

**Registered Company No. 1084747 (England and Wales)**  
**Registered Charity No. 265139**

**ARCHITECTS BENEVOLENT SOCIETY**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2012**

# ARCHITECTS BENEVOLENT SOCIETY

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# ARCHITECTS BENEVOLENT SOCIETY

## COMPANY INFORMATION

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<b>Secretary</b>	Robert Ball
<b>Welfare Officers</b>	Ms Helen Stanley Mr Aidan Cullen
<b>Company number</b>	1084747
<b>Charity number</b>	265139
<b>Registered office</b>	43 Portland Place London W1B 1QH
<b>Independent 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  Investec Wealth and Investment Limited 2 Gresham Street London EC2V 7QN
<b>Solicitors</b>	Hunters 9 New Square, Lincoln's Inn London WC2A 3QN  Bates Wells and Braithwaite 2-6 Cannon St London EC4M 6YH

All correspondence should be addressed to:

The Secretary  
Architects Benevolent Society  
43 Portland Place  
London W1B 1QH  
[www.absnet.org.uk](http://www.absnet.org.uk)

Telephone 020 7580 2823  
Fax 020 7900 6847  
Email [help@absnet.org.uk](mailto:help@absnet.org.uk)

# **ARCHITECTS BENEVOLENT SOCIETY**

## **COMPANY INFORMATION**

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### **OFFICERS OF THE SOCIETY**

<b>Patron</b>	His Royal Highness The Duke of Gloucester KG GCVO
<b>President</b>	Sunand Prasad PPRIBA
<b>Vice Presidents</b>	Chris Cowen RIBA John Lane PPRIAS FRIBA Brian Lingard DA FRIBA
<b>Chairman</b>	Kenneth Bingham RIBA
<b>Vice Chairman</b>	Ronnie McDaniel RIBA
<b>Honorary Secretary</b>	Chris Goodall RIBA
<b>Honorary Treasurer</b>	Dr Geoffrey Purves BA BArch RIBA FRIAS MCI Arb

# ARCHITECTS BENEVOLENT SOCIETY

## COMPANY INFORMATION

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### MEMBERS OF THE COUNCIL

John Assael	
Kenneth Bingham	(South Western Region)
Anthony Clerici	(West Midlands Region)
Chris Cowen	
Lelia Dunlea-Jones	
Janet Dunsmore	(Eastern Region)
William Evans	(East Midlands Region)
Chris Goodall	(North West Region)
Terry Hopegood	
John Lane	(RIAS)
Roger Latham	(Resigned 12 February 2012)
Brian Lingard	
Ronnie McDaniel	(Royal Society of Ulster Architects)
Peter McKinley	
Colin Morse	
Geoffrey Purves	(Northern Region)
David Rock	(Resigned 13 June 2012)
Ian Sanders	(Resigned 13 June 2012)
Stella Saunders	(Wales Region)
Freni Shroff	
Malcolm Sinclair	(South East Region)
Marjorie Smith	(Chartered Institute of Architectural Technologists)
Chris Warburton	(Resigned 13 February 2013)
Hugh Woodeson	
Tom Young	

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

# ARCHITECTS BENEVOLENT SOCIETY

## COMMITTEES OF THE COUNCIL

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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) Lelia Dunlea-Jones Chris Goodall Terry Hopegood John Lane Colin Morse Freni Shroff Marjorie Smith
Executive Committee:	Chris Goodall (Hon Secretary and Chairman) John Assael Kenneth Bingham Janet Dunsmore John Lane (Resigned 17 May 2012) Ronnie McDaniel Geoffrey Purves Freni Shroff
Finance and Property Advisory Committee:	Geoffrey Purves (Chairman) Chris Goodall Brian Lingard Simon Still* Hugh Woodeson
External Affairs Committee	Ronnie McDaniel (Chairman) Kenneth Bingham Chris Goodall Geoffrey Purves
Claverton Court Management Committee:	Lelia Dunlea-Jones (Chairman) Chris Goodall Roger Latham Chris Warburton

All members of committees are Trustees and Members of the Council other than those shown with an asterisk thus \*

# ARCHITECTS BENEVOLENT SOCIETY

## REGIONAL AND BRANCH REPRESENTATIVES

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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. They also organise events and help raise funds for the Society. 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 Representative

Janet Dunsmore  
Hudson Architects  
9-10 Redwell Street  
Norwich  
Norfolk  
NR2 4SN

Bedford Branch  
David Pratt  
Woods Hardwick  
17 Goldington Road  
Bedford  
MK40 3NH

#### Hertfordshire Association of Architects

David Kirby  
Kirby Cove Architects  
Molewood End  
Molewood Road  
Hertford  
SG14 3LT

#### Norfolk Association of Architects

Janet Dunsmore  
Hudson Architects  
9-10 Redwell Street  
Norwich  
Norfolk  
NR2 4SN

# ARCHITECTS BENEVOLENT SOCIETY

## REGIONAL AND BRANCH REPRESENTATIVES

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	South Essex Chapter David Charles 32 Merilies Gardens Westcliff on Sea Essex SS0 0AB
East Midlands Region	Regional Representative Bill Evans The Evans Partnership Prebend Passage Westgate Southwell Nottinghamshire NG25 0JH  Leicester and Rutland Society of Architects Andy Collins Metz Architects Limited Jubilee 2 Phoenix Yard Leicester LE1 5TE  Lincolnshire Society of Architects Barry Johnson 16 Main Ridge West Boston Lincolnshire PE21 6QN  Northamptonshire Society of Architects Will Assheton 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 Representative Vacant



# ARCHITECTS BENEVOLENT SOCIETY

## REGIONAL AND BRANCH REPRESENTATIVES

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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

Richmond, Kingston and Merton Branch  
Leigh Bowen  
12 Fairlands  
Twickenham  
TW1 2JY

### Northern Region

Regional Representative  
Dr Geoffrey Purves  
Hawthorn House  
Kirkwhelpington  
Northumberland  
NE19 2RT

### North West Region

Regional Representative  
Chris Goodall  
25 Hughes Lane  
Oxton  
Merseyside  
CH43 5TU

Cheshire Society of Architects  
Chris Goodall  
25 Hughes Lane  
Oxton  
Merseyside  
CH43 5TU

Liverpool Architectural Society  
M A Paddock  
Paddock Johnson Associates  
Studio 2  
The Lyceum  
Bath Street  
Port Sunlight  
CH62 4UJ

# ARCHITECTS BENEVOLENT SOCIETY

## REGIONAL AND BRANCH REPRESENTATIVES

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Southern Region

Regional Representative  
Vacant

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  
25 Barlow Close  
Wheatley  
Oxfordshire  
OX33 1NL

# ARCHITECTS BENEVOLENT SOCIETY

## REGIONAL AND BRANCH REPRESENTATIVES

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### South East Region

Regional Representative  
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  
Martin Bush  
Acorn House  
119-121 Wickenden Road  
Sevenoaks  
Kent  
TM13 3PW

### South Western Region

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

Cornwall Branch  
John Wilks  
Toll Cottage  
Porthoustock  
St. Keverne  
Helston  
Cornwall  
TR12 6QW

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

# ARCHITECTS BENEVOLENT SOCIETY

## REGIONAL AND BRANCH REPRESENTATIVES

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	<p>Plymouth Branch K S Bingham 21 Tern Gardens Plympton Plymouth PL7 2HZ</p>
Wessex Region	<p>Regional Representative Vacant</p> <p>Bristol and Bath Branch Sian Smith Basement Flat 23 Freeland Place Clifton Bristol BS8 4NP</p> <p>Dorset Branch Paul Harrington, Esq Morgan Carey Architects Ltd The Goods Shed Sandford Lane Wareham Dorset BH20 4DX</p> <p>Somerset Branch Christopher Mitchell Mitchell Architects 16 Cherry Tree Way Watchet Somerset TA23 0UB</p> <p>Wiltshire Branch Andrew Bumphrey 2-3 Silverless Street Marlborough Wiltshire SN8 1JQ</p>
West Midlands Region	<p>Regional Representative Anthony Clerici 1 Townsend Street Worcester WR1 3JQ</p>

# ARCHITECTS BENEVOLENT SOCIETY

## REGIONAL AND BRANCH REPRESENTATIVES

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	Worcester Society of Chartered Architects Anthony Clerici 1 Townsend Street Worcester WR1 3JQ
Yorkshire Region	Regional Representative Vacant
Northern Ireland	Regional Representative J R McDaniel 45 Stormont Park Belfast BT4 3GW
	Ulster Branch Jill Kerry 23 King's Brae Belfast BT5 7ER
Scotland	Regional Representative J A Lane Planetree Planetree Park Gatehouse of Fleet Kirkcudbrightshire DG7 2EQ
	Regional Representative Thomas M Young 1 Glencairn Crescent Edinburgh EH12 5BS
	Aberdeen Society of Architects Sheila Riddell 69 Devonshire Road Aberdeen AB10 6XP
	Dundee Institute of Architects Andrew Black Andrew Black Design 1 Ritchies Lane Perth Road Dundee DD2 1ED

# ARCHITECTS BENEVOLENT SOCIETY

## REGIONAL AND BRANCH REPRESENTATIVES

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Edinburgh Architectural Association  
Thomas M Young  
1 Glencairn Crescent  
Edinburgh  
EH12 5BS

Glasgow Institute of Architects  
Angus Kerr  
3 Caldwell Road  
West Kilbride  
Ayrshire  
KA23 9LE

Inverness Architectural Association  
Keith Edwards  
Cromal  
16 South Guildry 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

## **ARCHITECTS BENEVOLENT SOCIETY**

### **REGIONAL AND BRANCH REPRESENTATIVES**

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West Wales Branch  
Gareth Scourfield  
Pembroke Design  
5 Picton Place  
Haverfordwest  
Dyfed  
SA61 2LE

# **ARCHITECTS BENEVOLENT SOCIETY**

## **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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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 2012.

### **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 the Council are Trustees of the charity and 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 the Council is developing procedures for the ongoing training of all trustees in the future.

The composition of the Council for the year ended 30 September 2012 is set out on page 3. 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 all new applicants for assistance in their own homes and make regular annual visits to all existing beneficiaries. They are able to make informed and appropriate recommendations for consideration by the Case Committee.

The other main committee of Council is the Executive Committee which, with assistance from the Finance and Property Advisory Committee deals with financial and administrative matters. Income is generated from investments, from property and by fundraising 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.

The Society owns and runs sheltered housing in Chester and there is a local committee of management comprised of trustees of the Society which reports to the Executive Committee and to the Council.

Publicity, marketing, events and fundraising matters are dealt with by the External Affairs Committee which also reports to the Executive Committee and to the Council

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# ARCHITECTS BENEVOLENT SOCIETY

## REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2012

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### **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 and also to assist with income generation. Regional and branch representation is currently being reviewed and improved.

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 Association of Charitable Organisations, the Institute of Fundraising and the Fundraising Standards Board.

### **Risk Management**

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. During 2009-10 a complete re-examination of all the Society's activities and the associated risks was begun and that work was completed in 2011. The risks, the mitigation measures and the assessment of residual risks are reviewed by the trustees on a regular basis.

### **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 or is involved in the building design process.

#### **Public benefit**

The Architects Benevolent Society is a registered charity whose charitable purpose defined within the Charities Act 2011 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 or group. In reviewing the aims and objectives of the Society and in planning future activities the trustees have referred to the guidance issued by the Charity Commission on public benefit. The trustees consider that current activities deliver public benefit.

#### **Aims for public benefit**

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.

# **ARCHITECTS BENEVOLENT SOCIETY**

## **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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### **Objectives for the year**

The main objective for the Society in 2011-12 was to plan for the continuing economic downturn, particularly in the construction industry. The number of architects without work continued at a high level affecting both voluntary income (almost wholly derived from the architectural profession) and charitable spending to assist those who suddenly found themselves without the funds to support themselves or their families. There had been an increase in donation income as well as income from commercial lettings, however a significant fall in legacy income meant net income continuing its downward trend of recent years. With expenditure remaining high, largely due to the level of money given away to beneficiaries, the Society was faced with a continuing annual deficit in excess of £500,000.

Against this background, plans to boost income and reduce expenditure (mainly the latter) in order to ensure the long term financial health of the ABS were regularly reviewed and, having consulted with the Society's investment managers, a new five year financial plan was introduced, to be reviewed annually. A project to boost legacy income was started and the trustees commenced a major review of the overall fundraising strategy.

The two new Welfare Officers who started working for the Society in February 2011 completed their first full year of visiting the beneficiaries and continue the very good work of their predecessors. The number of individual cases in receipt of financial assistance was 318 (up from 303 in the previous year). Money given away in the form of grants, gifts and loans rose by £140,000, an increase of 24%

### **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 particularly challenging with those people such as widows of architects who may have lost touch with the profession but are nevertheless in need and are eligible for help. To that end the trustees initiated a review of the Society's publicity material including the regular newsletters and in particular the website which was in need of updating. The new publicity material will allow for greater and more accessible interaction with the profession with a view to increasing awareness as well as donation income.

### **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 are being 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. We are also making increasing use of voluntary help in the administration of the Society at the London Office.

### **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 almost £719,000 from both restricted and unrestricted funds, a very significant increase on the £579,000 given during 2010-11.

## ARCHITECTS BENEVOLENT SOCIETY

### REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2012

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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 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. We believe that visiting people in their own homes is an essential part of the assistance we give to people in need. So much so that visiting is written into our constitution as one of the basic ways in which help is provided.

The Welfare Officers keep up to date with the latest information on state benefits, an increasingly challenging task at the present time, and with the work of their colleagues in other professional benevolent funds. As well as CPD and training, they take part in marketing and promotional events and visits to architectural practices.

The Society can provide financial assistance very rapidly in cases of pressing need and is able to 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.

In all 418 separate cases were helped during 2011-12. Of these 318 received financial assistance (303 in 2010-11) and the remainder pastoral care and advice. New applications were received from 33 people (49 in 2010-11) and of these 31 were given financial help during the year. Taking into account children, spouses and other dependants of beneficiaries, the Society has helped 590 individuals this year.

Sadly 17 of our beneficiaries have died during the year but 18 others are no longer in need of assistance and are able to manage on their own. In some of these cases the Welfare Officers will keep in touch to ensure that all is well and that further care is forthcoming should the need arise.

Below is an example of the help which the Society has been able to give:

*Ashley is a qualified Architect who approached the Society in October 2011 as a last resort. He had been working as an Architect up until 2009 when he contracted a neurological disease called myelitis which left him partially paralysed. He had recently been made redundant so had to cope with the uncertainty of lost income and the effects of a possibly life changing illness. He spent time in hospital receiving treatment and then rehabilitation. Although his health did gradually improve, Ashley was still unable to work and was faced with increasing financial pressures as a consequence.*

*After struggling to manage for two years Ashley contacted the Society for support as he realised that he was unable to meet the payments for his increasing mortgage as well as supporting his young teenage son. The benefits he was entitled to from the State were not adequate to meet his basic living needs once he had paid his mortgage and he contacted the ABS out of desperation when he realised that he was at risk of being homeless. Although unable to work, Ashley received no extra money from the State in order to help him cope with the challenges of his illness and additional expenses such as transport and help in the home.*

*We have been able to help financially with a small regular grant and assistance towards his housing costs. We have also covered the cost of his telephone line rental which he would otherwise have had to cancel but which he needs in case of emergencies. As well as the financial support Ashley maintains regular contact with our Welfare Officers who are always able to help and advise and has said that he does not know what he would have done without the support and assistance from the ABS.*

## **ARCHITECTS BENEVOLENT SOCIETY**

### **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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*Ashley remains at risk of a relapse as he still has numbness in his lower legs which worsens when he is stressed. With the support of the Society, however he has been able to remain in his own home for the time being and his son stays with him during the week when he attends a nearby college. Ashley continues to depend upon the support of the Society in order to meet his basic needs especially at a time when the cost of living is increasing and there is pressure on the benefits system. He is far from "out of the woods" but feels that the support of the Society, which he has asked to be given as a loan rather than a gift, is a lifeline.*

#### **Executive Committee**

Under the Chairmanship of the Hon Secretary Chris Goodall, the Executive 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 one third of all trustees are members of this committee which acts as a sounding board for those 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 Executive Committee approves 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. It is assisted in this aspect of its work by the Finance and Property Advisory Committee which liaises directly with the investment managers. The ongoing economic downturn, particularly in the architectural profession, continued to influence the Society's finances during the year with more money being spent and less coming in. Plans to boost income and reduce expenditure (mainly the latter) in order to ensure the long term financial health of the ABS were regularly reviewed and a new five year financial plan was introduced in order to closely monitor, manage and ultimately reduce the substantial annual deficit. During the course of the year the trustees had reluctantly agreed to dispose of Claverton Court, the Society's sheltered housing site in Chester. The site had been running at a significant loss for a number of years and the number of beneficiary tenants had declined to the extent that they were occupying less than half of the flats. Claverton Court had been placed on the market in May and at the year end the Society had received a suitable offer which had been agreed in principle.

The Society had had a successful year managing and letting its commercial premises at 43 Portland Place. One of the larger tenants had extended their lease during the course of the year and a new tenant had been found on another of the floors. Following a year of near full occupancy at 43 Portland Place, commercial rents receivable made up 46% of the Society's total incoming resources for the year.

One of the flats purchased in 2007 to house former residents of Frenchlands Hatch fell vacant and was sold, the proceeds of £140,000 being used to reduce the bank loan from C Hoare and Co.

As usual the Society's auditors attended the January meeting at which the Annual Report and Financial Statements were examined and approved for submission to Council. The Society's Reserves policy was also reviewed at that meeting. Budgets for the coming year were approved in September and Management Accounts submitted to every meeting. Reviews of insurance, financial procedures, the trustee skills audit and the investment policy statement were also undertaken during the year.

#### **Finance and Property Advisory Committee**

Chaired by the Hon Treasurer Geoffrey Purves, this is a small committee comprised of members with financial, investment and legal expertise. It reports directly to the Executive Committee and liaises with the Society's investment managers. At each meeting full portfolio reports are received and representatives from the managers attend meetings during the year to advise the committee in detail and to review investment policy matters in line with the approved Investment Policy Statement.

## **ARCHITECTS BENEVOLENT SOCIETY**

### **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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The transfer of securities from Schroder and Co to Investec during the previous year had meant Investec being in the position to report on a full year of performance, allowing for a comparison of their performance with C Hoare & Co. Despite different strategies, the results for both managers were very similar, which the Committee felt was encouraging.

The return on investments during the previous year was below average but had improved in 2011-12, although returns tended to fluctuate significantly from quarter to quarter due to the sensitivity of the markets in the current economic climate. The Society continued to draw substantial sums in order to fund its activities but, despite these withdrawals, there had been a small increase in the portfolio valuations over the course of the year. The Committee remains concerned about the long term effect of the withdrawals on capital values and plans to continue to monitor the situation closely.

#### **External Affairs Committee**

This committee, chaired by Ronnie McDaniel, embraces all activities related to marketing and fundraising. Its purpose is to promote the Society and its activities to the architectural profession and it advises on all publicity, events and fundraising matters.

Efforts were made to recruit a trustee with marketing expertise, preferably with some experience within the architectural profession, and these efforts are ongoing. It was also agreed that the new trustee being sought to represent the London Region should take on responsibility for Events and should serve on the External Affairs Committee.

General donations from the profession remained steady but income had increased for the year thanks to an unexpected one off Trust payment of close to £20,000. Whilst the economic downturn continued it was believed that more effort should be put into fundraising. Work had progressed during the year on the legacy project and this was due to commence in 2013. The fundraising strategy as a whole was reviewed and expert advice sought. Work on the new strategy was to continue and implementation was planned for 2013.

The annual Fun Run, sponsored by Populous, took place in May and was the most successful yet. Over 100 runners signed up for the event and more sponsorship monies were raised than ever before. The Society also ran the Playful City Search, a treasure hunt around Central London to coincide with the London Festival of Architecture.

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

Following the decision to dispose of Claverton Court early on in the year, the Management Committee ensured that the remaining residents and tenants were well looked after and, where appropriate, helped to find alternative accommodation.

The Committee would particularly like to thank the Manager, Christine Phillips and the rest of the staff for their help and understanding during the difficult year.

#### **Appointments and retirements**

Trustees Roger Latham, Ian Sanders and David Rock retired from the Council during the year.

Roger Latham had recently become a Board Member of the Chester and District Housing Trust and this had proved to be an interesting but time consuming commitment. Council accepted Mr Latham's resignation with regret and sent their thanks for his contribution to the work of the Society, particularly at Claverton Court

## ARCHITECTS BENEVOLENT SOCIETY

### REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2012

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Ian Sanders had been involved with Claverton Court since the selection of the site in the early 1980s. He was a member of the Building Committee and subsequently of the Management Committee. Together with Cyril Morris he was the Society's client representative during the difficult period of extension and renovation between 1998 and 2001.

David Rock was very involved with the ABS between 1960 and 1972 particularly with publicity. As President of the RIBA he was also President of the Society from 1997 to 1999. Under the new rules he was appointed President of the ABS for the second time in July 2003 and served in that capacity until 2007. He had initiated and carried through many projects including the Big A auction which raised £60,000 and the President's Appeal in which he single handedly raised in excess of £100,000 in the first year with many of the donations being standing orders which continue to bring in money. To date the appeal has raised just under £400,000.

Council made presentations to Ian Sanders and David Rock and thanked them for all they had done to help the Society over many years.

A warm welcome is extended to Anthony Clerici who was appointed a trustee and Regional Representative in February 2012.

#### **Financial Review**

**Incoming resources** Money from donations, gifts and from fundraising events during the year totalled £189,918 compared with £147,240 for 2010-11. This was largely thanks to an unexpected one off Trust payment of close to £20,000, two years' worth of donations collected via the RIBA and an increase in event income.

Legacy income was substantially reduced being £29,701 in the current year compared with £184,786 in 2010-11. It was hoped legacy income would improve in future years following the implementation of the legacy project in 2013.

Income from commercial property has improved significantly with extra coming from both Portland Place and Weymouth Mews to a total of £464,850 compared with £380,140 in 2010-11.

Income from sheltered housing was £56,916 down from £76,634 the previous year as a result of tenants gradually vacating the flats at Claverton Court.

Investment income improved slightly at £269,335 compared with £253,566 in 2010-11.

#### **Resources expended**

**Costs of generating funds** Fund-raising, events and merchandising costs this year totalled £130,207 compared with £133,170 in 2010-11. This means that fundraising activities are in the black with a surplus of income over expenditure of £59,711.

The cost of running the commercial properties fell from £143,250 (as restated) in 2010-11 to £120,772 in the current year. This was because of improvement works to 9 Weymouth Mews in 2010-11.

Interest on borrowings fell from £117,875 in 2010-11 to £99,153 in the current year and will fall further in the year to come. This is because proceeds from the sale of flats purchased to house residents from Frenchlands Hatch have been used to reduce the loan from C Hoare and Co.

# ARCHITECTS BENEVOLENT SOCIETY

## REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2012

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**Charitable Expenditure** The Society's overall charitable expenditure in 2011-12 totalled £1,059,693 compared with the £1,104,066 expended last year. A proportion of the fall in expenditure is due to increased welfare staff costs during the overlap between old and new Welfare Officers in the spring of the previous financial year. There was a further fall in the cost of provided sheltered housing with the scaling back of activities at Claverton Court. But there was an increase of more than £41,000 in money given to beneficiaries.

### Deficit

The Society's net expenditure for the year was £530,306 (as restated) a reduction of £39,863 on the previous year when the deficit was £570,169. In the light of the continuing poor economic outlook, especially for the architectural profession, the trustees have put in place measures to very substantially reduce this deficit within the next five years. These are described elsewhere in this report.

### Investments

The level of the main (unrestricted) investment portfolio at 1 October 2011 was £11,361,282 and at 30 September 2012 stood at £11,767,366. The level of the Sawyer Bequest (restricted) endowment fund investments at 1 October 2011 was £500,341 and at 30 September 2012 stood at £566,972.

### Market Value of Land and Buildings

The Society's original freehold properties were revalued in 1986 shortly after the completion of the original buildings at Claverton Court, Chester and the revaluations were incorporated into the accounts. The properties in Surrey (Frenchlands Hatch, Frenchlands House and Woodlands Cottage) were sold at the end of 2007. The long lease on 43 Portland Place was purchased in July 2003. Further residential properties in Guildford, East Horsley, Cobham, Acle in Norfolk were acquired during 2007-8 and all are shown in the accounts at cost with depreciation as necessary. 9 Weymouth Mews, also acquired in 2007-8, at the rear of 43 Portland Place is included at market value, within investment properties.

In the opinion of the members of Council, the total market value of the properties at 30 September 2012 was in excess of the total book value of the properties shown in the accounts. The more substantial property at Portland Place remained significantly in excess of the value stated in the accounts.

### Legacies

All income from legacies is invested to produce an income. In this way, money bequeathed to the Society will have a lasting benefit for the needy people in the profession. The Society is most grateful to those who have been generous in helping to finance the charitable work in this way and commends the ABS as a worthy recipient to those who are contemplating bequests when drawing up their wills.

Legacies received during 2011-12 are :

Mrs S Adamson	£5,000
Mr S Fisk	£1,251
Mr P S Goldsmith	£200
Mr H N Goodbody	£2,000
Mr M Platt	£250
Mr A F Shannon	£10,000
Mrs A S Thomson	£1,000
Mr M J P Wilson	£10,000
Total	£29,701

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# **ARCHITECTS BENEVOLENT SOCIETY**

## **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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### **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 2013 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 600 needy people each year. The annual expenditure at present stands at £1.54 millions per annum, excluding irregular major capital works.

This expenditure is met from four main sources:

Donations. These vary but not more than £160,000 per annum can be counted on with certainty at the current time. From 1 October 2010 legacies have been invested and only the income is spent.

Income from investments. This also varies but is unlikely to exceed £270,000 at present.

Income from commercial properties. Approximately £460,000 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 the major source of its annual income and be at risk of failing to fulfil its duty to support the Society's beneficiaries as set out in the Memorandum and Articles of Association.

The Society wishes to maintain a balance of free reserves in the Current Fund at £450,000 a level sufficient for the Society to continue to operate and fulfil its obligations for a period of three months. At 30 September 2012 the balance was £261,000 a figure which the Trustees believe to be too little.

### **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 been experienced from 2008 onwards and significant falls in the value of reserves have yet to be recovered.

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, the lack of work within the architectural profession, the demographic changes which mean that a significantly greater proportion of the population will be of retirement age and the government's cuts on state benefits, particularly housing benefit cuts from April 2013. 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 under £19.5 millions should rise to between £25 millions and £30 millions by 2020.



# **ARCHITECTS BENEVOLENT SOCIETY**

## **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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### **Proposed action to achieve target reserves**

In 2012 the trustees decided to devote more resources to improving income from fundraising with the specific object of increasing the level of ordinary donations to reduce the shortfall against annual expenditure. The commitment to legacies was to continue. Legacy money is invested and only the income used to fund day to day activities. It is likely that little headway will be made during 2013 due to the continuing economic downturn, however it is hoped that fundraising and legacy income will increase in future years.

### **Monitoring and review procedures**

Monitoring of the financial performance of the investments is carried out by the Finance and Property Advisory Committee which reports to the Executive Committee each time it meets. Formal reports are submitted by the investment managers every three months and their representatives attend in person two or three times each year 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 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.

The Society has a five year financial plan which is updated annually by the Finance and Property Committee and presented to the Executive Committee and to Council.

### **Responsibilities of Members of Council**

The Members of Council (who are also directors for the purposes of company law) are responsible for preparing the Report of the Members of Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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 2006. 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 is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

# **ARCHITECTS BENEVOLENT SOCIETY**

## **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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### **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 and similar events, organised either by groups or individuals. 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  
CIAT  
F G Robert Charitable Trust  
Glasgow Institute of Architects  
JK & BM Harrison Charitable Trust  
The J S Trust  
The Madeline Mabey Trust  
The Mishcon Family Charitable Trust  
Plymouth Architectural Trust  
RIAS  
RIBA  
RIBA Bristol & Bath Branch  
RIBA Exeter Branch  
RIBA Leicestershire & Rutland Society of Architects  
RIBA North West  
RIBA South Essex Chapter  
RIBA Yorkshire  
RSAW  
Stirling Society of Architects  
The Twigg Trust

### **Future plans**

The Society, in common with many other charities, faces a further year and probably a prolonged period of financial stringency. Some staff cuts have already been made and there will be a further reduction when the Secretary retires in January 2013. Income from Portland Place is being maximised and attempts are being made to increase fundraising and legacy income. Agreement in principle has been reached with another charity to lease Claverton Court for a period of 18 months with an option to purchase at any time during the term. Should the property be purchased during 2013 the proceeds will be used to reduce borrowings.

### **Acknowledgements**

The Society wishes to express its appreciation and gratitude to the following: The RIBA, 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 2011-2012.

## **ARCHITECTS BENEVOLENT SOCIETY**

### **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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The Secretary of the Society, Keith Robinson, the Welfare Officers and the staff at 43 Portland Place and at Claverton Court 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

Robert Ball  
Secretary

2013

# **ARCHITECTS BENEVOLENT SOCIETY**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

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We have audited the financial statements on pages 28 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members and the trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members and trustees 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, the company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2012 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other requirement of the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# ARCHITECTS BENEVOLENT SOCIETY

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (continued)

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

We have nothing to report in respect of the following matters where the Companies Act 2006 and require us to report to you if, in our opinion:

- the charity has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### Lorenzo Mosca (Senior Statutory Auditor)

For and on behalf of

Saffery Champness  
Chartered Accountants  
Statutory Auditors

Lion House  
Red Lion Street  
London WC1R 4GB

2013

**ARCHITECTS BENEVOLENT SOCIETY**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

	Notes	Unrestricted Funds		Endowment Fund £	Restricted Fund £	Total 2012 £	Total 2011 £
		Current Fund £	Long Term Fund £				
<b>INCOME AND EXPENDITURE</b>							<i>As restated</i>
<b>Incoming resources from generated funds</b>							
<i>Voluntary income</i>							
	<b>1</b>						
Donations and gifts		182,878	-	-	-	182,878	142,380
Legacies		29,701	-	-	-	29,701	184,786
<i>Activities for generating funds</i>							
Fundraising income		7,040	-	-	-	7,040	4,860
Commercial rent receivable		464,850	-	-	-	464,850	380,140
<i>Investment income</i>	<b>3</b>	249,949	-	-	19,386	269,335	253,566
<b>Incoming resources from charitable activities</b>							
Income from residents of sheltered housing		56,916	-	-	-	56,916	76,634
<b>Total incoming resources</b>		<b>991,334</b>	<b>-</b>	<b>-</b>	<b>19,386</b>	<b>1,010,720</b>	<b>1,042,366</b>
<b>Resources expended</b>							
<b>Cost of generating funds:</b>							
Cost of generating voluntary income		128,578	-	-	-	128,578	122,662
Cost of events and merchandise		1,629	-	-	-	1,629	10,508
Investment management fee		71,330	-	2,944	-	74,274	61,421
Costs of running commercial properties		52,706	68,066	-	-	120,772	143,250
Interest on borrowings		99,153	-	-	-	99,153	117,875
		<b>353,396</b>	<b>68,066</b>	<b>2,944</b>	<b>-</b>	<b>424,406</b>	<b>455,716</b>
<b>Charitable activities:</b>							
Relief of poverty	<b>4</b>	750,427	-	-	19,386	769,813	775,188
Provision of accommodation		223,484	66,396	-	-	289,880	328,878
Loss on sale of investment property		17,521	-	-	-	17,521	15,514
<b>Governance</b>	<b>5</b>	<b>39,406</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,406</b>	<b>37,239</b>
<b>Total resources expended</b>	<b>6</b>	<b>1,384,234</b>	<b>134,462</b>	<b>2,944</b>	<b>19,386</b>	<b>1,541,026</b>	<b>1,612,535</b>
Net outgoing resources before Transfer		(392,900)	(134,462)	(2,944)	-	(530,306)	(570,169)
Transfer between funds		215,868	(215,868)	-	-	-	-
Net outgoing resources before revaluation and investment asset disposal		(177,032)	(350,330)	(2,944)	-	(530,306)	(570,169)
Loss on sale of investments		-	(8,101)	1,408	-	(6,693)	(197,911)
Gain/(loss) on revaluation of investments		-	1,830,773	50,111	-	1,880,884	(80,066)
Loss on revaluation of Property held for sale		-	-	-	-	-	(7,500)
Net movements in funds		(177,032)	1,472,342	48,575	-	1,343,885	(855,646)
Fund balances brought forward at 1 October 2011 as restated		438,521	17,187,924	487,016	-	18,113,461	18,969,107
<b>Fund balances carried forward at 30 September 2012</b>	<b>16</b>	<b>261,489</b>	<b>18,660,266</b>	<b>535,591</b>	<b>-</b>	<b>19,457,346</b>	<b>18,113,461</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 29

The notes on pages 31 to 40 form part of these financial statements.

# ARCHITECTS BENEVOLENT SOCIETY

## SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2012

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	2012 £	2011 £
Total income	1,010,720	1,042,366
Total expenditure	<u>1,546,183</u>	<u>1,808,317</u>
<b>Net expenditure</b>	<u>(534,055)</u>	<u>(765,951)</u>

Total income comprises £991,334 for unrestricted funds and £19,386 restricted funds. A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities.

Expenditure before asset disposals comprises £1,501,175 for unrestricted funds and £19,386 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 2006.

The summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 28 which together with the notes to the financial statements on pages 31 to 40 provide full information on the movements during the year on all the funds of the Society.

The notes on pages 31 to 40 form part of these financial statements.

# ARCHITECTS BENEVOLENT SOCIETY

## BALANCE SHEET AS AT 30 SEPTEMBER 2012

	Notes	2012		2011	
		£	£	£	£
					<i>As restated</i>
<b>Fixed assets</b>					
Tangible assets	9		5,814,102		5,898,608
Investments	10		15,712,984		14,254,793
Programme related investments	11		187,150		96,320
			<u>21,714,236</u>		<u>20,249,721</u>
<b>Current assets</b>					
Investment property held for sale			-	157,500	
Debtors	12	120,596		222,812	
Cash at bank and in hand		26,551		27,620	
		<u>147,147</u>		<u>407,932</u>	
<b>Creditors:</b> Amounts falling due within one year	13	(2,404,037)		(2,544,192)	
			<u>(2,256,890)</u>		<u>(2,136,260)</u>
<b>Net current liabilities</b>					
			<u>19,457,346</u>		<u>18,113,461</u>
<b>Net assets</b>					
<b>Funds</b>					
Permanent Endowment Fund	14		535,591		487,016
Unrestricted Funds:					
Current Fund	15		261,489		438,521
Long Term Fund					
- Investment and Property Fund	15		18,660,266		17,187,924
			<u>19,457,346</u>		<u>18,113,461</u>

The notes on pages 31 to 40 form part of these financial statements.

Approved by the Council on 2013  
and signed on its behalf by

.....  
Geoffrey Purves  
Member of the Council

Company No. 1084747 (England and Wales)



# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

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### 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 2006 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 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 operates sheltered housing and all direct costs of running the unit plus the welfare officers' time in supporting the unit 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.

# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

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### 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.

Claverton Court, Chester (Freehold)	-over 60 years
Echohurst (Freehold)	-over 60 years
43 Portland Place (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
Flat 18 The Limes (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.

A prior year adjustment is included to reanalyse certain properties to be shown as investment properties, previously included in tangible fixed assets. Investment properties are included at the Trustees' estimate of open market value and valuations are reviewed annually. No depreciation is charged on these assets in accordance with the Statement of Recommended Practice.

### 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 unsecured 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.

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# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

### 1.14 Unrestricted funds (continued)

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

	2012 £	2011 £
Fixed asset investments	251,268	241,231
Gross interest receivable	18,067	12,335
	<u>269,335</u>	<u>253,566</u>

### 4 Relief of poverty

	2012 £	2011 £
Grants	512,223	472,489
Gifts	33,845	31,964
Other direct costs including welfare officers	113,810	158,449
Indirect costs	109,935	112,286
	<u>769,813</u>	<u>775,188</u>

The Society made grants and gifts in the year to 318 (2011: 303) 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.

No (2011: none) grants are classified as institutional grants.

### 5 Governance costs

	2012 £	2011 £
Trustees' indemnity insurance	-	486
Trustees and committee meetings	15,948	13,308
Audit fee	10,000	10,000
Professional fees	6,500	6,500
Other costs	6,958	6,945
	<u>39,406</u>	<u>37,239</u>

# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

### 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	24,711	-	-	22,843	47,554	46,889	32,979	1,156	128,578
Costs of events and merchandise	-	-	-	1,629	1,629	-	-	-	1,629
Investment management fees	-	-	-	74,274	74,274	-	-	-	74,274
Cost of running commercial properties	-	68,478	-	23,442	91,920	20,357	7,993	502	120,772
Interest on borrowings	-	-	-	99,153	99,153	-	-	-	99,153
Relief of need	86,333	9,124	546,068	18,353	659,878	62,214	46,187	1,534	769,813
Provision of accommodation	51,992	50,676	-	52,356	155,024	95,153	37,358	2,345	289,880
Loss on sale of investment property	-	17,521	-	-	17,521	-	-	-	17,521
Governance	-	-	-	32,448	32,448	4,117	2,740	101	39,406
	<u>163,036</u>	<u>145,799</u>	<u>546,068</u>	<u>324,498</u>	<u>1,179,401</u>	<u>228,730</u>	<u>127,257</u>	<u>5,638</u>	<u>1,541,026</u>

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

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

	2012 £	2011 £
Depreciation and amounts written off tangible fixed assets (Profit)/Loss on disposal of fixed assets	133,840	133,427
Loss on revaluation of property held for sale	17,521	15,514
Amounts paid to auditors - audit	-	7,500
- other services	13,000	13,000
Hire of equipment	3,500	3,500
	<u>2,974</u>	<u>4,661</u>

# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

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8	<b>Staff costs</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	The average monthly number of persons employed by the Society during the year was:	<b>Number</b>	<b>Number</b>
	Office management and welfare	13	13
	Staff costs (for the above persons)		
	Wages and salaries		
	- own employees	307,945	338,993
	- temporary staff	4,982	8,066
		<u>312,927</u>	<u>347,059</u>
	Social security costs	34,536	38,780
	Other pension costs	30,103	25,909
		<u>64,639</u>	<u>64,689</u>
	Health and other staff benefits	14,200	14,824
		<u>391,766</u>	<u>426,572</u>
	The number of staff paid over £60,000 in the year is as follows:		
	Between £60,000 and £70,000	-	1
	Between £70,000 and £80,000	1	-
		<u>1</u>	<u>1</u>

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Pension contributions in respect of the higher paid employee were £7,263 (2011 - £7,086).

# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

### 9 Tangible fixed assets (as restated)

	Land and buildings Freehold £	Land and buildings Leasehold £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 October 2011	2,570,473	4,370,476	243,253	37,954	7,222,156
Additions	-	48,994	340	-	49,334
Disposal	-	-	-	-	-
At 30 September 2012	2,570,473	4,419,470	243,593	37,954	7,271,490
<b>Depreciation</b>					
At 1 October 2011	574,381	564,013	179,619	5,535	1,323,548
Charge for year	42,218	74,722	7,411	9,489	133,840
Disposal	-	-	-	-	-
At 30 September 2012	616,599	638,735	187,030	15,024	1,457,388
<b>NBV at 30 September 2012</b>	1,953,874	3,780,735	56,563	22,930	5,814,102
<b>NBV at 30 September 2011</b>	1,996,092	3,806,463	63,634	32,419	5,898,608

The net book value at 30 September 2012 represents fixed assets used for:

Generating funds	-	3,413,889	40,124	-	3,454,013
Charitable activities	1,953,872	366,846	16,440	22,931	2,360,089
Governance	-	-	-	-	-
	1,953,872	3,780,735	56,564	22,931	5,814,102

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.

Leasehold property acquired prior to 30 September 1986 was revalued to £60,000 and revaluations have not been subsequently updated. Later property additions have been included at cost

# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

### 10 Fixed asset investments (as restated)

	Investment properties £	Quoted investment equities and unit trusts £	Cash £	Total £
<b>Market value</b>				
At 1 October 2011	2,473,335	11,487,009	294,449	14,254,793
Additions	-	3,238,344	-	3,238,344
Disposals	-	(3,481,932)	-	(3,481,932)
Net unrealised investment gains	921,665	959,219	-	1,880,884
Net movement in the year	-	-	(179,105)	(179,105)
At 30 September 2012	<u>3,395,000</u>	<u>12,202,640</u>	<u>115,344</u>	<u>15,712,984</u>
				<b>2012</b>
				<b>£</b>
Historical cost of quoted investments				<u>11,563,474</u>

There were no investments in individual entities held at 30 September 2012 which are considered material in the context of the market value of the portfolio.

All investment assets are held in the United Kingdom.

Investment properties have been valued as at 30 September 2012 on an open market value basis using an informal valuation carried out by HNG Chartered Surveyors. The historic cost of investment properties is £2,569,353.

#### **Prior year adjustment**

The 2011 figures have been restated to reflect a change in accounting policy which recognises certain properties as investment assets. The effect is to release £43,248 of depreciation charged in 2011 to reserves brought forward and to reanalyse £2,473,335 of property previously included in tangible fixed assets to be investment properties.

# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

### 11 Programme related investments

	2012 £	2011 £
The charity makes interest free loans to its beneficiaries		
Loans to beneficiaries		
At 1 October 2011	1,005,348	964,173
Loans made in year	172,658	74,089
Loans written off in year	(556)	(414)
Loans repaid in the year	(30,103)	(32,500)
At 30 September 2012	<u>1,147,347</u>	<u>1,005,348</u>
Provision against loans		
At 1 October 2011	909,028	876,164
Provisions against loans written off	(556)	(414)
Increase in provision in the year	51,725	33,278
At 30 September 2012	<u>960,197</u>	<u>909,028</u>
Net balance	<u>187,150</u>	<u>96,320</u>

Total of these loans that were secured at 30 September 2012 was £393,866 (2011: £319,529).

### 12 Debtors

	2012 £	2011 £
Income tax recoverable	10,950	10,031
Other debtors	52,615	133,068
Prepayments and accrued income	57,031	79,713
	<u>120,596</u>	<u>222,812</u>

### 13 Creditors: Amounts falling due within one year

	2012 £	2011 £
Bank loan	2,230,701	2,369,081
Other tax and social security	18,139	25,092
Other creditors	18,940	13,901
Accruals and deferred income	123,644	116,825
Service charge account	12,612	19,293
	<u>2,404,036</u>	<u>2,544,192</u>

The bank loan with C Hoare & Co is repayable upon demand. Interest is payable at a rate of 1.25% above bank base rate, calculated on a daily basis.



# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

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### 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 2012 the value of the fund amounted to £535,591 (2011: £487,016).

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 28 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

	<b>Current fund £</b>	<b>Long Term Fund -Investment and property fund £</b>	<b>Total £</b>
At 1 October 2011 (as restated)	438,521	17,187,924	17,626,445
Net movement in funds	(392,900)	1,688,210	1,295,310
Fund transfers	215,868	(215,868)	-
At 30 September 2012	<u>261,489</u>	<u>18,660,266</u>	<u>18,921,755</u>

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.

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.

# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

### 16 Analysis of net assets between funds

	Endowment fund £	Current fund £	Long term fund £	Total funds £
Fund balances at 30 September 2012 are represented by:				
Tangible fixed assets	-	79,493	5,734,609	5,814,102
Investments	556,626	-	15,156,358	15,712,984
Programme related investments	-	187,150	-	187,150
Current assets	(21,035)	168,182	-	147,147
Current liabilities	-	(173,336)	(2,230,701)	2,404,037
<b>Total net assets</b>	<b>535,591</b>	<b>261,489</b>	<b>18,660,266</b>	<b>19,457,346</b>
Unrealised gains/(losses) included above:				
On tangible fixed assets - revaluation reserve	-	-	60,000	60,000
On investment assets	25,639	-	1,535,192	1,560,831
<b>Total unrealised gains at 30 September 2012</b>	<b>25,639</b>	<b>-</b>	<b>1,595,192</b>	<b>1,620,831</b>
		<b>Tangible fixed assets £</b>	<b>Investment assets £</b>	<b>Total £</b>
Reconciliation of movements in unrealised gains				
Unrealised gains/(losses) at 1 October 2011		60,000	(357,243)	(297,243)
Realised on disposal in the year		-	37,190	37,190
Net gains arising on revaluation in the year		-	1,924,132	1,924,132
<b>Unrealised gains at 30 September 2012</b>		<b>60,000</b>	<b>1,604,079</b>	<b>1,664,079</b>

### 17 Trustees 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 £6,949 (2011: £7,675).