

CH

**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 2014**

## ARCHITECTS BENEVOLENT SOCIETY

---

<b>CONTENTS</b>	<b>Page</b>
Company information	1 – 3
Committees of the Council	4
Regional contacts and Branch representatives	5 – 8
Report of the Members of the Council	9 – 20
Independent Auditors' report to the Members	21 – 22
Statement of financial activities	23
Summary income and expenditure account	24
Balance sheet	25
Notes to the financial statements	26 – 35

---

# ARCHITECTS BENEVOLENT SOCIETY

## COMPANY INFORMATION

---

<b>Chief Executive</b>	Robert Ball
<b>Welfare Officers</b>	Ms Helen Stanley Mr Aidan Cullen
<b>Company number</b>	1084747
<b>Charity number</b>	265139
<b>Registered office</b>	43 Portland Place London W1B 1QH
<b>Independent auditors</b>	Saffery Champness Lion House Red Lion Street London WC1R 4GB
<b>Bankers</b>	C Hoare and Co 37 Fleet Street London EC4P 4DQ  Lloyds Bank PLC 25 Gresham Street London EC2V 7HN
<b>Investment Managers</b>	Cazenove Capital Management 12 Moorgate London EC2R 6DA  C Hoare and Co 37 Fleet Street London EC4P 4DQ  Investec Wealth and Investment Limited 2 Gresham Street London EC2V 7QN
<b>Solicitors</b>	Hunters 9 New Square, Lincoln's Inn London WC2A 3QN  Bates Wells and Braithwaite 2-6 Cannon St London EC4M 6YH

All correspondence should be addressed to:

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

Telephone 020 7580 2823  
Email [help@absnet.org.uk](mailto:help@absnet.org.uk)  
[www.absnet.org.uk](http://www.absnet.org.uk)

# **ARCHITECTS BENEVOLENT SOCIETY**

## **COMPANY INFORMATION**

---

### **OFFICERS OF THE SOCIETY**

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



# ARCHITECTS BENEVOLENT SOCIETY

## COMPANY INFORMATION

---

### MEMBERS OF THE COUNCIL

John Assael	
Kenneth Bingham	(South Western Region)
Anthony Clerici	(West Midlands Region)
Chris Cowen	<i>(Died October 2014)</i>
Lelia Dunlea-Jones	
Janet Dunsmore	(Eastern Region)
William Evans	(East Midlands Region)
Chris Goodall	(North West Region)
Terry Hopegood	<i>(Resigned 26 February 2014)</i>
John Lane	(RIAS)
Brian Lingard	
Ronnie McDaniel	(Royal Society of Ulster Architects)
Peter McKinley	
Lucy Mori	
Colin Morse	
Geoffrey Purves	(Northern Region)
Karen Rogers	<i>(Appointed 15 October 2014)</i>
Stella Saunders	(Wales Region)
Freni Shroff	
Malcolm Sinclair	(South East Region)
Marjorie Smith	(Chartered Institute of Architectural Technologists)
Hugh Woodeson	
Tom Young	

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

## ARCHITECTS BENEVOLENT SOCIETY

### COMMITTEES OF THE COUNCIL

---

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

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

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

## ARCHITECTS BENEVOLENT SOCIETY

### REGIONAL AND BRANCH REPRESENTATIVES

---

Representatives in the Regions and Branches are part of a countrywide network of members of the profession who are prepared to act as advisers to their colleagues locally and to promote understanding and spread information within their area about the Society and its activities and needs. They also organise events and help raise funds for the Society. Regional Contacts are trustees of the Society and members of the Council. They co-ordinate activities within their region. One of the most important roles the branch representatives can play is to try to ensure that any architect, technologist, assistant or landscape architect or their dependants in the area, whether they are members of the RIBA, or CIAT or the Landscape Institute or not, know that the ABS is there to help wherever it can in times of need.

36 Branches have nominated an ABS branch representative to act in this way so far. If you notice that your branch is not included in the following list then no member has been nominated to date.

Please persuade your local branch to do so as soon as possible, or better still volunteer yourself!

#### **Eastern Region**

Regional Representative  
& Norfolk Association of Architects  
Janet Dunsmore  
Hudson Architects  
9-10 Redwell Street  
Norwich  
Norfolk  
NR2 4SN

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

Hertfordshire Association of Architects  
David Kirby  
Kirby Cove Architects  
Molewood End  
Molewood Road  
Hertford  
SG14 3LT

South Essex Chapter  
David Charles  
32 Merillies Gardens  
Westcliff on Sea  
Essex  
SS0 0AB

#### **East Midlands Region**

Regional Representative  
Bill Evans  
The Evans Partnership  
Prebend Passage  
Westgate  
Southwell  
Nottinghamshire  
NG25 0JH

Leicester and Rutland Society of Architects  
Andy Collins  
Metz Architects Limited  
Jubilee 2  
Phoenix Yard  
Leicester  
LE1 5TE

Lincolnshire Society of Architects  
Barry Johnson  
16 Main Ridge West  
Boston  
Lincolnshire  
PE21 6QN

Northamptonshire Society of Architects  
Will Assheton  
GSS Architecture  
35 Headlands  
Kettering  
Northamptonshire  
NN15 7ES

# ARCHITECTS BENEVOLENT SOCIETY

## REGIONAL AND BRANCH REPRESENTATIVES

---

### London Region

Regional Representative  
Vacant

North West London Society of Architects  
Raymond Stigant  
27 Bedford Road  
London  
N15 4HA

### East London Branch

D P Davighi  
24 Forest Way  
Woodford Wells  
Essex  
IG8 0QF

### Richmond, Kingston and Merton Branch

Leigh Bowen  
12 Fairlands  
Twickenham  
TW1 2JY

### Northern Region

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

### North West Region

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

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

### Southern Region

Regional Representative  
Vacant

Buckinghamshire Society of Architects  
Anthony Eaves  
Misbourne  
Woodside Close  
Chalfont St Peter  
Buckinghamshire  
SL9 9PA

### Hampshire Branch

Mark Penfold  
MacAllan Penfold  
18 Northfield Road  
Church Crookham  
Fleet  
Hampshire  
GU13 0ED

### Isle of Wight Branch

Norden Patton  
Arbutus Cottage  
Arreton  
Newport  
Isle of Wight  
PO30 3AL

### Nottingham and Derby Society of Architects

Tony Pearson  
Faulks Perry Culley and Rech  
Lockington Hall  
Lockington  
Derbyshire  
DE74 2RH

# ARCHITECTS BENEVOLENT SOCIETY

## REGIONAL AND BRANCH REPRESENTATIVES

---

### South East Region

Regional Representative  
Malcolm Sinclair  
37 Fairlands Road  
Fairlands  
Worplesdon  
Guildford  
GU3 3JA

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

West Kent Branch  
Martin Bush  
Acorn House  
119-121 Wickenden Road  
Sevenoaks  
Kent  
TM13 3PW

### South Western Region

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

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

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

### Wessex Region

Regional Representative  
Vacant

Bristol and Bath Branch  
Sian Smith  
Basement Flat  
23 Freeland Place  
Clifton  
Bristol  
BS8 4NP

Dorset Branch  
Paul Harrington, Esq  
Morgan Carey Architects Ltd  
The Goods Shed  
Sandford Lane  
Wareham  
Dorset  
BH20 4DX

Somerset Branch  
Christopher Mitchell  
Mitchell Architects  
16 Cherry Tree Way  
Watchet  
Somerset  
TA23 0UB

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

# ARCHITECTS BENEVOLENT SOCIETY

## REGIONAL AND BRANCH REPRESENTATIVES

---

### **West Midlands Region**

Regional Representative  
Anthony Clerici  
1 Townsend Street  
Worcester  
WR1 3JQ

Worcester Society of Chartered Architects  
Anthony Clerici  
1 Townsend Street  
Worcester  
WR1 3JQ

### **Yorkshire Region**

Regional Representative  
Vacant

### **Northern Ireland**

Regional Representative  
J R McDaniel  
45 Stormont Park  
Belfast  
BT4 3GW

### **Scotland**

Regional Representative  
J A Lane  
Planetree  
Planetree Park  
Gatehouse of Fleet  
Kirkcudbrightshire  
DG7 2EQ

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

Aberdeen Society of Architects  
Sheila Riddell  
69 Devonshire Road  
Aberdeen  
AB10 6XP

Dundee Institute of Architects  
Andrew Black  
Andrew Black Design  
1 Ritchies Lane  
Perth Road  
Dundee  
DD2 1ED

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

Inverness Architectural Association  
Keith Edwards  
Cromal  
16 South Guildry Street  
Elgin  
IV30 1QN

Stirling Society of Architects  
Morag Phillips  
AHA Architects  
15 Melville Terrace  
Stirling  
FK8 2NE

### **Wales**

Regional Representative  
& South Wales Branch  
Stella Saunders  
Moseley House  
1 Heath Halt Road  
Heath  
Cardiff CF23 5QF

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



## **ARCHITECTS BENEVOLENT SOCIETY**

### **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2014**

---

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 2014.

#### **Structure, Governance and Management**

##### **Structure**

The Society is a Registered Charity and a Company limited by guarantee governed by Articles and a Memorandum of Association. It is not liable for Corporation Tax on its charitable operations.

Membership of the Society is by invitation from Council and is drawn from those who have assisted in the charitable work or have expressed a willingness to do so. It is not restricted to membership of the architectural profession. All Members of the Society are entitled to attend, to speak and to vote at General Meetings.

##### **Governance**

The Council is composed of Members of the Society and is the governing body. Members of the Council are Trustees of the charity and Directors of the Company for the purposes of company law. They are elected at the Annual General Meeting, normally held in June each year, and one third retire from office annually, but are eligible for re-election. The Society encourages the appointment of trustees from disciplines other than architecture where their expertise will be appropriate for furthering the charitable work. Prospective trustees are interviewed by a small panel of existing trustees prior to their appointment being recommended. A formal induction procedure is in place which includes training and familiarization for the first year of trusteeship. This procedure is regularly reviewed and the Council is developing procedures for the ongoing training of all trustees in the future.

During the course of the year the Society initiated a comprehensive review of the Governance structure and of the Society's Articles and Memorandum of Association. This review was almost complete at the end of the year and it was expected that the proposed changes would be introduced at the Annual General Meeting in June 2015.

The composition of the Council for the year ended 30 September 2014 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**

Most of the day to day work of the Society is carried out by formally appointed Committees which report directly and regularly to the full Council. At the heart of the Society is the Case Committee which advises Council on the whole of the Society's charitable work and considers on an individual and confidential basis what help should be given in each case. Two Welfare Officers, who are permanent members of the Society's staff, meet all new applicants for assistance in their own homes and make regular annual visits to existing beneficiaries. They are able to make informed and appropriate recommendations for consideration by the Case Committee.

The other main committee of Council is the Executive Committee which, with assistance from the Finance and Property Advisory Committee deals with financial and administrative matters. Income is generated from investments, from property and by fundraising undertaken both by volunteers and by the Society's own staff. The Articles of Association place no specific restriction on the powers of the Trustees generally with regard to investments held in the Long Term Funds, which represent the majority of the Society's investments and capital holdings. But the Society also operates the Sawyer Benevolent Fund, the terms of which are more restrictive. Publicity, marketing, events and fundraising matters are dealt with by the External Affairs Committee which also reports to the Executive Committee and to the Council.

## **ARCHITECTS BENEVOLENT SOCIETY**

### **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2014**

---

#### **Relationships**

The Society's work is promoted and assisted by region and branch representatives throughout the country who give voluntarily of their time. Their work is important in helping to make local members of the profession aware of the help that the Society can offer and also to assist with income generation. Regional and branch representation is currently being reviewed as part of the wider governance review.

The Society has informal but close links with the Royal Institute of British Architects, the Royal Incorporation of Architects in Scotland, the Royal Society of Ulster Architects, the Royal Society of Architects in Wales, the Architects Registration Board, the Worshipful Company of Chartered Architects, the Chartered Institute of Architectural Technologists, the Landscape Institute and others. It is also a subscribing member of Careways Trust, the Professionals Aid Council, the Association of Charitable Organisations and the Fundraising Standards Board.

#### **Risk Management**

In 2002 the Council undertook an assessment of the major risks to which the charity is exposed and systems were established to monitor and mitigate those risks. During 2009-10 a complete re-examination of all the Society's activities and the associated risks was begun and that work was completed in 2011. The risks, the mitigation measures and the assessment of residual risks are reviewed by the trustees on a regular basis.

#### **Objects and Activities**

##### **Objects**

The main objects set out at the first meeting of the Society on 27 November 1850 remain the same today. In accordance with its Articles and Memorandum of Association the ABS continues to fulfil its role in providing relief to *'persons engaged or formerly engaged in the practice of architecture, and the wives, widows, children and other dependants of such persons being in necessitous circumstances'*

Council includes in the definition of 'persons engaged .....in architecture' any person in the United Kingdom, the Channel Islands or the Isle of Man who works or has worked as an architect (including landscape architect but excluding naval architect) or in employment as an architectural technologist or assistant or is directly involved in the building design process.

##### **Public benefit**

The Architects Benevolent Society is a registered charity whose charitable purpose defined within the Charities Act 2011 is for the relief and prevention of poverty. The Society provides public benefit through financial help and other assistance to past and present members of the 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 architectural profession in the UK and its aim is to offer real help wherever it can to those who are eligible and in need, to improve the quality of life to those who are experiencing difficulty through advanced age, infirmity, poverty or illness, to afford opportunities for a fresh start in life for those who have met with adversity and generally give comfort and hope to those who are in trouble of various kinds.



## **ARCHITECTS BENEVOLENT SOCIETY**

### **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2014**

---

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

The main objective for the Society in 2013-14 was to continue to work towards the long term financial sustainability of the organisation in order to be ready for an increase in calls on our funds from members of the wider architectural profession in need. The gradual decline in regular voluntary income (almost wholly derived from the wider architectural profession) was continuing and charitable spending to assist those in need remained high. Thanks to significant legacy income during the course of the year, net income was at a healthy level for the first time in a number of years, but this source of income could not be relied upon in future years and, in the medium term, annual deficits were likely to continue.

Against this background, a major review of fundraising practices had been completed out and changes implemented during the year. There was a review of staffing levels which led to greater investment in fundraising staff and rationalisation within the rest of the staff team. This was to allow for a greater concentration on raising awareness of the Society's activities among members of the wider architectural profession.

Equally importantly, during the course of the year the Case Committee reviewed the tools used for assessing the income and expenditure of current and potential beneficiaries. A number of national schemes had been introduced over the course of the past few years, the most relevant of which was the Minimum Income Standard (MIS), this being the scheme most often used by professional benevolent funds. The Committee had agreed to adopt the use MIS as an additional tool in the assessment of how best the Society can assist members of the profession in necessitous circumstances for a trial period of 12 months.

#### **Strategies**

As detailed above, and as with many occupational benevolent funds, the strategy for both income generation and for increasing the number of people helped, is centred on raising awareness of the charity so that the majority of people in the architectural profession know of the Society's existence. This is particularly challenging with those people such as widows of architects who may have lost touch with the profession but are nevertheless in need and are eligible for help. As well as allocating more staff resources towards this activity, the trustees continued to a review the Society's publicity material including the regular newsletters and, in particular, the website. The new publicity material will allow for greater and more accessible information for those in necessitous circumstances, as well as for greater interaction with the profession with a view to increasing awareness. This work is due for completion during 2015.

#### **Voluntary work**

All of the work carried out by the formal committees and working groups appointed by Council is done voluntarily. Many of the tasks involve a great deal of work in addition to attending meetings. The Society is particularly grateful to those people who are not trustees but who give up their evenings and weekends to assist in this way. Efforts are being made to encourage younger members of the profession to become involved, either directly or by taking part in a sporting or other sponsored activity to raise money. Our volunteer representatives in the regions and branches all over the country continue to assist with raising funds, often substantial sums, and to identify those people who might need the Society's help.

## ARCHITECTS BENEVOLENT SOCIETY

### REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2014

---

#### Achievements and performance

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

The Case Committee, chaired by Ken Bingham, advises Council on the whole of the Society's charitable work for those in necessitous circumstances. The Committee assesses the circumstances of each new applicant and reviews each case at least once every twelve months and more frequently when necessary. This year the Society expended almost £900,000 on the relief of poverty from both restricted and unrestricted funds, a similar level to the previous year.

Grants are made to those who need help on a regular basis and gifts are provided for specific essential items that a person would otherwise be unable to afford. Interest free loans are sometimes made instead of gifts where a beneficiary may be able to repay the Society at some time in the future.

The Committee works in close cooperation with the two full time Welfare Officers who visit most beneficiaries in person annually and thus have first-hand knowledge of the circumstances of each case. Assessments and recommendations are prepared by the welfare team for consideration by the Committee. We believe that visiting people in their own homes is an essential part of the assistance we give to people in need. So much so that visiting is written into our constitution as one of the basic ways in which help is provided.

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

The Society can provide financial assistance very rapidly in cases of pressing need and is able to do so within 24 hours when necessary. In this regard the welfare team works closely with the Chairman of the Case Committee who is authorised to agree urgent applications for financial help between committee meetings.

**486** separate cases were helped during 2013-14.

\*

Of these **307** received financial assistance and the remainder pastoral care and advice.

\*

**38** new cases were given financial help during the year.

\*

Taking into account children, spouses and other dependants of beneficiaries,

**the Society helped 667 individuals.**

Sadly 18 of our beneficiaries have died during the year but 33 others, along with their dependants, are no longer in need of assistance and are able to manage on their own. In some of these cases the Welfare Officers will keep in touch to ensure that all is well and that further care is forthcoming should the need arise.



## ARCHITECTS BENEVOLENT SOCIETY

### REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2014

---

The Society helps people of all ages, not just those who are of working age or retired. Below is a thank you received during the year from just one of the many young people the Society has been able to assist.

#### *My Story - By Běla Howden*

*My name is Běla Howden. I am thirteen years old, fourteen in January. I am writing to the Architects Benevolent Society to say thank you for helping to look after us since my parents died.*

*My father was an architect, and he had his own business called Simon Howden Architect. This was the business that he had started by himself.*

*I live with my younger brother, Olen and granny, Babi. We have lived together since 2008, when me and my family were involved in a car accident. This killed both my parents (31 and 43 years.) And my younger sister Amalka, (23 months).*

*After we had come home from the hospital, our house was still a mess, because we had only just moved in. The Architect Benevolent Society helped Babi fix up our house (she didn't really understand English). They helped us buy carpets, windows, and decorate our house. They even helped replace a washing machine!*

*We lived there for six years, and we planted three trees in our garden, in memory of our parents and Amalka, and to remember how much the Architect Benevolent Society have helped us since 2008.*

*Now, we live together in a new house. We still have furniture and pictures, from when our parents were around, so we can still have them with us. Now I can fit into my mum's jeans, and love her high heels!*

*The Architect Benevolent Society sends us a card each Christmas asking us how we are.*

*We thank the Architect Benevolent Society immensely, and hope they can carry on helping other families in the same way they have helped us.*

*Běla Howden*

#### **Executive Committee**

Under the Chairmanship of the Hon. Secretary Chris Goodall, the Executive Committee is responsible for advising Council on the whole range of the Society's activities and it has delegated power to act on behalf of Council at any time when that should be necessary, its decisions being submitted to the following Council meeting. The Committee acts as a sounding board for those matters to be presented to the trustees as a whole and receives reports and minutes from all other committees and working parties except for those of the Case Committee which are sent direct to Council. It does, however, receive financial summary information from the Case Committee.

The Executive Committee approves all arrangements for the custody and best use of the Society's monies, investments, property and other assets and plans for both short and long term financial needs. It is assisted in this aspect of its work by the Finance and Property Advisory Committee which liaises directly with the investment managers. The Society continued to consider plans to boost income in order to ensure the long term financial health of the ABS. During the course of the year the Committee approved changes to the staffing structure, ensuring a greater emphasis on income generation and raising awareness.

## **ARCHITECTS BENEVOLENT SOCIETY**

### **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2014**

---

The Committee also took under review the recommendations of a working group set up specifically to review the Society's Articles and Memorandum of Association, last reviewed in full in 2002. The work was on-going but it was expected to implement the changes during 2015.

The Society continued to receive a large proportion of its annual income from commercial rents, although this had fallen considerably due to capital works at 43 Portland Place, meaning the building was only partly tenanted. This was expected to change during 2014-15 once the works were complete and commercial rents to increase significantly.

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

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

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

The performance of the two principal investment managers were kept under close scrutiny during the year and a full review of the Society's Investment Policy Statement was completed with a view to sustaining the long term financial sustainability of the Society.

The performance of investments during the year was encouraging, despite a relatively challenging year for investment markets worldwide, although the Society continued to draw substantial sums in order to fund its activities. Particular focus had been placed on the significant capital expenditure on 43 Portland Place during the course of the year, funded by additional withdrawals from the investment portfolios. The Committee was encouraged that, despite these withdrawals, portfolio valuations had remained stable over the course of the year. With commercial rents likely to increase in the near future there were grounds for optimism going forwards.

#### **External Affairs Committee**

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

General donations from the profession had continued to decline, although it was a very good year for legacy income, and the Committee was closely involved with the fundraising staff restructure and the recruitment of new members of staff. Following the recruitment drive the new fundraising initiative was implemented and it was hoped that this would bear fruit in the medium to long term.

#### **Appointments and retirements**

Trustee Terry Hopegood retired from the Council during the year, although he continues as a member of the Case Committee.



## ARCHITECTS BENEVOLENT SOCIETY

### REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2014

---

A warm welcome is extended to Karen Rogers who was appointed a trustee in October 2014.

#### Obituaries

It was with great sadness that the Society learned of the deaths of two former Chairmen of the Society during the course of the year, Jim Ackland in late 2013 and Chris Cowen in October 2014.

Jim Ackland had joined the Society as a member of Council in 1988, was Chairman from 1997 – 2001 and remained on Council until his retirement in 2011, a period of 23 years.

Chris Cowen was a most valued colleague to everyone at the ABS, having become a Trustee and member of Council in 1983. His very calm and wise observations during his long service were always most valuable.

Chris was Chairman of the Society from 1992 to 1997 and became a Vice-President the following year. He was also very much involved with the Society's former sheltered housing site, Claverton Court, having been the first Chairman of the Management Committee from 1983 to 1986 and remaining on the committee until 2008.

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

#### Financial Review

**Incoming resources** Money from donations and gifts totalled £173,037 compared with £176,617 for 2012-13, continuing the on-going decline in voluntary income.

Legacy income was substantially up, being £532,227 in the current year compared with £329,141 in 2012-13 and only £29,701 in 2011-12. This was largely thanks to the very generous legacies left to the Society by those listed under legacies below.

Income from commercial property reduced significantly to £316,682 compared with £425,674 in 2012-13 due to vacancies at 43 Portland Place related to the major capital works in the building.

Income from sheltered housing was £19,020 down from £33,551 the previous year as a result of the sale of two flats previously used to house beneficiaries.

Investment income decreased slightly at £249,729 compared with £260,328 in 2012-13, although net investment holdings actually increased in value in line with the new investment policy statement which places the emphasis on total return rather than income.

#### Resources expended

**Costs of generating funds** Fund-raising costs this year totalled £224,039 compared with £195,495 in 2012-13 and relating to the staff restructure which took place during the course of the year.

The cost of running the commercial properties increased from £164,431 in 2012-13 to £164,991 in the current year.

Interest on borrowings fell from £88,381 in 2012-13 to £11,813 as a direct result of the sale of Claverton Court the previous year, the net proceeds of which were used to reduce the loan from C Hoare and Co.

## **ARCHITECTS BENEVOLENT SOCIETY**

### **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2014**

---

**Charitable Expenditure** The Society's overall charitable expenditure in 2013-14 totalled £1,448,710 compared with the £1,698,434 expended the previous year, a reduction of £249,724.

#### **Deficit**

The Society's net expenditure for the year was £3,851 a reduction of £352,334 on the previous year when the deficit was £356,185. This was almost entirely due to an exceptional year for legacy income.

#### **Investments**

The level of the investment portfolios at 1 October 2013 was £12,787,970 and at 30 September 2014 stood at £12,304,808.

#### **Market Value of Land and Buildings**

The long lease on 43 Portland Place was purchased in July 2003. Further residential properties in Guildford, East Horsley and Norfolk were acquired during 2007-8 and all are shown in the accounts at cost with depreciation as necessary. 9 Weymouth Mews, also acquired in 2007-8, at the rear of 43 Portland Place is included at market value, within investment properties.

In the opinion of the members of Council, the total market value of the properties at 30 September 2014 was in excess of the total book value of the properties shown in the accounts. The more substantial property at Portland Place remained significantly in excess of the value stated in the accounts.

#### **Legacies**

All income from legacies is invested to produce 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 is greatly appreciated.

Legacies received during 2013-14 were:

Mr J B Ackland	£10,000
Mr M Andrews-Jones	£7,500
Mr T Barron	£13,558
Mr N Clarke	£78,655
Nancy Deas	£17,441
Mr P Eldon-Jones	£1,000
Mr J P Hares	£34,809
Mr R B Jackson	£1,000
Mrs F Ogden	£367,264
Mr I S Varian	£1,000
Total	£532,227



## **ARCHITECTS BENEVOLENT SOCIETY**

### **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2014**

---

#### **Reserves Policy**

It is the view of Council that the calls on the Society's funds will continue to increase over the years ahead, and particularly so with an ageing population and the continuing uncertainty over the world economic situation. The new Reserves Policy that will be adopted on 11 June 2015 therefore includes a commitment to increase the level of investment capital in the medium to long term to ensure that the Society will be in a position to continue its important work in the future.

#### **Reasons for reserves**

The Society supports approximately 650 needy people each year. The annual expenditure at present stands at £1.45 millions per annum, excluding irregular major capital works.

This expenditure is met from four main sources:

**Voluntary income.** This varies but not more than £180,000 per annum can be counted on with certainty at the current time, although the Society is seeking to increase donation income over the medium term by investing in fundraising activities. From 1 October 2010 legacies have been invested.

**Income from investments.** This also varies but is unlikely to exceed £280,000 at present.

**Income from commercial properties.** Approximately £460,000 pa although it is hoped this figure will increase following completion of the works at 43 Portland Place.

**Sales of investments.** Necessary to make up the shortfall to meet annual expenditure and inadvisable when the capital value of investments is falling rather than increasing.

Without a significant capital reserve in investments the Society would lose the major source of its annual income and be at risk of failing to fulfil its duty to support the Society's beneficiaries as set out in the Memorandum and Articles of Association.

The Society wishes to maintain a balance of free reserves in the Current Fund at £450,000 a level sufficient for the Society to continue to operate and fulfil its obligations for a period of three months. At 30 September 2014 the balance was £726,825 a figure which the Trustees believe to be higher than necessary.

#### **Range of reserves required**

Up to 1997 the annual increase in market value of the Society's investments more than compensated for the sales of investments and the reserve therefore gradually increased. Due to the adverse market conditions from 1998 however this did not occur and the reserves were significantly depleted. Another period of economic difficulty was experienced from 2008 onwards.

Although there had been a diminution in direct financial help given to beneficiaries, this trend was reversed in 2005 and spending has continued to increase since then. It is anticipated that calls on the Society will be greater in the medium to long term, particularly due to demographic changes which mean that a significantly greater proportion of the population will be of retirement age and the government's continuing cuts on state benefits. The Trustees are of the opinion that the Society's outgoings will continue to rise for the foreseeable future.

In order to meet the above requirements the Society believes that reserves, currently at just under £21 million should rise to circa £30 million by 2020.

## **ARCHITECTS BENEVOLENT SOCIETY**

### **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2014**

---

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

In 2013 the trustees decided to devote more resources to improving income from fundraising with the specific object of increasing the level of ordinary donations to reduce the shortfall against annual expenditure. The commitment to legacies was to continue. It is likely that there will be no clear impact on regular voluntary income during 2014-15, however it is hoped that fundraising and legacy income will increase in future years.

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

#### **Monitoring and review procedures**

Monitoring of the financial performance of the investments is carried out by the Finance and Property Advisory Committee which reports to the Executive Committee each time it meets. Formal reports are submitted by the investment managers each quarter and their representatives attend in person two or three times each year to expand on these written reports. The committee minutes and recommendations are put forward for approval and ratification at the following meeting of the Society's Council.

A review of forward financial planning is carried out annually by the Executive Committee at its January meeting when the preliminary accounts for the previous year are available for examination, and at the May meeting when the accounts have been approved. Any changes recommended are minuted and submitted to the following meetings of Council for formal approval of the Trustees.

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

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

Company law requires the members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the surplus or deficit of the Society for that period. In preparing those financial statements the members are required to

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

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Members of Council is aware:

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



## **ARCHITECTS BENEVOLENT SOCIETY**

### **REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2014**

---

#### **Activities in the Regions and Branches**

The Society is most grateful to all those who work in raising awareness and in fundraising activities and sponsorship in the Regions and Branches and in the architectural institutions throughout the UK. The ABS receives income from a variety of sources such as raffles, dinners, collections and similar events, organised either by groups or individuals. The Society is very grateful for the contribution this makes to the funds and to improving awareness of the ABS and its work.

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

CIAT  
North Wales Society Of Architects  
RIAS  
Worshipful Company Of Chartered Architects  
RIBA Bristol & Bath Branch  
RIBA South / South East  
RIBA Wiltshire  
RIBA Colchester Branch  
Glasgow Institute of Architects  
RIBA Northamptonshire Society of Architects  
Aberdeen Society of Architects  
British Home Awards  
RIBA - East Midlands  
RIBA West Kent Branch  
South Essex Chapter of Architects  
Northamptonshire Society Of Architects  
Broad Oak Trust  
Twigg (Trust)  
Bradshaw Gass Trust  
The Aswyn Charitable Trust  
The Mishcon Family Charitable Trust  
The J S Trust

#### **Future plans**

The Society, in common with many other charities, faces another challenging year ahead. The sector continues to face uncertainty and increased responsibility in these times of economic difficulty and austerity and the Society needs to be prepared for all eventualities. Efforts are to continue to raise awareness and increasing voluntary income but these are medium to long term plans and there will likely be little impact in the short term. It is hoped income from Portland Place will increase to set against the expected fall in legacy income and the recent high level of expenditure on the relief of poverty is likely to continue for the foreseeable future.

#### **Acknowledgements**

The Society wishes to express its appreciation and gratitude to the following: The RIBA, the RIAS, the RSAW, the RSUA, the Architects Registration Board, CIAT, the Landscape Institute and other Regional and Branch Councils and many other architectural organisations throughout the UK for help in various ways. Special thanks for their efforts during 2013-14 go to the RIAS, Glasgow Institute of Architects and the British Home Awards.

Our professional advisers for their continuing guidance and support throughout 2013-2014.

---

## ARCHITECTS BENEVOLENT SOCIETY

### REPORT OF THE MEMBERS OF THE COUNCIL FOR THE YEAR ENDED 30 SEPTEMBER 2014

---

All of the staff who have looked after the day to day business of the Society as well as the administration of the individual care which the Society gives to its beneficiaries. All those members of the profession and others who continue to do so much in support of the charity, both financially and by giving generously of their time.

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

By order of the Board



Robert Ball  
Chief Executive

11 JUNE 2015

## **ARCHITECTS BENEVOLENT SOCIETY**

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

---

We have audited the financial statements on pages 23 to 35. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members and the Council members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and Council members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members and Council members as a body, for our audit work, for this report, or for the opinions we have formed.

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

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

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

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

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

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2014 and of the incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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



## ARCHITECTS BENEVOLENT SOCIETY

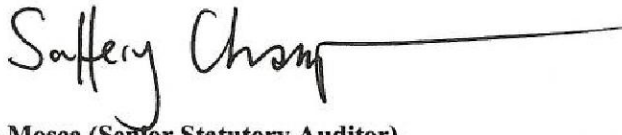
### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (continued)

---

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

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

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



**Lorenzo Mosca (Senior Statutory Auditor)**

For and on behalf of

Saffery Champness  
Chartered Accountants  
Statutory Auditors

Lion House  
Red Lion Street  
London WC1R 4GB

15 June 2015

# ARCHITECTS BENEVOLENT SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 SEPTEMBER 2014

	Notes	Unrestricted Funds Current Fund £	Long Term Fund £	Endowment Fund £	Restricted Fund £	Total 2014 £	Total 2013 £
<b>INCOME AND EXPENDITURE</b>							
<b>Incoming resources from generated funds</b>	<b>1</b>						
<i>Voluntary income</i>							
Donations and gifts		173,037	-	-	-	173,037	176,617
Legacies		532,227	-	-	-	532,227	329,141
<i>Activities for generating funds</i>							
Commercial rent receivable		316,682	-	-	-	316,682	425,674
<i>Investment income</i>	<b>3</b>	225,551	-	-	24,178	249,729	260,328
<b>Incoming resources from charitable activities</b>							
Income from residents of sheltered housing		19,020	-	-	-	19,020	33,551
Gain on sale of property		154,164	-	-	-	154,164	91,009
<b>Total incoming resources</b>		<b>1,420,681</b>	<b>-</b>	<b>-</b>	<b>24,178</b>	<b>1,444,859</b>	<b>1,316,320</b>
<b>Resources expended</b>							
<b>Cost of generating funds:</b>							
Cost of generating voluntary income		224,039	-	-	-	224,039	195,495
Cost of events and merchandise		3,688	-	-	-	3,688	-
Investment management fee		60,017	-	-	-	60,017	77,210
Costs of running commercial properties		90,261	74,730	-	-	164,991	164,431
Interest on borrowings		11,813	-	-	-	11,813	88,381
		<b>398,818</b>	<b>74,730</b>	<b>-</b>	<b>-</b>	<b>464,548</b>	<b>525,517</b>
<b>Charitable activities:</b>							
Relief of poverty	<b>4</b>	869,139	-	-	24,178	893,317	896,433
Provision of accommodation		29,240	5,026	-	-	34,266	228,468
<b>Governance</b>	<b>5</b>	56,579	-	-	-	56,579	48,016
<b>Total resources expended</b>	<b>6</b>	<b>1,344,776</b>	<b>79,756</b>	<b>-</b>	<b>24,178</b>	<b>1,448,710</b>	<b>1,698,434</b>
Net income/(outgoing) resources before Transfer		75,905	(79,756)	-	-	(3,851)	(382,114)
Transfer between funds		21,738	(21,738)	-	-	-	-
Net incoming/(outgoing) resources before revaluation and investment asset disposal		97,643	(101,494)	-	-	(3,851)	(382,114)
Gain/(loss) on sale of investments		-	241,419	14,758	-	256,177	22,652
Gain on revaluation of investments		-	268,238	9,776	-	278,014	1,249,241
Net movements in funds		97,643	408,163	24,534	-	530,340	889,779
Fund balances brought forward at 1 October 2013		629,182	19,115,364	602,579	-	20,347,125	19,457,346
<b>Fund balances carried forward at 30 September 2014</b>	<b>16</b>	<b>726,825</b>	<b>19,523,527</b>	<b>627,113</b>	<b>-</b>	<b>20,877,465</b>	<b>20,347,125</b>

All results during the year related to continuing operations.

The above statement of financial activities includes the Society's statement of total recognised gains and losses, a separate income and expenditure account is presented on page 24.

The notes on pages 26 to 35 form part of these financial statements.

## ARCHITECTS BENEVOLENT SOCIETY

### SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2014

---

	2014 £	2013 £
Total income	1,444,859	1,316,320
Total expenditure	<u>1,448,710</u>	<u>1,672,505</u>
Net expenditure	<u>(3,851)</u>	<u>(356,185)</u>

---

Total income comprises £1,420,681 for unrestricted funds and £24,178 restricted funds. A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities.

Expenditure before asset disposals comprises £1,424,532 for unrestricted funds and £24,178 for restricted funds.

This income and expenditure account excludes all movement on the Charity's permanent endowment fund so as to comply with the requirements of Companies Act 2006.

The summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 23 which together with the notes to the financial statements on pages 26 to 35 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 2014

	Notes	2014 £	£	2013 £	£
<b>Fixed assets</b>					
Tangible assets	9	4,402,307		4,070,476	
Investments	10	16,123,401		16,511,831	
Programme related investments	11	228,910		235,880	
		<u>20,754,618</u>		<u>20,818,187</u>	
<b>Current assets</b>					
Investment property held for sale		-		329,406	
Debtors	12	76,543		91,498	
Cash at bank and in hand		602,975		21,717	
		<u>679,518</u>		<u>442,621</u>	
<b>Creditors: Amounts falling due within one year</b>	13	(556,671)		(913,683)	
<b>Net current assets/(liabilities)</b>			122,847		(471,062)
<b>Net assets</b>			<u>20,877,465</u>		<u>20,347,125</u>
<b>Funds</b>					
Permanent Endowment Fund	14	627,113		602,579	
Unrestricted Funds:					
Current Fund	15	726,825		629,182	
Long Term Fund					
- Investment and Property Fund	15	19,523,527		19,115,364	
		<u>20,877,465</u>		<u>20,347,125</u>	

The notes on pages 26 to 35 form part of these financial statements.

Approved by the Council on **11 JUNE** 2015  
and signed on its behalf by

*AG Purves*

Geoffrey Purves  
Member of the Council

Company No. 1084747 (England and Wales)



# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

---

### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention with the exception of investments and land and buildings, which have been included at revalued amounts. They are prepared in accordance with the Companies Act 2006 and with the "Statement of Recommended Practice – Accounting and Reporting by Charities" issued in March 2005.

#### 1.2 Incoming resources

Incoming resources are recognised on a receivable basis subject to the following specific points:-

- Legacies are regarded as receivable once their income is reasonably certain and measurable.
- Gifts other than cash are recognised at market value on the date that they are received.
- Income on the endowment fund is regarded as restricted income due to the original terms of the fund.

All the incoming resources are included in the financial statements gross i.e. before taking account of any associated expenditure.

#### 1.3 Allocation of costs

Premises costs relating to the running of head office are allocated between the various expenditure headings on the SOFA on the basis space occupied by staff at head office. Other costs are allocated on the basis of staff time spent on various activities.

#### 1.4 Costs of generating funds

Expenses are included as costs of generating funds if they can be directly related to a source of the Society's income or are for publicity intended to raise the profile of the charity.

#### 1.5 Grants payable

Grants payable include single amounts given to needy members of the profession for specific reasons and to improve their quality of life. They also include regular grants given to beneficiaries to help them cope with day to day living expenses. All cases are regularly examined by the Case Committee both to ensure that the beneficiary is still eligible for any awards and to ensure that any new awards fall within the charity's objectives.

#### 1.6 Charitable activities

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

##### 1.6.1 *Relief of poverty*

The Society relieves poverty through the making of grants, gifts and interest free loans to those the trustees judge to be in need. The assessment of individuals is carried out by the welfare officers whose costs are included as a direct charitable expense.

##### 1.6.2 *Provision of accommodation*

The Society operates sheltered housing and all direct costs of running the unit plus the welfare officers' time in supporting the unit are included as a direct charitable expense.

#### 1.7 Governance costs

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



## ARCHITECTS BENEVOLENT SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

---

#### 1.8 Tangible fixed assets and depreciation

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

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

Echohurst (Freehold)	-over 60 years
43 Portland Place (Long Leasehold)	-over 60 years
Linden Place (Long Leasehold)	-over 60 years
Flat 18 The Limes (Long Leasehold)	-over 60 years
Motor vehicles	-25% per annum straight line
Fixtures, fittings and equipment	-5% - 25% per annum straight line

Items purchased are capitalised where their cost is above £500 and they are expected to have an ongoing use in the charity's operations. Purchases costing less than this are shown as part of expenditure in the Statement of the Financial Activities in the year of purchase.

#### 1.9 Investments

Fixed asset investments are valued at the current market value at the balance sheet date. Any unrealised gains or losses are credited/charged to the Statement of Financial Activities. Realised gains or losses on disposal of investments are included in the Statement of Financial Activities as they arise.

Investment properties are included at the Trustees' estimate of open market value and valuations are reviewed annually. No depreciation is charged on these assets in accordance with the Statement of Recommended Practice.

#### 1.10 Programme related investments

The Society makes loans to its beneficiaries that are interest free. These loans can be secured or unsecured.

To reflect the Society's expectation of receiving the money to redistribute in a reasonable timeframe, 75% of any unsecured new loan will be provided against.

#### 1.11 Investment property held for sale

Property held with the intention of sale is included in the accounts at the lower of cost and net realisable value.

#### 1.12 Pension costs

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

#### 1.13 Restricted funds

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

#### 1.14 Unrestricted funds

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

## ARCHITECTS BENEVOLENT SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

#### 1.14 Unrestricted funds (continued)

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

#### 2 Company status

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

#### 3 Investment income

	2014 £	2013 £
Fixed asset investments	249,317	247,613
Gross interest receivable	412	12,715
	<u>249,729</u>	<u>260,328</u>

#### 4 Relief of poverty

	2014 £	2013 £
Grants	581,539	565,938
Gifts	25,403	33,950
Other direct costs including welfare officers	114,043	118,012
Indirect costs	172,332	178,533
	<u>893,317</u>	<u>896,433</u>

The Society made grants and gifts in the year to 307 (2013: 314) 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 (2013: none) grants are classified as institutional grants.

#### 5 Governance costs

	2014 £	2013 £
Trustees and committee meetings	14,856	15,666
Audit fee	10,000	10,000
Professional fees	12,000	10,349
Other costs	19,723	12,001
	<u>56,579</u>	<u>48,016</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2014Page 29

# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

8	Staff costs	2014 £	2013 £
	The average monthly number of persons employed by the Society during the year was:	Number	Number
	Office management and welfare	8	10
	Staff costs (for the above persons)		
	Wages and salaries		
	- own employees	263,158	334,411
	- temporary staff	-	6,433
		263,158	340,844
	Social security costs	25,918	35,595
	Other pension costs	20,936	25,747
		46,854	61,342
	Health and other staff benefits	13,835	7,882
		323,847	410,068
	The number of staff paid over £60,000 in the year is as follows:		
	Between £60,000 and £70,000	-	1
		-	1

Pension contributions in respect of the higher paid employee were £Nil (2013 - £2,426).



# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 9 Tangible fixed assets

	Land and buildings Freehold £	Land and buildings Leasehold £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 October 2013	300,928	4,416,413	184,175	37,954	4,939,470
Additions	-	417,196	9,359	-	426,555
Disposals	-	-	-	-	-
At 30 September 2014	300,928	4,833,609	193,534	37,954	5,366,025
<b>Depreciation</b>					
At 1 October 2013	31,406	669,064	144,012	24,512	868,994
Charge for year	5,026	74,730	5,479	9,489	94,724
Disposal	-	-	-	-	-
At 30 September 2014	36,432	743,794	149,491	34,001	963,718
<b>NBV at 30 September 2014</b>	<b>264,496</b>	<b>4,089,815</b>	<b>44,043</b>	<b>3,953</b>	<b>4,402,307</b>
<b>NBV at 30 September 2013</b>	<b>269,522</b>	<b>3,747,349</b>	<b>40,163</b>	<b>13,442</b>	<b>4,070,476</b>

Upon adoption of Financial Reporting Standard 15, the company has taken advantage of the transitional arrangements with regard to freehold and long leasehold property previously revalued.

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

# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 10 Fixed asset investments

	Investment properties £	Quoted investment equities and unit trusts £	Cash £	Total £
<b>Market value</b>				
At 1 October 2013	3,395,000	12,787,970	328,861	16,511,831
Additions	-	3,162,707	-	3,162,707
Disposals	-	(4,180,060)	-	(4,180,060)
Net unrealised investment gains	-	534,191	-	534,191
Net movement in the year	-	-	94,732	94,732
At 30 September 2014	3,395,000	12,304,808	423,593	16,123,401
				<b>2014 £</b>
Historical cost of quoted investments				10,854,785

There were no investments in individual entities held at 30 September 2014 which are considered material in the context of the market value of the portfolio.

All investment assets are held in the United Kingdom.

Investment properties have been valued as at 30 September 2012 on an open market value basis using an informal valuation carried out by HNG Chartered Surveyors. The historic cost of investment properties is £2,569,353. The trustees have reviewed the value as at 30 September 2014 and do not consider it to have changed.

# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 11 Programme related investments

	2014 £	2013 £
The charity makes interest free loans to its beneficiaries		
Loans to beneficiaries		
At 1 October 2013	1,262,018	1,147,347
Loans made in year	85,396	171,651
Loans written off in year	-	(3,879)
Loans repaid in the year	(76,394)	(53,101)
At 30 September 2014	1,271,020	1,262,018
Provision against loans		
At 1 October 2013	1,026,138	960,197
Provisions against loans written off	-	(3,879)
Increase in provision in the year	15,972	69,820
At 30 September 2014	1,042,110	1,026,138
Net balance	228,910	235,880

Total of these loans that were secured at 30 September 2014 was £450,333 (2013: £430,725).

### 12 Debtors

	2014 £	2013 £
Income tax recoverable	4,273	12,888
Other debtors	1,350	34,864
Prepayments and accrued income	70,920	43,746
	76,543	91,498

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

	2014 £	2013 £
Bank loan	292,698	776,386
Other tax and social security	10,929	8,054
Other creditors	108,109	46,413
Accruals and deferred income	105,694	78,724
Service charge account	39,241	4,106
	556,671	913,683

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

## ARCHITECTS BENEVOLENT SOCIETY

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

---

#### 14 Permanent endowment fund

##### Sawyer Benevolent Fund

The Sawyer Benevolent Fund is a registered subsidiary charity of the Architects Benevolent Society and is the only permanent endowment that the charity administers. At 30 September 2014 the value of the fund amounted to £627,113 (2013: £602,579).

Under the terms of the trust the annual income of the fund, which is recorded as a restricted fund in the Statement of Financial Activities on page 26 of the accounts is to be applied for the relief of such twenty old retired Architects in poor circumstances as the trustees shall from time to time select.

#### 15 Unrestricted funds

	Current fund £	Long Term Fund -Investment and property fund £	Total £
At 1 October 2013	629,182	19,115,364	19,744,546
Net movement in funds	75,905	429,901	505,806
Fund transfers	21,738	(21,738)	-
At 30 September 2014	<u>726,825</u>	<u>19,523,527</u>	<u>20,250,352</u>

The Current Fund represents short terms funds for the day to day operation of the Society.

The Investment and Property Fund is part of the Long Term Fund of the Society and represents assets held for the ongoing operational requirements of the Charity. It is equal to the carrying value of the investments and freehold and leasehold properties net of bank finance.

Transfers between the funds have been made to ensure that they give an accurate reflection of the assets they represent at the balance sheet date and represents capital realised in the year.



# ARCHITECTS BENEVOLENT SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

### 16 Analysis of net assets between funds

	Endowment fund £	Current fund £	Long term fund £	Total funds £
Fund balances at 30 September 2014 are represented by:				
Tangible fixed assets	-	47,995	4,354,311	4,402,306
Investments	661,487	-	15,461,914	16,123,401
Programme related investments	-	228,910	-	228,901
Current assets	(34,374)	713,893	-	679,519
Current liabilities	-	(263,973)	(292,698)	(556,671)
Total net assets	627,113	726,825	19,523,527	20,877,465
Unrealised gains/(losses) included above:				
On tangible fixed assets - revaluation reserve	-	-	60,000	60,000
On investment assets	9,776	-	2,265,894	2,275,670
Total unrealised gains at 30 September 2014	9,776	-	2,325,894	2,335,670
		<b>Tangible fixed assets £</b>	<b>Investment assets £</b>	<b>Total £</b>
Reconciliation of movements in unrealised gains				
Unrealised gains/(losses) at 1 October 2013		60,000	2,275,604	2,335,604
Realised on disposal in the year		-	(277,948)	(277,948)
Net gains arising on revaluation in the year		-	278,014	278,014
Unrealised gains at 30 September 2014		60,000	2,275,670	2,335,670

### 17 Trustees expenses

No Trustees received any remuneration for their services, however travel and out of pocket expenses incurred in their work were reimbursed. The total amount of expenses reimbursed to Trustees, non-Trustee committee members and branch representatives was £5,360 (2013: £8,993). Trustee indemnity insurance of £806 is included in head office costs.

## ARCHITECTS BENEVOLENT SOCIETY