

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



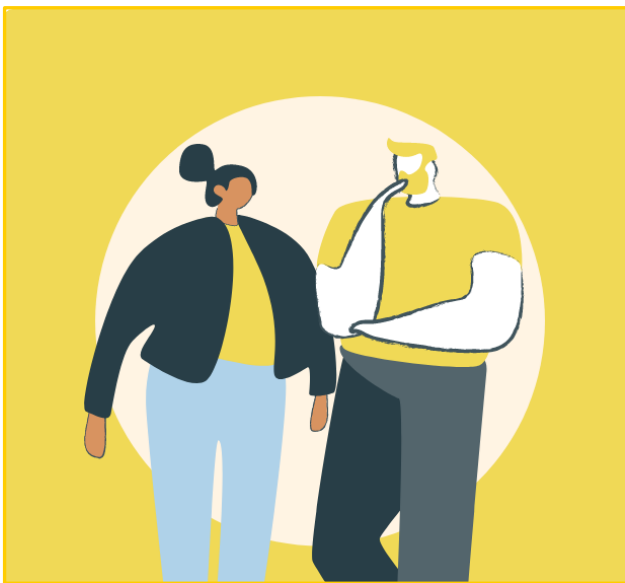
ARCHITECTS BENEVOLENT SOCIETY

ANNUAL REPORT AND FINANCIAL STATEMENTS


FOR THE YEAR ENDED 30 SEPTEMBER 2020


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How we can help


 Money & Debt

 Mental Health & Wellbeing

 Housing advice

 Employment

 Physical Health & Disability

 Resources

[Explore our support services](#)

Architects Benevolent Society

Company information

OFFICERS OF THE SOCIETY

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

COMPANY INFORMATION AND CONTACTS

| | | |
|-----------------------------------|--|--|
| Chief Executive | Robert Ball | |
| Operations Manager | Katie Vivian | |
| Chief Financial Officer | Sarah Gartshore | |
| External Relations Manager | Mark Thomas | |
| Company number | 1084747 | |
| Charity number | 265139 | |
| Registered office | 6 Brewery Square, London SE1 2LF | |
| Independent auditors | Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE | |
| Bankers | C Hoare and Co 37 Fleet Street London EC4P 4DQ | Lloyds Bank PLC 25 Gresham Street London EC2V 7HN |
| Investment Managers | Cazenove Capital 1 London Wall Place London EC2Y 5AU | Investec Wealth and Investment Limited 30 Gresham Street London EC2V 7QN |
| Solicitors | Bates Wells 10 Queen Street Place London EC4R 1BE | Hunters 9 New Square, Lincoln's Inn London WC2A 3QN |

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Chief Executive
Architects Benevolent Society
6 Brewery Square, London SE1 2LF
T. 020 7580 2823 E. help@absnet.org.uk W. www.absnet.org.uk

PRESIDENT OF THE SOCIETY

JANE DUNCAN OBE PPRIBA

2020 was surely one of the most difficult and challenging years we have all faced, and never has the Architects Benevolent Society's help been more in demand. Despite the pressure on the Society's finances, I am proud to report that we helped more people than ever, nearly 1,400 individuals and answered a wide range of needs including financial, physical and mental health and housing.

Not unexpectedly requests for support from those struggling with their mental health was higher than ever and we funded over 750 hours of therapy through our wonderful Partner, Anxiety UK. We supported low income families with children struggling to access the technology they needed to do their schoolwork through the purchasing of laptops. We gave out over £900,000 in charitable grants to individuals and their families to enable them to put food on the table and afford their accommodation, and took on so much more.



This was all achieved with the marvellous ABS team tackling the challenges head on, despite having to work remotely from home. It speaks volumes for their dedication and skill, including most obviously the wonderful welfare team, such that they were able to continue to make a real difference to peoples' lives under such difficult circumstances.

As an example of the flexible approach the team had to take last year, and continues to take, a number of imaginative virtual fundraising and awareness-raising events were arranged. I was delighted to host a new event, ArchiTest, alongside my colleagues representing CIAT and the Landscape Institute, Eddie Weir PCIAT and Adam White PPLI. This was a virtual quiz event and 250 individuals signed up to compete in teams against other practices. The event was such a success that we organised a second quiz event in December, Quizmas!

Another notable event during 2020 was the Society's 170th Anniversary which fell towards the end of the year. The event was celebrated virtually, alongside the launch of our new website and marked the beginning of a 12 month campaign. Please help to support us with this campaign by using and following the hashtag #FoundationOfSupport. Our aim is to tell everyone who may need help that the Society is a foundation of support for the wider architectural community, their families and students, and to remind them of our five key support services: employment; housing advice; mental health and wellbeing; money and debt; physical health and disability.

With such pride and awe, as ever

A handwritten signature in black ink that reads "Jane Duncan". The signature is written in a cursive, flowing style.

Jane Duncan OBE PPRIBA ABS President

Architects Benevolent Society

Foreword and Members of the Board of Trustees and Committees

BOARD OF TRUSTEES

John Assael
Anthony Clerici
William Evans
Angus Kerr
Lucy Mori
Stella Saunders
Hugh Woodeson

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

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

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.

BOARD SUB-COMMITTEES

The Board of Trustees (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 the Board 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.

Welfare Committee:

Lelia Dunlea-Jones (Chair)
Richard Brindley
Angus Kerr
John Moakes
Sumita Singha

Executive Committee:

Mark Grzegorzczuk (Hon Secretary and Chair)
John Assael
Richard Brindley
Janet Dunsmore
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

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

The members of the Board are pleased to submit their report and the financial statements of the Architects Benevolent Society for the year ended 30 September 2019-20.

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 the Board of Trustees 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 Trustees meetings.

Governance

Trustees of the Society are the only Members and all Trustees become a Member of the Board on appointment as a Trustee. The Board of Trustees is the governing body of the Society and as well as being Members of the Board, 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 the Board as a whole is provided with refresher governance training on a regular basis.

Committee members normally sit for five years, although there can be exceptions to help ensure regular turnover of committee members. All new trustees are invited to attend a meeting of each committee in order to better understand the Society's work and are further encouraged to sit on one or more committees during their trusteeship.

The composition of the Board of Trustees is set out on page 3. The Chief Executive of the Society is directly responsible to the Board in the execution of his or her duties.

Charity Governance Code

The Society is currently reviewing and amending its governance structure, with significant changes set to be introduced from June 2021. This follows on from formally adopting the Charity Governance Code in 2019, with the aim of developing high standards of governance in line with good practice and using the Code as a tool to support continuous improvement.

Over the course of the next few years the Society will continue to review the seven principles of the Code and work towards making well-considered decisions as to how these principles should be applied to the charity; the seven principles being Organisational Purpose; Leadership; Integrity; Decision-making, Risk and Control; Diversity and Openness and Accountability.

Management

The Society's Board of Trustees (Council) currently 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 Board. At the heart of the Society's management structure is the Welfare Committee which advises the Board on the Society's charitable work. The Society's Welfare Team review in full all new applications for assistance and make informed decisions as how to best assist those beneficiaries who frequently face a range of challenges. During the year the Society introduced a new Grant Giving Policy and financial assessment framework to help ensure increased equity in the support the Society offers and with a view to helping beneficiaries and their families regain their independence. This is a significant step forwards in improving the support the Society offers, from what was already a strong base.

The other main committee of the ABS 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 Board.

Decision making

The Society's decision-making policies and procedures are detailed in 'Council General Instructions.' This document, which is reviewed by the Board on a regular basis, sets out the responsibilities and delegated decision-making powers of the Committees and, where appropriate, members of staff. As with all other aspects of governance, this document is due to be reviewed and significantly amended during the course of the next 12 months. 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 Board.

Relationships

The Society 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 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 three years by the introduction of an Ambassador scheme. Our Ambassadors are part of a regionally

based network and 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 70 Ambassadors who represent all of the membership bodies and are spread all over the UK. Their role has never been more important than during the last 12 months throughout the on-going Covid-19 crisis.

Risk Management

The Society reviews risk on a cyclical basis. Top ranked risks are reviewed frequently each year, with all other risks included in the Risk Register reviewed on a cyclical basis. The Risk Register identifies each individual risk factor, probability and impact, control steps and where responsibility lies for managing and monitoring the risk. Where necessary, action points are identified and communicated to the individual or group responsible to ensure steps are taken to mitigate the risk

Objects and Activities

Objects

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

The Board includes in the definition of 'persons engagedin architecture' any person in the United Kingdom, the Channel Islands or the Isle of Man who works or has, for a reasonable period in the past, worked in the United Kingdom, the Channel Islands or the Isle of Man as an architect (including landscape architect but excluding naval architect), 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 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 on the architectural design process in the United Kingdom, Channel Islands and the Isle of Man, including architects, architectural assistants, landscape architects and architectural technologists. 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 few years the Society has been gradually introducing a more focused and equitable approach to helping those persons in need. Formal partnerships were identified with other organisations best placed to provide meaningful assistance to those in need, these including Shelter, Anxiety UK and Renovo. This has allowed the Society to provide real assistance to those members of the profession having to deal with housing difficulties, those experiencing anxiety, stress and anxiety-based depression and those who have either experienced redundancy, are at threat of being made redundant or who have been out of work for a period of time and need help finding employment. To ensure these additional services are available for the benefit of all members of the wider architectural profession, significant efforts continue to be made to raise awareness of the services on offer, via the membership organisations representing the professions and also through the growing network of Ambassadors around the UK.

COVID-19

As a result of the COVID-19 crisis, the Society has been operating remotely, liaising with applicants and beneficiaries with little interruption to carrying out our charitable activities. However, redevelopment works at Portland Place and Weymouth Mews were paused for 5 weeks during the year and incurred further delays due to the restrictions related to new safe working practices and difficulties with the supply chain. This had a direct impact on project completion dates and therefore on commercial lettings. Commercial lettings have been further impacted by the large degree of uncertainty in the market, with prospective tenants far more cautious than previously.

The Society's equity investments also incurred falls as a result of the crisis and in line with falls both in the UK and worldwide, although markets have recovered well since. Voluntary income was also affected, in the main because all events had to be cancelled. The drop in income was offset to a large extent by running virtual events and a successful COVID 19 Emergency Appeal to help raise funds. Despite the real challenges faced during the last year and continuing into 2021, the Trustees will continue to monitor the situation closely but remain confident the Society remains in a strong position and will be able to move forwards once the crisis has passed.

Objectives for the year

During the course of 2020-21 the Society will complete a review of the charitable objects and organisational purpose with a view to making an application to the Charity Commission to amend the Articles of Association (Governing document). The long term intention is to ensure the Society will continue to support those who need our support and with an increasing focus on preventing poverty where possible, as well as on the relief of poverty which will always remain at the heart of the Society's charitable activities. This work comes as part of a wider welfare and governance review which commenced during 2018 and is also leading to on-going improvements in the Society's governance and in the provision of welfare assistance to members of the wider architectural profession.

Following on from the work on welfare and governance, the Society will be placing an increased emphasis on medium to long term financial business planning and forecasting, this to help ensure the charity can continue to help those in need long into the future. It will involve implementing improved financial forecasting and reporting tools and regular reviews of related strategic planning related to welfare provision and sustainable income generation. There will further be a renewed focus on the Society's approach to risk management.

After a period of growth in activities and resulting in a larger staff team than previously, the Society moved offices early in 2020. This was to ensure the team had the space and environment to continue the hard work helping the wider architectural community, with facilities for meeting internally and reducing the need to source and travel to external spaces, increasing efficiency and further helping to promote wellbeing in the workplace, something the Society believes to be at the forefront of good employment practice. This move

came shortly before the first UK wide lockdown, necessitating a change of working practices when the new office had to be closed. Although the staff team has managed extremely well working remotely, it is our intention to reopen the office and commence a gradual return once the current restrictions start to ease.

There will continue to be a significant focus on the digital communications of the Society during the year, these being crucial in providing relevant and accessible information and tools to those in need, as well as helping to increase awareness of the Society's charitable work, something that will continue to be one of our prime objectives on an on-going basis. The launch of the new website towards the end of 2020 was a major step forwards in improving communications, the launch having been timed to coincide with the beginning of the Society's 170th anniversary year. The related campaign, #FoundationOfSupport, will run for 12 months and with the principal aim of ensuring potential beneficiaries have a clear understanding about what is available to them, should they need it. Throughout the year we will be sharing new stories and digital content surrounding our Partners and our five support services related to Employment, Housing Advice, Mental Health & Wellbeing, Money & Debt and Physical Health & Disability.

Voluntary work

The work carried out by the formal committees and working groups appointed by Board 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 group of the volunteers who are making an enormous difference to the level of awareness about our charitable activities all over the UK. Their efforts on the Society's behalf are hugely beneficial and there are now over 70 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.



Achievements and performance

The Welfare Committee and its work with beneficiaries

The Welfare Committee advises the Board on the whole of the Society's charitable work for those in need. The Committee oversees the work of the Welfare Team in assessing the needs of individuals and families and providing them with the focused help they need to get back on their feet and regain their independence. During the last 12 months the Committee oversaw the introduction of a new Grant Giving Policy, with the stated principles and outcomes as detailed below.

Underpinning principles of grant giving at the Architects Benevolent Society:

- holistic, needs led approach to assessment and support
- complement statutory financial support, not replace it
- enable people, not create dependency
- consistent and equitable decision making.

In providing financial assistance to eligible individuals/families, the Society aims to achieve the following social outcomes:

- improve the quality of life for individuals and/or families who are struggling financially and socially due to poverty
- enable individuals and/or families to regain financial independence following an event or period of crisis
- increase employability or maintain employment
- relieve emotional and psychological distress which impacts on daily living, e.g. engagement in work and community.
- support people with disabilities and long-term health problems to overcome barriers to employment, housing, financial services and thus promote social inclusion

The new Policy details eligibility criteria for support, the framework for regular and one-off grant giving assessment and support in line with the Minimum Income Standard (MIS) and indirect support provision, including those services provided by the Society's Partner organisations.

The introduction of the new Policy, in April 2020, has allowed the Committee an increased focus on strategic issues and a solid framework for the Welfare Team to work within, leading to greater consistency of support and improved outcomes for the people the Society supports.

The Committee works in close cooperation with the Welfare Team who have in-depth knowledge of the circumstances of our beneficiaries and the help and advice the Team provide is sometimes the most valuable support that the Society can give to those who are in real distress.

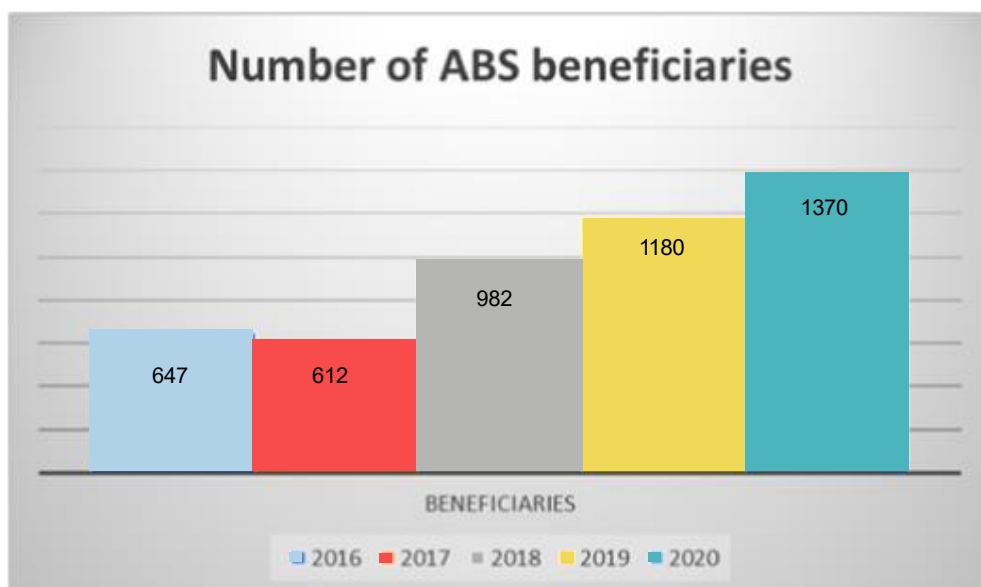
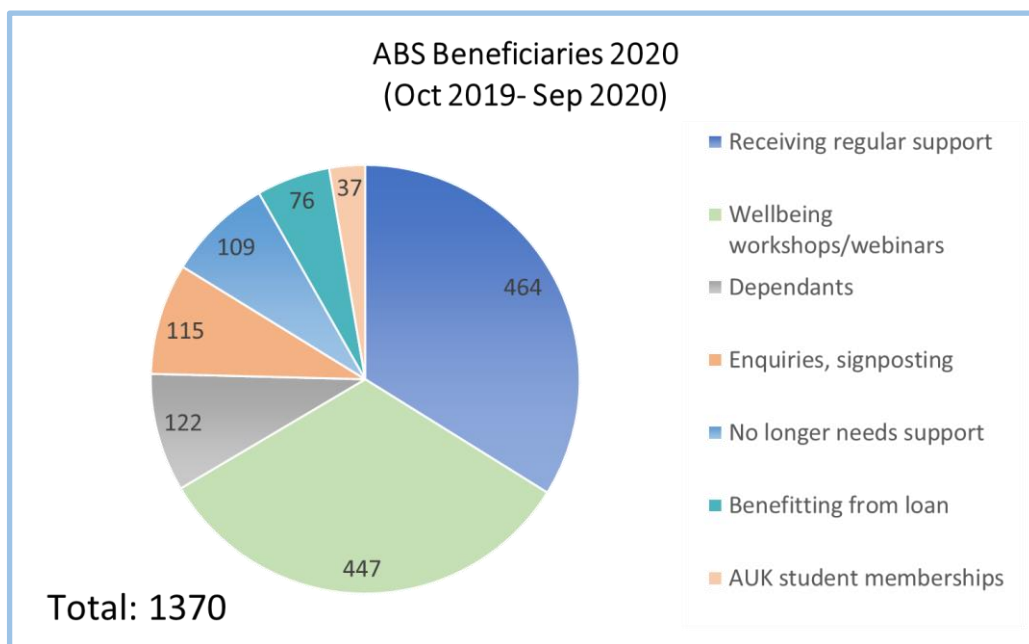
Although the Society continues to give a focus to the additional services it might provide in future, these are with a view to supplementing the long-standing work of relieving poverty within the wider architectural profession. The Society can, when necessary, provide financial assistance very rapidly in cases of pressing need and is able to do so within 24 hours when necessary. In this regard the Welfare Team are able to process applications for financial help very quickly and take prompt action, this help can 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, 2019-20 saw another increase from the previous year when numbers reached record levels as awareness of our work continues to grow. The total number of people helped was 1370. The number of new cases given direct financial support was 139 and it was encouraging

Architects Benevolent Society

Annual Report for the year ended 30 September 2020

to see 100 beneficiaries and their families now able to live independently. Sadly, we have to report that 9 beneficiaries died during the course of the year, our thoughts are with them all.

The Committee and wider body of trustees 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 provide would often not be enough and the Team remains at the very heart of everything the Society stands for.



Lilianna's Story*



As a result of work burnout, the end of a relationship and difficult family relationships, I had been dealing with depression, chronic pain and blackouts – because of all this, I had to give up work in March 2018 as I was feeling continuously sick. It had got to the point where I was unable to leave the house and spent my life largely indoors for over a year, seeing no friends.

One of my siblings, also an architect, had been encouraging me to contact the Architects Benevolent Society. I was very hesitant, as I did not believe anyone would be able to help me. I was convinced that was what my life would be like, until I died. I was entertaining awful thoughts, although I never actually got to the point where I planned to end things.

You read these type of stories online and think "Oh, poor them"...but you never think that, one day you would become the person who desperately needs help, that others will read about like you readers are doing right now.

I finally completed the form on ABS' website almost on a hunch, and Aidan [Welfare Officer] called me back that same day. And...we just started talking. It was a simple thing – we were just talking. Aidan asked me probing questions, but in a very non-threatening and easy-going manner. It felt good to talk. He spent quite some time getting to know me and my situation that day, and then looked at what practical steps he and ABS could take to help me in the most effective and quick way. While I was accepting Universal Credit at this point, it only covered rent and bills – so I was struggling to provide necessities such as food and the help I needed for my chronic pain. My savings were depleting very fast and I had absolutely no idea what I'd do once I'd ran out.

Within two days, ABS arranged for a grant to be paid into my account, which helped me access physiotherapy and pay for food. I was also referred to regular counselling through Anxiety UK. At that point, I'd already depleted the 6 sessions offered by the NHS – I had a great therapist but stopping the sessions after 6 weeks was almost as hard as starting them, and I felt very alone again, with no therapeutic support and no one to speak to.

Annual Report for the year ended 30 September 2020

This package of support that ABS put together for me eventually enabled me, within 6 months, to gain a job which was temporary, but which I enjoyed immensely. I was slowly able to start living my life again.

Fast forward one year, and disaster struck again when I lost my job due to COVID-19, like so many other people – but ABS was there for me again!

This time, they were able to refer me to Renovo for employment support. The work I was able to do with the coach I was assigned was truly incredible. They helped me build up my confidence, understand what I was capable of and what I had to offer. They took into consideration my future career goals and other quality of life aspects including future family plans. Very soon after being referred to Renovo – I was able to achieve a dream job, a role I never previously felt qualified for and which catapulted my earnings threefold compared to my previous roles.

Before I started working with Renovo, I wasn't sure it would be able to offer me much at all. I already knew with my eyes closed how to write CVs and attend interviews, but ABS gave me the encouragement and support to take that extra leap and promotion.

A year ago I couldn't walk because of the pain and I couldn't see a positive future, or any future frankly. Today, I have a dream role, a new relationship, a healthy positive mindset, an active lifestyle, and healthier family relationships.

There have been more setbacks, for sure – but such is life. We've had immense heartbreak very recently, as one of my parents died last week, during the COVID pandemic. It's very early days in my and my family's mourning, but I have solid therapeutic and family support to get me through it, and I know that ABS is always at the end of the phone if I feel I'm struggling.

We don't do anything alone in this life – and I am truly beyond thankful for the support of my family, my coach at Renovo and to Aidan and the team at ABS for giving me the strength to get to where I am now. ABS was the catalyst that enabled me to start my recovery, and they have been there for me ever since, even if just for a chat over the phone or a catch-up e-mail.

I am glad to be in a position where I can now give back to the community that gave me support when I needed it most.

We only have this life, and we must make the absolute best we can of it. If you or your family are struggling, please call ABS – I promise you, things will get better.

**name has been changed for confidentiality*

Partnerships

The Society is delighted to be continuing the highly successful partnerships with Shelter, Anxiety UK and Renovo.

Whether someone is facing rent or mortgage arrears, disputes with their landlord, threats of eviction or other housing issues, through our partnership with **Shelter** we can offer support and advice, or make a fast track referral to Shelter – who provide advocacy, representation and specialist telephone casework in order to prevent homelessness



The partnership with **Anxiety UK** was launched during Mental Health Awareness Week in May 2017 and the Society is able to offer direct, timely assistance to those experiencing anxiety, stress and anxiety-based depression. This year, the Society made 75 referrals to Anxiety UK and provided 758 hours of therapeutic support to individuals, the recovery rates being reported back by Anxiety UK remaining consistently higher than those reported in the 'NHS Improving Access to Psychological Therapies Report 2018-19'.



Renovo became a new partner during the year, allowing the Society to offer direct support to those who have either experienced redundancy, are at threat of being made redundant or who have been out of work for a period of time and need help finding employment.



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 through our varied communication channels, including our wonderful Ambassadors.

The Society is also pleased to be working on a less formal basis with IncomeMax, Stepchange, Law Express 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 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.

Executive Committee

Chaired by the Hon. Secretary Mark Grzegorzczuk, the Executive Committee is responsible for advising the Board on a wide range of the Society's activities and it has delegated power to act on behalf of the Board when that should be necessary, its decisions being submitted to the following Board 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 Welfare Committee which are sent directly to the Board.

The Executive Committee reviews 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 and advises on the best use of the assets overall.

The Committee spent a good deal of time during the first part of the year focusing on expanding the finance function at the Society and this resulted in the appointment of a Chief Financial Officer. This will enable the Society to build the necessary business tools to improve reporting, budgeting and medium to long-term financial forecasting and planning.

The Committee also spent time on its regular tasks reviewing and recommending to the Board 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. Procedures and policies are also increasingly being linked to the principles laid down in the Charity Governance Code.

Finance and Property Advisory Committee

Chaired by the Honorary 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 and report to the Committee in detail and to review investment policy matters in line with the Investment Policy Statement.

There remained a significant focus on the capital works to the Society's two central London properties which the Society relies on heavily for income. Works were affected by delays resulting from the COVID-19 crisis and a great deal of time and effort was spent working with the project team to ensure the works were completed in a reasonable timeframe.

The performance of stock market investments was the other main focus of the year, there being a great deal of unpredictability as the year unfolded. Despite significant falls in markets, the continued good management of these assets ensured that the final position was one of strong recovery and the overall assets of the Society, so crucial in funding the Society's charitable activities both at the current time and into the future, remain in a healthy position after a very difficult year.

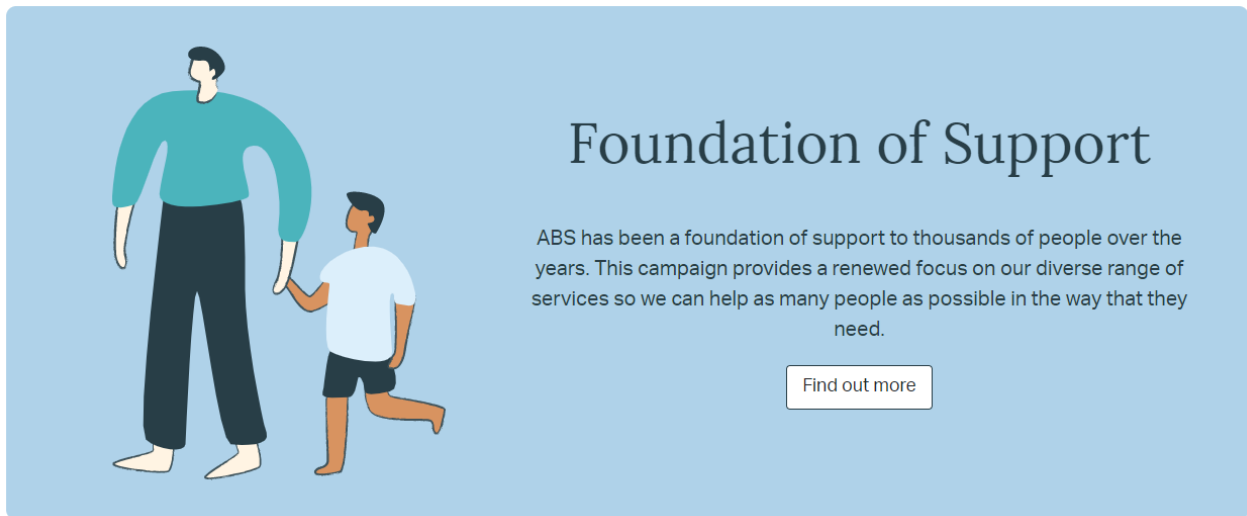
External Affairs Committee

This committee, chaired by Lucy Mori, oversees activities related to awareness raising, communications and fundraising. Its purpose is to help promote the Society and its activities to the wider architectural profession and it advises on publicity and fundraising matters.

The year was notable due to the significant effect of COVID-19 on fundraising events which had been so successful the previous year. All planned events were cancelled and although the staff team very quickly came up with virtual alternatives, it was not possible to cover the drop in event income at such short notice.

With the need to re-think the strategy, it was agreed to launch an emergency appeal and this proved to be a very successful and important appeal, helping to raise awareness of the Society's work at a time when it was most needed and helping to make up the shortfall in voluntary income lost as a result of having to cancel events.

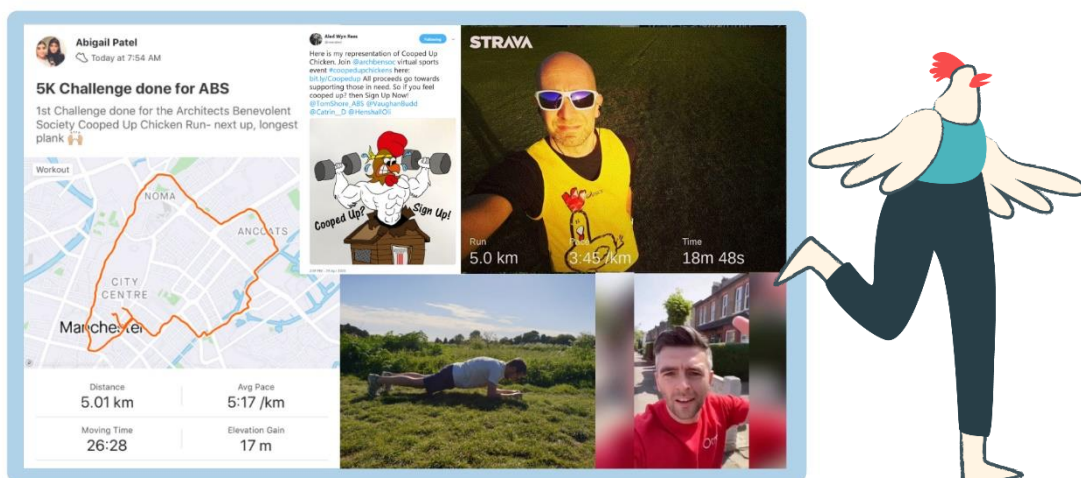
A notable event during 2020 was the Society's 170th Anniversary which fell towards the end of the year. The event was launched virtually with the support of our Patron, President and Ambassadors and marked the beginning of a 12 month campaign #FoundationOfSupport. This campaign will be the principal focus of the staff team during 2021 and includes the following aims:



Among the event cancellations was Bake the World a Better Place. Usually this would see a significant amount of funds being raised and plenty of awareness being raised within architectural practices across the UK. It also takes place during Mental Health Awareness Week where people are encouraged to take time out of their day to share some cake, have a cup of tea and chat with colleagues about how they are feeling. To replace this message, the fundraising team shared Anxiety UK resources on how to cope in lockdown, on our website and across all social media channels.

Cooped Up Chicken Run - following the cancellation of the annual Chicken Run, the ABS team worked hard to create alternative ways to bring the community together and were pleased to announce our virtual replacement; The Cooped-Up Chicken Run. It was the first time the ABS had ever held a virtual event and we were really pleased with the response from people all over the nation getting involved; more than 150 people signed up to take part. We asked participants to photograph, video and record their times throughout the week and to share these on social media to help spread the word and compete with others for the top spot!

Thank you to all who helped us achieve this and for every time you shared your own, or others, runs, skips, photos, videos, planks or any other content on social media.



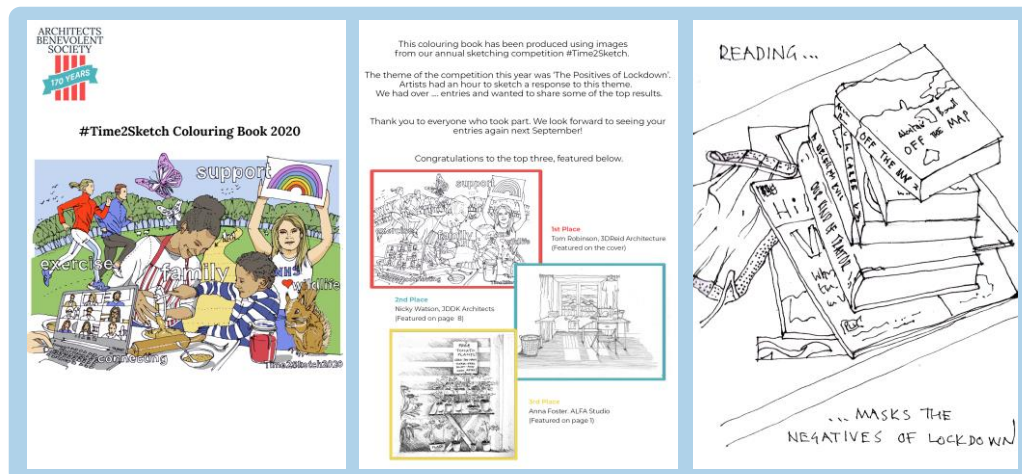
Architects Benevolent Society

Annual Report for the year ended 30 September 2020

ArchiTest - a new event for the Society was running our very first quiz on Zoom. The quiz was called ArchiTest and 250 individuals signed up to compete in teams against other practices. The quiz was hosted by Jane Duncan OBE PPRIBA, Eddie Weir PCIAT and Adam White PPLI. Its aim was to bring people and practices together and promote the opportunity to do something fun and in support of the ABS Covid-19 Emergency Appeal.



#Time2Sketch - our last event of the year took place in September with the entries judged by Jane Duncan OBE PPRIBA, Chris Williamson, and David Gillhooley. Over 100 people signed up and took part. All winners featured in a colouring book which was made available for sale, with proceeds supporting the Emergency Covid-19 Appeal. It was a great event with many creative drawings submitted.



2020 WCCA Award - this year's WCCA Annual Lecture took place on Tuesday 9th June 2020. Due to the current Coronavirus pandemic, the annual lecture took place via Zoom. The evening was introduced by the Lord Mayor of London, the Rt Hon Alderman William Russell.

The WCCA and ABS award for 2020 went to the ArchiVelo group who organised a cycle challenge in aid of ABS. The team of eighteen riders cycled the 460 miles from Glasgow to London in four days and raised over £11,500. The award was presented by Darren Comber, Chief Executive at Scott Brownrigg, to ArchiVelo member and ABS ambassador, Michael Dougal PPGIA.

Michael Dougal said he was thrilled to receive the plate on behalf of the team of riders and thanked the WCCA for inviting him to the Annual Lecture. This year, the exclusive award plate was designed by ABS ambassador, Chris Williamson, of WestonWilliamson+Partners.

Raising Awareness

During the year, the fundraising staff team focussed on increasing awareness of the Society's work within the wider architectural professions and the continuing increase in the number of beneficiaries suggests the work is paying off. 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 20 presentations, workshops and lectures were delivered by staff, Ambassadors and consultants to over 1,000 architectural professionals and students at various locations around the UK. Many of these presentations have focussed on our response to the Covid-19 pandemic and promoting the Anxiety UK partnership, as well as delivering other initiatives around the workplace and wellbeing.

Fundraising

This year saw the Society implementing the first 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. A three-year strategy was developed in September 2019 and approved by the External Affairs Committee in January 2020. The new strategy will focus on improving the Society's digital communications, introducing new income streams and broadening our audience base.

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 Xtratherm, Keystone, Assael, Orms and Bespoke Careers for our annual 'on behalf of' events. We have also had Ambassadors and other volunteers fundraising for us through other smaller 'in aid of' 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, which includes taking into account the needs of any possible donor who may be in vulnerable circumstances or need extra care and support to make an informed decision. 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 regularly to the External Affairs Committee, where performance is monitored. The Board also receives legal updates and information relating to the implementation of the fundraising strategy.

During 2019-20 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.



Financial Review

Incoming resources

Money from **donations and gifts** totalled £167,206, compared with £288,668 the previous year, a large drop due to the challenges of COVID-19 and a significant one-off donation of a little over £100,000 the previous year.

Legacy income was £15,508 during 2019-20 compared with £150,361 in 2018-19, well below the long-term average of around £150,000. 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 was a little higher than the previous year £330,086 compared with £315,075 in 2018-19, remaining low overall due to the capital works to the Society's properties in London and related vacancies.

Income from sheltered housing was £12,564, a slight fall from £13,072 the previous year.

Investment income decreased to £277,925 compared with £344,599 in 2018-19, a fall directly related to the challenging year for investments and dividends, particularly with UK equities.

Resources expended

Costs of generating funds Fundraising costs this year totalled £198,329 compared with £254,714 in 2018-19, a reduction related in part to having a settled staff team.

The cost of running the commercial properties increased from £120,238 in 2018-19 to £214,830 in 2019-20, the additional costs related to vacancies at 43 Portland Place and non-capital works resulting from the capital property projects.

Charitable Expenditure The Society's overall charitable expenditure in 2019-20 totalled £1,543,368 compared with the £1,308,750 expended the previous year, an increase of around £230,000 following another year of increased numbers of people being helped and the impact of the COVID-19 crisis.

Net expenditure

The Society's net expenditure for the year was a deficit of £1,270,000, in large part reflecting an increase on the amount of monies expended on charitable expenditure and a fall in income across all activities, particularly commercial property income.

Investments

The level of the investment portfolios at 1 October 2019 was £13,583,749 and at 30 September 2020 stood at £12,043,968.

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 2020 on an open market value basis by Cushman & Wakefield. Total values were at £19,500,000 at 30 September 2020 and at £18,247,305 at 30 September 2019. The historic cost of the investment properties is £10,298,019. Further residential properties in Guildford and Norfolk were acquired during 2007-8 and all are shown in the accounts at cost with depreciation as necessary.

Legacies

All income from legacies is invested to form part of the Society's Total Return strategy. In this way, money bequeathed to the Society will have a lasting benefit for those in need in the wider architectural professions. 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 2019-20 included:

| | |
|------------------------|----------------|
| P H Spence | £1,000 |
| I Tong | £2,000 |
| M Sinclair | £1,000 |
| A Collick | £500 |
| B Hollingsworth | £1,000 |
| F H Saunders | £344 |
| J O Fogarty | £10,008 |



Reserves Policy

It is the view of the Board that the calls on the Society's funds will continue to increase over the years ahead, all the more so following the COVID-19 crisis and growing awareness of the Society's work. The Reserves Policy which is reviewed each year 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 as was the case during the last 12 months.

As at 30 September 2020 the Society had total funds of £31,389,898. Of this total, £710,147 are held within the permanent endowment fund and £30,355,593 are held within the Society's designated Long term fund.

The Society currently supports over 1,000 people each year and total annual expenditure at present stands at £2 million per annum.

This expenditure is met from four main sources:

Voluntary income. The Society is seeking to increase voluntary income over the medium term but, in the shorter term, not more than 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, with budgeted shortfalls expected in 2020 and 2021.

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

The Society reviewed its investment strategy in June 2014, 2017, 2018 and again in 2020 and the Investment Policy Statement includes a Total Return strategy to ensure the Society can 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 £500,000, a level sufficient for the Society to continue to operate and fulfil its obligations for a period of three months. As at 30 September 2019 free reserves in the Current Fund stood at -£170,00, a figure which the trustees consider to be too low.

Range of reserves required

Direct financial assistance given to beneficiaries has increased since 2005 and it is anticipated that calls on the Society will be greater still in the medium to long term as awareness of the Society's work continues to

grow. In addition, the Society is looking to increase the range of services available to members of the wider architectural profession and this is necessitating a greater focus on the range and level of reserves, particularly the level of voluntary and other sources of income.

Proposed action to achieve and maintain target reserves

In 2013 the trustees decided to devote more resources to improving income from fundraising with the specific object of increasing the level of ordinary donations and gifts. Regular voluntary income from this source had started to increase but the COVID-19 crisis inevitably impacted on income last year and will likely do so again in 2021 before increasing again. Commercial income has also dipped in the last two years and it will be a further 12 months before it returns and increases beyond previous levels.

As stated above, in 2013-14 the Trustees agreed a new Investment Policy Statement and this has been reviewed on a regular basis in order to help determine the long-term strategy and risk profile, with less emphasis placed on investment income. This policy sets out 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 met.

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 Board of Trustees 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 Board.

A review of forward financial planning is carried out annually by the Board 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 the Board for formal approval by the Trustees.

Responsibilities of Members of the Board

The Members of the Board (who are also directors for the purposes of company law) are responsible for preparing the Annual Report 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;

Architects Benevolent Society

Annual Report for the year ended 30 September 2020

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

So far as each of the Members of the Board 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 event sponsorship, raffles, dinners, collections and similar events, organised either by groups or individuals. The Society is very grateful for the contribution this makes to the funds and to improving awareness of the Society and its work.

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

| | |
|---|---|
| Aberdeen Society of Architects | RIAS |
| AHMM | RIBA |
| Assael Architecture | RIBA Bristol & Bath Branch |
| Bespoke Careers | RIBA Plymouth |
| Birmingham Architectural Association | RSUA |
| Bradshaw Gass Trust | RSAW |
| Broad Oak Trust | Stirling Society of Architects |
| CIAT | The Association of Jersey Architects |
| CIAT Wales/Cymru | The J S Trust |
| Glasgow Institute of Architects | The Mishcon Family Charitable Trust |
| Keystone Group | Twigg (Trust) |
| Landscape Institute | WCCA |
| Orms | Xtratherm |
| Plymouth Architectural Trust | |




Corporate Supporters

The Corporate Supporter Scheme has been successful in securing additional support from a number of practices in recent 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

|  Pinnacle |  Keystone |  Foundation |
|---|--|--|
| Fletcher Priest Architects Child Graddon Lewis Assael Architecture Allford Hall Monaghan Morris Marcus Beale Architects Wilkinson Eyre Eric Parry Architects BB + C Architects Western Design Architects NBBJ Chris Dyson Architects Hopkins Architects ACME MICA Architects | The Duncan & Graham Partnership O'Neil Associates | 5PA Landscape Institute Matchbox Architects (MBA) |

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.

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 2020-2021

All of the staff who have looked after the day to day business of the Society during a particularly challenging 12 months as well as the administration of the individual care which the Society gives to its beneficiaries. All those members of the profession and others who continue to do so much in support of the charity, both financially and by giving generously of their time.

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

By order of the Board



Robert Ball
Chief Executive

16 June 2021

**Independent auditors' report to the members
For the year ended 30 September 2020**

Opinion

We have audited the financial statements of Architects Benevolent Society for the year ended 30 September 2020 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 September 2020 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

**Independent auditors' report to the members
For the year ended 30 September 2020**

identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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

**Independent auditors' report to the members
For the year ended 30 September 2020**

our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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.

Handwritten signature of Lorenzo Mosca in black ink, followed by the letters 'LLP'.

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: 25 June 2021

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 2020

| | Notes | Unrestricted Funds Current fund | Long term fund | Endowment fund | Restricted fund | Total 2020 | Total 2019 |
|--|----------|------------------------------------|----------------|----------------|-----------------|------------------|------------------|
| | | £ | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | | |
| Donations and gifts | | 167,206 | - | - | - | 167,206 | 288,668 |
| Legacies | | 15,508 | - | - | - | 15,508 | 150,361 |
| Other income | | | | | | | |
| Commercial rent receivable | | 330,086 | - | - | - | 330,086 | 315,075 |
| Investments | 4 | 265,432 | - | - | 12,493 | 277,925 | 344,599 |
| Charitable activities: | | | | | | | |
| Residents of sheltered housing | | 12,564 | - | - | - | 12,564 | 13,072 |
| Total income and endowments | | 790,796 | - | - | 12,493 | 803,289 | 1,111,775 |
| Expenditure on: | | | | | | | |
| Raising funds | | | | | | | |
| Fundraising | | 198,329 | - | - | - | 198,329 | 254,714 |
| Investment management costs | | 112,318 | - | 3,612 | - | 115,930 | 88,025 |
| Costs of running Commercial Properties | | 199,802 | 15,028 | - | - | 214,830 | 120,238 |
| | | 510,449 | 15,028 | 3,612 | - | 529,089 | 462,977 |
| Charitable activities | | | | | | | |
| Relief of poverty | 5 | 1,522,077 | - | - | 12,493 | 1,534,570 | 1,298,490 |
| Provision of accommodation | | - | 8,798 | - | - | 8,798 | 10,260 |
| Total expenditure | 7 | 2,032,526 | 23,826 | 3,612 | 12,493 | 2,072,457 | 1,771,727 |

Architects Benevolent Society

Statement of financial activities (continued) For the year ended 30 September 2020

| | Notes | Unrestricted Funds | | Endowment fund | Restricted fund | Total 2020 | Total 2019 |
|---|---------------|--------------------|--------------------|-----------------|-----------------|--------------------|-------------------|
| | | Current fund | Long term fund | | | | |
| | | £ | £ | £ | £ | £ | £ |
| Net expenditure before transfers and investment gains | | (1,241,730) | (23,826) | (3,612) | - | (1,269,168) | (659,952) |
| Transfer between funds | | 391,584 | (391,584) | - | - | - | - |
| Net (loss)/gain on investments | | - | (129,748) | (44,113) | - | (173,861) | 484,889 |
| Net (expenditure) / income | | (850,146) | (545,158) | (47,725) | - | (1,443,029) | (175,063) |
| Loss on revaluation of fixed assets | | - | (1,589,789) | - | - | (1,589,789) | - |
| Net movements in funds | | (850,146) | (2,134,947) | (47,725) | - | (3,032,818) | (175,063) |
| Fund balances brought forward at 1 October 2019 | | 1,194,304 | 32,470,540 | 757,872 | - | 34,422,716 | 34,422,716 |
| Fund balances carried forward at 30 September 2020 | 17, 18 | 344,158 | 30,335,593 | 710,147 | - | 31,389,898 | 34,422,716 |

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 33 to 50 form part of these financial statements.

Architects Benevolent Society

Summary income and expenditure account As at 30 September 2020

| | 2020 £ | 2019 £ |
|--------------------------------|--------------------|------------------|
| Total income | 803,289 | 1,111,775 |
| Total expenditure | (2,068,845) | (1,768,252) |
| Net (loss)/gain on investments | (129,748) | 465,714 |
| Net expenditure | (1,395,304) | (190,763) |

Total income comprises £790,796 for unrestricted funds and £12,493 for restricted funds. A detailed analysis of income and expenditure by source is provided in the Statement of Financial Activities.

Expenditure comprises £2,056,352 for unrestricted funds and £12,493 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 31 to 32 which together with the notes to the financial statements on pages 33 to 50 provide full information on the movements during the year on all the funds of the Society.

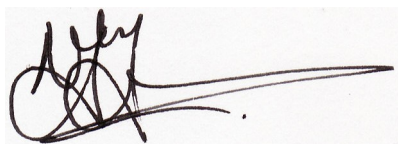
Architects Benevolent Society

Balance Sheet As at 30 September 2020

| | Notes | 2020 £ | 2020 £ | 2019 £ | 2019 £ |
|--|-------|------------|-------------|------------|------------|
| Fixed assets | | | | | |
| Tangible assets | 10 | 410,466 | | 1,050,196 | |
| Investments | 11 | 32,051,675 | | 32,202,297 | |
| Programme related investments | 12 | 485,887 | | 520,537 | |
| | | | 32,948,028 | | 33,773,030 |
| Current assets | | | | | |
| Debtors | 13 | 105,380 | | 102,656 | |
| Cash at bank and in hand | | 95,840 | | 866,049 | |
| | | | 201,220 | | 968,705 |
| Creditors: Amounts falling due within one year | 14 | | (355,081) | | (319,019) |
| Net current (liabilities)/assets | | | (153,861) | | 649,686 |
| Creditors: Amounts falling due after more than one year | 15 | | (1,404,269) | | - |
| Net assets | | | 31,389,898 | | 34,422,716 |
| Funds | | | | | |
| Permanent Endowment Fund | 16 | | 710,147 | | 757,872 |
| Unrestricted funds: | | | | | |
| Current fund | 17 | | 344,158 | | 1,194,304 |
| Long term fund: | | | | | |
| Investment & Property Fund | | 19,453,659 | | 19,682,212 | |
| - Revaluation Reserve | 19 | 10,881,934 | | 12,788,328 | |
| | | | 30,335,593 | | 32,470,540 |
| | | | 31,389,898 | | 34,422,716 |

The notes on pages 33 to 50 form part of these financial statements.

Approved by the Board of Trustees on 16 June 2021 and signed on its behalf by



Nigel Thorne
Honorary Treasurer
Company No. 1084747 (England and Wales)

Architects Benevolent Society

Statement of cash flows For the year ended 30 September 2020

| | Notes | 2020 £ | 2020 £ | 2019 £ | 2019 £ |
|---|-------|----------------------------------|--------------------|-------------|-------------------------------------|
| Cash flows from operating activities | | | | | |
| Net cash used in operating activities | 21 | | (1,420,667) | | (931,851) |
| Cash flows from investing activities: | | | | | |
| Income from investments | | 277,925 | | 344,599 | |
| Purchase of fixed assets | | (20,994) | | (7,837) | |
| Purchase of investments | | (8,009,174) | | (1,963,196) | |
| Proceeds from the sale of investments | | 7,134,896 | | 2,654,864 | |
| (Decrease)/increase in cash held for investments | | (136,464) | | 583,876 | |
| Net cash flows provided by (used in) investing activities | | | (753,811) | | 1,612,306 |
| Cash flows from financing activities | | | | | |
| Cash receipts from borrowing | | | 1,404,269 | | - |
| Change in cash and cash equivalents in the reporting period | | | (770,209) | | 680,455 |
| Cash and cash equivalents at the Beginning of the reporting period | | | 866,049 | | 185,594 |
| Cash and cash equivalents at the end of the reporting period | | | 95,840 | | 866,049 |
| Analysis of cash and cash equivalents | | | 2020 £ | | 2019 £ |
| Cash in hand | | | 95,840 | | 866,049 |
| Notice deposits | | | - | | - |
| Overdraft facility payable on demand | | | - | | - |
| Total cash and cash equivalents | | | 95,840 | | 866,049 |
| Analysis of changes in net debt | | | | | |
| | | At 1 October 2019 | Cashflows | | At 30 September 2020 |
| Cash | | 866,049 | (770,211) | | 95,840 |
| Cash equivalents | | - | - | | - |
| Overdraft facility repayable on demand | | - | - | | - |
| | | 866,049 | (770,211) | | 95,840 |
| Loans falling due within one year | | - | - | | - |
| Loans falling due after more than one year | | - | (1,404,269) | | (1,404,269) |
| Finance lease obligations | | - | - | | - |
| Total | | 866,049 | (1,404,269) | | (1,308,429) |

**Notes to the financial statements
For the year ended 30 September 2020**

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. This is despite a difficult last financial year during the COVID-19 crisis, difficulties which will continue into 2021. 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

Costs are allocated on the basis of staff cost for various activities.

1.5 Costs of raising funds

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

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2020

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 Welfare 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 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 |
| Flat 18 The Limes (Long Leasehold) | -over 60 years |
| Motor vehicles | -25% per annum straight line |
| Fixtures, fittings and equipment | -10% - 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.

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

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2020

1.10 Programme related investments

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

Notes to the financial statements (continued)
For the year ended 30 September 2020

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 23%, and thus 77% 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. 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.

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2020

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

| | 2020 £ | 2019 £ |
|---------------------------|----------------|----------------|
| Fixed asset investments | 277,747 | 341,194 |
| Gross interest receivable | 178 | 3,405 |
| | <u>277,925</u> | <u>344,599</u> |

Investment income includes £12,493 (2019: £28,141) of restricted income in relation to the Sawyer Benevolent fund.

5. Relief of poverty

| | 2020 £ | 2019 £ |
|---|------------------|------------------|
| Regular grants | 689,141 | 581,956 |
| One-off grants | 248,066 | 334,781 |
| Other direct costs including welfare officers | 403,779 | 251,427 |
| Indirect costs | 193,584 | 130,326 |
| | <u>1,534,570</u> | <u>1,298,490</u> |

The Society made grants in the year to 349 (2019: 357) 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 (2019: none) grants are classified as institutional grants.

Costs include £3,612 (2019: £5,238) of restricted expenditure in relation to the Sawyer Benevolent fund.

6. Governance costs

| | 2020 £ | 2019 £ |
|---------------------------------|-----------|-----------|
| Trustees and committee meetings | 11,126 | 17,030 |

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2020

| | | |
|-------------------|---------|---------|
| Professional fees | 122,143 | 112,568 |
| | <hr/> | <hr/> |
| | 133,269 | 129,598 |
| | <hr/> | <hr/> |

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2020

| 7. | Analysis of total expenditure | | | | | | | |
|-------------------------------|-------------------------------|--------------|-----------|---------|--------------------|-------------------------|--------------------------|------------------|
| | Staff costs | Depreciation | Grants | Other | Total direct costs | Other head office costs | Head office Depreciation | Total costs 2020 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Raising funds | 118,313 | - | - | 3,199 | 121,512 | 76,817 | - | 198,329 |
| Investments | 20,230 | - | - | - | 20,230 | 13,135 | - | 33,365 |
| Investment management costs | - | - | - | 82,565 | 82,565 | - | - | 82,565 |
| Running commercial properties | 56,970 | 15,028 | - | 129,668 | 201,666 | 7,415 | 5,749 | 214,830 |
| Relief of poverty | 298,677 | 343 | 1,033,889 | 8,077 | 1,340,986 | 193,584 | - | 1,534,570 |
| Provision of accommodation | - | 8,798 | - | - | 8,798 | - | - | 8,798 |
| | 494,190 | 24,169 | 1,033,889 | 223,509 | 1,775,757 | 290,951 | 5,749 | 2,072,457 |
| | Staff costs | Depreciation | Grants | Other | Total direct costs | Other head office costs | Head office Depreciation | Total costs 2019 |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Raising funds | 142,547 | - | - | 8,309 | 150,856 | 103,858 | - | 254,714 |
| Investment management costs | - | - | - | 88,025 | 88,025 | - | - | 88,025 |
| Running commercial properties | 48,215 | 15,150 | - | 15,242 | 78,607 | 32,582 | 9,049 | 120,238 |
| Relief of poverty | 226,189 | - | 931,749 | 10,226 | 1,168,164 | 130,326 | - | 1,298,490 |
| Provision of accommodation | 2,306 | 5,026 | - | 213 | 7,545 | 2,715 | - | 10,260 |
| | 419,257 | 20,176 | 931,749 | 122,015 | 1,493,197 | 269,481 | 9,049 | 1,771,727 |

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2020

8. Net (expenditure)/income for the year

| | 2020 | 2019 |
|---|-------------------|-------------------|
| | £ | £ |
| The net (expenditure)/income for the year is stated after charging: | | |
| Depreciation | 29,918 | 29,225 |
| Amounts paid to auditors | 16,850 | 16,600 |
| - audit | | |
| - other services | 5,202 | 8,000 |
| | <u> </u> | <u> </u> |

Notes to the financial statements (continued)
For the year ended 30 September 2020

9. Staff costs

| | 2020 £ | 2019 £ |
|--|-----------|-----------|
| The average monthly number of persons employed by the Society during the year was: | Number | Number |
| Office management and welfare | 12 | 10 |
| Staff costs (for the above persons) | | |
| Wages and salaries | 386,718 | 337,833 |
| Social security costs | 41,947 | 35,515 |
| Other pension costs | 36,164 | 30,626 |
| Health and other staff benefits | 18,759 | 15,283 |
| | 483,598 | 419,257 |
| Recruitment costs | 10,952 | - |
| | 494,190 | 419,257 |
| The number of staff paid over £60,000 in the year is as follows: | | |
| Between £70,001 and £80,000 | 1 | 1 |
| | 1 | 1 |

Pension contributions in respect of the higher paid employee were £7,534 (2019: £7,321).

The key management personnel of the charity consists of the Chief Executive Officer. The total employee benefits of the key management personnel were £83,698 (2019: £81,579).

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 10 Trustees was £6,004 (2019: £9,859 to 9 Trustees). Trustee indemnity insurance of £1,974 (2019: £1,974) is included in head office costs.

The aggregate unrestricted donations made by the Trustees to the Charity in the year were £1,007 (2019: £703). No Trustee left an unrestricted legacy to the Charity in the year (2019: £nil). In the year, no donations were made by a company owned by a Trustee (2019: £120).

Notes to the financial statements (continued)
For the year ended 30 September 2020

10. Tangible fixed assets

| | Land and buildings freehold £ | Land and buildings leasehold £ | Fixtures, fittings and equipment £ | Motor vehicle £ | Total £ |
|-------------------------------------|--|---|---|-----------------------|------------------|
| Cost | | | | | |
| 1 October 2019 | 300,928 | 864,522 | 230,172 | 16,503 | 1,412,125 |
| Additions | - | - | 20,994 | - | 20,994 |
| Disposals | - | - | (216,393) | - | (216,393) |
| Reclassification | - | (670,401) | - | - | (670,401) |
| + 30 September 2020 | 300,928 | 194,121 | 34,773 | 16,503 | 546,325 |
| Depreciation | | | | | |
| 1 October 2019 | 61,559 | 93,609 | 194,727 | 12,034 | 361,929 |
| Charge for year | 8,798 | 15,028 | 5,749 | 343 | 29,918 |
| Disposals | - | - | (189,495) | - | (189,495) |
| Reclassification | - | (66,493) | - | - | (66,493) |
| 30 September 2020 | 70,357 | 42,144 | 10,981 | 12,377 | 135,859 |
| NBV at 30 September 2020 | 230,571 | 151,977 | 23,792 | 4,126 | 410,466 |
| NBV at 30 September 2019 | 239,369 | 770,913 | 35,445 | 4,469 | 1,050,196 |

Notes to the financial statements (continued)
For the year ended 30 September 2020

11. Fixed asset investments

| | Investment Property | Quoted Investment equities and unity trusts | Cash | Total 2020 |
|-----------------------------|------------------------|---|----------------|-------------------|
| | £ | £ | £ | £ |
| Market value | | | | |
| At 1 October 2019 | 18,247,305 | 13,583,749 | 371,243 | 32,202,297 |
| Additions | 2,238,577 | 5,770,597 | - | 8,009,174 |
| Disposals | - | (7,134,896) | - | (7,134,896) |
| Reclassification | 603,907 | - | - | 603,907 |
| Net investment loss | (1,589,789) | (175,482) | - | (1,765,270) |
| Net movement in the year | - | - | 136,464 | 136,464 |
| At 30 September 2020 | 19,500,000 | 12,043,968 | 507,707 | 32,051,675 |

| | Investment Property | Quoted Investment equities and unity trusts | Cash | Total 2020 |
|-----------------------------|------------------------|---|----------------|-------------------|
| | £ | £ | £ | £ |
| Market value | | | | |
| At 1 October 2018 | 17,838,894 | 14,198,939 | 955,119 | 32,992,952 |
| Additions | 408,411 | 1,554,785 | - | 1,963,196 |
| Disposals | - | (2,654,864) | - | (2,654,864) |
| Net investment gain | - | 484,889 | - | 484,889 |
| Net movement in the year | - | - | (583,876) | (583,876) |
| At 30 September 2019 | 18,247,305 | 13,583,749 | 371,243 | 32,202,297 |

2020

£

Historical cost of quoted investments

10,298,019

There were no investments in individual entities held at 30 September 2020 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 2020 on an open market value basis using an informal valuation carried out by Cushman & Wakefield. The historic cost of the investment properties is £10,763,323 (2019: £7,854,344). At 30 September 2020 the charity had capital commitments of £113,105 (2019: £2,020,597).

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2020

12. Programme related investments

| | 2020 £ | 2019 £ |
|--|----------------|----------------|
| The charity makes interest free loans to its beneficiaries | | |
| Loans to beneficiaries | | |
| At 1 October | 520,537 | 539,260 |
| Loans made in year | 22,148 | 26,981 |
| Loans repaid in the year | (37,990) | (65,854) |
| Net changes in provision | (18,808) | (20,150) |
| | <hr/> | <hr/> |
| At 30 September | 485,887 | 520,537 |
| | <hr/> | <hr/> |

Total of these loans that were secured at 30 September 2020 was £308,592 (2019: £337,626).

13. Debtors

| | 2020 £ | 2019 £ |
|--------------------------------|----------------|----------------|
| Other debtors | 62,028 | 4,194 |
| Prepayments and accrued income | 45,549 | 65,801 |
| Service charge account | (2,197) | 32,661 |
| | <hr/> | <hr/> |
| | 105,380 | 102,656 |
| | <hr/> | <hr/> |

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2020

14. Creditors: Amounts falling due within one-year

| | 2020 | 2019 |
|-------------------------------|----------------|----------------|
| | £ | £ |
| Trade creditors | 41,069 | 38,425 |
| Other tax and social security | (1,616) | 69,133 |
| Other creditors | - | - |
| Accruals and deferred income | 315,628 | 211,461 |
| Service charge account | - | - |
| | <u>355,081</u> | <u>319,019</u> |

15. Creditors: Amounts falling due in more than one-year

| | 2020 | 2019 |
|-----------|--------------------|----------|
| | £ | £ |
| Bank loan | <u>(1,404,269)</u> | <u>-</u> |
| | <u>(1,404,269)</u> | <u>-</u> |

16. 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 2020 the value of the fund amounted to £710,147 (2019: £757,872).

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 28 – 29 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.

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2020

17. Unrestricted funds

| | Current fund £ | Long term fund -investment and property fund £ | Total £ |
|-----------------------------|-------------------|---|-------------------|
| At 1 October 2019 | 1,194,304 | 32,470,540 | 33,664,844 |
| Net movement in funds | (1,241,730) | (1,743,363) | (2,985,093) |
| Transfers between funds | 391,584 | (391,584) | - |
| At 30 September 2020 | 344,158 | 30,335,593 | 30,679,751 |

| | Current fund £ | Long term fund -investment and property fund £ | Total £ |
|-----------------------------|-------------------|---|-------------------|
| At 1 October 2018 | 561,610 | 33,293,997 | 33,855,607 |
| Net movement in funds | (636,301) | 445,538 | (190,763) |
| Transfers between funds | 1,268,995 | (1,268,995) | - |
| At 30 September 2019 | 1,194,304 | 32,470,540 | 33,664,844 |

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.

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2020

18. Restricted and endowment funds

| | Endowment fund £ | Restricted fund £ | Total £ |
|-----------------------------|------------------------|-------------------------|----------------|
| At 1 October 2019 | 757,872 | - | 757,872 |
| Net movement in funds | (47,725) | - | (47,725) |
| Transfers between funds | - | - | - |
| At 30 September 2020 | 710,147 | - | 710,147 |

| | Endowment fund £ | Restricted fund £ | Total £ |
|-----------------------------|------------------------|-------------------------|----------------|
| At 1 October 2018 | 742,172 | - | 742,172 |
| Net movement in funds | 15,700 | - | 15,700 |
| Transfers between funds | - | - | - |
| At 30 September 2019 | 757,872 | - | 757,872 |

Notes to the financial statements (continued)
For the year ended 30 September 2020

19. Analysis of net assets between funds

| | Endowment fund £ | Current fund £ | Long term fund £ | Total funds £ |
|--|------------------------|----------------------|------------------------|---------------------|
| Fund balances at 30 September 2020 are represented by: | | | | |
| Tangible fixed assets | - | 27,918 | 382,548 | 410,466 |
| Investments | 694,361 | - | 31,357,314 | 32,051,675 |
| Programme related investments | - | 485,887 | - | 485,887 |
| Current assets/(liabilities) | 15,786 | (169,647) | - | (1,558,131) |
| Non-current liabilities | - | - | (1,404,269) | - |
| Total net assets | 710,147 | 344,158 | 30,335,593 | 31,389,898 |
| Revaluation reserve included above: | | | | |
| Investment properties | - | - | 8,736,677 | 8,736,677 |
| Other investments | 106,898 | - | 2,145,257 | 2,252,155 |
| Revaluation reserve at 30 September 2020 | 106,898 | - | 10,881,934 | 10,988,832 |

Analysis of net assets between funds (cont'd)

Architects Benevolent Society

Notes to the financial statements (continued) For the year ended 30 September 2020

| | Endowment fund £ | Current fund £ | Long term fund £ | Total funds £ |
|--|------------------------|----------------------|------------------------|---------------------|
| Fund balances at 30 September 2019 are represented by: | | | | |
| Tangible fixed assets | - | 39,914 | 1,010,282 | 1,050,196 |
| Investments | 742,039 | - | 31,460,258 | 32,202,297 |
| Programme related investments | - | 520,537 | - | 520,537 |
| Current assets | 15,833 | 633,853 | - | 649,686 |
| Total net assets | 757,872 | 1,194,304 | 32,470,540 | 34,422,716 |
| Revaluation reserve included above: | | | | |
| Investment properties | - | - | 10,392,961 | 10,392,961 |
| Other investments | 23,929 | - | 2,371,438 | 2,395,367 |
| Revaluation reserve at 30 September 2019 | 23,929 | - | 12,764,399 | 12,788,328 |

20. Related party transactions

No Trustees received any remuneration for their services as a Trustee. Travel and out of pocket expenses incurred in their work as Trustees are reimbursed. The total amount of expenses reimbursed to Trustees and non-Trustee committee members was £6,004 (2019: £9,859). Trustee Indemnity Insurance of £1,974 is included in head office costs.

During the year, unrestricted donations from Trustees amounted to £1,007 (2019: £703).

Notes to the financial statements (continued)
For the year ended 30 September 2020

21. Reconciliation of net (expenditure)/income to net cash flow

from operating activities

| | 2020 | 2019 |
|---|--------------------|------------------|
| | £ | £ |
| Net (expenditure)/income for the reporting period | (3,032,818) | (175,063) |
| Adjustments for: | | |
| Depreciation | 29,918 | 29,225 |
| Loss on disposal of fixed assets | 28,520 | - |
| Net loss/(gain) on investments | 1,763,650 | (484,889) |
| Investment income | (277,925) | (344,599) |
| Decrease in programme related investments | 34,650 | 18,723 |
| (Increase)/Decrease in debtors | (2,724) | 45,703 |
| Decrease/(increase) in creditors | 36,062 | (20,951) |
| Net cash used in operating activities | (1,420,667) | (931,851) |