

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 2018**

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# Architects Benevolent Society

## Company information

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### OFFICERS OF THE SOCIETY

<b>Patron</b>	His Royal Highness The Duke of Gloucester KG GCVO
<b>President</b>	Jane Duncan OBE PPRIBA
<b>Vice President</b>	Kenneth Bingham RIBA
<b>Chair</b>	Dr Geoffrey Purves BA BArch RIBA FRIAS FRSA
<b>Vice Chair</b>	Ronnie McDaniel Dip Arch (Sheff), FRIBA
<b>Honorary Secretary</b>	Chris Goodall RIBA
<b>Honorary Treasurer</b>	Nigel Thorne

### COMPANY INFORMATION AND CONTACTS

<b>Chief Executive</b>	Robert Ball	
<b>External Relations Manager</b>	Katie Vivian	
<b>Welfare Officers</b>	Helen Stanley Aidan Cullen	
<b>Company number</b>	1084747	
<b>Charity number</b>	265139	
<b>Registered office</b>	43 Portland Place, London W1B 1QH	
<b>Independent auditors</b>	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE	
<b>Bankers</b>	C Hoare and Co 37 Fleet Street London EC4P 4DQ	Lloyds Bank PLC 25 Gresham Street London EC2V 7HN
<b>Investment Managers</b>	Cazenove Capital 1 London Wall Place London EC2Y 5AU	Investec Wealth and Investment Limited 30 Gresham Street London EC2V 7QN
<b>Solicitors</b>	Bates Wells & Braithwaite 10 Queen Street Place London EC4R 1BE	Hunters 9 New Square, Lincoln's Inn London WC2A 3QN

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Architects Benevolent Society  
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## **Architects Benevolent Society**

### **Members of the Council and Committees**

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#### **PRESIDENT OF THE SOCIETY**

#### **JANE DUNCAN OBE PPRIBA**



It was with a great sense of excitement that I started my presidency of Architects Benevolent Society in June 2018. There is so much to be done, so many people to reach and help, so much fundraising to encourage; and as usual I am bursting with ideas and enthusiasm! It is such a joy and an honour to have the opportunity of working creatively with the dedicated staff, board members and our ambassadors' team, both at ABS in London and around the UK.

I am really pleased that effort is being made to tackle the growing contemporary mental health issues which are having serious impacts right now on students, working architectural professionals and their families. This has been a hidden and taboo subject, but affects all of us at some points in our lives; it is no longer someone else's problem, it is ours, and how lucky are we that the ABS is there to signpost the route to help.

I know that the partnership with Anxiety UK, in close association with RIBA, CIAT and the Landscape Institute is already bringing benefits, with pilot training schemes for mental health awareness for businesses underway.

I certainly aim to encourage every member of our partner institutions to know that ABS is there for them, and how to help, donate, or get involved. This is too good to keep quiet about!

## Architects Benevolent Society

### Members of the Council and Committees

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#### MEMBERS OF THE COUNCIL

John Assael  
Anthony Clerici  
William Evans  
Angus Kerr  
Lucy Mori  
Stella Saunders  
Kathy Thurman

Kenneth Bingham  
Lelia Dunlea-Jones  
Chris Goodall  
Ronnie McDaniel  
Geoffrey Purves  
Sumita Singha  
Hugh Woodeson

Richard Brindley  
Janet Dunsmore  
Mark Grzegorzczuk  
John Moakes  
Karen Rogers  
Nigel Thorne  
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:**

Lelia Dunlea-Jones (Chair)  
Richard Brindley  
Angus Kerr  
John Moakes  
Keith Robinson\*  
Sumita Singha

##### **Executive Committee:**

Chris Goodall (Hon secretary and Chair)  
John Assael  
Janet Dunsmore  
Mark Grzegorzczuk  
Lucy Mori  
Nigel Thorne

##### **Finance and Property**

##### **Advisory Committee:**

Nigel Thorne (Hon Treasurer and Chair)  
Stella Saunders  
Simon Still\*  
Hugh Woodeson

##### **External Affairs Committee:**

Lucy Mori (Chair)  
Ant Clerici  
Karen Rogers  
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 2018**

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The members of the Council are pleased to submit their report and the financial statements of the Architects Benevolent Society for the year ended 30 September 2018.

#### **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. An 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.

Committee members normally sit for five years to help ensure regular turnover of committee members, although there can be exceptions. 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 Society is currently reviewing its governance structure to make sure it is fit for purpose and is using the recently introduced Charity Governance as the basis for the review, following the endorsement of the Code by the Charity Commission.

The composition of the Council is set out on page 3. 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. Due to an increase in activity during the

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## **Architects Benevolent Society**

### **Report of the members of the council For the year ended 30 September 2018**

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previous two years a temporary Welfare Assistant was employed during 2018 to assist with the growing number of calls for the Society's help.

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 investment funds, which represent a significant proportion of the Society's investments, the remainder of the Society's assets being in property holdings which account for the biggest source of income. The Society also operates the Sawyer Benevolent Fund, the terms of which are more restrictive than the other stock market investments. Fundraising, awareness raising, publicity and marketing 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 Chartered Institute of Architectural Technologists, the Landscape Institute, 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 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.

Engagement with the professions and individuals the Society serves has been greatly enhanced over the previous two years by the introduction of an Ambassador scheme. Our Ambassadors are part of a regionally based network that play a key role in raising awareness of our cause within the wider architectural profession and in leading regional fundraising initiatives. Their role involves liaising with practices and local representatives of professional membership organisations and schools of architecture. As it stands there are now over 50 Ambassadors who represent all of the membership bodies and are spread all over the UK.

#### **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,

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## Architects Benevolent Society

### Report of the members of the council For the year ended 30 September 2018

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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 engaged .....in 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 architectural 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, or are at risk of experiencing, financial difficulty through reasons of 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 past two years the Society has been gradually introducing 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 are being made to raise awareness of the services on offer, principally via the communication channels of the various membership organisations representing the professions and also through the growing network of Ambassadors around the UK.

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.

## **Architects Benevolent Society**

### **Report of the members of the council For the year ended 30 September 2018**

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#### **Objectives for the year**

During the course of 2018-19 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 partnerships with Shelter and Anxiety UK, partnerships which continue to thrive. A review of the Society's welfare provision was undertaken during 2018 and it is hoped to use the findings to help to articulate future service provision, not only in terms of providing additional services but also improving further the existing services which have proven to be so essential over a great number of years. This will help to define the review of the Society's charitable objectives mentioned above and to ensure the Society meets the needs of those who are currently in need as well as those who are at risk of falling into difficult circumstances, a situation they might otherwise avoid with the right help at the right time.

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. It is our view that this objective will always remain at the heart of our publicity and marketing efforts, awareness being so crucial and a constant challenge for all benevolent funds and other grant making charities operating in the UK and elsewhere. Regional events will continue to ensure we retain a UK wide presence, enabling the Society to make contact with people at a local level and to introduce the range of available services.

Further objectives include expanding the very successful network of Ambassadors around the UK, an initiative that has far exceeded expectations and is helping to raise awareness of the Society's work throughout the UK and within the various membership organisations. Voluntary income will be given greater focus throughout the year in line with the fundraising strategy, with additional areas of income being investigated and targeted where appropriate. In addition, work will continue on ensuring the Society is able to optimise the use of the long term assets, particularly the property assets in London and to ensure the Society is able to continue to produce the annual income from these assets which remains crucial in funding the charitable activities.

#### **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 24 months. Their efforts on the Society's behalf are hugely beneficial and it is very encouraging that there are now over 50 Ambassadors representing all of the professions we support, from all parts of the UK and representing all age ranges. Their wide and varied experience and the number of membership organisations they are helping us to engage with is invaluable, thank you.

## Architects Benevolent Society

### Report of the members of the council For the year ended 30 September 2018

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#### ABS Ambassadors



#### Achievements and performance

##### The Case Committee and its work with beneficiaries

The Case Committee advises Council on the whole of the Society's charitable work for those in necessitous circumstances. The Committee assesses the circumstances of beneficiaries, each case is reviewed at least once every twelve months and often more frequently than that. During the year the Society expended £1,140,000 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 many of the 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 important part of the assistance we give to people in need as it allows for a full understanding of those needs, particularly when they first come to us for help. The help and advice the Welfare Officers provide is often the most valuable support that the Society can give to those who are in real distress. In addition this year, due to the greater awareness of the Society's work and the increase in calls for help, a new Welfare Assistant was appointed to help deal with the workload, with one particular focus of the new role being making referrals to our partner, Anxiety UK.

Although the Society is increasingly paying attention to the additional services it might provide in future, 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

## Architects Benevolent Society

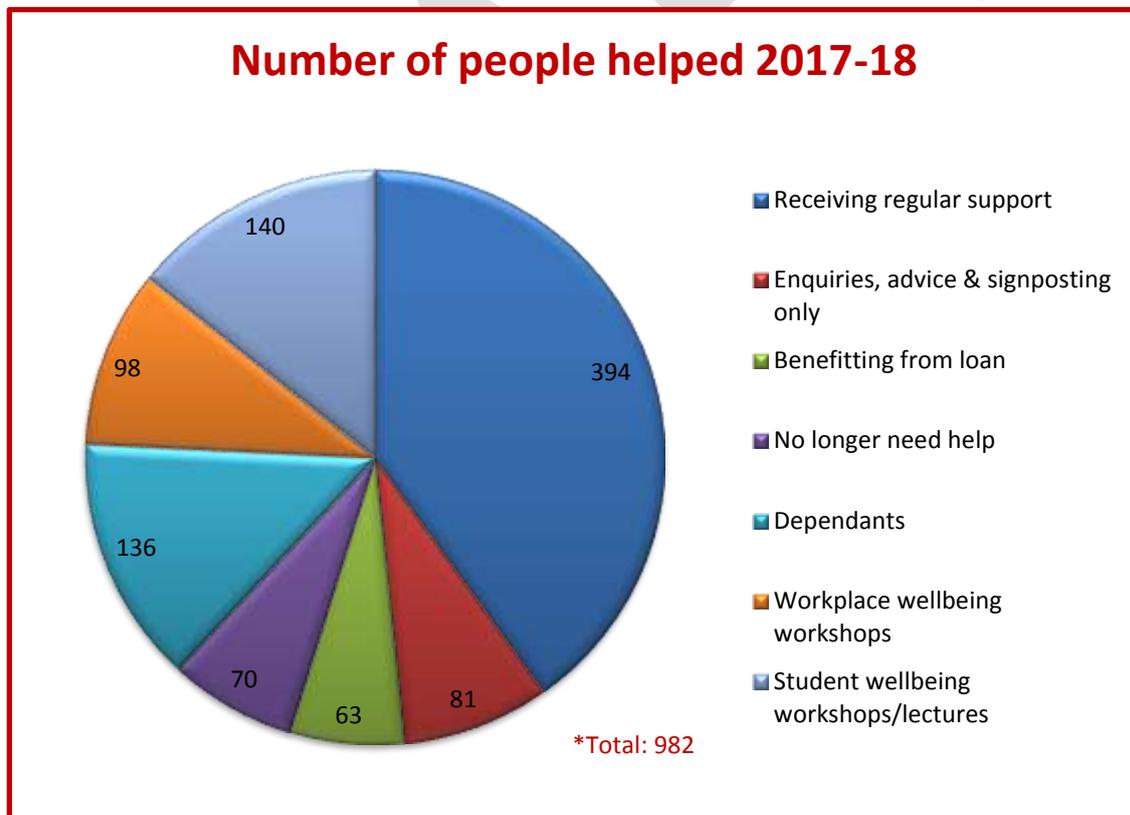
### Report of the members of the council For the year ended 30 September 2018

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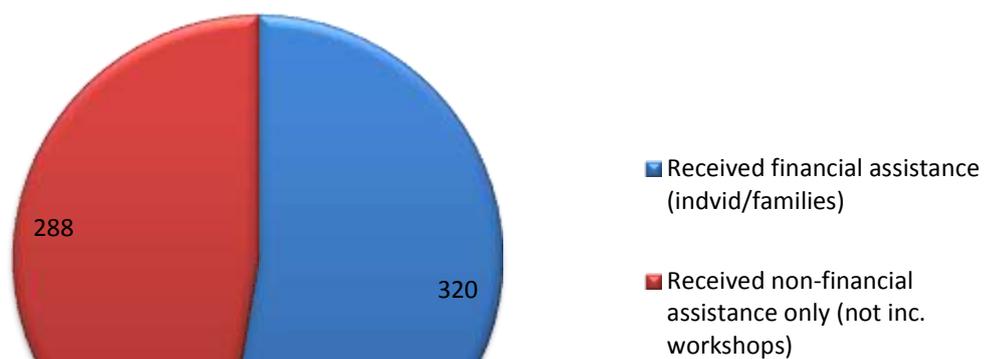
with the Chair and other members of the Case Committee who are authorised to agree urgent applications for financial help between committee meetings; help that can often save people from situations that could easily result in terrible financial loss and for a range of reasons, many of them tragic.

With regards to the number of people we help, 2017-18 saw a large increase, partly down to the introduction of mental health workshops organised and financed jointly with the RIBA, partly due to the Anxiety UK partnership but also due to a general increase in calls for help as awareness of our work increases. As can be seen from the figures below, **the total number of people helped was 982**, higher than ever before. **The number of new cases was 124**, another record high and it was further encouraging to see **70 beneficiaries now able to manage on their own without the Society's help**, double the number of the previous year. Sadly, we have to report that 18 beneficiaries died during the course of the year, our thoughts are with them all.

The Committee would like to thank the welfare team for their very great efforts to help and support the Society's beneficiaries. So much of their work goes unnoticed, but we know from the hugely positive responses we receive from beneficiaries just how much their advice and assistance is appreciated by those who are often in real distress when they come to us for help. Without the empathy, knowledge and care the welfare team provides, the financial assistance we give would often not be enough and the team remains at the very heart of everything the Society stands for.

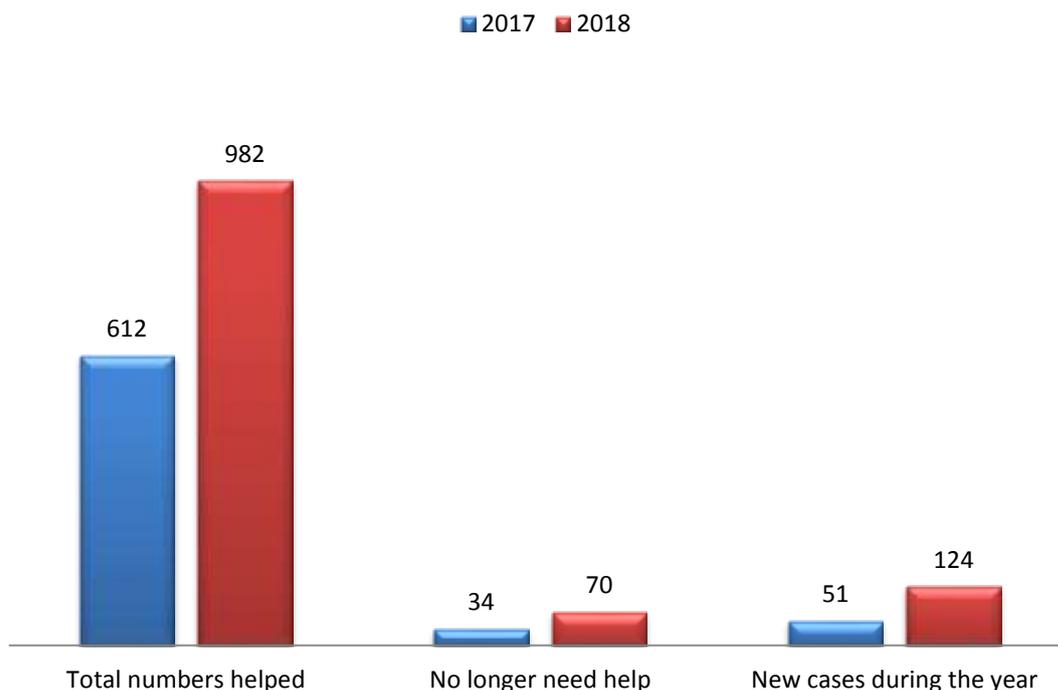


### Number of recipients of direct help 2017-18



\*124 of these were new cases. This is up from 51 in 2016-17.

### Prior year comparison



### **The Lowe family story**

**Please take the time to read this story from the Lowe family, who we recently helped. They wanted to share their story to try and help other people facing challenges 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 the Lowes for sharing their story.**



## Architects Benevolent Society

Report of the members of the council  
For the year ended 30 September 2018

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*Gideon is our gorgeous, funny and affectionate 5 year old. He's our third child in a family of four boys. Gideon has Prader Willi Syndrome, a genetic condition that causes development delay, learning and behavioural difficulties and hyperphagia: an overwhelming hunger that can't be satiated. These difficulties mean he needs numerous hospital and therapy appointments and requires constant supervision to keep him safe.*

*These challenges have meant that Rae has had to give up work in order to ensure Gideon gets the care he need. This has led to significant financial difficulties for us; Gideon will require life-long care, so it is unlikely that Rae will be able to return to work.*

*I approached the Architects Benevolent Society, hoping they could help in some way. From the very first contact, the Society has been hugely helpful and supportive. A representative visited us in our home to find out the best way that they could help us – support offered was both practical and emotional.*

*The financial support the Society has provided has made such a huge difference to our family. Raising a disabled child is challenging, and getting help can be hard. It's hard to fully express what a difference the Society has made to us as a family; I feel that we now have some breathing space to plan ahead a little.*

*The work the ABS does is so important; for our family, it's been a lifeline.*

### *The Lowe family*

#### Partnerships

The Society was pleased to renew the partnerships with Shelter and Anxiety UK during the year after a very successful introduction to both the previous year. Shelter delivers 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. This year, the Society made 72 referrals to Anxiety UK, with some very positive outcomes. The NHS Psychological Therapies Report 2016 / 2017 reported Recovered rates of 49.3%, Reliably Improvement rates of 65.1.% and Reliable Recovery rates of 47.0% whereas in comparison by using Anxiety UK Approved Therapists these rates for ABS clients were 65.6%, 74.3% & 62.5% respectively for the period Oct 2017 – Sep 2018 which was greatly encouraging.

Efforts will 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, most notably in the coming year through the #AnxietyArch campaign that will run from February 2019 to December 2019 highlighting the Society's work with Anxiety UK and membership organisations on tackling mental health issues.

# Architects Benevolent Society

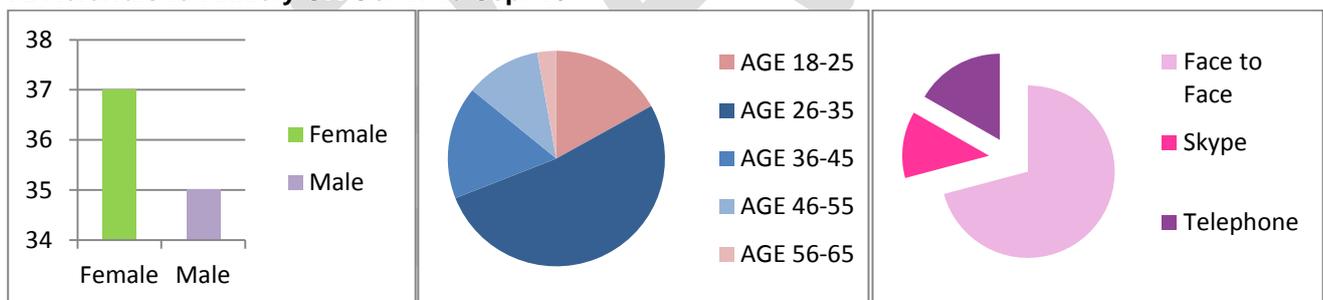
## Report of the members of the council For the year ended 30 September 2018

The Society is also pleased to be working on a less formal basis with IncomeMax, Stepchange, Law Express, Chimento and other charities and organisations which are able to provide our beneficiaries with expert advice and support on a range of issues including debt and other money matters, legal problems ranging from property matters, employment, family and other personal legal issues.

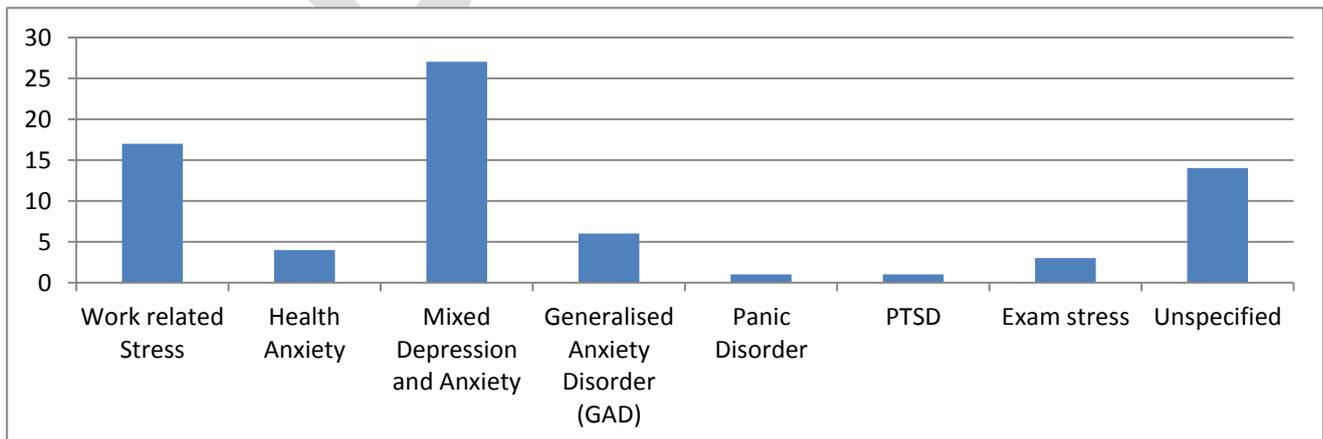
All of these partnerships are enabling the Society to offer those in need a more comprehensive package of assistance, going beyond the purely financial and helping people to regain their independence as soon as possible.



### 72 Referrals to Anxiety UK Oct 17 to Sept 18



### Main issue



## Architects Benevolent Society

### Report of the members of the council For the year ended 30 September 2018

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#### Executive Committee

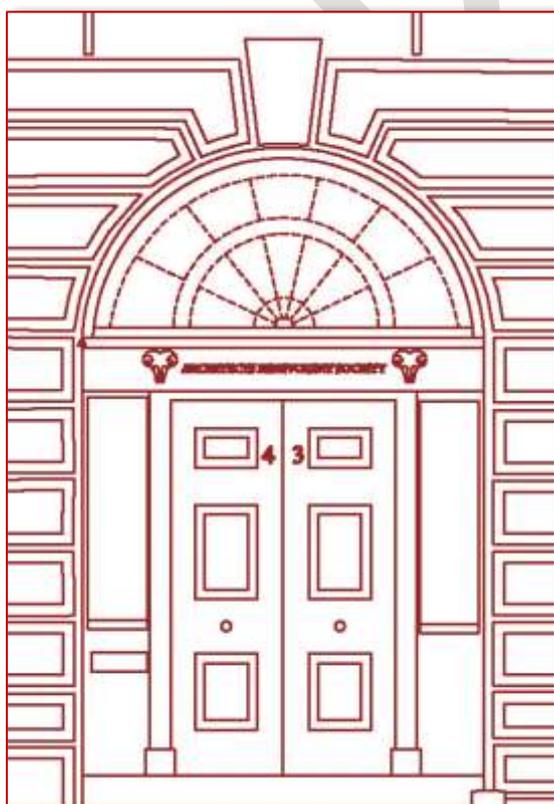
Chaired by the Hon. Secretary Chris Goodall, the Executive Committee is responsible for advising Council on a wide range of the Society's activities and it has delegated power to act on behalf of Council when that should be necessary, its decisions being submitted to the following Council meeting. The 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 directly 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 spent a good deal of time during the year considering the property matters detailed below under the Finance & property Advisory Committee, these being essential to the long term sustainable funding of the Society's charitable work.

Another significant matter was the increasing workload the staff team were having to manage. Two new positions were agreed on a temporary basis to cope with the increase in welfare activity and also fundraising and awareness-raising work, increasing the size of the staff team from 8 to 10. With it appearing likely that activity will continue to gradually increase, attention has turned to the possible need to move to alternative premises in the near future.

The Committee also spent time reviewing and recommending to Council amendments to key policies, these covering key areas such as risk, conflicts of interest, financial management, fraud, whistleblowing and staff remuneration. All charities now face more scrutiny than ever before and it is increasingly important to be able to demonstrate robust procedures and policies to guard against actual or perceived inappropriate use of charitable resources. The Executive Committee and Council as a whole will continue to review and, where necessary, update and amend the Society's procedures and policies to ensure we remain true to our charitable objectives.



#### Finance and Property Advisory Committee

Chaired by the Hon Treasurer Nigel Thorne, 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 focus for the Committee during the year was on the Society's two property assets in London. These make up the largest part of the Society's assets and are crucial in that they produce the largest single source of income, essential in funding our charitable activities, which are on the increase. This focus will continue for the next 12-24 months and it is hoped that, following this period, the Society will have ensured the gradual increase in charitable services we provide to the wider architectural profession can continue with the necessary resources behind it.

## Architects Benevolent Society

### Report of the members of the council For the year ended 30 September 2018

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The performance of investments was less encouraging than previous years, in line with markets generally due to the current economic and political uncertainty. Despite this uncertainty, the investment managers were generally performing well and the Committee were satisfied that the Society's investment assets were being well managed.

In line with the general focus on improved policy management and the related reporting requirements, the Committee also approved the appointment of a financial consultant during the year to assist the Society in moving towards improved financial reporting, this being ever more important in the current challenging economic and regulatory climate. This work will continue for the next year or so until such time as the Society is satisfied we have the appropriate level of management accounting to ensure transparency at all levels, internal and external, and to extend further the checks and balances already in place.

#### External Affairs Committee

This committee, chaired by Lucy Mori, 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.

Fundraising regulation remained in the forefront of the Committee and staff team's efforts, a huge amount of work being put into ensuring compliance with the GDPR during the year. All of the Society's documentation was reviewed and amended where appropriate, the trustees and staff team attended GDPR training sessions and the work remains on-going.

This year's annual ABS Chicken Run was again hosted by Bennetts Associates and it was another very successful and fun day out for all who ran, marshalled, organised, cooked, served behind the bar and otherwise helped out – thank you everyone and particularly everyone at Bennetts!



*"Chicken runners!"*



*"More chickens; Angela Brady and Peter Murray presenting the awards; some of the marshals returning"*

A new event for the Society was held on World Baking Day when 20 practices and organisations took part in our 'Bake the World a Better Place' challenge. Over £2,000 was raised from the efforts of all involved as well as priceless awareness about how we can help those in need. The event took place during Mental

## Architects Benevolent Society

### Report of the members of the council For the year ended 30 September 2018

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Health Awareness Week and people were encouraged to take time out of their day to share some cake or have a cup of tea and a chat with their colleagues. Thank you to everyone who took part.



2018 WCCA Award – in 2017, Ian Maskell (pictured below) travelled from the London Eye to the i360 in Brighton in his wheelchair to raise money for the Society and three other charities. We were thrilled to recognise Ian's amazing fundraising success as he was presented with the Award plate for exceptional support to the Society at the WCCA Election Court Dinner in July 2018. The Award plate 'Wheels within Wheels' was designed by Peter Murray and featured the loop wheel mechanism from Ian's wheelchair inside a bicycle wheel and encircled by the London Eye. It was a stunning and truly personal acknowledgement of Ian's achievement.



*Ian Maskell with his award, along with Peter Murray and Stephen Wagstaffe of the WCCA*

## **Architects Benevolent Society**

### **Report of the members of the council For the year ended 30 September 2018**

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#### **Raising Awareness**

During the year, the fundraising staff team focussed on increasing awareness of the Society's work within the wider architectural professions. Although still early days, the increase in the number of beneficiaries during the year (see page 10) suggests the work is paying off and we hope this continues. In addition to the increase in enquiries for help, we have been approached by a number of individuals putting themselves forward for the role of Ambassador for the Society, which also demonstrates that the Society is becoming increasingly well known within the professions we support.

During the year, over 30 presentations, workshops and lectures were delivered by staff, Ambassadors and consultants to over 1,000 architectural professionals and students at various locations in the UK. Many of these presentations have focussed on promoting the Anxiety UK partnership and delivering other initiatives around the workplace and wellbeing; the latter being in collaboration with the RIBA.

#### **Fundraising**

This year saw the Society implementing the second year of its three year 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 four members of staff (three full-time and one part-time) to fundraise for the charity, as well as raising awareness. The strategy was reviewed in September 2018 in order to prioritise activity for the following year, and a new strategy will be developed during 2019.

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. The focus on raising awareness of our work, and establishing relationships with practices is important in laying the foundations for future donations. 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 2017-18, no complaints about fundraising 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 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.

As part of a whole organisational approach towards complying with the new General Data Protection Regulation (GDPR) which came into force on 25 May 2018, fundraising donor data and consent collection methods were reviewed. All staff attended GDPR training, and we will ensure that our staff and volunteers are mindful of, and 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.

## **Architects Benevolent Society**

### **Report of the members of the council For the year ended 30 September 2018**

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#### **Appointments**

A warm welcome is extended to Sumita Singha who was appointed as a Trustee in June 2018, having joined the Case Committee in February 2018.

#### **Retirements**

The Society would like to say a big thank you to Freni Shroff, who stepped down as a trustee in June 2018. Freni was a trustee for an incredible 41 years and was a member of both the Case Committee and Executive Committee for more than 25 years, over 50 years in total serving on the two Committees at the heart of everything to Society does. Her commitment over such an extended period is remarkable and we can only say, again, thank you!



## Architects Benevolent Society

### Report of the members of the council For the year ended 30 September 2018

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#### Financial Review

##### Incoming resources

Money from **donations and gifts** totalled £157,714, compared with £186,669 the previous year and £182,084 for 2015-16, a disappointing fall after recent gradual increases following a prolonged period when voluntary (donation) income was on the decline. The Society intends to address this fall after recent encouraging years and make the most of the large efforts that have gone into awareness-raising of the Society's work, perhaps in the last year to the detriment of donation income.

**Legacy income** was £101,032 during 2017-18 compared with £158,399 in 2016-17, a fall and below the medium term average of around £150,000. However, it was only recently that the 10 year average for legacies stood at £100,000 and it is hoped that in future £100,000 continues to represent a disappointing year rather than the average. Most importantly, the Society is extremely 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 £613,124 compared with £591,119 in 2016-17, a small increase on the previous year. Due to known and necessary property improvements works it is known that this figure will fall significantly during 2018-19.

**Income from sheltered housing** was £13,138, a slight fall from £14,178 the previous year.

**Investment income** increased to £292,905, compared with £265,988 in 2016-17 and despite the focus continuing to be on total return performance in line with the new investment policy statement, placing less importance on income performance. It is expected that this figure will fall during 2018-19 due to the current economic and political uncertainty, as well as greater calls on the Society's investments assets during the next 12-24 months to fund charitable expenditure due to the expected fall in commercial property income.

##### Resources expended

**Costs of generating funds** Fundraising costs this year totalled £224,754 compared with £203,297 in 2016-17, a small increase, partly due to employing a new member of the fundraising and awareness-raising team during the year.

The cost of running the commercial properties increased from £136,460 in 2016-17 to £144,421 in 2017-18.

**Charitable Expenditure** The Society's overall charitable expenditure in 2017-18 totalled £1,147,846 compared with the £858,339, expended the previous year, an increase of £289,507 which is very encouraging.

##### Net expenditure

The Society's net expenditure for the year was a deficit of £426,712 a large increase from the previous year when there was a deficit of £19,962 and in large part reflecting an increase on the amount of monies expended on charitable expenditure.

##### Investments

The level of the investment portfolios at 1 October 2017 was £13,951,767 and at 30 September 2018 stood at £14,198,939.

##### 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 £11,919,946. 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.

## Architects Benevolent Society

### Report of the members of the council For the year ended 30 September 2018

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#### 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 2017-18 included:

<b>Irene Tevendale</b>	<b>£350</b>
<b>Steven Langhorne</b>	<b>£2,000</b>
<b>Douglas Mason</b>	<b>£100</b>
<b>Edward Lloyd-Hughes</b>	<b>£500</b>
<b>Alfred Le Boutillier</b>	<b>£80,000</b>
<b>Rodney Franklin</b>	<b>£1,000</b>
<b>William Toner</b>	<b>£20,882</b>
<b>William Savage</b>	<b>£200</b>

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 Reserves Policy adopted in 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 currently supports up to around 1,000 people each year and total annual expenditure at present stands at £1.6 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 up to £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 £600,000 per annum in a typical year.

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

The Society reviewed its investment strategy in June 2014 and again in 2017 and 2018 and the Investment Policy Statement includes a 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 £400,000, a level sufficient for the Society to continue to operate and fulfil its obligations for a period of three months. At 30 September 2018 free reserves in the Current Fund stood at a deficit of £21,950, a figure which the trustees consider to be too low and are looking to rectify, potentially by freeing up non-committed cash holdings held in the stock market investment portfolios.

### **Range of reserves required**

Direct financial assistance given to beneficiaries has been increasing recently 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 at the possibility of increasing the range of services available to members of the wider architectural profession and this is likely

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**Report of the members of the council (continued)  
For the year ended 30 September 2018**

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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. It is our hope that regular voluntary income from this source will gradually increase in future as awareness of the Society's work grows. Commercial income is currently lower than usual due to ongoing plans to improve the capital assets. It is planned for this source of income to begin to return to previous levels during 2019-20 and increase thereafter as part of the ongoing aim to ensure the Society's assets are fully utilised in furthering the charitable objectives, while also looking at the possibility of expanding the services the Society offers and how these services would be funded.

As stated above, in 2013-14 the Trustees agreed a new Investment Policy Statement, subsequently reviewed and amended in 2017 and 2018, in order to help determine the long term strategy and risk profile, with less emphasis placed on investment income. This policy 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.
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## Architects Benevolent Society

### Report of the members of the council (continued) For the year ended 30 September 2018

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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:

<b>Aberdeen Society of Architects</b>
<b>Bennetts Associates</b>
<b>Bradshaw Gass Trust</b>
<b>Broad Oak Trust</b>
<b>CIAT</b>
<b>Glasgow Institute of Architects</b>
<b>Plymouth Architectural Trust</b>
<b>RIAS</b>
<b>RIBA</b>
<b>RIBA Bristol &amp; Bath Branch</b>
<b>RIBA Plymouth</b>
<b>RSUA</b>
<b>RSAW</b>
<b>Stirling Society of Architects</b>
<b>The Association of Jersey Architects</b>
<b>The J S Trust</b>
<b>The Mishcon Family Charitable Trust</b>
<b>Twigg (Trust)</b>
<b>Worshipful Company Of Chartered Architects</b>

## Architects Benevolent Society

### Report of the members of the council (continued)

For the year ended 30 September 2018

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#### Corporate Supporters

The Corporate Supporter Scheme has been successful in securing additional support from a number of practices in the last two years. 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 current Corporate Supporters

<b>Foundation</b>	<b>Keystone</b>	<b>Pinnacle</b>
Fletcher Priest Architects	O'Neil Associates	Matchbox Architects (mba*)
Child Graddon Lewis	The Duncan & Graham Partnership	
Assael Architecture		
Allford Hall Monaghan Morris		
Marcus Beale Architects		
Wilkinson Eyre		
Eric Parry Architects		
BB + C Architects		

We are very grateful to the above practices for making a regular commitment to support the Society through this scheme, as well as the engagement from their staff in our events, and promoting the work we do.

We would also like to say thank you to Bennetts Associates for hosting the Chicken Run again this year; Woods Bagot and PTE for kindly providing meeting space for us at their offices; and CZWG, who inspired us to run our 'Bake the World a Better Place' event in May 2018.

## Architects Benevolent Society

### Report of the members of the council (continued) For the year ended 30 September 2018

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#### Acknowledgements

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

Our professional advisers for their continuing guidance and support throughout 2017-2018

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.

Special mention should be made to Ken Bingham who Chaired the Case Committee for over 20 years until he stepped down in 2018. The Committee and the Society as a whole is immensely grateful for his hard work and dedication over such a long period. Ken additionally sat on the Executive Committee for over 20 years until 2018, he was also a long serving member of the External Affairs Committee until recently. Ken remains as a trustee of the Society – thank you Ken.

Thanks also to Ronnie McDaniel, who stepped down after 10 years as the Chair of the External Affairs Committee and member of the Executive Committee. Ronnie remains as the Society's Vice Chair and as a trustee.

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

2019

**Independent auditors' report to the members  
For the year ended 30 September 2018**

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**Opinion**

We have audited the financial statements of Architects Benevolent Society for the year ended 30 September 2018 which comprise of the statement of financial activities, the balance sheet and 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 charitable company's state of affairs as at 30 November 2018 and of its 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 Companies Act 2006.

**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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees 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.

**Other information**

The trustees 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

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**Independent auditors' report to the members  
For the year ended 30 September 2018**

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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 Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report have 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 Trustees' Annual Report.

We have nothing to report in respect of the following matters where 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 trustees' 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 Trustees' Responsibilities Statement set out on page 4, the trustees (who are also 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, and for such internal control as the trustees 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 trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

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,

## Architects Benevolent Society

### Independent auditors' report to the members For the year ended 30 September 2018

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

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

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:

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## Architects Benevolent Society

### Statement of financial activities For the year ended 30 September 2018

	Notes	Unrestricted Funds		Endowment fund	Restricted fund	Total 2018	Total 2017
		Current fund	Long term fund				
		£	£	£	£	£	£
<b>Income and endowments from:</b>							
Donations and gifts		157,714	-	-	-	157,714	186,669
Legacies		101,032	-	-	-	101,032	158,399
<b>Other income</b>							
Commercial rent receivable		613,124	-	-	-	613,124	591,119
<b>Investments</b>	<b>4</b>	266,565	-	-	26,340	292,905	265,987
<b>Charitable activities:</b>							
Residents of sheltered housing		13,138	-	-	-	13,138	14,178
<b>Other income</b>							
Gain on disposal of fixed assets		-	-	-	-	-	47,028
<b>Total income and endowments</b>		<b>1,151,573</b>	<b>-</b>	<b>-</b>	<b>26,340</b>	<b>1,177,913</b>	<b>1,263,380</b>
<b>Expenditure on:</b>							
<b>Raising funds</b>							
Fundraising		224,754	-	-	-	224,754	203,297
Investment management costs		84,075	-	3,529	-	87,604	85,246
Costs of running Commercial Properties		129,306	15,115	-	-	144,421	136,460
		438,135	15,115	3,529	-	456,779	425,003
<b>Charitable activities</b>							
Relief of poverty	<b>5</b>	1,111,896	-	-	26,340	1,138,236	849,292
Provision of accommodation		4,585	5,025	-	-	9,610	9,047
<b>Total expenditure</b>	<b>7</b>	<b>1,554,616</b>	<b>20,140</b>	<b>3,529</b>	<b>26,340</b>	<b>1,604,625</b>	<b>1,283,342</b>

Architects Benevolent Society

Statement of financial activities (continued)  
For the year ended 30 September 2018

	Notes	Unrestricted Funds			Restricted fund	Total 2018	Total 2017
		Current fund	Long term fund	Endowment fund			
		£	£	£	£	£	
Net expenditure before transfers and investment gains		(403,043)	(20,140)	(3,529)	-	(426,712)	(19,962)
Transfer between funds		(123,751)	123,751	-	-	-	-
Net (losses)/gains on investments		-	(56,991)	19,732	-	(37,259)	1,045,348
<b>Net (expenditure)/income</b>		<b>(526,794)</b>	<b>46,620</b>	<b>16,203</b>	<b>-</b>	<b>(463,971)</b>	<b>1,025,386</b>
Gain on revaluation of fixed assets		-	-	-	-	-	49,125
<b>Net movements in funds</b>		<b>(526,794)</b>	<b>46,620</b>	<b>16,203</b>	<b>-</b>	<b>(463,971)</b>	<b>1,074,511</b>
Fund balances brought forward at 1 October 2017		1,088,404	32,637,285	725,969	-	34,451,658	33,377,147
<b>Fund balances carried forward at 30 September 2018</b>	<b>16</b>	<b>561,610</b>	<b>32,683,905</b>	<b>742,172</b>	<b>-</b>	<b>33,987,687</b>	<b>34,451,658</b>

All results during the year related to continuing operations.

The above statement of financial activities includes the Society's statement of total recognised gains and losses.

The notes on pages 34 to 47 form part of these financial statements.

**Architects Benevolent Society**

**Summary income and expenditure account  
As at 30 September 2018**

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	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Total income	1,177,913	1,263,380
Total expenditure	(1,601,096)	(1,279,865)
Net (losses)/gains on investments	(56,991)	1,009,373
<b>Net (expenditure)/income</b>	<b>(480,174)</b>	<b>992,888</b>

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Total income comprises £1,151,573 for unrestricted funds and £26,340 for restricted funds. A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities.

Expenditure comprises £1,574,756 for unrestricted funds and £26,340 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 29 to 30 which together with the notes to the financial statements on pages 34 to 47 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 2018**

	Notes	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10	1,071,584		1,100,458	
Investments	11	32,382,860		32,299,897	
Programme related investments	12	539,260		592,786	
			33,993,704		33,993,141
<b>Current assets</b>					
Debtors	13	148,359		244,909	
Cash at bank and in hand		185,594		514,415	
			333,953		759,324
<b>Creditors:</b> Amounts falling due within one year	14		(339,970)		(300,807)
Net current (liabilities)/assets			(6,017)		458,517
<b>Net assets</b>			33,987,687		34,451,658
<b>Funds</b>					
Permanent Endowment Fund	15		742,172		725,969
Unrestricted funds:					
Current fund	16		561,610		1,008,404
Long term fund:					
Investment & Property Fund		19,895,577		19,848,957	
- Revaluation Reserve	17	12,788,328		12,788,328	
			32,683,905		32,637,285
			33,987,687		34,451,658

The notes on pages 34 to 47 form part of these financial statements.

Approved by the Council on

2019 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 2018

	Notes	2018	2017
		£	£
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	19	(497,149)	(459,440)
<b>Cash flows from investing activities:</b>			
Income from investments		292,905	265,987
Purchase of fixed assets		(4,355)	(17,966)
Proceeds from the sale of fixed assets		-	220,254
Purchase of investments		(3,152,300)	(2,845,885)
Proceeds from the sale of investments		2,830,882	3,187,926
Increase in cash held for investments		201,196	30,661
<b>Net cash flows provided by (used in) investing activities</b>		168,328	840,977
<b>Change in cash and cash equivalents in the reporting period</b>		(328,821)	381,537
Cash and cash equivalents at the Beginning of the reporting period		514,415	132,878
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>185,594</b>	<b>514,415</b>

**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)' 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.

Notes to the financial statements (continued)  
For the year ended 30 September 2018

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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 7) 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 2018**

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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.

Notes to the financial statements (continued)  
For the year ended 30 September 2018

**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**

	2018 £	2017 £
Fixed asset investments	292,905	265,987
	<u>292,905</u>	<u>265,987</u>

**5. Relief of poverty**

	2018 £	2017 £
Grants	489,359	390,472
Gifts	303,820	173,600
Other direct costs including welfare officers	226,742	191,283
Indirect costs	118,315	93,937
	<u>1,138,236</u>	<u>849,292</u>

The Society made grants and gifts in the year to 321 (2017: 259) 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 (2017: none) grants are classified as institutional grants.

**6. Governance costs**

	2018 £	2017 £
Trustees and committee meetings	15,037	15,981
Audit fee	12,500	12,500
Professional fees	121,073	67,390
	<u>148,610</u>	<u>95,871</u>

Architects Benevolent Society

Notes to the financial statements (continued)  
For the year ended 30 September 2018

7. Analysis of total expenditure

	Staff costs	Depreciation	Grants and gifts	Other	Total direct costs	Other head office costs	Head office Depreciation	Total costs	2017
	£	£	£	£	£	£	£	£	£
Raising funds	120,495			6,665	127,160	97,594		224,754	203,297
Investment management costs				87,604	87,604			87,604	85,246
Running commercial properties	40,756	15,115		45,882	101,753	29,579	13,089	144,421	136,460
Relief of poverty	191,198		820,519	8,204	1,019,921	118,315		1,138,236	849,292
Provision of accommodation	1,949	5,025		171	7,145	2,465		9,610	9,047
	<u>354,398</u>	<u>20,140</u>	<u>820,519</u>	<u>148,526</u>	<u>1,343,583</u>	<u>247,953</u>	<u>13,089</u>	<u>1,604,625</u>	<u>1,283,342</u>

8. Net (expenditure)/income for the year

	2018	2017
	£	£
The net (expenditure)/income for the year is stated after charging:		
Depreciation	33,229	37,635
Amounts paid to auditors - audit	18,450	17,250
- other services	6,100	11,700
	<u>57,779</u>	<u>66,585</u>

## Architects Benevolent Society

### Notes to the financial statements (continued) For the year ended 30 September 2018

#### 9. Staff costs

	2018 £	2017 £
The average monthly number of persons employed by the Society during the year was:	<b>Number</b>	<b>Number</b>
Office management and welfare	8	8
Staff costs (for the above persons)		
Wages and salaries	284,742	269,648
Social security costs	32,005	29,660
Other pension costs	28,486	35,779
Health and other staff benefits	9,165	11,218
	<u>354,398</u>	<u>346,305</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 £6,300 (2017: £6,146).

The key management personnel of the charity consists of the Chief Executive Officer. The total employee benefits of the key management personnel were £68,719 (2017: £68,391).

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 £9,534 (2017: £9,767 to 8 Trustees). Trustee indemnity insurance of £1,974 (2017: £1,840) is included in head office costs.

The aggregate unrestricted donations made by the Trustees to the Charity in the year were £2,419 (2017: £2,362). No Trustee left an unrestricted legacy to the Charity in the year (2017: £nil). In the year, donations made by a company owned by a Trustee were £1,817 (2017: £1,580).

Notes to the financial statements (continued)  
For the year ended 30 September 2018

## 10. Tangible fixed assets

	Land and buildings freehold £	Land and buildings leasehold £	Fixtures, fittings and equipment £	Motor vehicle £	Total £
<b>Cost</b>					
1 October 2017	300,928	861,348	221,154	16,503	1,399,933
Additions	-	-	4,355	-	4,355
Disposals	-	-	-	-	-
<b>30 September 2018</b>	<b>300,928</b>	<b>861,348</b>	<b>225,509</b>	<b>16,503</b>	<b>1,404,288</b>
<b>Depreciation</b>					
1 October 2017	51,508	63,344	180,497	4,126	299,475
Charge for year	5,025	15,115	9,307	3,782	33,229
Disposals	-	-	-	-	-
<b>30 September 2018</b>	<b>56,533</b>	<b>78,459</b>	<b>189,804</b>	<b>7,908</b>	<b>332,704</b>
<b>NBV at 30 September 2018</b>	<b>244,395</b>	<b>782,889</b>	<b>35,705</b>	<b>8,595</b>	<b>1,071,584</b>
<b>NBV at 30 September 2017</b>	<b>249,420</b>	<b>798,004</b>	<b>40,657</b>	<b>12,377</b>	<b>1,100,458</b>

Notes to the financial statements (continued)  
For the year ended 30 September 2018

11. Fixed asset investments

	Investment property	Quoted Investment equities and unity trusts	Cash	Total 2018	Total 2017
	£	£	£	£	£
<b>Market value</b>					
At 1 October 2017	17,801,908	13,951,766	546,223	32,299,897	31,578,126
Additions	36,986	3,115,314	-	3,152,300	2,845,885
Disposals	-	(2,830,882)	-	(2,830,882)	(3,187,926)
Net investment (loss)/gain	-	(37,259)	-	(37,259)	1,094,473
Net movement in the year	-	-	(201,196)	(201,196)	(30,661)
<b>At 30 September 2018</b>	<b>17,838,894</b>	<b>14,198,939</b>	<b>345,027</b>	<b>32,382,860</b>	<b>32,299,897</b>
					<b>2018</b>
					<b>£</b>
					11,919,946

There were no investments in individual entities held at 30 September 2018 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 last valued as at 30 September 2017 on an open market value basis using an informal valuation carried out by HNG Chartered Surveyors. The historic cost of the investment properties is £7,445,933 (2017 – £7,408,947). A formal valuation has not been performed as at 30 September 2018 due to the development works being carried out on the properties but the Trustees have confirmed that the valuation remains appropriate in the financial statements. A full formal valuation will be undertaken following the development works.

Notes to the financial statements (continued)  
For the year ended 30 September 2018

12. Programme related investments

	2018	2017
	£	£
The charity makes interest free loans to its beneficiaries		
Loans to beneficiaries		
At 1 October 2017	1,054,758	1,278,072
Loans made in year	44,916	49,608
Current and historical loans written off in the year	(6,327)	(171,977)
Loans repaid in the year	(94,010)	(100,945)
<b>At 30 September 2018</b>	<b>999,337</b>	<b>1,054,758</b>
Provision against loans		
At 1 October 2017	461,972	670,742
Provisions against current and historical loans written off	(39,533)	(183,419)
Movement in provision in the year for unsecured loans	37,553	(20,790)
Movement in provision in the year for secured loans	85	(4,561)
<b>At 30 September 2018</b>	<b>460,077</b>	<b>461,972</b>
<b>Net balance</b>	<b>539,260</b>	<b>592,786</b>

Total of these loans that were secured at 30 September 2018 was £389,622 (2017: £440,456).

13. Debtors

	2018	2017
	£	£
Other debtors	79,325	147,633
Prepayments and accrued income	69,034	18,552
Service charge account	-	78,725
	<b>148,359</b>	<b>244,910</b>

**Architects Benevolent Society**

**Notes to the financial statements (continued)  
For the year ended 30 September 2018**

<b>14. Creditors:</b> Amounts falling due within one year	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	57,473	1,683
Other tax and social security	63,668	60,177
Other creditors	72,064	72,065
Accruals and deferred income	124,550	166,882
Service charge account	22,215	-
	<u>339,970</u>	<u>300,807</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 2018 the value of the fund amounted to £742,172 (2017: £725,969).

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 29 – 30 of the accounts is to be applied for the relief of such twenty old retired Architects in poor circumstances as the trustees shall from time to time select.

**16. Unrestricted funds**

	<b>Current fund</b>	<b>Long term fund -investment and property fund</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 October 2017	1,088,404	32,637,285	33,725,689
Net movement in funds	(403,043)	(77,131)	(480,174)
Transfers between funds	<u>(123,751)</u>	<u>123,751</u>	<u>-</u>
<b>At 30 September 2018</b>	<u>561,610</u>	<u>32,683,905</u>	<u>33,245,515</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 2018

17. Analysis of net assets between funds

	Endowment fund £	Current fund £	Long term fund £	Total funds £
Fund balances at 30 September 2018 are represented by:				
Tangible fixed assets	-	44,300	1,027,284	1,071,584
Investments	726,239	-	31,656,621	32,382,860
Programme related investments	-	539,260	-	539,260
Current assets/(liabilities)	15,933	(21,950)	-	(6,017)
<b>Total net assets</b>	<b>742,172</b>	<b>561,610</b>	<b>32,683,905</b>	<b>33,987,687</b>
Revaluation reserve included above:				
Investment properties	-	-	10,392,961	10,392,961
Other investments	23,929	-	2,371,438	2,395,367
<b>Revaluation reserve at 30 September 2018</b>	<b>23,929</b>	<b>-</b>	<b>12,764,399</b>	<b>12,788,328</b>

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 £9,534 (2017: £9,767). Trustee Indemnity Insurance of £1,974 is included in head office costs.

During the year, unrestricted donations from Trustees amounted to £2,419 (2017: £2,362).

Notes to the financial statements (continued)  
For the year ended 30 September 2018

19. Reconciliation of net (expenditure)/income to net cash flow from operating activities	2018 £	2017 £
Net (expenditure)/income for the reporting period	(463,971)	1,074,511
<b>Adjustments for</b>		
Depreciation	33,229	37,635
Net (gains)/losses on investments	37,259	(1,094,473)
Profit on sale of fixed assets	-	(47,028)
Investment income	(292,905)	(265,987)
Decrease in programme related investments	53,526	14,544
Decrease/(increase) in debtors	96,550	(106,858)
Increase/(decrease) in creditors	39,163	(71,784)
<b>Net cash used in operating activities</b>	<u>(497,149)</u>	<u>(459,440)</u>

## Architects Benevolent Society

### Notes to the financial statements (continued) For the year ended 30 September 2018

#### 20. Comparative information for the year ended 30 September 2017

	Unrestricted Funds		Endowment fund	Restricted fund	Total 2017
	Current Fund	Long Term fund			
	£	£	£	£	£
<b>Income and endowments</b>					
<b>Donations and legacies</b>					
Donations and gifts	186,669	-	-	-	186,669
Legacies	158,399	-	-	-	158,399
<b>Other income</b>					
Commercial rent receivable	591,119	-	-	-	591,119
<b>Investments</b>					
	240,309	-	-	25,678	265,987
<b>Charitable activities</b>					
Residents of sheltered housing	14,178	-	-	-	14,178
<b>Other income</b>					
Gain on disposal of fixed assets	47,028	-	-	-	47,028
<b>Total income and endowments</b>	<b>1,237,702</b>	<b>-</b>	<b>-</b>	<b>25,678</b>	<b>1,263,380</b>
<b>Total expenditure on</b>					
Raising funds	203,297	-	-	-	203,297
Investment management fees	81,768	-	3,478	-	85,246
Costs of running commercial properties	118,453	18,007	-	-	136,460
	403,518	18,007	3,478	-	425,003
<b>Charitable activities</b>					
Relief of poverty	823,614	-	-	25,678	849,292
Provision of accommodation	4,022	5,025	-	-	9,047
<b>Total expenditure</b>	<b>1,231,154</b>	<b>23,032</b>	<b>3,478</b>	<b>25,678</b>	<b>1,283,342</b>
Net income/(expenditure) before transfers and investment gains	6,548	(23,032)	(3,478)	-	(19,962)
Transfer between funds	387,462	(387,462)	-	-	-
Gain / (loss) on investments	-	1,009,373	35,975	-	1,045,348
<b>Net income/(expenditure)</b>	<b>394,010</b>	<b>598,879</b>	<b>32,497</b>	<b>-</b>	<b>1,025,386</b>
Gain/(loss) on revaluation of fixed assets	-	49,125	-	-	49,125
<b>Net movement in funds</b>	<b>394,010</b>	<b>648,004</b>	<b>32,497</b>	<b>-</b>	<b>1,074,511</b>
Fund balances brought forward at 1 October 2016	694,394	31,989,281	693,472	-	33,377,147
<b>Fund balances brought forward at 30 September 2017</b>	<b>1,088,404</b>	<b>32,637,285</b>	<b>725,969</b>	<b>-</b>	<b>34,451,658</b>