,000 during 2005-2006.

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 make assessments and recommendations 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 in various ways. As well as CPD and training, they attend meetings of the Charity Officers Association and the Occupational Benevolent Fund Alliance and exchange information and changes in legislation, best practice and skills development.

**“Why would architects need a benevolent society? There are more than 550 grateful people who have been helped in the past year who know the answer to that question.”**

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. Bereavement is always sad but the added worry of financial problems can be overwhelming, and this is where prompt help can be so useful. A widow once wrote to say that she had enjoyed her first good night's sleep in weeks when the Welfare Officer made a quick phone call to the office during a visit and a cheque arrived in the post the following day.

The disabled are another vulnerable group for whom modest help with a vital piece of equipment can lead to a much better quality of life. The Welfare Officers are often able to put people in touch with relevant suppliers of aids not available on the NHS. This helps them regain their independence and continue living in their own homes.

Despite the volume of aid dispensed one still hears the question “Why would architects need a benevolent society?” There are more than 550 grateful people who have been helped this past year who know the answer to that question.

The following examples give an indication of the sort of help which the Society is called upon to give and although every beneficiary's case is different these are very typical of the range of problems which face 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 names.

Just as in the 1850s when the Society was established, distressing examples of personal misfortune continue to be brought to the attention of the Case Committee. 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 just as they did when the Society was founded 156 years ago.



**Chris Francis writes:**

*Like most of you, I never used to pay much attention to ABS. I could not conceive of circumstances in which it would ever be relevant to me. Then I broke my back in February 2005. Nine weeks flat bed rest followed two operations to fix my spine as my world untidily came tumbling down around me.*

*Whilst I had income protection insurance, that did not kick in for six months, during which the mortgage, council tax and other bills still had to be paid. The only certainties I had were that by the time I was discharged from hospital I would be in debt and on a reduced income.*

*Peta Whiston of the ABS visited me in hospital in March and quickly arranged for £150 per month to be granted to me for six months, which helped greatly. The amount of money, whilst very helpful, was nothing compared with the enormous psychological boost that the grant gave me. It seemed like a vote of confidence.*

*I have recovered sufficiently to return to work part-time and lead a full life, though my Argentinian tango will never be the same. I now fully understand the relevance of the ABS. All I had to do to find out was break my back.*

In all 391 separate cases were helped during 2006-2007. Of these 276 received financial assistance (253 in 2005-2006) and the remainder pastoral care and advice. New applications were received from 54 people and 45 of these were given financial help during the year. Taking into account children, spouses and other dependants of beneficiaries, the Society has helped 555 individuals this year, marginally less than the previous year when 559 were helped.

Sadly 27 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.



**And from Derek and June Webster:**

*A chance meeting that changed my life! How often do we hear these words?*

*Whilst struggling through our local precinct I sat down to re-oxygenate my legs, which I often have to do because I have various health problems. A man on a mobility scooter stopped and asked if I was OK. I explained why I had stopped. Pointing to his scooter he said "you need one of these". To cut short a long story of failing health and a reluctance to seek help we contacted the armed forces benevolent fund and the ABS.*

*Since then we have received regular annual visits from the ABS Welfare Officers. They help us so much and are always ready to put suggestions to the Case Committee for consideration. We no longer think of them as Welfare Officers but as friends ready to lend an ear and offer support in difficult times. It is so comforting to know that we are not alone.*

*Recently my wife and I have been unable to participate in outings with family and friends as my buggy was too big to fit a car boot and I am unable to walk more than a few yards. Again the ABS came to the rescue, letting us loan a smaller lightweight scooter, so we could share happy times with family and friends.*

*Forced retirement from a busy practice because of ill health was hard to accept. Little did I know how much help lay before me, comforted by knowing we are not alone in our difficulties.*

*My health problems remain but on behalf of my wife and I, a sincere and heartfelt thank you to those who have made life bearable.*

## Executive and Finance Committee

The Executive and Finance Committee keeps the whole range of the Society's activities under review and advises Council and all other committees on any necessary action. It has delegated power to act on behalf of Council at any time when that should be necessary and its decisions are 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. During the year 2006-2007 the committee dealt with both policy and routine matters covering administration, premises and personnel. This Committee is responsible for the control and supervision of all arrangements for the custody and best use of the Society's monies, investments, property and other assets. At the three regular meetings full portfolio reports were received from Schroders, the Society's investment managers, and their representatives attended two meetings in person to advise the committee in detail and to review investment policy matters in line with the approved Investment Policy Statement. Despite a very volatile period during the summer months, the value of the Society's portfolio remained at £11.3 millions at the year end compared with £11.4 millions in September 2006. This was largely attributable to the diversification of part of the investments into alternative asset classes.



Geoffrey Purves  
Hon Treasurer

Saffery Champness, the Society's accountants, attended the January meeting at which the annual report and accounts for 2005-2006 were examined in detail and the Society's Reserves policy reviewed prior to submission to the February meeting of Council. Budgets for the coming year 2006-2007 were approved at the September meeting.



Stewart Henderson  
Hon Secretary

A major agenda item throughout the year was the sale of the functional property at Frenchlands Hatch in Surrey. A decision to withdraw from the provision of sheltered housing had been taken by the trustees in 2004 and, whilst the modern accommodation in Chester was to be retained for at least the next ten years, the Surrey property was to be sold. With advice from our chartered surveyors, an attempt was made to sell the property with the Society's residents remaining in their bungalows. A number of attractive offers were received and negotiations with the successful bidders were almost completed when they unexpectedly withdrew in January 2007. The Trustees, having taken advice and carefully considered the position, decided to re-house the residents elsewhere and sell with vacant possession. During the spring and summer of 2007 new homes were found for 12 residents and by September the majority had moved to their new flats. These moves were a great success with many residents writing to say how pleased they were in their new homes and how smoothly the transitions was achieved. This was due entirely to the efforts of the Society's welfare team who not only organised and masterminded the moves but rolled up their sleeves and washed, packed, cleaned, unpacked, found lost items and the hundred and one other tasks associated with moving house. Once most of the residents had moved away, the property was put on the open market and sold by a two stage tendering process with the second stage being binding on the bidders. These arrangements were well advanced by the end of the financial year to which this report relates and a successful sale at a good price was achieved at the end of December 2007.

During the year an in-depth look at the future of the Society was undertaken. A facilitator was appointed for this work and a number

of focus groups were held round the country attended by architects unconnected with the ABS as well as beneficiaries and trustees. A focus group for the Society's staff was also held. Interviews with peer organisations, mainly professional benevolent funds, took place during the summer and an on-line survey, open to all and widely advertised, was used to gather information and views from the profession in general. The first draft of the facilitator's report was considered by the Committee in September. The Trustees will be making decisions about the future of the Society in terms of what it should be doing, its financing, governance and staffing during the coming year.

The Society's headquarters building in Portland Place is held mainly as an investment and the buoyancy of the West End office market was such that all the offices are now let on five year covenants or longer and at high rents. The proposal to further improve income by upgrading and expanding the fourth floor was pursued during the year and planning permission and listed building consent obtained in early summer. Architects have been appointed and the plan is to start construction work in the summer of 2008.

### External Affairs Committee

This committee, chaired by John Lane until June 2007 and then by Ronnie McDaniel, embraces all activities related to fundraising and public relations with the profession generally. It promotes understanding about the Society, advises on all matters of fundraising and publicity and coordinates events.



Ronnie McDaniel  
Vice Chairman

Much of the detailed work involved is carried out by separate working groups which meet as necessary to deal with particular aspects of this work.

**Fundraising.** The increased awareness of the Society in the profession during the last few 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 and further efforts were made during the year to pursue the appeal in the regions. Overall donation income was £214,000 compared with £185,000 in the previous year.

**Publicity.** Under the chairmanship of Russ Randall, the Publicity Working Group continued to deal with all matters relating to the dissemination of information about the Society and its activities. Design and content of the quarterly newsletter was scrutinised and efforts made to assess its impact and level of readership. In addition to the 40,000 printed copies of each edition, the newsletter is also available by email and on the Society's website.

Newsletters and other publicity material have continued to concentrate on the people we help and the sort of assistance we give. To this end, all beneficiaries were asked if they would be prepared to have their stories told, either under their own names or anonymously. The response was encouraging and publicity during the year contained a number of beneficiary stories told in their own words. Four of the people we help also took part in the production of a short promotional film about the work of the ABS and appeared on screen talking about how the Society had helped them. The film was narrated by the Society's President, Ken Shuttleworth, and was completed towards the end of the year. It will be available on DVD and downloadable from the internet.

The Chartered Institute of Architectural Technologists continued to give their support by distributing the Newsletter in their Journal and by publishing both advertisements and editorial matter about the work of the Society. Relations with the Landscape Institute were improved and meetings took place with their Chief Executive and their Director of Communications. Publicity for the ABS is now included in their membership communications.

Efforts continued to have free advertisements for ABS placed in architectural and building industry magazines and in regional and branch newsletters. A special arrangement was negotiated with Building Design for distribution of the Newsletters and regular colour advertising, some paid for and some free.

**Events.** Under the chairmanship of Stephen Arthurell, the Events Working Group continued its programme of regular activity including the ABS Fun Run, ABS Golf Day, Great North Run and a number of other sporting events which encourage younger architects to become involved with the Society. Interest in challenge style events, particularly those overseas, has waned but has been replaced with trips to developing countries to assist the local population. The Society teamed up with another charity Habitat for Humanity and a team of 12 people went to India and helped families to build their own homes. Each participant raises sponsorship money which is split between the ABS and Habitat for Humanity.

A major fundraising event took place in the summer when the Society held an auction of drawings by internationally famous architects. A small group headed by David Rock organised this invitation only event at the Royal Academy and its success was assured by the involvement of Ted Stevens whose expertise in putting together major architectural conferences and shows was invaluable. The whole of the cost was sponsored by Gleeds and the whole of the auction proceeds, totalling £58,000, came to the Society.

**Under the hammer:**  
former Deputy chairman  
of Sotheby's James Miller  
auctions a print of design  
drawings of the Pompidou  
Centre.



The Lingard family continued their support for the ABS with the publication of the story of Bradshaw Gass and Hope by Jane and Timothy Lingard, the Society getting a donation for each book sold.

**Frenchlands Hatch  
Management Committee**

This committee, under the chairmanship of Malcolm Sinclair, continued to meet regularly and to deal with matters of maintenance and the well being of the residents until such time as they moved away. Towards the end of 2006, with the sale of the estate scheduled to complete in January 2007, the employment of the full time staff was brought to an end. A single new post was created for a warden / manager to remain on the site after the sale and look after the Society's residents who were to remain there. All this came to nothing and in February the decision was taken to move the residents elsewhere and sell the estate with vacant possession.

The Society is very grateful to Pam Hogan and Cindy Standbrook, two of our relief managers, who stepped in and, on a job share basis, became the estate managers for the rest of the year until a sale was eventually achieved in December 2007.

**Claverton Court  
Management Committee**

The Management Committee, chaired by Lelia Dunlea-Jones, has had a relatively quiet year. The premises were extended and refurbished in 2001 and so maintenance is less of a problem than at Frenchlands Hatch. Nevertheless, there were difficulties with the drains and a new central heating boiler to be dealt with. Staffing has also been a concern and recruitment of relief managers continued throughout the summer. These people do occasional weekend work and stand in for the Manager, Christine Phillips, when she is on holiday or off sick.

A number of trees have been pruned – not so easy a task as it sounds as there are a large number of them in the grounds and the majority are protected meaning that permission has to be sought from Chester City Council in each case. An easier job was the redecoration of the common parts which began as the year drew to a close.

For the first time in many years, Claverton Court is now completely full with all flats being let.



## Appointments and retirements

The year has been one of change in terms of personalities with both the President and the Chairman of the Society retiring from office.

### **President**

David Rock has been involved with the ABS since the 1960s but more recently has served for four years as President and for three years before that as Vice President. His hands-on approach has meant that he has been kept exceptionally busy, not only taking an active role in the many areas of routine work and serving on committees but single-handedly raising £90,000 through his President's Appeal, with almost £50,000 continuing to come in every year as standing orders. And having completed that task he then went on to organise the auction at the Royal Academy which raised a further £58,000. The Society is extremely grateful to David for all that he has done to bring in money and to raise the profile of the ABS in the last seven years. He remains a Trustee and a member of the Council.

The Society is delighted to welcome Ken Shuttleworth as President from June 2007.

### **Chairman**

John Lane became Chairman of the Society in 2001 just in time for the stock market fall which wiped close to £5 million off the value of our assets. He carefully steered the ABS through those difficult financial times, through the closure of the Frangate residential home, the purchase of 43 Portland Place, the introduction of fundraising staff and more recently the sale of the Frenchlands Hatch complex. His sense of humour and friendly but firm control of the Council will be missed but he remains a Trustee and has been appointed a Vice President of the Society

He is succeeded as Chairman by Ken Bingham.

### **Immediate Past Chairman**

To help smooth the handover from a retiring Chairman to his successor, Council agreed to the inception of a new post of Immediate Past Chairman and John Lane became holder of it in June 2007.

### **Obituary**

The Society was saddened to learn of the deaths of two former colleagues. Joe Woods was a member of Council from 1972 until 1993 and represented the South West Region and Victor Farrar represented the Architects and Surveyors Institute on Council from 1990 to 2001.

# Financial Review

## Incoming resources

Donations and gifts for the year totalled £214,013 compared with £185,110 for 2005-2006. This is a good result a little ahead of the target in the fundraising plan.

Legacies have been disappointing at just £98,049 compared with £426,777 in the previous year. 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 events was boosted by the success of the auction at the Royal Academy and totalled £58,696 compared with £16,459 in 2005-2006.

Income from both sheltered housing and commercial property totalled £536,533, a slight improvement on the figure of £506,115 in the previous year.

## Resources Expended

**Costs of generating funds.** Fund-raising, events and merchandising costs this year total £206,037 compared with £171,179 in 2005-2006. A major part of the additional cost related to the Royal Academy auction and £20,000 of this was covered by sponsorship. A further £12,500 of sponsorship was received towards the cost of publishing the newsletter.

The cost of administrating the commercial properties rose by just under £8,000 from £152,889 in 2005-2006 to £160,700 in the current year. This needs to be seen in the context of rents received from commercial property which rose by almost £50,000 compared with last year.

Interest on borrowings rose significantly from £202,671 in 2005-2006 to £276,378 in the current year. This was partly attributable to rises in base rate (4.5% for almost the whole of last year and from 5% to 5.75% for 2006-2007) and partly to new borrowings which the Society made in the spring and summer of 2007 to fund the purchase of new homes for the residents moved out of Frenchlands Hatch. (All these loans were repaid when the Frenchlands Hatch property was sold in December 2007).

## Charitable Expenditure

The amount that the Society spent in overall charitable expenditure in 2006-2007 totalled £1,178,545 up by £149,915 on the £1,028,630 expended last year. This increase divides roughly half and half between relief of poverty and provision of accommodation.

## 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.

## Deficit

The Society's net expenditure for the year at £740,806 was considerably more than in 2005-2006 when it stood at £209,668. Income from legacies was down substantially by some £329,000 at a time when spending on beneficiaries and accommodation went up, borrowings

increased and interest rates rose. Notwithstanding this the total of the unrestricted funds, including the long term unrestricted fund at 30 September 2007 amounted to £15,521,073 compared with £15,576,465 in the previous year. The sale of the Frenchlands property in the financial year 2007-2008 should radically improve both the capital and income situation

## **Investments**

The level of the main (unrestricted) investment portfolio at 1 October 2006 was £10,929,564 and at 30 September 2007 stood at £10,850,303. The snapshot value at the end of September 2007 reflected the general drop in the market following the turbulence during the summer. The level of the Sawyer Bequest (restricted) endowment fund investments at 1 October 2006 was £489,511 and at 30 September 2007 stood at £483,431.

The Society's policy of diversification of the investment portfolio into some alternative asset classes has kept valuations relatively stable even at times when there have been sharp drops in equities. The Council continues to believe that following the sale of Frenchlands Hatch the investment mix, including directly held commercial property as well as the functional property at Chester will show an improvement on the current situation in terms of total return.

## **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 and Tenby were acquired during 2007 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 2007 was in excess of the book values of the properties shown in the accounts.

## **Legacies**

In the past legacies have provided a considerable contribution to the income of the Society and often exceed 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 2006-2007 are :

Mr J W Gorvin	£206
Mr G Jameson	£45,319
Mr D E Roberts	£1,000
Mrs A E Schofield	£51,024
Mr H W Sturges	£500
Mr Montague James Turland	£1,000

## 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 a downturn in the world economic situation in prospect. 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 560 needy people each year. The annual expenditure at present stands at £1.9 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 £650,000 at present.

Income from commercial property. Approximately £300,000 pa.

Sales of investments. Necessary to make up the shortfall to meet annual expenditure.

Without a significant capital reserve in investments the Society would lose the 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 £350,000 a level sufficient for the Society to continue to operate and fulfill its obligations for a period of three months. At 30 September 2007 the balance was £136,286 and the Trustees intend to increase this balance in order to meet their objectives.

### 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 may be in prospect and the Society cannot rely on continuing increased valuations to offset shortfalls in annual income.

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 demographic changes which mean that a significantly greater proportion of the population will be of retirement age. The Society is also contemplating expanding its charitable work with the architectural profession into other areas. This, together with the overall pattern of spending during the last decades means that the Society's outgoings will continue to rise at a significant rate.

In order to meet the above requirements the Society believes that reserves, currently at just over £16 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. The aim is to increase income overall and eliminate as far as possible the need to draw on capital though it is acknowledged that at some time in the not too distant future donation income will reach a plateau.

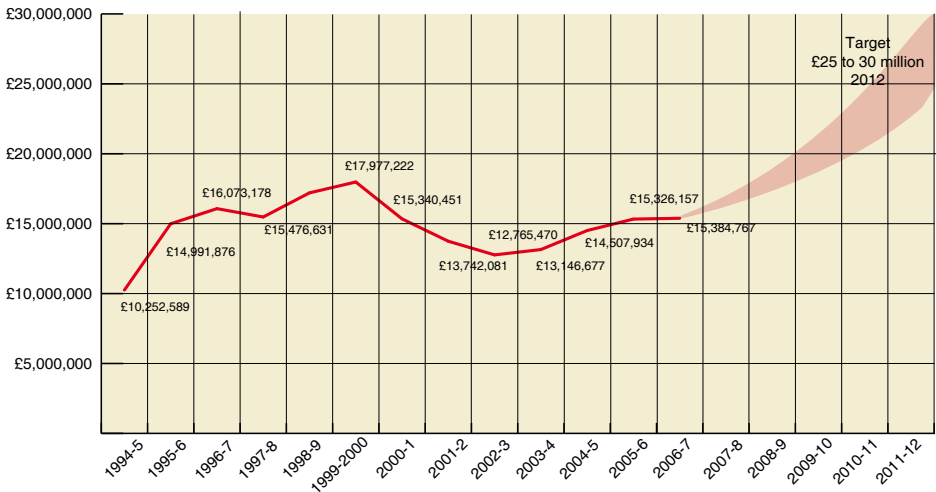
Council is also now part way through an in-depth review of the future activities of the Society and will be looking carefully at all aspects of funding following the successful sale of the Frenchlands Hatch estate on 21 December 2007.

**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 twice yearly 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**



## **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.

## **Annual General Meeting**

Thirty one members of the Society and members of Council attended the 34th Annual General Meeting of the Society at the offices of the Royal Institute of British Architects on Wednesday 6 June 2007.

For the last time as Chairman, John Lane reported on the work of the ABS in the year to 30 September 2006, the 156th since its foundation in November 1850, and outlined plans for the year to come. The meeting adopted the Annual Report and Accounts for 2005-2006 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.

## 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

Bradshaw Gass Trust  
Chartered Institute of Architectural Technologists  
Gleeds  
Hays Architecture  
North Wales Society of Architects  
North West London Society of Architects  
Royal Institute of British Architects  
RIBA East Midlands  
RIBA West Kent Branch  
RIBA Dorset Branch  
RIBA Golfing Society  
RIBA Isle of Wight Branch  
RIBA Leicestershire & Rutland Society of Architects  
RIBA North West Region  
RIBA Richmond, Kingston & Merton Branch  
RIBA South  
RIBA South East  
RIBA South Essex Chapter  
RIBA Wiltshire  
Royal Incorporation of Architects in Scotland  
Royal Society of Ulster Architects  
L H Twigg Trust  
Worshipful Company of Chartered Architects

## Future plans

There are two projects for 2007-2008. The first and most fundamental is for the Trustees to look at what the Society does and how it does it and decide whether or not any changes should be made. The options range from a small charity for the relief of poverty living within its investment income to a larger organisation seeking alternative funding sources and expanding into other charitable work within the architectural profession such as student bursaries or research into disabilities which affect architects and their capacity to practice and earn a living. Integral to these decisions will be the size and shape of governance and staffing.

Expansion of a different kind, by adding further income generating office space to the headquarters building, will also proceed during the year and by 30 September 2008 construction work should be well under way.

## 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 for their continued support throughout the year, the Architects Registration Board, CIAT, the RSUA, the RSAW, 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 2006-2007

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  
13 February 2008

# 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 2007 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.

**Financial Statements  
for the year ended 30 September 2007**

# Statement of Financial Activities for the year ended 30 September 2007

	Notes	Unrestricted Funds			Restricted Fund £	Total 2007 £	Total 2006 £
		Current Fund £	Long Term Fund £	Endowment Fund £			
<b>INCOME AND EXPENDITURE</b>							
<b>Incoming resources from generated funds</b>							
	1						
<i>Voluntary income</i>							
Donations and gifts		214,013	-	-	-	214,013	185,110
Legacies		98,049	-	-	-	98,049	426,777
<i>Activities for generating funds</i>							
Fundraising income		58,695	-	-	-	58,695	16,459
Commercial rent receivable		317,436	-	-	-	317,436	267,762
<i>Investment income</i>	3	248,375	-	-	21,589	269,964	285,588
<b>Incoming resources from charitable activities</b>							
Income from residents of sheltered housing		219,097	-	-	-	219,097	238,353
<b>Other income</b>		-	-	-	-	-	6,455
<b>Total incoming resources</b>		<b>1,155,665</b>	<b>-</b>	<b>-</b>	<b>21,589</b>	<b>1,177,254</b>	<b>1,426,504</b>
<b>Resources expended</b>							
<b>Cost of generating funds:</b>							
<i>Cost of generating voluntary income</i>							
Cost of events and merchandise		183,425	-	-	-	183,425	166,771
Investment management fee		22,612	-	-	-	22,612	4,408
Costs of running commercial properties		43,343	-	1,859	-	45,202	48,895
Interest on borrowings		78,758	81,942	-	-	160,700	152,889
		276,378	-	-	-	276,378	202,671
		604,516	81,942	1,859	-	688,317	575,634
<b>Charitable activities:</b>							
Relief of poverty	4	664,077	-	-	21,589	685,666	616,345
Provision of accommodation		429,039	63,840	-	-	492,879	412,285
<b>Governance</b>	5	31,443	-	-	-	31,443	31,020
<b>Total resources expended</b>	7	<b>1,729,075</b>	<b>145,782</b>	<b>1,859</b>	<b>21,589</b>	<b>1,898,305</b>	<b>1,635,284</b>
Net (outgoing) resources before Transfer		(573,410)	(145,782)	(1,859)	-	(721,051)	(208,780)
Transfer between funds		459,388	(459,388)	-	-	-	-
Net outgoing resources before revaluation and investment asset disposal		(114,022)	(605,170)	(1,859)	-	(721,051)	(208,780)
(Loss) on sale of investments		-	(21,614)	-	-	(21,614)	(3,155)
Gain/(loss) on revaluation of Investments		-	685,414	(4,221)	-	681,193	1,060,195
Net movements in funds		(114,022)	58,630	(6,080)	-	(61,472)	848,260
Fund balances brought forward at 1 October 2006		250,308	15,326,157	489,511	-	16,065,976	15,217,716
<b>Fund balances carried forward at 30 September 2007</b>	15	<b>136,286</b>	<b>15,384,787</b>	<b>483,431</b>	<b>-</b>	<b>16,004,504</b>	<b>16,065,976</b>

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 2007

	2007 £	2006 £
Gross income	1,177,254	1,420,050
Net gain from disposals of fixed assets	<u>-</u>	<u>3,299</u>
<b>Total income</b>	1,177,254	1,423,349
Total expenditure	<u>1,918,060</u>	<u>1,633,017</u>
<b>Net (expenditure)</b>	<u><u>(740,806)</u></u>	<u><u>(209,668)</u></u>

Total income comprises £1,155,665 for unrestricted funds and £21,589 restricted funds. A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities.

Expenditure before asset disposals comprises £1,876,716 for unrestricted funds and £21,589 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 2007

	Notes	2007 £	£	2006 £	£
<b>Fixed assets</b>					
Tangible assets	9	10,127,843		8,064,776	
Investments	10	11,333,734		11,419,075	
Programme related investments	11	62,887		43,383	
			<u>21,524,464</u>		<u>19,527,234</u>
<b>Current assets</b>					
Debtors	12	84,908		95,925	
Cash at bank and in hand		156,270		81,479	
			<u>241,178</u>		<u>177,404</u>
<b>Creditors:</b> Amounts falling due within one year	13	(5,761,138)		(3,638,662)	
<b>Net current (liabilities)</b>			<u>(5,519,960)</u>		<u>(3,461,258)</u>
<b>Net assets</b>			<u>16,004,504</u>		<u>16,065,976</u>
<b>Funds</b>					
Permanent Endowment Fund	14	483,431		489,511	
Unrestricted Funds:					
Current Fund	15	136,286		250,308	
Long Term Fund					
- Investment and Property Fund	15	14,884,787		15,326,157	
- Designated Fund	15	500,000		-	
			<u>16,004,504</u>		<u>16,065,976</u>

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

Approved by the Council on 13 February 2008  
and signed on its behalf by

Geoffrey Purves  
Member of the Council

# Notes to the Financial Statements for the year ended 30 September 2006

## 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:

No depreciation is charged on land

Freehold and long leasehold buildings are written off in accordance with their useful lives.

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
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 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.

### **1.12 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.

### **1.13 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

	2007 £	2006 £
Fixed asset investments	244,950	235,128
Gross interest receivable	25,014	50,460
	<u>269,964</u>	<u>285,588</u>

## 4 Relief of poverty

	2007 £	2006 £
Grants	379,740	261,230
Gifts	20,432	14,808
Change in interest free loans	38,418	107,838
Other direct costs including welfare officers	147,153	144,604
Indirect costs	99,923	87,865
	<u>685,666</u>	<u>616,345</u>

The Society made grants and gifts in the year to 272 (2006: 244) 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 (2006: nil) grants are classified as institutional grants and details are given below:

	2007 £	2006 £
RAF association	250	-
Soldiers, Sailors, Airmen and Families Association	250	-
Royal British Legion	2,000	-
	<u>2,500</u>	<u>-</u>

## 5 Governance costs

	2007 £	2006 £
Trustees' indemnity insurance	3,996	3,996
Trustees and committee meetings	13,157	13,589
Audit fee	8,000	8,000
Other costs	6,290	5,435
	<u>31,443</u>	<u>31,020</u>

## 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	74,667	-	-	35,316	109,983	32,154	39,762	1,526	183,425
Costs of events and merchandise	-	-	-	22,612	22,612	-	-	-	22,612
Investment management fees	-	-	-	45,202	45,202	-	-	-	45,202
Cost of running commercial properties	-	81,383	-	53,883	135,266	13,960	10,811	623	160,700
Interest on borrowings	-	-	-	276,378	276,378	-	-	-	276,378
Relief of need	124,081	8,139	400,172	53,251	585,743	42,663	55,235	2,025	685,666
Provision of accommodation	132,160	75,205	-	166,628	373,993	65,250	50,539	3,097	492,879
Governance	-	-	-	25,153	25,153	2,823	3,333	134	31,443
	330,908	164,727	400,172	678,522	1,574,330	156,850	159,680	7,445	1,898,305

## 7 Net outgoing resources for the year

The net outgoing resources for the year are stated after charging:

Depreciation and amounts written off tangible fixed assets (Profit)/loss on disposal of fixed assets	172,487	158,516
Amounts paid to auditors	2,969	(6,455)
- audit	8,000	8,000
- other services	9,635	8,579
Hire of equipment	3,128	2,659
	207,219	163,709

## 8 Staff costs

	2007 £	2006 £
The average monthly number of persons employed by the Society during the year was:	<b>Number</b>	<b>Number</b>
Office management and welfare	<u>12</u>	<u>13</u>
Staff costs (for the above persons)		
Wages and salaries		
- own employees	356,171	335,342
- temporary staff	<u>38,743</u>	<u>23,429</u>
	394,914	358,771
Social security costs	39,023	37,671
Other pension costs	<u>32,557</u>	<u>28,934</u>
	71,580	425,376
Health and other staff benefits	<u>21,246</u>	<u>26,990</u>
	<u>487,758</u>	<u>452,366</u>

No employee was paid over £60,000 in the year (2006: 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 2006	5,442,022	3,611,798	363,403	35,625	9,452,848
Additions	381,507	1,837,569	10,841	16,116	2,246,033
Disposal	-	-	(260)	(18,487)	(18,747)
<b>At</b>					
30 September 2007	5,823,528	5,449,367	373,994	33,255	11,680,144
<b>Depreciation</b>					
At 1 October 2006	943,519	218,390	214,598	11,575	1,388,082
Charge for year	77,446	68,335	18,904	7,802	172,487
Disposal	-	-	(125)	(8,143)	(8,269)
<b>At</b>					
30 September 2007	1,020,965	286,725	233,377	11,234	1,552,301
<b>NBV at</b>					
<b>30 September 2007</b>	<u>4,802,563</u>	<u>5,162,642</u>	<u>140,617</u>	<u>22,021</u>	<u>10,127,843</u>
<b>NBV at</b>					
<b>30 September 2006</b>	<u>4,498,503</u>	<u>3,393,408</u>	<u>148,805</u>	<u>24,050</u>	<u>8,064,766</u>

The net book value of at 30 September 2007 represents fixed assets used for:

Generating funds	1,165,062	3,451,381	50,987	-	4,667,430
Charitable activities	3,637,501	1,711,261	87,301	22,021	5,458,084
Governance	-	-	2,329	-	2,329
	<u>4,802,563</u>	<u>5,162,642</u>	<u>140,617</u>	<u>22,021</u>	<u>10,127,843</u>

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 2006	10,657,607	761,468	11,419,075
Additions	672,702	-	672,702
Disposals	(1,086,174)	-	(1,086,176)
Net unrealised investment gains	606,481	-	606,481
Net movement in the year	-	(278,350)	(278,350)
	<hr/>	<hr/>	<hr/>
At 30 September 2007	10,850,616	483,118	11,333,734
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**2007**  
£

Historical cost of quoted investments

8,363,166

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Investments in individual entities held at 30 September 2007  
which are considered material in the context of the  
market value of the portfolio:

	Market value £
Schroder Charity Equity Fund A Inc Units	1,947,346
Schroder Charity Fixed Interest A Fund Inc Units	1,065,424
Schroder UK Alpha Plus Fund Inc Units	1,116,763
Schroder Exempt Property Fund Units	976,846
OPUS AIF Global Long/Short	589,891
OPUS AIF Diversified Hedge Funds	1,124,878
	<hr/> <hr/>

All investments are held in the United Kingdom

## 11 Programme related investments

	2007	2006
	£	£
The charity makes interest free loans to its beneficiaries		
Loans to beneficiaries		
At 1 October 2006	829,335	678,114
Loans made in year	97,272	195,874
Loans written off in year	(3,039)	(15,224)
Loans repaid in the year	(39,349)	(29,429)
	<u>884,218</u>	<u>829,335</u>
At 30 September 2007	<u>884,218</u>	<u>829,335</u>
Provision against loans		
At 1 October 2006	785,952	678,114
Provision against loans written off	(3,039)	(15,224)
Increase in provision in the year	38,418	123,062
	<u>821,331</u>	<u>785,952</u>
At 30 September 2007	<u>821,331</u>	<u>785,952</u>
Net balance	<u>62,887</u>	<u>43,383</u>

Total of these loans that were secured at 30 September 2007 was £322,894 (2006: £310,941).

## 12 Debtors

	2007	2006
	£	£
Income tax recoverable	10,724	11,388
Other debtors	41,586	25,826
Prepayments and accrued income	32,598	58,711
	<u>84,908</u>	<u>95,925</u>

## 13 Creditors: Amounts falling due within one year

	2007	2006
	£	£
Bank loan	5,512,396	3,500,000
Other tax and social security	161	2,500
Other creditors	121,309	40,780
Accruals and deferred income	104,785	74,164
Service charge account	17,487	21,218
	<u>5,761,138</u>	<u>3,638,662</u>

During 2003 a loan of £3.5 million was taken out with C Hoare and Co. The majority of the loan was used to finance the purchase of 43 Portland Place. An additional amount of £2.2 million was advanced in 2007. 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 and a charge over securities held at Schroders for a value not less than £5,000,000.

## 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 2007 the value of the fund amounted to £483,431 (2006: £489,511).

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

	Long term fund			Total £
	Current fund £	Investment and property fund £	Designated Fund £	
At 1 October 2006	250,308	15,326,157	-	15,576,465
Net movement in funds	(573,410)	518,018		(55,392)
Fund transfers	459,388	(959,388)	500,000	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 September 2007	136,286	14,884,787	500,000	15,521,073
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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 2007 are represented by:				
Tangible fixed assets	-	162,638	9,965,205	10,127,843
Investments	401,756	-	10,931,978	11,333,734
Programme related investments	-	62,887	-	62,887
Current assets	-	241,178	-	241,178
Current liabilities	-	(248,742)	(5,512,396)	(5,761,138)
Due to/(from) funds	81,675	(81,675)	-	-
<b>Total net assets</b>	<b>483,431</b>	<b>(363,714)</b>	<b>15,384,787</b>	<b>16,004,504</b>
Unrealised gains/(losses) included above				
On tangible fixed assets - revaluation reserve	-	-	1,234,265	1,234,265
On investment assets	(8,562)	-	2,979,130	2,970,568
<b>Total unrealised (losses)/ gains at 30 September 2007</b>	<b>(8,562)</b>	<b>-</b>	<b>4,213,395</b>	<b>4,204,833</b>
		<b>Tangible fixed assets £</b>	<b>Investment assets £</b>	<b>Total £</b>
Reconciliation of movements in unrealised gains				
Unrealised gains at 1 October 2006		1,234,265	2,720,541	3,954,806
Realised loss on disposals in the year		-	(356,454)	(356,454)
		1,234,265	2,364,087	3,598,352
Net gains arising on revaluation in the year		-	606,481	606,481
Unrealised gains at 30 September 2007		1,234,265	2,970,568	4,204,833

## 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 £13,157 (2006: £13,589).