

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 2017

Architects Benevolent Society

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ARCHITECTS BENEVOLENT SOCIETY

Anxious? Stressed? We can help

Many people find their own ways to cope but some need support to manage these feelings and to get the balance right in their lives.

We can offer a variety of support
through our partnership with Anxiety UK:

- Wellbeing Assessment
- One to One Therapy
(including counselling, Cognitive Behavioural Therapy, hypnotherapy and acupuncture)
- Phone Support
- Email Support

If you have worked for a year or more in the UK in architecture, architectural technology or landscape architecture, you can access support at the time when you need it most.

Please contact us today
T 020 7580 2823 E help@absnet.org.uk

Architects Assistants AT Professionals Landscape Architects Families Students

#AnxietyArch @ArchBenSoc www.absnet.org.uk



Here when you need us

From the beginning of your career, throughout your working life and into retirement, we can help you and your family in times of need.

We can offer:

Advice and support <ul style="list-style-type: none">BenefitsHealth and disabilityBereavementSocial care	Financial help <ul style="list-style-type: none">Regular grantsEssential living costsDisability adaptationsEmergency support
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Referral for specialist advice

- Mental health
- Debt management
- Housing
- Employment

Our support is free, impartial and strictly confidential.

“Thanks to ABS, life is back on track.”
Mark and Portia

Architects Assistants AT Professionals Landscape Architects Families

Call us on 020 7580 2823
Email us at help@absnet.org.uk

Visit our website: www.absnet.org.uk

Architects Benevolent Society, 43 Portland Place, London W1B 1QH
Charity Number: 262139

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

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EC2V 7HN

Investment Managers

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London EC2R 6DA

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

Solicitors

Bates Wells and Braithwaite
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London EC4R 1BE

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Architects Benevolent Society

Committees of the Council

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

Committees of the Council

PRESIDENT OF THE SOCIETY

ANGELA BRADY OBE



In the past year, I am pleased to say that ABS has raised its profile across the UK, enabling it to start to reach out to more and more people in need with some key support services, predominantly the mental health support offered through the Society's partnership with Anxiety UK, launched in May 2017. I have been pleased to help launch this service at events held in London and Edinburgh as I think it is a very important issue, especially in these challenging times we live in. There has been a steady uptake of this service from architectural professionals, which offers timely and tailored support, with positive outcomes for individuals which enables them to function more effectively. The Society has been working closely with the RIBA, CIAT and LI to promote this fabulous support service.

This year has also seen the launch of the Ambassador programme, which has been an incredible success, with 20 recruited in the first year of the programme. The Ambassadors are all volunteers dedicating their time to raising awareness, funds and engaging support across the UK. The energy and enthusiasm from this group is tangible and I have no doubt that they will carry out their roles to help ABS achieve their strategic goals for this year and beyond.

Once again, we have had some fantastic support from individuals and practices in the industry this year. I was thrilled to host the ABS Art exhibition and auction at Brady Mallalieu Architects in June as part of the London Festival of Architecture. We showcased and auctioned over 40 pieces of stunning artwork depicting the artists' memories of London. The artworks were created and donated by well-known architects, as well as beneficiaries of the Society. I also feel I must mention the fundraising challenge completed by one of our beneficiaries, Ian, who travelled from London to Brighton in his wheelchair to raise money for ABS and 3 other charities who had helped him when he was paralysed in a cycling accident. He completed the 100 mile route in 18 days, with determination, strength and good humour!

In the coming year, ABS will build on its increasing engagement with the professions it supports and continue to make a difference to those people who need it.

Architects Benevolent Society

Committees of the Council

MEMBERS OF THE COUNCIL

John Assael	Kenneth Bingham	Richard Brindley
Anthony Clerici	Lelia Dunlea-Jones	Janet Dunsmore
William Evans	Chris Goodall	Mark Grzegorzczuk
Angus Kerr	Ronnie McDaniel	John Moakes
Lucy Mori	Geoffrey Purves	Karen Rogers
Stella Saunders	Freni Shroff	Nigel Thorne
Kathy Thurman	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.

COMMITTEES OF THE COUNCIL

The Council is the governing body of the Society but most of the task focused 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 Committees remain accountable to Council and can only exercise the powers delegated to them in writing. 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 (Chair) *to February 2018*
Lelia Dunlea-Jones (Chair) *from February 2018*
Keith Robinson*
Terry Hopegood* *to February 2018*
Angus Kerr
John Moakes
Freni Shroff *to February 2018*
Richard Brindley

Executive Committee:

Chris Goodall (Hon secretary and Chair)
John Assael
Kenneth Bingham **to February 2018**
Janet Dunsmore
Ronnie McDaniel *to February 2018*
Geoffrey Purves *to February 2018*
Freni Shroff *to February 2018*
Lucy Mori
Mark Grzegorzczuk

Finance and Property

Advisory Committee:

Nigel Thorne (Hon Treasurer and Chair)
Chris Goodall
Geoffrey Purves
Simon Still*
Hugh Woodeson
Stella Saunders

External Affairs Committee:

Ronnie McDaniel (Chair) *to February 2018*
Ant Clerici
Karen Rogers
Lucy Mori (Chair) *from February 2018*
Kathy Thurman

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 2017

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 2017.

Structure, Governance and Management

Structure

The Society is a Registered Charity and a Company limited by guarantee governed by Articles 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 wider architectural profession. All Trustees of the Society are entitled to attend, to speak and to vote at General Meetings and Council 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 the wider architectural profession 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 governance training on a regular basis.

In October 2017 the Society introduced a new five year limit for membership of committees to help ensure regular turnover of committee members, commencing in February 2018. All new trustees are invited to attend a meeting of each committee in order to better understand the Society's work and are further encouraged to sit on one or more committees during their trusteeship.

The composition of the Council is set out on page 4. The Chief Executive of the Society is directly responsible to the Council in the execution of his duties.

Management

The Society's Council meets three times each year to agree and review the strategic approach and areas of activity, including consideration of charitable activity, investment, reserves, risk management and all other policies and performance. Most of the task focused work of the Society is overseen 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 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, usually 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

Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2017

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.

Decision making

The Society's decision making policies and procedures are detailed in 'Council General Instructions.' This document, which is reviewed by Council on a regular basis and was last amended in October 2017, sets out the responsibilities and delegated decision making powers of the Committees and, where appropriate, members of staff. Financial levels of authority are set out in the Society's 'Financial Management Policy,' which is reviewed regularly and sets out the authorisation protocols for expenditure by detailing the authorised persons and financial limits laid down within the Charity. Revisions, amendments or alterations to the policy can only be implemented following consideration and approval by the Council.

Relationships

The Society continually pursues a policy of engaging as closely as possible with the various organisations which represent the members of 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 essential 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 the Professionals Aid Council, the Association of Charitable Organisations, the Fundraising Regulator and the Institute of Fundraising.

Risk Management

The Society reviews risk at every meeting of the Council. Top ranked risks are reviewed at each meeting of both the Executive Committee and Council during the year, with all other risks included in the Risk Register reviewed on an on-going cyclical basis by the Executive Committee and Council to ensure they are kept under continuous assessment. The Risk Register identifies each individual risk factor, probability and impact, control steps and where responsibility lies for managing and monitoring the risk. Where necessary, action points are identified and communicated to the individual or group responsible to ensure steps are taken to mitigate the risk.

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.

Architects Benevolent Society

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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.

During the year the Society introduced a more focused approach to helping those persons in necessitous circumstances. Formal partnerships were identified with other organisations best placed to provide meaningful assistance to those in need, the two principal new partners introduced being Shelter and Anxiety UK. This has allowed the Society to provide real assistance to those members of the profession having to deal with housing difficulties and also those experiencing anxiety, stress and anxiety-based depression. To ensure these additional services were available for the benefit of all members of the wider architectural profession, significant efforts were made to raise awareness of the services on offer, principally via the communication channels of the various membership organisations representing the professions.

The logo for Shelter, featuring the word "Shelter" in a bold, red, sans-serif font.The logo for AnxietyUK, featuring the text "AnxietyUK" in blue and green, with a stylized blue and green swirl to the right. Below the text is the tagline "Here for you since 1970" in a smaller blue font.

Objectives for the year

During the course of 2017-18 the Society plans to continue identifying further sources of help for members of the wider architectural profession, to be provided either directly or through other service providers and in line with the very successful partnerships already introduced with Shelter and Anxiety UK. Linked to these plans, it has been agreed to review the Society's Articles, in particular the charitable objectives to ensure these are being met and, should any changes or amendments be deemed necessary these will be considered in full by the Society's Council with the help of any professional advisors where appropriate.

Key objectives include continuing to increase awareness of the Society's work throughout the wider architectural profession, knowledge of the Society's services being a crucial factor in ensuring the Society can carry out its charitable objectives. Regional events will continue to be rolled out around the UK, enabling the Society to make contact with people at a local level and to introduce the range of available services. Another particular focus during the year will be to ensure compliance with the General Data Protection Regulation (GDPR), due to be enforced on 25 May 2018 in the UK. Work has already begun on ensuring compliance and the Society will be working with our solicitors to make sure we have a full understanding of the regulations at all levels and that the Society's policies and procedures are suitable.

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Further objectives include expanding the very successful network of Ambassadors around the UK, an activity that far exceeded expectations in 2017 and is helping to raise awareness of the Society's work throughout the UK and within the various membership organisations. Voluntary income will remain as a focus throughout the year in line with the fundraising strategy, with additional areas of income being investigated and targeted where appropriate and work will continue on ensuring the Society is able to optimise the use of the longer term assets, including property assets and to ensure the charitable objectives can be met both now and in the future.

Voluntary work

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 and even time during the working day to assist in this way. Particular thanks must be given to the Society's Ambassadors, the majority of whom have been appointed during the last 12 months. Their efforts on the Society's behalf are hugely beneficial and it is very encouraging to note the age range of the Ambassadors, their wide and varied experience and the number of membership organisations they are helping us to engage with.



Architects Benevolent Society

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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 £858,000 on the relief of poverty from both restricted and unrestricted funds.

Assessment of need is based on the Minimum Income Standard for the United Kingdom, a major programme of work funded by the Joseph Rowntree Foundation and regularly reporting on how much income households need to afford an acceptable, minimum standard of living. Grants are made to those who need help on a regular basis and gifts are provided for specific essential needs that a person or family 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 and the help and comfort the Welfare Officers provide is often the most valuable support that the Society can give to those who are in real distress.

Although the Society is increasingly paying attention to the additional services it might provide, the long-standing work of relieving poverty within the professions remains at the heart of what the Society does and will continue to do so. 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 and other members of the Case Committee who are authorised to agree urgent applications for financial help between committee meetings; help that can often save people from situations that could easily result in terrible financial loss and for a range of reasons, many of them tragic.

470 separate cases were helped during 2016-17

*

Of these, **259** received direct financial assistance and the remainder pastoral care and advice or other types of assistance

*

51 new cases were given financial help during the year

*

Sadly **21** of our beneficiaries have died during the year

*

34 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

612 individuals during 2016-17

James' Story

Please take the time to read this story from James, who we helped earlier this year. He wanted to share his story to try and help other people in a similar position reach out and get the support they need. Here at the Architects Benevolent Society, we rely on our supporters to raise funds to help people in times of need. We are very grateful to James for sharing his experience.



Earlier this year, I was suffering greatly with depression and anxiety, my situation had been getting bad for a while and I had just started going back to the doctors despite having realised the symptoms throughout the year. At that time, my grandmother, who I was very close to, passed away having been terminally ill and the weight of my course hit me hard; my girlfriend also split from me as she couldn't bear to see me suffering. As a consequence I was in a very low position, to the point where I was suicidal and had actively started to act on these thoughts and feelings.

Finally something triggered and I reached out to my tutors, who both offered me support and help, and one of them put me in contact with the ABS who referred me to Anxiety UK. I had a course of Cognitive Behavioural Therapy (CBT). My counsellor was a very kind helpful individual who was always able to tailor the techniques to my situation.

Following my initial contact with the ABS a lot has changed; I have come to terms with the loss of my grandmother, I have also finished my Masters and am currently a Part 2 architectural assistant in Winchester at a firm where I have wanted to work for a long time. My girlfriend and I managed to work things out and being more open about my mental well-being really helped us. I listened to the doctor's advice more as well and have been on a course of anti-depressants.

I have come a long way from where I started and definitely feel more confident to talk about my well-being and reach out if needs be. I have noticed a change in myself and I

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do feel the tools Anxiety UK gave me through CBT have really helped me get to this point.

If the Society had not been able to provide me with help I don't think I would have felt confident enough to push through the hardship and get to where I am now.

I do feel more excited by the future than I had done previously and look forward to what it may bring. I hope to start my Part 3 at some point in the future. My girlfriend and I have recently moved in together and are making plans for holidays and buying a house at some point.

If I could put my own thoughts forward, reaching out is always the hard part but doing that is the first step and, although it can be extremely difficult, it does provide the biggest feeling of relief as it stops you feeling as though you are on your own.

James

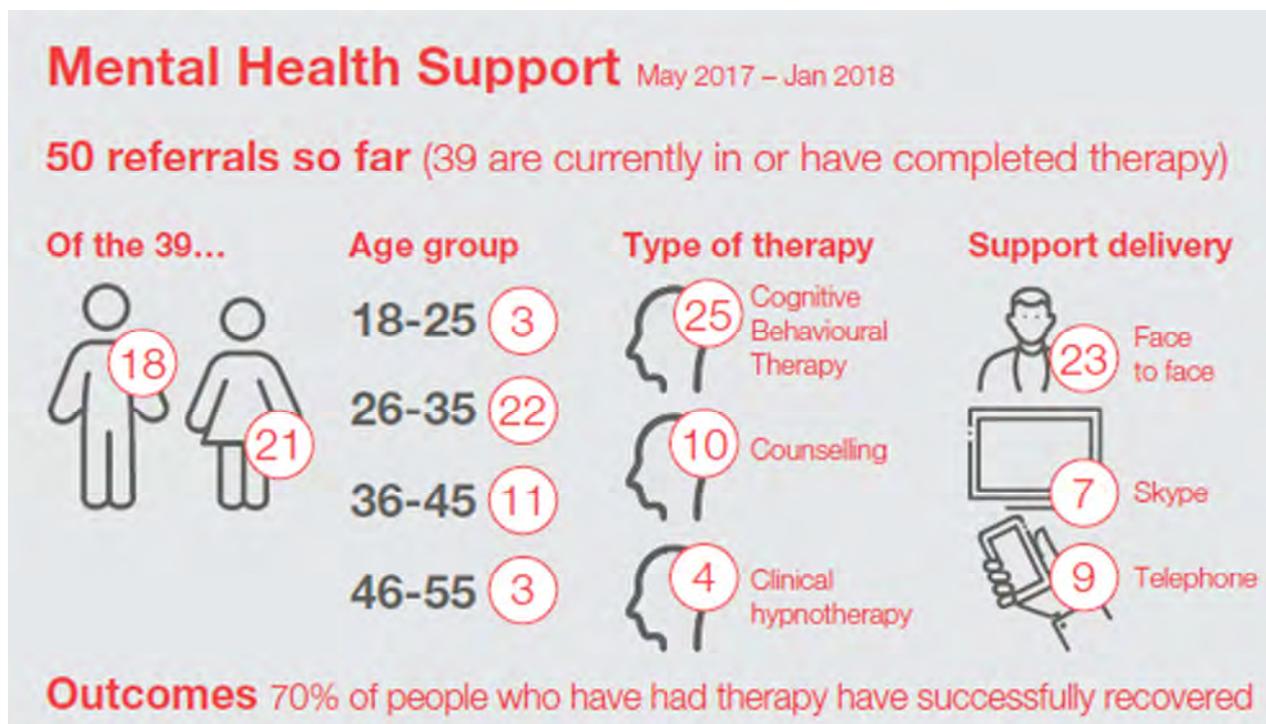
Partnerships

The Society was particularly pleased with the introduction of the partnerships with Shelter and Anxiety UK during the year. Shelter deliver a highly professional, confidential and beneficial service to the Society's beneficiaries, giving advice that the Society could not otherwise provide on a range of issues such as mortgage arrears and landlord and tenant disputes and which has made a tangible difference to the majority of those who have been referred.

The partnership with Anxiety UK was launched during Mental Health Awareness Week in May 2017 and the Society is now able to offer direct, timely assistance to those experiencing anxiety, stress and anxiety-based depression. By the end of January 2018 the Society had made 50 referrals, with a success rate of 70% which was greatly encouraging.

Efforts were to continue to ensure the availability of these excellent services, as well as all of the other help the Society provides, is made known to as many members of the wider architectural profession as possible, including the on-going social media campaign promoting the Anxiety UK partnership on Twitter #AnxietyArch





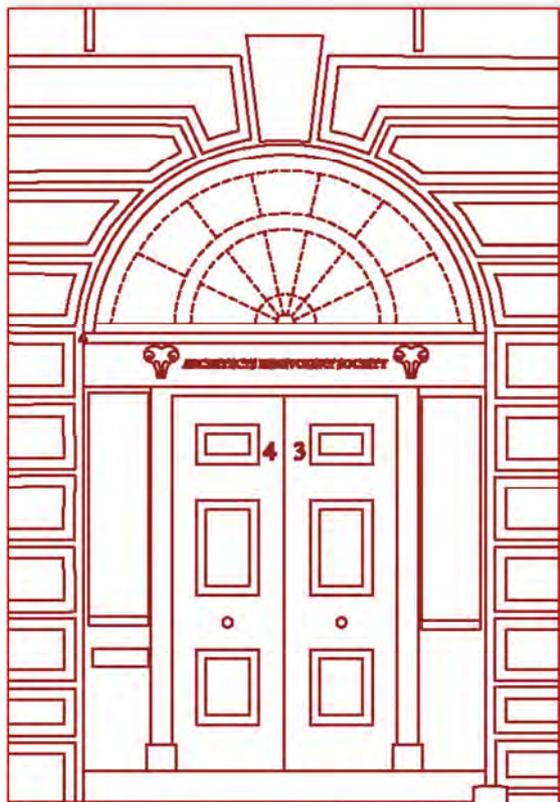
Executive Committee

Chaired by the Hon. Secretary Chris Goodall, the Executive Committee is responsible for advising Council on a wide range of the Society's activities and it has delegated power to act on behalf of Council 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.

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 Committee continued to review risk during the year, with a set number of risks actively reviewed at each meeting, meaning that every risk is considered no less than once every two years. The Committee was responsible for the initial review of committee membership and rotation provisions, adopted by Council in October 2017 and which introduced five years terms for Committee members where previously there had been no maximum. It was felt that this new policy will help to refresh committee membership on a regular basis and to ensure that all Trustees are able to take an active role during their term of office, all in line with the principles of good governance practice.

Additionally the Committee recommended to Council a review of the Articles and the charitable objectives, partly due to the new services being provided by the Society's partner organisations and also with a view to ensuring the Society remains fit for purpose and relevant to the needs of members of the wider architectural profession in the years to come.



Finance and Property Advisory Committee

Chaired by the Hon Treasurer Geoffrey Purves until October 2017 and by the new Hon Treasurer Nigel Thorne from October 2017, this Committee is comprised of members with financial, investment, legal and property expertise. It reports 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.

A particular success for the Committee during the year was the formal introduction of an ethical investment policy which has been embedded within the wider Investment Policy Statement. This followed lengthy discussions with the investment managers and is broadly in line with ethical approach of the Church of England. The Committee also commenced a review of the Society's property assets and identified areas where careful consideration needs to be given to the long term performance of those assets. This work will continue throughout 2018 and beyond.

The performance of investments during the year was once again encouraging, despite the remaining uncertainty over Brexit and other global political events and the Committee were encouraged by the prudent and watchful approach taken by the investment managers, the performance of the investment assets being hugely important to the continued ability of the Society to help members of the profession in necessitous circumstances.

External Affairs Committee

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

The staff team had continued to work with a focus on the fundraising strategy, introducing the new corporate supporter scheme during the year and working hard to raise awareness at every available opportunity. A number of events were organised during the year and regional efforts made throughout the UK including Cardiff, Edinburgh, Belfast and Newcastle. The rolling out of the Ambassador programme had been hugely successful, to be continued in 2018 and the quality and content of the Society's publicity material was better than ever.

Fundraising regulation remained in the forefront of the Committee and staff team's mind, all the more so with the forthcoming GDPR in May 2018 which will directly impact on fundraising practices and the Society remains vigilant about ensuring compliance with the new regulations and treating all supporters in the right way.

Architects Benevolent Society

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This year's organiser of the annual ABS Chicken Run was Bennetts Associates, who were also celebrating their 30th anniversary – how did they find the time? We are extremely grateful for everything they did to continue the legacy left by the previous organisers, PTE Architects and we are delighted that Bennetts will be organising the run again in 2018, thank you!



“Peter Murray with runners and representatives from Bennetts Associates”

The winner of the 2017 WCCA award for fundraising on behalf of the Society was the RIAS. This annual award is given to an individual or group who have given exceptional support to the Architects Benevolent Society. The award plate which was designed exclusively for the RIAS by George Saumarez-Smith of ADAM Architecture was presented by Jane Duncan, PRIBA on 5th July at a wonderful evening in the magnificent Florence Hall at the RIBA.

The RIAS fully deserved this award for their fantastic fundraising efforts during 2016, the highlight of which was entering runners in the Edinburgh Marathon Festival, which raised over £7,000. Other fundraising initiatives included Architect in the Hoose, a postcard auction and collections at award dinners; totalling

Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2017

over £16,000 during the year; an incredible achievement resulting from the commitment and generosity of its members in organising, taking part in, and donating at all these events.



Jane Duncan PRIBA handing the award plate to RIAS President Stewart Henderson

Fundraising

The Society has a Fundraising Strategy focusing on five strategic aims; to broaden our audience base; to maximise the capacity of the fundraising team; to build the diversity of our income sources; to focus on our donors and to hone our case for support. The Society employs three members of staff to fundraise for the charity comprising External Relations Manager, Supporter Relations Officer and Communications Officer.

The Society adopts relationship fundraising as its approach to generating sustainable income, which means that building long term relationships with our supporters is central to our strategy. Voluntary income is received from corporate/organisation donors and individual donors through regular and one off donations, external events and legacies. The Society does not use professional fundraisers. This year, we had sponsorship agreements in place with Bennetts Associates and Bespoke Careers for our annual Chicken Run. We have also had Ambassadors and other volunteers fundraising for us through other smaller events.

The Society is an organisational member of the Institute of Fundraising and is registered with the Fundraising Regulator. This demonstrates a commitment to openness and honesty in our fundraising practice, and enables us to keep up to date with current legislation, including any changes to the Fundraising Code of Practice. It also gives us access to resources and training, ensuring that staff and trustees are equipped with the skills and knowledge to carry out fundraising responsibly and effectively. The External Relations Manager reports quarterly to the External Affairs Committee, where performance is monitored. The Board of trustees at the Society (the Council) also receives legal updates and information relating to the implementation of the fundraising strategy.

During 2016-17, two complaints were received relating to direct mailings being received which were not wanted as the content was deemed not to be relevant to the recipient, and one person had previously requested no mail from the charity. No complaints about conduct or practice were received.

Staff are kept informed of fundraising legislation updates through the Institute of Fundraising and the monthly Fundraising Regulator newsletter to ensure they are aware of best practice, data protection and protection of the public from unreasonable intrusive or persistent fundraising approaches. There are

Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2017

systems in place to flag up to staff when a donor should not be contacted for reasons such as ill health, disability or changes in their financial situation.

In preparation for complying with the General Data Protection Regulation (GDPR) coming into force on 25 May 2018, fundraising donor data and consent collection methods have been reviewed, as part of a whole organisational approach towards compliance. We will ensure that our staff and volunteers are aware of how to be compliant with the legislation when carrying out fundraising activities. All Ambassadors attend an induction workshop and have a handbook which includes information about the Society's approach to fundraising, and their activities are monitored by the Supporter Relations Officer.

Appointments

A warm welcome is extended to John Moakes who was appointed as a Trustee in February 2017 and has since taken up membership of the Case Committee.

Retirements

The Society would like to say thank you to Brian Lingard who stepped down as a Vice President of the Society in June 2017. Brian was a former Chair of the Society, having served in that capacity between 1988 and 1992 and a trustee for 37 years before stepping down from that role in June 2016.



Obituaries

It is with great sadness that the Society learned of the death of Colin Morse in June 2017.

Colin retired as a trustee and committee member in 2016 after many years as a trustee. His first involvement with the Society was in 1950, when he helped to organise a small local Ball in Guildford. He subsequently became a trustee in 1976 and his efforts on the Society's Frenchlands Hatch Management Committee and also the Case Committee in particular were substantial.



Architects Benevolent Society

Report of the members of the council For the year ended 30 September 2017

Financial Review

Incoming resources Money from donations and gifts totalled £186,669, compared with £182,084 the previous year and £163,967 for 2014-15, suggesting that the gradual decline in regular income from individuals has turned a corner.

Legacy income was £158,399 during the current year compared with £326,690 in 2015-16, a substantial fall but a little above the medium term average which is a positive sign. 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 £591,119 compared with £564,121 in 2015-16, a positive increase and despite some vacancies.

Income from sheltered housing was £14,178, a fall from £19,020 the previous year.

Investment income fell to £265,988 compared with £311,539 in 2015-16, the focus continuing 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 £203,297 compared with £265,135 in 2015-16, a big deduction which is encouraging.

The cost of running the commercial properties increased from £71,775 in 2015-16 to £136,460 in the current year.

Charitable Expenditure The Society's overall charitable expenditure in 2016-17 totalled £858,339 compared with the £975,968, expended the previous year, a fall of £117,629.

Net expenditure

The Society's net expenditure for the year was a deficit of £19,962 a small change from the previous year when there was a surplus of £17,311.

Investments

The level of the investment portfolios at 1 October 2016 was £13,248,459 and at 30 September 2017 stood at £13,951,767.

Market Value of Land and Buildings

43 Portland Place, purchased in July 2003 and 9 Weymouth Mews, purchased in 2007-8, are included within investment properties and were valued as at 30 September 2016 on an open market value basis using an informal valuation carried out by HNG Chartered Surveyors. The historic cost of the investment properties is £10,853,092. Further residential properties in Guildford and Norfolk were acquired during 2007-8 and all are shown in the accounts at cost with depreciation as necessary.

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.

Architects Benevolent Society

**Report of the members of the council
For the year ended 30 September 2017**

Legacies received during 2016-17 were:

Mr M Evans	£500
Mr M J Wright	£5,000
Mr W M Toner	£70,000
Mr N J McFarlane	£1,000
Mrs F M Ogden	£74,900

With your help, we can build a
stable future **for your profession**



Leave a gift in your will

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 14 June 2017 therefore includes a continued commitment to maintain a stable 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 650 needy people each year and total annual expenditure at present stands at £1.28 million 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 donation and gifts. 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. Circa £590,000 per annum currently.

Sales (withdrawals) 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 £350,000, a level sufficient for the Society to continue to operate and fulfil its obligations for a period of three months. At 30 September 2017 free reserves in the Current Fund stood at £442,584.

Range of reserves required

Direct financial assistance given to beneficiaries has increased since 2005 and it is anticipated that calls on the Society will be greater still 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 also the government's continuing cuts on state benefits. In addition the Society is looking to increase the range of services available to members of the wider architectural profession and this is likely to mean a greater focus on the range and level of reserves, particularly the level of voluntary and other sources of income.

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 and gifts. Regular voluntary income from this source has started to increase over the last two years and it is hoped that this trend will continue in future years as awareness of the Society's work grows. Commercial income is relatively stabilised and a more formalised strategic review process was introduced during 2015-16 to help and ensure the Society's assets are fully utilised in furthering the charitable objectives, while also looking at expanding the services the Society offers and how these services will be funded.

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. This policy, which was amended during 2016-17 with the introduction of an ethical investment approach has set a clear, medium term, Total Return target for the Society's investment managers, the intention being to ensure that reserves are maintained and also that 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 by 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;
- 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.

Architects Benevolent Society

Report of the members of the council (continued) For the year ended 30 September 2017

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
Architects Journal
Bennetts Associates
Bradshaw Gass Trust
Broad Oak Trust
CIAT
Glasgow Institute of Architects
Plymouth Architectural Trust
Pollard Thomas Edwards
RIAS
RIBA
RIBA Bristol & Bath Branch
RIBA Colchester Branch
RIBA South West
RIBA North East
RIBA Yorkshire
RSUA
RSAW
Stirling Society of Architects
The Association of Jersey Architects
The J S Trust
Twigg (Trust)
Worshipful Company Of Chartered Architects

Architects Benevolent Society

Report of the members of the council (continued) For the year ended 30 September 2017

Corporate Supporters

The introduction of the Corporate Supporter Scheme this year has been successful in securing additional support from a number of practices. The scheme consists of three levels; Foundation, Keystone and Pinnacle, depending on the annual amount pledged, with corresponding benefits at each level.

The scheme is designed to:

- enhance the corporate social responsibility profile of our corporate supporters
- enable long term relationships between us and our corporate supporters
- contribute to sustainable funding for the Society enabling us to continue to provide much needed help for those who need it
- reach out to more people who may need to contact us for help

Our **Keystone level** supporters in 2017: Nex- , O'Neil Associates, The Duncan & Graham Partnership.

Our **Foundation level** supporters in 2017: Fletcher Priest Architects, Child Graddon Lewis, Assael Architecture, Allford Hall Monaghan Morris, Marcus Beale Architects and Wilkinson Eyre.

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 2016-17 go to Bennetts Associates for their great efforts in organising the ABS Chicken Run in 2017 and for agreeing to do the same again in 2018.

Our professional advisers for their continuing guidance and support throughout 2016-2017

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.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Companies Act 2006 and the Statement of Recommended Practice for charities applying FRS 102, "Accounting and Reporting by Charities", effective 1 January 2015.

By order of the Board

Robert Ball
Chief Executive

2018

**Independent auditors' report to the members
For the year ended 30 September 2017**

Opinion

We have audited the financial statements of Architects Benevolent Society for the year ended 30 September 2017 which comprise of the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2017 and its profit for the period 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.

This report is made solely to the charitable company's members and the Council members (who are also the directors of the charitable company for the purposes of company law and the trustees for the purposes of charity law), 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 those matters we are required to state to them in an auditor's 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Council members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Council members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Architects Benevolent Society

Independent auditors' report to the members For the year ended 30 September 2017

Other information

The Council members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report to members of the Council for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report to members of the Council has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report to the members of the Council.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of trustees

As explained more fully in the Statement of Responsibilities of members of the Council set out on page 21, the Council members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Council members are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going

**Independent auditors' report to the members
For the year ended 30 September 2017**

concern and using the going concern basis of accounting unless the Council members either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Lorenzo Mosca (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Saffery Champness LLP
Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

Date

Architects Benevolent Society

Statement of financial activities For the year ended 30 September 2017

	Notes	Unrestricted Funds		Endowment fund	Restricted fund	Total 2017	Total 2016
		Current fund	Long term fund				
		£	£	£	£	£	£
Income and endowments from:							
Donations and gifts		186,669	-	-	-	186,669	182,084
Legacies		158,399	-	-	-	158,399	326,690
Other income							
Commercial rent receivable		591,119	-	-	-	591,119	564,121
Investments	4	240,309	-	-	25,678	265,987	311,539
Charitable activities:							
Residents of sheltered housing		14,178	-	-	-	14,178	19,020
Other income							
Gain on disposal of fixed assets		47,028	-	-	-	47,028	-
Total income and endowments		1,237,702	-	-	25,678	1,263,380	1,403,454
Expenditure on:							
Raising funds							
Fundraising		203,297	-	-	-	203,297	265,135
Investment management costs		81,768	-	3,478	-	85,246	73,265
Costs of running Commercial Properties		118,453	18,007	-	-	136,460	71,775
		403,518	18,007	3,478	-	425,003	410,175
Charitable activities							
Relief of poverty	5	823,614	-	-	25,678	849,292	956,022
Provision of accommodation		4,022	5,025	-	-	9,047	19,946
Total expenditure	7	1,231,154	23,032	3,478	25,678	1,283,342	1,386,143

Architects Benevolent Society

Statement of financial activities (continued) For the year ended 30 September 2017

	Notes	Unrestricted Funds		Endowment fund	Restricted fund	Total 2017	Total 2016
		Current fund	Long term fund				
		£	£	£	£	£	£
Net income/(expenditure) before transfers and investment gains		6,548	(23,032)	(3,478)	-	(19,962)	17,311
Transfer between funds		387,462	(387,462)	-	-	-	-
Net gains on investments		-	1,009,373	35,975	-	1,045,348	1,473,382
Net income/(expenditure)		394,010	598,879	32,497	-	1,025,386	1,490,693
Gain/ (loss) on revaluation of fixed assets		-	49,125	-	-	49,125	-
Net movements in funds		394,010	648,004	32,497	-	1,074,511	1,490,693
Fund balances brought forward at 1 October 2016		694,394	31,989,281	693,472	-	33,377,147	31,886,454
Fund balances carried forward at 30 September 2017	16	1,088,404	32,637,285	725,969	-	34,451,658	33,377,147

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.

The notes on pages 32 to 45 form part of these financial statements.

Architects Benevolent Society

**Summary income and expenditure account
As at 30 September 2017**

	2017	2016
	£	£
Total income	1,263,379	1,403,454
Total expenditure	(1,279,864)	(1,382,553)
Net gains/(losses) on investments	1,009,373	1,414,940
Net income/(expenditure)	<u>992,888</u>	<u>1,435,841</u>

Total income comprises £1,237,701 for unrestricted funds and £25,678 restricted funds. A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities.

Expenditure comprises £1,254,186 for unrestricted funds and £25,678 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 pages 27-28 which together with the notes to the financial statements on pages 32-45 provide full information on the movements during the year on all the funds of the Society.

Architects Benevolent Society

**Balance Sheet
As at 30 September 2017**

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	10	1,100,458		1,293,353	
Investments	11	32,299,897		31,578,126	
Programme related investments	12	592,786		607,330	
			33,993,141		33,478,809
Current assets					
Debtors	13	244,909		138,051	
Cash at bank and in hand		514,415		132,878	
			759,324		270,929
Creditors: Amounts falling due within one year	14		(300,807)		(372,591)
Net current assets/(liabilities)			458,517		(101,662)
Net assets			34,451,658		33,377,147
Funds					
Permanent Endowment Fund	15		725,969		693,472
Unrestricted funds:					
Current fund	16		1,008,404		694,394
Long term fund:					
Investment & Property Fund		19,848,957		19,250,078	
- Revaluation Reserve	17	12,788,328		12,739,203	
			32,637,285		31,989,203
			34,451,658		33,377,147

The notes on pages 32 to 45 form part of these financial statements.

Approved by the Council on

2018 and signed on its behalf by

Geoffrey Purves
Member of the Council
Company No. 1084747 (England and Wales)

Architects Benevolent Society

Statement of cash flows For the year ended 30 September 2017

	Notes	2017		2016	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by (used in) operating activities	19		(487,682)		(120,567)
Cash flows from investing activities:					
Income from investments		265,987		311,539	
Purchase of fixed assets		(17,966)		(3,478)	
Proceeds from the sale of fixed assets		212,564		-	
Purchase of investments		(2,845,885)		(3,917,188)	
Proceeds from the sale of investments		3,187,926		3,831,670	
Increase in cash held for investments		30,661		(9,807)	
Net cash flows provided by (used in) investing activities			869,219		212,736
Change in cash and cash equivalents in the reporting period			381,537		92,169
Cash and cash equivalents at the Beginning of the reporting period			132,878		40,709
Cash and cash equivalents at the end of the reporting period			514,415		132,878

1. Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts have been prepared in accordance with the Companies Act 2006 and the 'Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)' and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Income is recognised on a receivable basis subject to the following specific points:-

- Legacies are regarded as receivable once their income is probable 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 income is included in the financial statements gross i.e. before taking account of any associated expenditure.

1.4 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.

1.5 Costs of raising funds

Expenses are included as costs of raising 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.

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2017

1.6 Grants payable

Grants payable include single amounts given to members of the wider architectural profession – and their families – in times of need 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.

1.7 Charitable activities

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

1.7.1 Prevention and 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.

1.7.2 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.

1.7.3 Governance costs

Governance costs, included within other direct costs (see Note 6) 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 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
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

**Notes to the financial statements (continued)
For the year ended 30 September 2017**

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.

Mixed use properties are separated between investment property and property held for operational use as a tangible fixed asset.

1.10 Programme related investments

The Society makes loans to its beneficiaries that are interest free. These loans can be secured or unsecured. These loans are made at less than a market rate of interest for charitable purposes. They are included at the amount advanced less any repayments and impairments.

1.11 Pension costs

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

1.12 Restricted funds

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

1.13 Unrestricted funds

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

The Society's unrestricted funds comprise a Current Fund and a Long Term Fund. The Long Term Fund, which represents the long-term operational requirements of the Society, currently consists of the investment and property fund.

1.14 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. The Charity has selected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

1.15 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Provision for interest-free loans

It is estimated that the recovery rate for unsecured interest free loans is 25%, and thus 75% of unsecured loans given during the year are written off. This estimate is based on an analysis of all unsecured loans given to current and past beneficiaries and the level of repayments. There are also a number of historical unsecured interest free loans where there has been no contact with the beneficiary for a number of years. A recovery rate of 10% has been applied to these, as the expectation is that the majority are unlikely to be repaid. Other than where there are exceptional circumstances, all secured interest free loans should be repaid in full. A non-recovery rate of 10% is applied to protect against any unforeseen circumstances beyond the Society's knowledge or control.

Valuation of investment property

Property valuations are based on regularly updated, independent valuations carried out in accordance with the RICS Valuation – Professional Standards 2014. Where necessary these valuations are further updated and adjusted annually in line with market yields and split between investment property and PPE on the basis of square footage.

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2017

3. 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.

4. Investment income

	2017 £	2016 £
Fixed asset investments	265,987	310,697
Gross interest receivable	-	842
	<hr/> 265,987	<hr/> 311,539

5. Relief of poverty

	2017 £	2016 £
Grants	390,472	622,834
Gifts	173,600	22,111
Other direct costs including welfare officers	191,283	179,684
Indirect costs	93,937	131,393
	<hr/> 849,292	<hr/> 956,022

The Society made grants and gifts in the year to 259 (2016: 264) 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 (2016: none) grants are classified as institutional grants.

6. Governance costs

	2017 £	2016 £
Trustees and committee meetings	15,981	10,505
Audit fee	12,500	12,500
Professional fees	67,390	62,699
Other costs	-	7,292
	<hr/> 95,871	<hr/> 92,996

Architects Benevolent Society

**Notes to the financial statements (continued)
For the year ended 30 September 2017**

7. Analysis of total expenditure

	Staff costs	Depreciation	Grants and gifts	Other	Total direct costs	Other head office costs	Head office Depreciation	Total costs	2016
	£	£	£	£	£	£	£	£	£
Raising funds	117,744	-	-	6,232	123,976	79,321	-	203,297	265,135
Investment management costs	-	-	-	85,246	85,246	-	-	85,246	73,265
Running commercial properties	39,825	18,007	-	40,541	98,373	23,484	14,603	136,460	71,775
Relief of poverty	186,832	-	564,072	4,451	755,355	93,937	-	849,292	956,022
Provision of accommodation	1,905	5,025	-	160	7,090	1,957	-	9,047	19,946
	<u>346,306</u>	<u>23,032</u>	<u>564,072</u>	<u>136,630</u>	<u>1,070,040</u>	<u>198,699</u>	<u>14,603</u>	<u>1,283,342</u>	<u>1,386,143</u>

8. Net income/(expenditure) for the year

	2017 £	2016 £
The net income/(expenditure) for the year is stated after charging:		
Depreciation	37,635	33,096
Amounts paid to auditors - audit	12,500	12,500
- other services	8,000	8,000
Hire of equipment	-	1,426
	<u>58,135</u>	<u>54,022</u>

Architects Benevolent Society

**Notes to the financial statements (continued)
For the year ended 30 September 2017**

9. Staff costs

	2017	2016
	£	£
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	269,648	257,376
Social security costs	29,660	27,129
Other pension costs	35,779	23,458
Health and other staff benefits	11,218	3,797
	<u>346,305</u>	<u>311,760</u>
The number of staff paid over £60,000 in the year is as follows:		
Between £60,000 and £70,000	1	1
	<u>1</u>	<u>1</u>

Pension contributions in respect of the higher paid employee were £6,146 (2016: £4,218).

The key management personnel of the charity consists the Chief Executive Officer. The total employee benefits of the key management personnel were £68,391 (2016: £64,472).

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 8 Trustees was £9,767 (2016: £7,796 to 8 Trustees). Trustee indemnity insurance of £1,840 (2016: £1,840) is included in head office costs.

The aggregate unrestricted donations made by the Trustees to the Charity in the year were £2,362 (2016: £580). No Trustee left an unrestricted legacy to the Charity in the year (2016: £2,500). In the year, donations made by a company owned by a Trustee were £nil (2016: £1,200).

Notes to the financial statements (continued)
For the year ended 30 September 2017

10. Tangible fixed assets

	Land and buildings freehold £	Land and buildings leasehold £	Fixtures, fittings and equipment £	Motor vehicle £	Total £
Cost					
1 October 2016	300,928	1,069,124	219,691	37,954	1,627,697
Additions	-	-	1,463	16,503	17,966
Disposals	-	(207,776)	-	-	(207,776)
Eliminations	-	-	-	(37,954)	(37,954)
30 September 2017	300,928	861,348	221,154	16,503	1,399,933
Depreciation					
1 October 2016	46,483	79,887	170,020	37,954	334,344
Charge for year	5,025	18,007	10,477	4,126	37,635
Disposals	-	(34,550)	-	-	(34,550)
Eliminations	-	-	-	(37,954)	(37,954)
30 September 2017	51,508	63,344	180,497	4,126	299,475
NBV at 30 September 2017	249,420	798,004	40,657	12,377	1,100,458
NBV at 30 September 2016	254,445	989,237	49,671	-	1,293,353

Notes to the financial statements (continued)
For the year ended 30 September 2017

11. Fixed asset investments	Investment property	Quoted Investment equities and unity trusts	Cash	Total 2017	Total 2016
	£	£	£	£	£
Market value					
At 1 October 2016	17,752,783	13,248,459	576,884	31,578,126	30,009,421
Additions	-	2,845,885	-	2,845,885	3,917,188
Disposals	-	(3,187,926)	-	(3,187,926)	(3,831,670)
Net investment gains	49,125	1,045,348	-	1,094,473	1,473,380
Net movement in the year	-	-	(30,661)	(30,661)	9,807
At 30 September 2017	17,801,908	13,951,766	546,223	32,299,897	31,578,126
					2017
					£
					11,878,924

There were no investments in individual entities held at 30 September 2017 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 were valued as at 30 September 2016 on an open market value basis using an informal valuation carried out by HNG Chartered Surveyors. The historic cost of the investment properties is £7,408,947.

Architects Benevolent Society

Notes to the financial statements (continued)
For the year ended 30 September 2017

12. Programme related investments

	2017 £	2016 £
The charity makes interest free loans to its beneficiaries		
Loans to beneficiaries		
At 1 October 2016	1,278,072	1,288,543
Loans made in year	49,608	88,316
Current and historical loans written off in the year	(171,977)	(31,744)
Loans repaid in the year	(100,945)	(67,043)
At 30 September 2017	1,054,758	1,278,072
Provision against loans		
At 1 October 2016	670,742	654,599
Provisions against current and historical loans written off	(183,419)	(24,713)
Movement in provision in the year for unsecured loans	(20,790)	46,230
Movement in provision in the year for secured loans	(4,561)	(5,374)
At 30 September 2017	461,972	670,742
Net balance	592,786	607,330

Total of these loans that were secured at 30 September 2017 was £440,456 (2016: £486,064).

13. Debtors

	2017 £	2016 £
Other debtors	147,633	7,993
Prepayments and accrued income	18,552	48,008
Service charge account	78,725	82,050
	244,910	138,051

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2017

14. Creditors: Amounts falling due within one year	2017	2016
	£	£
Trade creditors	1,683	-
Other tax and social security	60,177	46,914
Other creditors	72,065	78,493
Accruals and deferred income	166,882	247,184
	<u>300,807</u>	<u>372,591</u>

15. 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 2017 the value of the fund amounted to £725,969 (2016: £693,472).

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 pages 27-28 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.

16. Unrestricted funds

	Current fund	Long term fund -investment and property fund	Total
	£	£	£
At 1 October 2016	694,394	31,989,281	32,683,675
Net movement in funds	6,548	1,035,466	1,042,014
Fund transfers	387,462	(387,462)	-
At 30 September 2017	<u>1,088,404</u>	<u>32,637,285</u>	<u>33,725,689</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.

Notes to the financial statements (continued)
For the year ended 30 September 2017

17. Analysis of net assets between funds

	Endowment fund £	Current fund £	Long term fund £	Total funds £
Fund balances at 30 September 2017 are represented by:				
Tangible fixed assets	-	53,034	1,047,424	1,100,458
Investments	710,036	-	31,589,861	32,299,897
Programme related Investments	-	592,786	-	592,786
Current assets/(liabilities)	15,933	442,584	-	458,517
Total net assets	725,969	1,088,404	32,637,285	34,451,658
Revaluation reserve included above:				
Investment properties	-	-	10,392,961	10,392,961
Other investments	23,929	-	2,371,438	2,395,367
Revaluation reserve at 30 September 2017	23,929	-	12,764,399	12,788,328

18. Related party transactions

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 £9,767 (2016: £7,796). Trustee Indemnity Insurance of £1,840 is included in head office costs.

During the year, unrestricted donations from Trustees amounted to £2,362 (2016: £3,080).

Notes to the financial statements (continued)
For the year ended 30 September 2017

19. Reconciliation of net income/expenditure to net cash flow from operating activities		
	2017	2016
	£	£
Net income/(expenditure) for the reporting period	1,074,511	1,490,693
Adjustments for		
Depreciation	37,635	33,096
Net Losses/(gains) on investments	(1,094,473)	(1,473,382)
Investment income	(265,987)	(311,539)
Decrease in programme related investments	14,544	26,614
(Increase)/decrease in debtors	(106,858)	19,504
(Decrease)/increase in creditors	(71,784)	94,443
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	(487,682)	(120,567)
	<hr/> <hr/>	<hr/> <hr/>

Architects Benevolent Society

Notes to the financial statements (continued)
For the year ended 30 September 2017

20. Comparative information for the year ended 30 September 2016

	Unrestricted Funds				Total 2016 £
	Current Fund £	Long Term fund £	Endowment fund £	Restricted fund £	
Income and endowments					
Donations and legacies					
Donations and gifts	182,084	-	-	-	182,084
Legacies	326,690	-	-	-	326,690
Other income					
Commercial rent receivable	564,121	-	-	-	564,121
Investments					
	287,076	-	-	24,463	311,539
Charitable activities					
Residents of sheltered housing	19,200	-	-	-	19,200
Total income and endowments	1,378,991	-	-	24,463	1,403,454
Total expenditure on					
Raising funds	265,135	-	-	-	265,135
Investment management fees	69,675	-	3,590	-	73,265
Costs of running commercial properties	53,929	17,816	-	-	71,775
	381,785	17,816	3,590	-	410,175
Charitable activities					
Relief of poverty	931,559	-	-	24,463	956,022
Provision of accommodation	14,921	5,025	-	-	19,946
Total expenditure	1,335,249	5,025	-	24,463	1,386,143
Net income/(expenditure) before transfers and investment gains	43,742	(22,841)	(3,590)	-	17,311
Gain / (loss) on investments	-	1,414,940	58,442	-	1,473,382
Net income/(expenditure)	43,742	1,392,099	54,852	-	1,490,693
Gain/(loss) on revaluation of fixed assets	-	-	-	-	-
Net movement in funds	43,742	1,392,099	54,852	-	1,490,693