

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

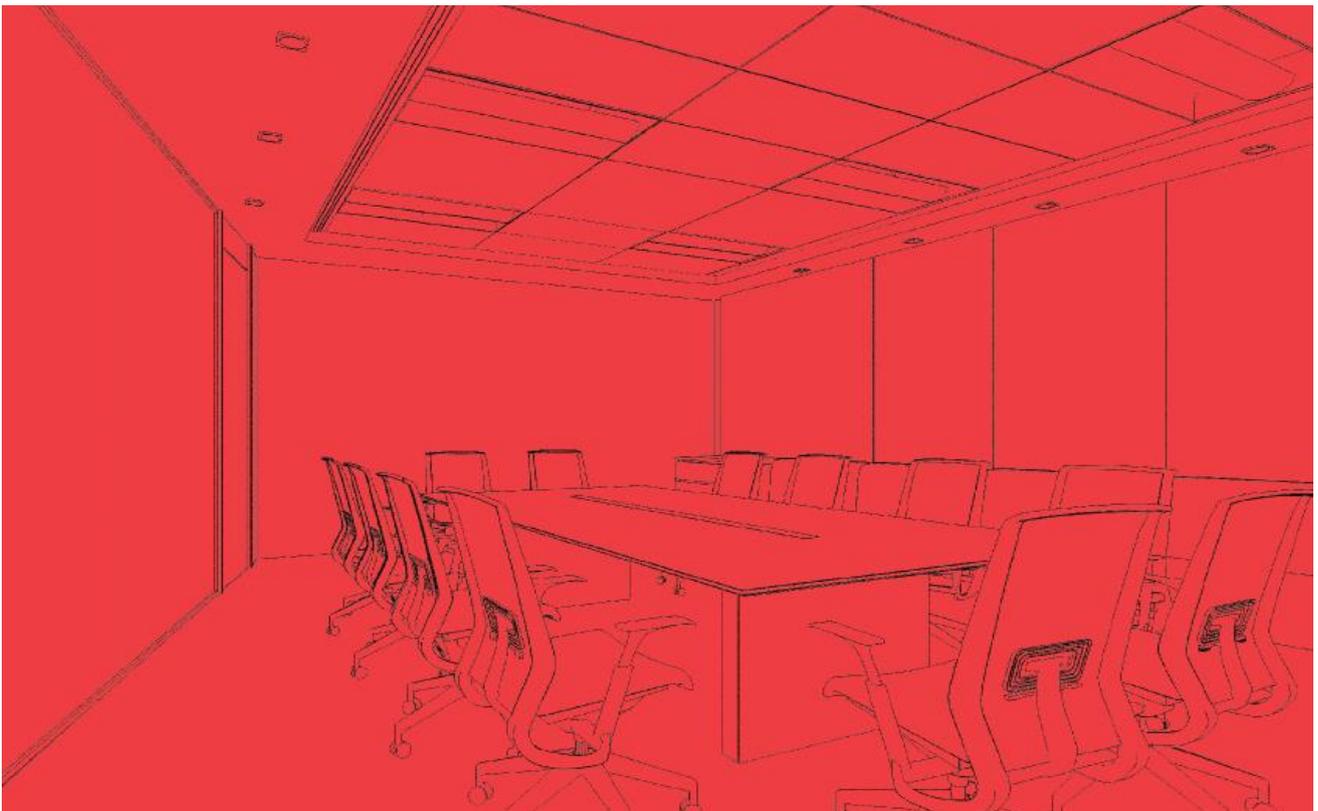


ARCHITECTS BENEVOLENT SOCIETY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2015

Architects Benevolent Society

Contents

	PAGE
Company information	1 – 5
Committees of the Council	6
Report of the Members of the Council	7 – 21
Independent Auditors' report to the Members	22 – 23
Statement of financial activities	24 – 25
Balance sheet	26
Notes to the financial statements	27 – 37



Architects Benevolent Society

Company information

Chief Executive
External Relations Manager
Welfare Officers

Robert Ball
Katie Vivian
Helen Stanley
Aidan Cullen

Company number

1084747

Charity number

265139

Registered office

43 Portland Place
London W1B 1QH

Independent auditors

Saffery Champness
71 Queen Victoria St
London EC4V 4BE

Bankers

C Hoare and Co
37 Fleet Street
London EC4P 4DQ

Lloyds Bank PLC
25 Gresham Street
London
EC2V 7HN

Investment Managers

Cazenove Capital Management
12 Moorgate
London EC2R 6DA

C Hoare and Co
37 Fleet Street
London EC4P 4DQ

Investec Wealth and Investment Limited
30 Gresham Street
London EC2V 7QN

Solicitors

Bates Wells and Braithwaite
10 Queen Street Place
London EC4R 1BE

Hunters
9 New Square, Lincoln's Inn
London WC2A 3QN

All correspondence should be addressed to:

Chief Executive
Architects Benevolent Society
43 Portland Place
London W1B 1QH

Telephone 020 7580 2823
Email help@absnet.org.uk
www.absnet.org.uk

Architects Benevolent Society

Company information (continued)

OFFICERS OF THE SOCIETY

Patron	His Royal Highness The Duke of Gloucester KG GCVO
President	Angela Brady OBE PPRIBA
Vice Presidents	Kenneth Bingham RIBA Brian Lingard DA FRIBA
Chair	Dr Geoffrey Purves BA BArch RIBA FRIAS MCI Arb
Vice Chair	Ronnie McDaniel Dip Arch (Sheff), FRIBA
Honorary Secretary	Chris Goodall RIBA
Honorary Treasurer	Dr Geoffrey Purves BA BArch RIBA FRIAS MCI Arb

Architects Benevolent Society

Company information (continued)

PRESIDENT OF THE SOCIETY

A NOTE OF THANKS TO SUNAND PRASAD



As many of our supporters and beneficiaries already know, Sunand Prasad (of Penoyre & Prasad) stepped down from the role of ABS President in 2015. We are immensely grateful to Sunand for his active involvement and support since 2011.

Sunand was instrumental in all of our fundraising efforts during his presidency, corresponding with our donors and beneficiaries personally when they wrote to him. He supported numerous events; two of our favourites are highlighted below.

In 2013, Sunand supported the 4,347 mile cycle ride from Portland, Oregon to Portland Place, London (P2P) and joined the core team of cyclists for a week of the challenge. As testament to its success, Sunand designed a unique award in 2014 for Peter Murray, NLA Chairman and organiser of the charity ride, which features Peter wearing the P2P limited edition socks designed by Paul Smith.

In 2014, a ride from RIAS in Edinburgh to RIBA in London (RIAS - RIBA) saw Sunand cycling the last leg of the journey, and welcoming the team of riders in to RIBA after their impressive challenge.

Sunand was invaluable in his role of President in helping to raise the profile of the charity and awareness of the support that we provide. We wish him all the very best in his new role as Chair of the Board for Article 25.

Architects Benevolent Society

Company information (continued)

PRESIDENT OF THE SOCIETY

THE SOCIETY WELCOMES ANGELA BRADY OBE



We are thrilled to introduce into the role of ABS President Angela Brady (of Brady Mallalieu Architects), a well-known and leading figure in architecture in the UK.

Our new ABS President, Angela Brady commented:

“As the only charity dedicated to helping architects and fellow professionals in the UK it is important that the ABS is known to all of us and that people are willing to give their support in any way they can. I am delighted to be the next ABS president”

Angela is a Past President of the RIBA and has many years of experience in the field. In the past ten years alone she has sat on at least 13 committees or advisory panels for a number of organisations, including RIBA, CABE/EH Urban Panel and The Building Exploratory, Hackney. In 2012 she was awarded the Lifetime Achievement award for ‘Women in Construction’. Angela’s expertise have allowed her to co-write and co-present a new TV series that provides a critical review of architecture, called “Designing Ireland” as well as publish her latest book “The British Papers”.

We have no doubt that her passion for architecture and the profession are the inspiration for her support of the Society, and with her help we expect to be able to reach out to even more of those people who are in need.

Angela believes that ***“the stories of help given so far are heart-rending on how the ABS has helped so many people over the years to get back on their feet”***. She hopes that whilst in this two year role, she will be able to raise more awareness about the work that we do, saying that she ***“would like to bring a wider awareness of caring for people in our professions who have come upon hard times”***.

Architects Benevolent Society

Company information (continued)

MEMBERS OF THE COUNCIL

John Assael	
Kenneth Bingham	
Richard Brindley	(Appointed October 2015)
Anthony Clerici	
Lelia Dunlea-Jones	
Janet Dunsmore	
William Evans	
Chris Goodall	
Mark Grzegorzczuk	(Appointed October 2015)
Angus Kerr	(Appointed October 2015)
John Lane	(Resigned June 2015)
Brian Lingard	
Ronnie McDaniel	
Peter McKinley	(Died September 2015)
Lucy Mori	
Colin Morse	
Geoffrey Purves	
Karen Rogers	
Stella Saunders	
Freni Shroff	
Malcolm Sinclair	(Resigned October 2015)
Marjorie Smith	(Died October 2015)
Hugh Woodeson	
Tom Young	

In accordance with Articles 25.2 and 25.4, at every Annual Meeting one fifth, or the number nearest to one fifth of the Trustees, being those who have been longest in office since their last appointment or reappointment, must retire from office. Retiring Trustees may be reappointed but a Trustee who has served for two consecutive terms of office must take a break from office before being eligible for (re)appointment.

Architects Benevolent Society

Committees of the Council

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

Case Committee:	Kenneth Bingham (Chairman) Lelia Dunlea-Jones Chris Goodall Terry Hopegood* Colin Morse Keith Robinson* Freni Shroff
Executive Committee:	Chris Goodall (Hon Secretary and Chairman) John Assael Kenneth Bingham Janet Dunsmore Ronnie McDaniel Geoffrey Purves Freni Shroff
Finance and Property Advisory Committee:	Geoffrey Purves (Chairman) Chris Goodall Simon Still* Hugh Woodeson
External Affairs Committee	Ronnie McDaniel (Chairman) Kenneth Bingham Ant Clerici Chris Goodall Lucy Mori Geoffrey Purves Laura Tomlinson*

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

Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2015

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 2015.

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.

Becoming a Trustee 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 Trustees of the Society are entitled to attend, to speak and to vote at General Meetings.

Governance

Trustees of the Society are the only Members and all Trustees become a Member of Council on appointment as a Trustee. The Council is the governing body of the Society and as well as being Members of the Council, Trustees are also Directors of the Company for the purposes of company law. In accordance with Articles 25.2 and 25.4, at every Annual Meeting one fifth, or the number nearest to one fifth of the Trustees, being those who have been longest in office since their last appointment or reappointment, must retire from office. Retiring Trustees may be reappointed but a Trustee who has served for two consecutive terms of office must take a break from office before being eligible for (re)appointment. 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 familiarisation for the first year of trusteeship and Council as a whole is provided with refresher training on a regular basis.

During the course of the year the Society completed a comprehensive review of the Governance structure and of the Society's Articles and Memorandum of Association, in consultation with the Society's solicitors, Bates Wells Braithwaite. This review culminated in revised Articles of Association being adopted at the Annual General Meeting in June 2015.

The composition of the Council is set out on page 6. The Chief Executive 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 visits to 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. 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.

Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2015

Relationships

Following the adoption of the revised Articles of Association in June 2015, the Society is currently reviewing its relationships with the various organisations which represent the wider architectural profession and in order to ensure the work of the Society is effectively communicated to all eligible persons at national and regional level. This work is important in helping to make members of the wider profession aware of the help that the Society can offer and also to assist with income generation.

The Society has informal but increasingly 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 Professionals Aid Council, the Association of Charitable Organisations, the Fundraising Standards Board and the Institute of Fundraising.

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 much 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 spouses, civil partners, widows, widowers, surviving civil partners, children and other dependants of such persons being in necessitous circumstances'*

Council includes in the definition of 'persons engagedin architecture' any person in the United Kingdom, the Channel Islands or the Isle of Man who works or has, for a reasonable period in the past, worked in the United Kingdom, the Channel Islands or the Isle of Man as an architect (including landscape architect but excluding naval architect) or as an architectural assistant or technologist or in such other capacity within the profession which is considered appropriate.

Public benefit

The Architects Benevolent Society is a registered charity whose charitable purpose defined within the Charities Act 2011 is for the relief of poverty. The Society provides public benefit through financial help and other assistance to past and present members of the wider 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 wider 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 2015

Objectives for the year

The main objective for the year was continuing to work towards the long term financial sustainability of the Society. With continued cuts to state benefits, particularly affecting those already reliant on those sources of income in order to survive, the Society was spending ever more supporting people in need with regular financial assistance and this trend was likely to continue in the medium term. The gradual decline in regular voluntary income (almost wholly derived from the wider architectural profession) was now being addressed through increased efforts at raising awareness and fundraising but this was unlikely to make a significant impact in the short term and the Society was going to have to largely rely on the income produced by the property and investment assets for the foreseeable future. Against this backdrop of increasing need it was therefore particularly timely that the Society had had another successful year in terms of legacy income. These monies are invested, meaning they will continue to provide assistance to those in need over the long term.

Strategies

As detailed above, and 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 wider architectural profession know of the Society's existence. This is particularly challenging in that, unlike many other benevolent funds where the related profession is often closely linked to a single professional body, there are a number of professional bodies serving the wider architectural profession and the Society is increasingly looking to establish closer links with all of these bodies as a means to improving communication in both directions. To further enable improved communication, the Society launched its new website during 2015. The initial feedback was very positive and the intention is to continue to improve the website and all other external communication as a means of raising awareness.

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 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.

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 each case is reviewed at least once every twelve months and increasingly more frequently than that. During the year the Society expended almost £1,000,000 on the relief of poverty from both restricted and unrestricted funds, the most in a single year since the Society was founded.

Grants are made to those who need help on a regular basis and gifts are provided for specific essential needs that a person would otherwise be unable to afford and where these may not best be met by the provision of a monthly grant. 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 most beneficiaries in person annually 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.

Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2015

The Welfare Officers keep up to date with the latest information on state benefits, an increasingly challenging task at the present time with the gradual implementation of Universal Credit, continued cuts to benefits and with the work of their colleagues in other professional benevolent funds.

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 Chair of the Case Committee who is authorised to agree urgent applications for financial help between committee meetings.

516 separate cases were helped during 2014-15

*

Of these, **290** received financial assistance and the remainder pastoral care and advice or other types of assistance

*

39 new cases were given financial help during the year

*

Sadly **30** of our beneficiaries have died during the year

*

51 others, along with their dependants, are no longer in need of assistance and are able to manage on their own.

*

Taking into account children, spouses and other dependants of beneficiaries, the Society helped

710 individuals during 2014-15

Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2015

The Society helps people of all ages and for a variety of reasons, sometimes due to freak incidents that can strike out of nowhere.

ANDY'S STORY



Andy was involved in a freak accident that very nearly cost him his life. He suffered horrendous burns after fumes ignited by a fire pit engulfed him at a family birthday celebration. Andy endured unbearable pain and had to go through several major skin graft operations as part of his recovery.

"I was scared to close my eyes all the way to A&E in case I never opened them again".

Andy was in hospital for two months, during which time his wife was travelling 130 miles a day to visit him, putting her and their two daughters under severe emotional and financial stress. A sole trading architect, Andy was unable to work, placing his family in considerable financial difficulty, with mounting bills and little income to pay them.

The Society was able to step in and provide immediate financial support for Andy and his family, giving a monthly grant, and covering the significant petrol costs of travelling to the hospital. At the Society, we always aim to have funds we can use to respond quickly to those in desperate need of help. Accessing insurance money and benefits can take time and so this immediate response was greatly appreciated by Andy and his family.

"They really helped to keep my family on their feet and allowed us to keep going through the really difficult times."

Andy is back working full time now and, although we are no longer providing financial support, our Welfare Officers are still in contact with him. We wish Andy the best of luck for the future.



Architects Benevolent Society

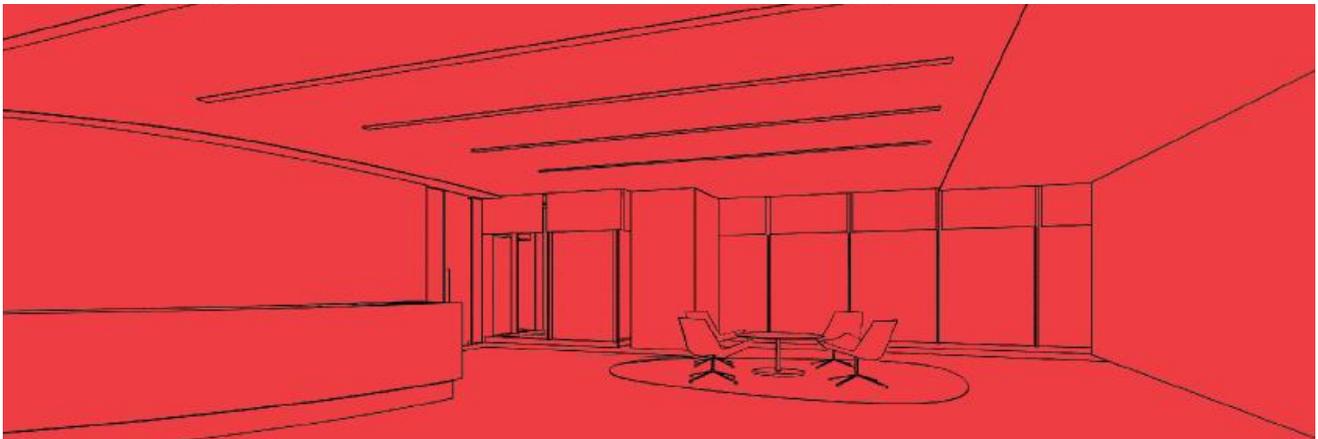
Report of the members of the council For the year ended 30 September 2015

Executive Committee

Chaired by 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. The Committee 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 Society continued to take measures working towards good governance and following on from the review of the Society's Articles of Association, during the course of the year the Committee recommended the adoption of new policies relating to financial management, fraud, whistle blowing and conflicts of interest.

The Committee also approved enabling and improvement works to the Society's offices at 43 Portland Place, works which completed the Society's long term plan to reduce the amount of occupied space in order to maximise revenue from the building. This was completed successfully later in 2015. The Society continued to receive a large proportion of its annual income from commercial rents, and at year end, completion of all works were all but complete, meaning that increased and sustained income could be expected going forwards.



Finance and Property Advisory Committee

Chaired by the Hon Treasurer Geoffrey Purves, this committee is comprised of members with financial, investment and legal expertise. It reports directly to the Executive Committee and liaises directly with the Society's investment managers. Each quarter full portfolio valuation 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 Investment Policy Statement.

The performance of investments during the year was encouraging, despite another challenging year for investment markets. After accounting for the substantial withdrawals necessary to fund expenditure, investments overall showed an increase in net value over the course of the year. The Society had again expended significant capital during the year in order to fund improvement works at 43 Portland Place, but these works were now completed and, with commercial rents likely to increase in the near future there were grounds for optimism going forwards.

Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2015

The Committee had also considered the location of the Society's offices and had decided to maintain the offices at 43 Portland Place but to take up less space than previously in order to maximise commercial rental income. The related works were approved and successfully completed during a three month period leading up to the year end.

External Affairs Committee

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

The Committee continued to monitor fundraising efforts closely and to assist the team where possible. In addition, full consideration was being given as to how to effectively engage with the various professional organisations which represent members of the architectural profession. Work was ongoing but real progress was being made, both within the professional bodies and also with appointing representatives onto the Society's Council.

The Committee and the fundraising team would particularly like to thank everyone at Pollard Thomas Edwards who organised the ABS Chicken Run in 2015. The event takes a huge amount of organising and their amazing efforts led to our most successful fun run ever.



Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2015

Fundraising

The Society employs three members of staff to fundraise for the charity comprising External Relations Manager, Stewardship Officer and Communications Officer. Fundraising activities carried out by other organisations on behalf of the ABS, such as events, are voluntary only; the Society does not employ external fundraisers and individuals to fundraise on the Society's behalf.

The Society is a member of the Institute of Fundraising and also the Fundraising Standards Board, a self-regulatory scheme. This demonstrates a commitment to openness and honesty in our fundraising practice, and enables us to keep up to date with current legislation relating to fundraising, including changes to the code of practice.

When the Society knows in advance about a fundraising event being organised on its behalf, the team is in regular contact with the organiser, checks and approves information relating to the event before it is sent out, and provides promotional materials and resources where appropriate.

During 2014-15, five complaints were received relating to duplicate mailings, or not wishing to receive direct mail as the content was not deemed relevant. No complaints about conduct or practice were received.

What the charity has done to protect vulnerable people and others from unreasonable intrusion or persistence, or undue pressure

Staff are kept informed of legal updates relating to fundraising to ensure they are aware of best practice and there are systems in place to notify the fundraising team when donors should not be contacted for reasons such as ill health or changes in their financial situation.

Appointments and retirements

Trustee Malcolm Sinclair retired from the Council in October 2015 after many years as a Trustee. Malcolm served the Society with distinction during his time with us, most notably as the last Chair of the Frenchlands Hatch Management Committee before the site was sold in 2007.

A warm welcome is extended to Richard Brindley, Mark Grzegorzczuk and Angus Kerr who were appointed as trustees in October 2015.



Richard Brindley



Mark Grzegorzczuk



Angus Kerr

Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2015

Obituaries

It was with great sadness that the Society learned of the deaths of three trustees during the course of the year, Peter McKinley in September 2015 and both Marjorie Smith and John Lane in October 2015.

Peter McKinley joined Council as a trustee in 1992 and was still serving at his death. He was Hon Treasurer of the Society between 1995 and 2002 and is survived by his wife, Sylvia, who was herself a non-trustee member of the Frenchlands Hatch Management Committee for many years until 2005. He died peacefully at home after a long illness.

Marjorie Smith was another long-serving Trustee, having joined Council in June 2000 as a representative of CIAT. She was a very popular member of Council and also the Case Committee, on which she served for many years. Her death came after a sudden illness, she will be sadly missed.

John Lane became a trustee of the Society in 1991, was Vice Chairman from 1997 until 2001 and Chairman from June 2001 until June 2007, at which time he was made a Vice President of the Society. He remained as a trustee and Vice President until he retired from Council in June 2015.

His work for the Society was extensive. As well as being Chairman, he was a member of the Executive Committee between August 1997 and May 2012, the Funding Committee from August 1996 to June 2002, Chairman of the External Affairs Committee from June 2002 until June 2007 and was also a member of the Case Committee from November 2010 to April 2013.

John was also heavily involved with the Glasgow Institute of Architects and the RIAS, of which he was President between 1985 and 1987.

Their contribution to the work of the Society over so many years was greatly appreciated and will not be forgotten.



Peter McKinley



Marjorie Smith



John Lane

Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2015

Financial Review

Incoming resources Money from donations and gifts totalled £163,967 compared with £173,037 for 2013-14, demonstrating that the gradual decline in voluntary income from individuals was yet to turn.

Legacy income fell to £197,572 in the current year compared with £532,227 in 2013-14 and £329,141 in 2012-13, two exceptional years. Despite the fall, legacy income was still well above the 10 year average, an encouraging trend. The Society is very grateful to all those who have left legacies and the list of those who have been so generous during the year is below.

Income from commercial property increased to £410,011 compared with £316,682 in 2013-14 due to continuing vacancies at 43 Portland Place related to the major capital works in the building and which were slowly being filled as works were completed. This source of income was expected to continue to increase significantly over the next 18 months.

Income from sheltered housing was £18,970 a small fall from £19,020 the previous year.

Investment income increased to £283,114 compared with £249,729 in 2013-14. Although a positive sign, the focus would continue to be on total return performance in line with the new investment policy statement, placing less importance on income performance.

Resources expended

Costs of generating funds Fundraising costs this year totalled £255,741 compared with £224,039 in 2013-14, the increase as a result of the Society having refurbished the head office during the year and purchasing essential new office equipment and furniture to suit the new and smaller space occupied by the staff team.

The cost of running the commercial properties decreased from £164,991 in 2013-14 to £139,551 in the current year.

Interest on borrowings fell from £11,813 in 2013-14 to £3,238, the loan from C Hoare and Co having been paid off during the year.

Charitable Expenditure The Society's overall charitable expenditure in 2014-15 totalled £1,015,851 compared with the £927,583 expended the previous year, an increase of £88,268.

Charitable expenditure for the year was the highest in the Society's history.

Deficit

The Society's net expenditure for the year was a deficit of £494,100 a significant increase of nearly £850,000 on the previous year when there was a surplus of £345,965. Actual income and expenditure the previous year showed a small deficit of £3,851 thanks to an exceptional year for legacy income; the surplus was entirely due to an accounting adjustment in the level of interest free loan provision of £349,816.

Investments

The level of the investment portfolios at 1 October 2014 was £12,304,808 and at 30 September 2015 stood at £11,692,344.

Market Value of Land and Buildings

The long lease on 43 Portland Place was purchased in July 2003. Further residential properties in Guildford, East Horsley and 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,

Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2015

the total market value of the properties at 30 September 2015 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. This was due to be reviewed during 2015-16 and the accounts adjusted accordingly in line with the latest charity SORP.

Legacies

All income from legacies is invested to produce a long term return. 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. The generosity of all those detailed below is greatly appreciated.

Legacies received during 2014-15 were:

Miss P Burnip Mann	£20,000
Mrs J Grinsted	£5,000
Mr Ronald Stuart Knight	£88,809
Mrs P L Withers	£500
Mr Geoffrey M Hobbs	£2,996
Mr S Farris	£25,000
Mr J S F Pinnock	£8,067
C R Hogben, Esq	£40,000
Ms J Staniland	£2,000
Mr R E Thornton	£5,000
Mr Harold Alan Meek	£200

Transforming Lives

Please consider making a gift to the Architects Benevolent Society in your will. It would be a wonderful way to help members of the wider architectural profession and their families to overcome unexpected difficulties.

To find out how you could make a lasting gift please contact us on **020 7580 2823** / lastinggifts@absnet.org.uk or write to us at 43 Portland Place, London, W1B 1QH



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 continuing cuts to state benefits which often affect those already suffering financial insecurity. It is further the stated intent of Council to increase awareness of the Society's work within the wider architectural profession. If successful, it is expected that this will lead to a further increase in calls for help. The new Reserves Policy that will be adopted on 15 June 2016 therefore includes a commitment to stabilise the level of investment capital in the medium to long term to ensure that the Society will be in a position to continue its important work in the future.

Reasons for reserves

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 Articles of Association, particularly when the capital value of investments is falling.

The Society supports approximately 700 needy people each year and total annual expenditure at present stands at £1.57 millions per annum.

This expenditure is met from four main sources:

Voluntary income. The Society is seeking to increase voluntary income over the medium term but, in the shorter term, not more than circa £200,000 per annum can be counted on with certainty. From 1 October 2010 legacies have been invested.

With the exception of the income from the Sawyer Fund, which is expended on helping retired architects in need, income from investments is re-invested as part of the Total Return strategy as detailed in the Society's Investment Policy Statement.

Income from commercial properties. A little under £400,000 per annum currently although this figure is due to increase in increments to in excess of £550,000 during 2016-17 now that 43 Portland Place is fully occupied and for the foreseeable future.

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

The Society reviewed its investment strategy in June 2014 and the revised Investment Policy Statement introduced a new Total Return strategy to ensure the Society could continue to support members of the wider architectural profession in need during periods of economic uncertainty, as well as at other times.

With regards to liquidity, the Investment Policy Statement ensures that the Society's investments are not tied into long term funds, meaning that the Society is able to realise investment assets quickly and in addition to the free reserves target detailed below.

The Society wishes to maintain a balance of free reserves in the Current Fund at an average of £410,000, a level sufficient for the Society to continue to operate and fulfil its obligations for a period of three months. At 30 September 2015 the Current Fund stood at £650,681, although this included a significant element of programme related investments which could not be realised quickly. However, in addition to the low level of realisable assets in the current fund, cash holdings in the investment portfolios stood at £567,077.

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 was experienced from 2008 onwards.

Architects Benevolent Society

Report of the members of the council (continued)

For the year ended 30 September 2015

Although there had been a diminution in direct financial help given to beneficiaries, 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 due to demographic changes which mean that a significantly increased proportion of the population will be of retirement age and the government's continuing cuts on state benefits. The Trustees are of the opinion that the Society's outgoings will continue to rise for the foreseeable future.

Proposed action to achieve and maintain target reserves

In 2013 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. It is likely that there will be no clear impact on regular voluntary income during 2015-16, however it is hoped that voluntary income will rise in future years as awareness of the Society's work increases. Following completion of the major capital works at 43 Portland Place, commercial income is set to stabilise at an increased level and the property is due to be re-valued during 2015-16 and the balance sheet updated accordingly. Once updated, the Society will be in a better position to review the long term strategy and it is predicted that the reserves policy will also need to be reviewed further and updated.

As stated above, in 2013-14 the Trustees agreed a new Investment Policy Statement in order to help determine the long term strategy and risk profile, with less emphasis placed on investment income. The new policy has set a clear, medium term, Total Return target for the Society's investment managers, the intention being to ensure that both the longer term reserves target is met and short term cash requirements are readily available.

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 each quarter 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 when the preliminary accounts for the previous year are available for examination, and once the accounts have been approved. Any changes recommended are minuted and submitted to the following meetings of Council for formal approval of the Trustees.

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;

Architects Benevolent Society

Report of the members of the council (continued)

For the year ended 30 September 2015

- 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 Trustees 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.

Activities around the UK

The Society is most grateful to all those who work in raising awareness and in fundraising activities and sponsorship throughout the UK and in the many institutions and organisations representing the wider architectural profession. The Society receives 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 Society and its work.

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

Aberdeen Society of Architects	RIBA Colchester Branch
Architects Journal	RIBA North East
Assael Architecture	RIBA South West
Bradshaw Gass Trust	RIBA West Kent Branch
Broad Oak Trust	RIBA Yorkshire
CIAT	RSUA
F G Roberts Charitable Trust	Schreiber Charitable Trust
Glasgow Institute of Architects	Stirling Society of Architects
New London Architecture	The Association of Jersey Architects
North Wales Society Of Architects	The J S Trust
Plymouth Architectural Trust	The Mishcon Family Charitable Trust
Pollard Thomas Edwards	The Surveyors' Club Charitable Fund
RIAS	Twigg (Trust)
RIBA	Worshipful Company Of Chartered Architects
RIBA Bristol & Bath Branch	

Architects Benevolent Society

Report of the members of the council (continued) For the year ended 30 September 2015

Future plans

The benevolent sector continues to face uncertainty and increased responsibility in these times of economic austerity and the Society needs to be prepared for all eventualities. Efforts are to continue to raise awareness and increasing voluntary income but these are medium to long term plans and there will likely be little impact in the short term. With income from 43 Portland Place due to increase, the Society can look forward with a greater degree of certainty than has been the case in the previous five years and, once overall income from the Society investment assets has stabilised, it will represent an opportunity to review the Society's services to the wider architectural profession going forwards.

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. Special thanks for their efforts during 2014-15 go to the RIAS for their exceptional ongoing support and also Pollard Thomas Edwards for their great efforts in organising the ABS Chicken Run in 2015 - and again in 2016!.

Our professional advisers for their continuing guidance and support throughout 2014-2015

All of the staff 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.

This report was prepared in accordance with the special provisions in part 15 of the Companies Act 2006.

By order of the Board

Robert Ball
Chief Executive

2016

Architects Benevolent Society

Independent auditors' report to the members For the year ended 30 September 2015

We have audited the financial statements on pages 24 to 37. 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 charitable company's members and the Council members, 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 charitable company's members and Council 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 charitable company, the charitable company's members and Council members 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 Responsibilities of members of Council, the Council members (who are also the directors of the charitable 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 charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Council members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the members of Council to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 charitable company's affairs as at 30 September 2015 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.

**Independent auditors' report to the members (continued)
For the year ended 30 September 2015**

Opinion on other requirement of the Companies Act 2006

In our opinion the information given in the Report of the members of Council for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 charitable company 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 charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Council members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Council members were not entitled to prepare the Report of the members of Council in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing a Strategic Report.

**Lorenzo Mosca (Senior Statutory Auditor)
For and on behalf of Saffery Champness**

.....2016

**Chartered Accountants
Statutory Auditors**

71 Queen Victoria
London
EC4V 4BE

Architects Benevolent Society

Statement of financial activities (incorporating income and expenditure account) For the year ended 30 September 2015

	Notes	Unrestricted Funds			Restricted fund	Total 2015	Total 2014 Restated
		Current fund	Long term fund	Endowment fund			
		£	£	£	£	£	
Income and expenditure							
Incoming resources from generated funds							
<i>Voluntary income</i>							
	1						
Donations and gifts		163,967	-	-	-	163,967	173,037
Legacies		197,572	-	-	-	197,572	532,227
<i>Activities for generating funds</i>							
Commercial rent receivable		410,011	-	-	-	410,011	316,682
Investment income	3	258,549	-	-	24,565	283,114	249,729
Incoming resources from charitable activities							
Income from residents of sheltered housing		18,970	-	-	-	18,970	19,020
Gain on sale of property		-	-	-	-	-	154,164
Total incoming resources		1,049,069	-	-	24,565	1,073,634	1,444,859
Resources expended							
Cost of generating funds:							
Cost of generating voluntary income		255,741	-	-	-	255,741	224,039
Cost of events and merchandise		-	-	-	-	-	3,688
Investment management fee		70,014	-	3,843	-	73,857	60,017
Costs of running commercial properties		50,386	89,165	-	-	139,551	164,991
Interest on borrowings		3,238	-	-	-	3,238	11,813
		379,379	89,165	3,843	-	472,387	464,548
Charitable activities:							
Relief of poverty	4	960,301	-	-	24,565	984,866	893,317
Provision of accommodation		25,959	5,026	-	-	30,985	34,266
Release of IFL provision	4,18	-	-	-	-	-	(349,816)
Governance	5	79,496	-	-	-	79,496	56,579
Total resources expended	6	1,445,135	94,191	3,843	24,565	1,567,734	1,098,894

Architects Benevolent Society

Statement of financial activities (incorporating income and expenditure account) (continued) For the year ended 30 September 2015

	Notes	Unrestricted Funds		Endowment fund	Restricted fund	Total 2015	Total 2014 Restated
		Current fund	Long term fund				
		£	£	£	£	£	£
Net (outgoing)/incoming resources before transfer		(396,066)	(94,191)	(3,843)	-	(494,100)	345,965
Transfer between funds		(29,894)	29,894	-	-	-	-
Net (outgoing)/incoming resources before revaluation and investment asset disposal		(425,960)	(64,297)	(3,843)	-	(494,100)	345,965
Realised gain on sale of investments		-	460,416	4,638	-	465,054	256,177
Net (expenditure)/income		(425,960)	396,119	795	-	(29,046)	602,142
Unrealised (loss)/gain on revaluation of investments		-	(139,083)	10,712	-	(128,371)	278,014
Net movements in funds		(425,960)	257,036	11,507	-	(157,417)	880,156
Funds brought forward as previously stated		726,825	19,523,527	627,113	-	20,877,465	-
Prior period adjustment	18	349,816	-	-	-	349,816	-
Fund balances brought forward at 1 October 2014 as restated		1,076,641	19,523,527	627,113	-	21,227,281	20,347,125
Fund balances carried forward at 30 September 2015	16	650,681	19,780,563	638,620	-	21,069,864	21,227,281

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, and also incorporates the income and expenditure account.

The notes on pages 27 to 37 form part of these financial statements.

Architects Benevolent Society

**Notes to the financial statements
For the year ended 30 September 2015**

	Notes	2015		2014 Restated	
		£	£	£	£
Fixed assets					
Tangible assets	9	4,861,381			4,402,307
Investments	10	15,654,421			16,123,401
Programme related investments	11	633,944			578,726
			21,149,746		21,104,434
Current assets					
Debtors	12	157,555		76,543	
Cash at bank and in hand		40,709		602,975	
		198,264		679,518	
Creditors: Amounts falling due within one year	13	(278,146)		(556,671)	
Net current assets/(liabilities)			(79,882)		122,847
Net assets			21,069,864		21,227,281
Funds					
Permanent Endowment Fund	14		638,620		627,113
Unrestricted Funds:					
Current Fund	15		650,681		1,076,641
Long Term Fund:					
Investment and Property Fund	15		19,780,563		19,523,527
			21,069,864		21,227,281

The notes on pages 27 to 37 form part of these financial statements.

Approved by the Council on

2016 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 2015

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 owns housing for beneficiaries and all direct costs of running these flats plus the welfare officers' time in supporting the unit are included as a direct charitable expense.

Notes to the financial statements (continued)
For the year ended 30 September 2015

1. Accounting policies (continued)

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

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

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

Echohurst (Freehold)	-over 60 years
43 Portland Place (Long Leasehold)	-over 60 years
Linden Place (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.

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. Following a review of the existing loans in 2015, it was decided to provide against 90% of historic loan balances (where there has been no period of contact with beneficiaries for 5 years). It was also considered necessary to provide against 10% of existing secured loan balances.

This change in accounting policy has resulted in a prior period adjustment, detailed in note 18.

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2015

- 1.11 Investment property held for sale
Property held with the intention of sale is included in the accounts at the lower of cost and net realisable value.
- 1.12 Pension costs
The Charity operates a defined contribution scheme, which is a Group Personal Plan. Contributions to the Scheme are charged to the SOFA in the financial year in which they become payable.
- 1.13 Restricted funds
Restricted funds are those received which are earmarked for a specific purpose by the donors. Expenditure which meets the criteria specified is allocated directly to the fund.
- 1.14 Unrestricted funds
Funds received or generated for the objects of the Charity without a further specified purpose are treated as unrestricted funds. Some of these resources are designated by the Members of the Council for particular purposes as they deem appropriate.

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

2. Company status

The Architects Benevolent Society is a company limited by guarantee. The liability of each member is restricted to a maximum of £1 in the event of a winding up.

3. Investment income

	2015	2014
	£	£
Fixed asset investments	282,169	249,317
Gross interest receivable	945	412
	<hr/>	<hr/>
	283,114	249,729
	<hr/>	<hr/>

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2015

4. Relief of poverty

	2015 £	2014 £
Grants	687,045	581,539
Gifts	23,425	25,403
Other direct costs including welfare officers	118,544	114,043
Indirect costs	155,852	172,332
	<hr/>	<hr/>
	984,866	893,317
Prior period adjustment – loan provision adjustment	-	(349,816)
	<hr/>	<hr/>
	984,866	543,501
	<hr/> <hr/>	<hr/> <hr/>

The Society made grants and gifts in the year to 290 (2014: 307) 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 (2014: none) grants are classified as institutional grants.

5. Governance costs

	2015 £	2014 £
Trustees and committee meetings	19,486	14,856
Audit fee	12,000	10,000
Professional fees	30,990	12,000
Other costs	17,020	19,723
	<hr/>	<hr/>
	79,496	56,579
	<hr/> <hr/>	<hr/> <hr/>

Architects Benevolent Society

**Notes to the financial statements (continued)
For the year ended 30 September 2015**

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	93,091	-	-	27,193	120,284	48,488	83,958	3,011	255,741
Investment management fees	-	-	-	73,857	73,857	-	-	-	73,857
Cost of running commercial properties	-	84,988	-	25,166	110,154	14,415	14,087	895	139,551
Interest on borrowings	-	-	-	3,238	3,238	-	-	-	3,238
Relief of need	92,904	3,756	710,470	21,884	829,014	60,282	91,826	3,743	984,866
Provision of accommodation	4,890	11,906	-	11,517	28,313	1,310	1,281	81	30,985
Governance	-	-	-	62,476	62,476	6,552	10,061	407	79,496
	<u>190,885</u>	<u>100,650</u>	<u>710,470</u>	<u>225,331</u>	<u>1,227,336</u>	<u>131,047</u>	<u>201,213</u>	<u>8,137</u>	<u>1,567,734</u>

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

	2015 £	2014 £
The net incoming/(outgoing) resources for the year are stated after charging:		
Depreciation and amounts written off tangible fixed assets	108,418	94,724
(Profit)/Loss on disposal of fixed assets	-	(154,164)
Amounts paid to auditors- audit	12,000	10,000
- other services	5,850	12,000
Hire of equipment	2,690	3,273
	<u>129,958</u>	<u>(39,167)</u>

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2015

8. Staff costs

	2015 £	2014 £
The average monthly number of persons employed by the Society during the year was:	Number	Number
Office management and welfare	8	8
Staff costs (for the above persons)		
Wages and salaries	258,075	263,158
Social security costs	25,702	25,918
Other pension costs	20,468	20,936
Health and other staff benefits	12,647	13,835
	<u>316,892</u>	<u>323,847</u>
The number of staff paid over £60,000 in the year is as follows:		
Between £60,000 and £70,000	1	-
	<u>1</u>	<u>-</u>

Pension contributions in respect of the higher paid employee were £5,907 (2014 - £Nil).

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2015

9. Tangible fixed assets

	Land and buildings Freehold £	Land and buildings Leasehold £	Fixtures, fittings and equipment £	Motor vehicle £	Total £
Cost or valuation					
At 1 October 2014	300,928	4,833,609	193,534	37,954	5,366,025
Additions	-	542,860	24,632	-	567,492
At 30 September 2015	300,928	5,376,469	218,166	37,954	5,933,517
Depreciation					
At 1 October 2014	36,432	743,794	149,491	34,001	963,718
Charge for year	5,026	89,165	10,274	3,953	108,418
At 30 September 2015	41,458	832,959	159,765	37,954	1,072,136
NBV at 30 September 2015	259,470	4,543,510	58,401	-	4,861,381
NBV at 30 September 2014	264,496	4,089,815	44,043	3,953	4,402,307

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.

Architects Benevolent Society

**Notes to the financial statements (continued)
For the year ended 30 September 2015**

10. Fixed asset investments

	Investment properties	Quoted Investment equities and unity trusts	Cash	Total
	£	£	£	£
Market value				
At 1 October 2014	3,395,000	12,304,808	423,593	16,123,401
Additions	-	3,669,621	-	3,669,621
Disposals	-	(4,618,608)	-	(4,618,608)
Net investment gains	-	336,523	-	336,523
Net movement in the year	-	-	143,484	143,484
At 30 September 2015	3,395,000	11,692,344	567,077	15,654,421

**2015
£**

Historical cost of quoted investments 10,243,317

There were no investments in individual entities held at 30 September 2015 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. The trustees have reviewed the value as at 30 September 2015 and do not consider it to have changed.

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2015

11. Programme related investments

	2015	2014
	£	Restated £
The charity makes interest free loans to its beneficiaries		
Loans to beneficiaries		
At 1 October 2014	1,191,020	1,182,018
Loans made in year	84,143	85,396
Loans written off in year	31,334	-
Loans repaid in the year	(17,954)	(76,394)
At 30 September 2015	1,288,543	1,191,020
Provision against loans		
At 1 October 2014	621,295	596,322
Provisions against loans written off	(9,176)	-
Increase in provision in the year	42,480	15,972
At 30 September 2015	654,599	621,294
Net balance	633,944	578,726

Total of these loans that were secured at 30 September 2015 was £520,994 (2014: £450,333).

12. Debtors

	2015	2014
	£	£
Trade debtors	-	1,350
Income tax recoverable	5,674	4,273
Other debtors	137,991	26,059
Prepayments and accrued income	13,890	44,681
	157,555	76,543

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2015

13. Creditors: Amounts falling due within one year	2015	2014
	£	£
Bank loan	-	292,698
Other tax and social security	2,599	10,929
Other creditors	82,459	108,109
Accruals and deferred income	140,057	105,694
Service charge account	53,031	39,241
	<u>278,146</u>	<u>556,671</u>

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 2015 the value of the fund amounted to £638,620 (2014: £627,113).

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 24 of the accounts is to be applied for the relief of such twenty old retired Architects in poor circumstances as the trustees shall from time to time select.

15. Unrestricted funds

	Current fund	Long term fund -investment and property fund	Total
	£	£	£
At 1 October 2014 (as restated)	1,076,641	19,523,527	20,600,168
Net movement in funds	(396,066)	227,142	(168,924)
Fund transfers	(29,894)	29,894	-
At 30 September 2015	<u>650,681</u>	<u>19,780,563</u>	<u>20,431,244</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 (continued) For the year ended 30 September 2015

16. Analysis of net assets between funds

	Endowment fund £	Current fund £	Long term fund £	Total funds £
Fund balances at 30 September 2015 are represented by:				
Tangible fixed assets	-	58,401	4,802,980	4,861,381
Investments	676,838	-	14,977,583	15,654,421
Programme related investments	-	633,944	-	633,944
Current assets	(38,218)	236,482	-	198,264
Current liabilities	-	(278,146)	-	(278,146)
Total net assets	638,620	650,681	19,780,563	21,069,864
Revaluation reserve included above:				
Investment properties	-	-	825,647	825,647
Other investments	10,712	-	1,438,313	1,449,025
Revaluation reserve at 30 September 2015	10,712	-	2,263,960	2,274,672

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 £7,616 (2014: £5,360). Trustee indemnity insurance of £1,840 is included in head office costs.

18. Prior period adjustment

During the year, a review of programme related investments was undertaken and it was concluded that recoverability of these balances was higher than previously expected. As such the accounting policy has been updated to reflect the lower provision required against historic loans made. The cumulative effect on the previously reported result for 2014 is to increase the surplus by £349,816. The revised balance for programme related investments is £578,726 (previously £228,910). The comparative Statement of Financial Activities, Balance Sheet and accompanying notes have been restated accordingly.