

# Annual Report and Financial Statements

Year Ended 31 December 2010

**THE VICTORIAN  
SOCIETY**

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**Registered Charity**  
No 1081435

**Company Registration**  
No 3940996

# People

## Patron

HRH The Duke of Gloucester KG, GCVO

## Life President

The Lord Briggs

## Vice Presidents

Sir David Cannadine

The Lord Howarth of Newport CBE

Sir Simon Jenkins

Griff Rhys Jones

Fiona MacCarthy OBE

## TRUSTEES

Professor Hilary Grainger, *Chairman*

Andrew Coleman, *Vice Chair, and Finance*

Kate Davey *Legal*

Alasdair Glass, *Non-executive*

Rosemary Hill, *Non-executive*

Dr David Low, *Non-executive*

Ken Moth, *Casework*

Steve Roman, *Membership*

Roy Williams CB, *Non-executive*

## REGIONAL GROUP CHAIRS

*Birmingham* Stephen Hartland

*Leicester* Jon Goodall

*Liverpool* Graham Fisher

*Manchester* David Harwood

*Wales* Elaine Davey

*South Yorkshire* Valerie Bayliss CB

*West Yorkshire* Peter Hirschmann

## EVENTS COMMITTEE

Michael Hall, *Chairman*

Dr Geoff Brandwood

Dr Steven Brindle

Maya Donelan

Michael Pearson

Yvonne Pines

Jane Wainwright OBE

Michael Whitaker

## NORTHERN BUILDINGS COMMITTEE

Ken Moth, *Chairman*

Jules Brown

Jennifer Chambers

Alan Davies

Andy Foster

Michael Green

Dr Chris Hammond

Kirsten McKnight

Dominic Roberts

Kathryn Sather

Richard Tinker

Mark Watson

### **SOUTHERN BUILDINGS COMMITTEE**

John Scott (*Chairman*)  
Dr Timothy Brittain-Catlin  
Dr Edward Diestelkamp  
Dr Brent Elliott  
Maggie Goodall  
Elain Harwood  
Peter Howell  
Charles Lawrence  
Beverley Mogford  
Brian Morton MBE  
Benedict O'Looney  
Mark Price  
Dr Aileen Reid  
Professor Andrew Saint  
Teresa Sladen

### **STAFF**

**Director** Dr Ian Dungavell

#### **Conservation Advisers**

Alex Baldwin (to 8 October 2010)

Tim Bridges

Heloise Brown

Chris Costelloe (from 20 October 2010)

Edmund Harris (from 12 April 2010)

Kristian Kaminski (to 17 March 2010)

**Campaigns Officer** Katie Gunning

**Administrator** Richard Seedhouse

**Events Administrator** Jane Jephcote

### **BANKERS**

Unity Trust Bank plc, Nine Brindleyplace, Birmingham B1 2HB  
Barclays, Hammersmith Business Centre Group, London W6 9HY  
COIF Charities Funds, 80 Cheapside, London EC2V 6DZ

### **AUDITORS**

Derek Rothera and Company, Units 15&16, 7 Wenlock Road, London N1 7SL

## What's the problem?

Architecture suffers more from change than other art forms, for it has to satisfy practical needs as well as aesthetic ones. Buildings must earn their keep. Rooms are subdivided or knocked together, access ramps built, whole new wings added, or whole buildings demolished. And sometimes changes are made purely as a matter of taste or expediency, when no one would dream of treating paintings or sculpture in a similar way.

In providing for seemingly urgent but often short-term requirements, much can be lost. The Victorian Society wants people to take a long term view about their buildings, and pause to appreciate what is special about them, so that future generations can enjoy them as we do.

People today are more likely to understand the quality of Victorian and Edwardian architecture, thanks partly to our campaigns over the past fifty years. It is rare to hear Victorian buildings thoughtlessly denigrated as they once were, but still their very ubiquity can blind us to their virtues.

In the past, great Victorian buildings such as the Foreign Office in Whitehall, Albert Dock in Liverpool and the Manchester Town Hall were all threatened with demolition. But still today many good buildings such as schools, hospitals and ordinary houses are being lost or insensitively altered. Local people may stand up for them, but they benefit enormously from the knowledge and expertise of the Victorian Society.

## What are we doing about it?

The Victorian Society is the champion for Victorian and Edwardian buildings in England and Wales. We have two main tasks. The wider one is to promote understanding of Victorian and Edwardian architecture as a cultural achievement which should be valued in its own right, as well as its virtues in creating a sense of place and local distinctiveness. Secondly, we try to influence the decisions made about individual buildings so that as they are changed to suit modern requirements we do not lose what is special about them.

We report on this work under the three charitable objects set out in our constitution. These are linked, as through involving and educating the public, we can increase the likelihood of saving buildings.

- **CONSERVING:** to save Victorian and Edwardian buildings or groups of buildings of special architectural merit from needless destruction or disfigurement.
- **INVOLVING:** to awaken public interest in, and appreciation of, the best of Victorian and Edwardian arts, architecture, crafts and design;
- **EDUCATING:** to encourage the study of these and of related social history and to provide advice to owners and public authorities in regard to the preservation and repair of Victorian and Edwardian buildings and the uses to which they can, if necessary, be adapted

It would be nice to think that, one day, these buildings would be so highly valued and their qualities so well understood that our work would no longer be necessary. But short-term needs are often felt to be so pressing that it is expedient to sacrifice what is special about a building to satisfy them. Buildings need an advocate who can take the long-term view.

It is difficult to quantify how successful we are in these tasks. An aim so grand as changing public taste is not easily measured, and neither is the effect of our input on individual decisions about buildings. It is not as simple as counting the number of people helped by some medical treatment or the number who use our services. Numbers cannot meaningfully encompass the difference that the survival of Victorian buildings makes to our lives, but we know that many people feel enriched by the historic environment. Details of many individual cases are set out in our magazine, *The Victorian*, and this report gives a good idea of the scope of our work.

We review our aims, objectives and activities each year. This report looks at what we achieved in 2010 and considers the success of each activity. We have referred to the Charity Commission's general guidance on public benefit when planning our future activities to ensure that they are carried on for the public benefit.

Everyone can benefit from the conservation of the Victorian and Edwardian historic environment, both this and future generations. It is all around us, and contributes to the distinctiveness of places and our own sense of identity.

## Conserving

**‘Saving from needless destruction or disfigurement Victorian and Edwardian buildings or groups of buildings of special architectural merit’**

### Headline numbers

**4382 listed building consent applications received**

**1620 identified as our period**

**337 detailed responses made**

### **Saving buildings**

Changes to listed buildings must be approved by local planning authorities or denominations that have been exempted from local planning control. We want to help them make better decisions about adapting Victorian and Edwardian buildings to the way we live now, while keeping what is special about them.

To do this, we comment on applications for listed building consent or faculty. We have a formal role in the planning system by virtue of the Secretary of State’s direction in *Arrangements for handling heritage applications - notification and directions by the Secretary of State* (ODPM Circular 01/2001) that we must be notified of all applications for Listed Building Consent that involve an element of demolition. When determining applications, local planning authorities must take our advice into account, but they are not obliged to follow it. We also have a formal role in the various listed building control procedures set up by those Christian denominations which have chosen to retain their exemption from normal listed building regulations.

We do not attempt to comment on every notification received. Instead, we respond when we consider that the proposals are damaging to the historic character of the property concerned, and where our expert input might result in a less destructive outcome. Our responses highlight the historic and architectural importance of each site and explain in what way the proposals are detrimental. We bring the experience of our conservation advisers, our buildings committees and other specialists to bear on each case to deliver considered responses which draw on an exceptional breadth of knowledge.

We employ 2.6 full-time equivalent conservation advisers based in London, but we rely on volunteers around the country for a great deal of our work. A legacy from Mary Heath, a former member, enables us to employ a Birmingham and West Midlands Conservation Adviser for two days per week to work alongside volunteers in that area. Our regional groups in Birmingham, Leeds and Leicester respond to applications for listed building consent in their areas, buoyed by considerable local knowledge.

Local authorities are required to notify us of the decisions they take on listed building consent applications. But so few do this that it is impossible for us to compile meaningful statistics on the results of those applications on which we comment. We try to influence proposals before they are submitted through pre-application discussions with owners and parishes and, when opposing a proposal, we try if appropriate to work in partnership with residents and other interested parties. Through publicising our position on individual cases, we hope to increase awareness of the need to work sensitively with historic buildings. Over 90% of applications for listed building consent are approved, so our success is not to be measured by counting the ones that are not; indeed, it may just be the opposite.

The sorts of proposals on which we often find ourselves commenting at present include: the demolition of unlisted buildings in conservation areas; redundancies of churches, schools, pools, hospitals and town halls and subsequent neglect or alteration; church extensions, re-orderings and subdivisions; as well as making spot listing requests for unlisted buildings. Rather than pick out one or two cases here, our work is best understood by reading the reports which are published in each issue of our magazine, *The Victorian*.

Mere counting of cases on which we have commented does not reveal the true extent of our work, as some cases can be dealt with quickly while others require many meetings and site visits to be resolved. Nevertheless the figures are impressive. In 2010 we received more than 4,382 notifications of proposals for works to listed buildings (4,102 in 2009), each of which has to be investigated by our staff to see if it is of concern to us. Of the notifications received and logged, 1,620 related to Victorian or Edwardian buildings (1,292 in 2009), and we gave detailed responses to 337 (376 in 2009).

We receive a grant towards our listed buildings casework from English Heritage, which has recently committed funding until March 2012. However there is no allowance for inflation and we are concerned that

future government spending cuts may affect our grant when we next apply. We also receive a small grant from Cadw.

### **Influencing policy**

We also try to influence government policies on planning and the historic environment which have an impact on Victorian and Edwardian buildings and conservation areas. We do this through our participation in the Joint Committee of National Amenity Societies and as a member of The Heritage Alliance (the new name for Heritage Link). If there are particular points we can make which relate specifically to Victorian and Edwardian buildings then we will do so directly.

## **Involving**

**'Awakening public interest in, and appreciation of, the best of Victorian and Edwardian arts, architecture, crafts and design'**

### **Headline numbers**

**3,291 members**

**100,919 visits to our website**

**3,645 downloads of our factsheet on listed buildings**

**340 press articles covering our campaigns**

### **A focus for special people**

The Victorian Society provides a focus for everyone interested in Victorian and Edwardian architecture and related arts. We maintain our loyal base of 3,291 members (3,336 in 2009). While the number of members has remained constant over recent years, with a low turnover, we are working on ways to attract more, while retaining those we have got.

Engaging the public is about a lot more than just money, but financial contributions are one indicator of support for our work. Many members generously give us additional donations during the year, and sign Gift Aid declarations to maximize the value of their donations and membership subscriptions. In 2010, Gift Aid added £18,940 (£18,951 in 2009) to our funds.

Legacies are also tremendously important. In 2010 we received a legacy of £10,000 from Jeremy Black, formerly our Honorary Legal Adviser, part of which was used to underwrite our international symposium on *Ecclesiology and Empire*. We also received £25,000 from Edward Livesey, formerly chair of our Manchester Group, and over £6,000 from Jean Moulson, a long-standing member of our South Yorkshire Group. Some of her bequest will aid the publication of the Group's forthcoming book on Sheffield Board Schools. We also received £33,429 as an interim distribution from the estate of Morna Smith, a regular at our lectures and a volunteer at Linley Sambourne House. Last year we reported on the generous legacy from Eliot Hodgkin which has enabled us to do a number of otherwise unaffordable things. In addition to underwriting the publication of our journal for up to three years, the Hodgkin bequest has funded our 50th anniversary exhibition *Saving a Century*, which continues to tour the country.

Legacy income is vital to the funding of special projects that would otherwise be unaffordable. That's why we need people to remember us when writing their wills. In 2011 we will repeat our campaign to encourage members to leave us legacies. If you would like to support our work by joining, making a donation, or remembering us in your will, please telephone 020 8747 5890.

### **Volunteering**

We recognise that individual circumstances may prevent people getting more actively involved in the Society, and are very grateful that they choose to support us financially instead. But donations of time and expertise are very valuable to us. As the expert voice of the community on Victorian and Edwardian architecture, we rely on volunteers around the country for their specialist knowledge and their willingness to help get things done.

Volunteers are central to our work. They contribute their expertise by assessing applications for listed building consent in our buildings committees, they organise our educational programme and as trustees they oversee the strategic direction and day-to-day operation of the Society. They are also invaluable event stewards, letter-stuffers, stamp-fixers and washer-uppers. Our committee members alone contribute well over 900 hours of free advice a year, and there are many days when volunteers in the office outnumber the staff. This work, together with those organising events for us, comes to many more hundred hours a year.

### **Community Engagement: Supporting local campaigners**

As well as our own work, we also want to help people fight their own campaigns to save the buildings they value. In this way, our 'national community' can help support local ones. We do this by providing advice and support through our Community Engagement Project and, where appropriate, we work directly with local people on their campaigns. We have helped many local campaigners with media advice, campaigning tips and link-building between their campaigns and other organisations. Some of this is available in the campaign guide on our website – for example, 3,645 people read our factsheet on listed buildings (1,240 in 2009), 996 on conservation areas (634 in 2009) and 530 our campaigning guide (381 in 2009) – but a lot is done individually. We also know that 314 people clicked through to our home page after reading our updates on Twitter (we now have more than 500 followers on the social networking site).

### **Community Engagement: Contributing a national context**

In the last year we have worked with campaigners fighting to prevent an electricity sub-station being built next to a Grade I-listed church in Harrogate; we helped highlight the concerns of local people worried by the initially damaging plans to build a new stadium for Tottenham Hotspur football club in North London and we supported campaigners trying to prevent the demolition of a former Victorian school in Camberley. We also worked with people trying to save the Tudor Hotel in Malvern, the Adult Education Centre and Library in Rye, a row of six houses on the Hagley Road in Birmingham, a mansion block in Hammersmith and a pair of cemetery chapels in Dewsbury, to name only a few.

Some of these community campaigns are still continuing, such as the fight to keep Manningham Baths in Bradford open for swimming. We will continue to develop other campaigning opportunities as they arise; wide-ranging council cuts mean many historic libraries are threatened with closure and this is likely to be a focus for 2011.

### **Community Engagement: Letting people know what's going on**

We know that many people place a high value on the Victorian and Edwardian buildings around them. But they often find out about threats once it's too late to save a building, or they wrongly assume that they're a minority in caring. That's why it's so important to publicise campaigns to save these buildings, whether led by us or other groups. As soon as people hear about the threats to one building, half a dozen similar cases come to light. We have helped many people with advice on gaining media attention and writing press releases, helped by our own experience.

Our top ten endangered buildings campaign has been running for four years now and continues to provide people with an opportunity to tell us about buildings at risk in their area. Sometimes we receive nominations for buildings that are already at the centre of a vibrant local campaign, but others need us to help highlight their plight. The burst of publicity that follows the publication of the list can lead to impressive results. After years of neglect, Oldham Town Hall (on our 2009 list) has received significant investment from Oldham City Council and is now structurally sound and watertight. The Ice Factory in Grimsby featured on our 2010 list and there is now an active trust working on plans to re-use the building as a micro-brewery, climbing wall and arts venue. Elsewhere St Edmund's Church in Rochdale (2009) has been upgraded to Grade I and the Cathays Cemetery Chapels (2008) have a new roof as a direct result of the campaign.

In 2010, we issued 101 press releases (109 in 2009), leading to more than 340 articles in both national and local newspapers mentioning our campaigns (over 403 in 2009), and we made at least 30 appearances on television and radio. News of our campaigns is reported on our website, which attracted 100,919 unique visits in 2010 (90,176 in 2009), an average of 276 per day.

We plan to continue developing our relationships with journalists and working on other ways of attracting public attention to our campaigns. Unfortunately our grant for Community Engagement is being phased out, meaning a reduction from £17,000 for 2008/9 to nil in 2012. The project will be reviewed before the grant expires. We are always on the lookout for possible alternative sources of funding for this essential work.

# Educating

**'Encouraging the study of Victorian and Edwardian architecture and of related social history'  
'Advising owners and public authorities about the preservation and repair of Victorian and Edwardian buildings and the uses to which they can, if necessary, be adapted'**

## Headline numbers

**106 events in 2010, organised by volunteers**

**2,691 bookings taken for events**

**91% of events rated 'Excellent' or 'Very good'**

We believe that the better people understand their Victorian and Edwardian heritage, the more they will value and seek to look after it. Our education programme includes walks, visits, lectures and conferences, many of which are organised by our regional groups, on an astonishing variety of subjects.

## Lectures, conferences and study days

Our winter lecture series, organised by Michael Hall, took as its theme the architecture of the 1880s, including talks on the Arts and Crafts movement, iron and steel, Philip Webb, Ernest George, and London. The autumn series was a series of virtual London walks, 'visiting' diverse places in words and pictures rather than on foot. Michael Hall organised a study day in collaboration with the Royal Collection to examine Victoria and Albert's role as patrons of architecture and architectural decoration. Geoff Brandwood organised a third symposium on provincial architects, and Alex Bremner organised an international study day on *Ecclesiology and Empire*, supported by the Paul Mellon Centre for Studies in British Art and private donors. Other lectures included topics as diverse as Victorian architecture in India, Death in Victorian Britain, the work of Godfrey Sykes, and Paley & Austin. The Brian Allison Memorial Lecture for the Leicester Group was lessons from Victorian financial crises, by Andrew Bailey. We also hosted several supper lectures in our office, including Strawberry Hill in the nineteenth century, architectural commemorations of Prince Albert, and Gothic in India.

## Visits

One of the highlights of the events programme this year was the AGM weekend based in Wolverhampton, organised by our Birmingham and West Midlands Group. We also had weekends away visiting North Yorkshire and Darlington, organised by Geoff Brandwood, Lancashire by Steven Brindle and Cheshire by Colin Cunningham.

Some of the other visits and walks included Leicester Town Hall, Paddington station, Hove, the Garrick Club, the Reform Club, Manningham, Harrogate, the work of Edgar Wood in Middleton, Dalston churches, Pugin's churches in North Staffordshire, Ernest George in the North Downs, Flintham and Prestwold, Docklands, Windsor, Swansea, Port Sunlight and Leighton House. Many of these were organised by our regional groups.

In 2010 the Society held at least 43 lectures (40 in 2009), 3 study days (3), 4 weekends away (3), 12 day trips (10) and 44 visits or walks (55), a total of 106 events (111) or on average two events per week around the country. We processed over 2,691 bookings for events (2,629 in 2009), not including regional group events or 'turn up on the day' events. Overall, 91% of delegates who answered the question in our survey rated the event they attended 'Excellent' or 'Very good'.

We are always looking for more volunteers to help expand the range and quality of our events programme. Please contact Jane Jephcote, our Events Administrator, on 020 8747 5895 or email [events@victoriansociety.org.uk](mailto:events@victoriansociety.org.uk).

## The Victorian

We published three issues of our magazine, *The Victorian*, edited by Liz Robinson. In March we looked at the question of climate change and Victorian houses. In July, the theme was rural buildings at risk due to changing patterns of agriculture. In November we looked at Victorian Hull as a curtain-raiser for our 2011 AGM weekend, as well as featuring the top ten most endangered buildings for 2010, and looking at what had happened to those on our 2009 list.

## Studies in Victorian architecture and design

Intended to stimulate research in our field by providing a good outlet for original research, each issue of our journal focuses on a particular theme. In the second issue, published in 2010, we considered changing attitudes towards Victorian architecture. The issue after that will cover late Victorian and Edwardian churches

and should appear in July 2011. This year we will seek members' views of the journal to see if and in what form it should continue.

### **Advice to homeowners**

We provide information to owners of Victorian and Edwardian houses about how they can better look after them through our publications, the *Care for Victorian Houses* series of booklets and the *Victorian Society Book of the Victorian House*. In 2010, we sold 1260 booklets (940 in 2009) and 55 copies of the book (27 in 2009). The *Victorian Society Book of the Victorian House* has now been republished in paperback at £20, making stiff competition for our *Care for Victorian Houses* booklets. As stocks diminish we plan to publish updated versions on the website instead.

We provide a lot of information on our website. The most popular advice notes on our website related to paintwork (6,366 views; 3,990 in 2009), windows (5,607 views; 3,662 in 2009) and fireplaces, (5,487; 3,905 in 2009).

### **Other publications**

Our West Yorkshire Group is planning a book on Leeds architects and our South Yorkshire Group is planning a book on Sheffield schools. We will continue to be open to the possibility of other *ad hoc* publications.

## Structure, governance and management

### **Structure**

The Victorian Society is a registered charity and a company limited by guarantee. It is governed by a memorandum and articles of association.

### **Governance**

The Society is managed by a Board of Trustees. The trustees are also the directors of the charity for the purposes of the Companies Act. Each Trustee has a designated executive or non-executive role. All trustees are required to be members of the Society. Trustees are recruited on the basis of skills needs identified by the Board of Trustees. A variety of methods is used to identify suitable candidates. Trustees are elected by the members of the Society at the Annual General Meeting normally for a term of office of 3 years. Trustees are automatically eligible for re-election for one further consecutive term and, if the Board of Trustees so approves their candidature are eligible for re-election to further consecutive terms of office. The Board of Trustees has the power to co-opt members during the year but these members must stand for re-election at the next Annual General Meeting.

Trustees are given an induction pack on joining the Board and are encouraged to identify gaps in their knowledge, which are then addressed by briefings or other training delivered to some or all of the trustees as appropriate. The role of each trustee is defined in a job description.

### **Management**

The Board of Trustees currently comprises nine members and meets formally six times a year. Members of the Board individually or in small groups also act to take forward the Society's plans. Day to day management of the Society is delegated to the Director who attends meetings of the Board of Trustees. The Society benefits from a Northern and a Southern Buildings Committee of experts who meet to advise the Society on architectural and casework matters.

### **Risk management**

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed during the year and the trustees are satisfied that systems have been established to mitigate those risks.

## Financial review

### Income and expenditure

<b>Incoming resources</b>	2010	2009	
	£'000	£'000	
<b>Total incoming resources</b>	<b>427</b>	<b>377</b>	<b>Total income up 13.2%</b>
<i>Principal components:</i>			
Subscription income	103	106	Decrease 2.7%
Grants	60	66	Decrease 8.3%
Investment income	14	19	Decrease 24.4%
Educational events and publications	151	133	Increase 13.9%
Donations	21	23	Decrease 8.6%
Legacies	75	29	Increase 160%

Subscription income was down by 2.7% with subscription rates held constant for a further year. Grant income decreased by 8.3% reflecting in part the phased withdrawal of our Community Engagement Grant from English Heritage. Investment income decreased substantially as a result of the dramatic reduction in interest rates. Educational activities continued to be very successful and income increased by 13.9%. Donations decreased in 2010 but this was largely because of the timing of the annual fund appeal which was deferred into 2011. Legacy income increased substantially in 2010. Legacies are a vital source of income to the Society and allow us to undertake projects that would otherwise be unaffordable.

Excluding legacy income, which the trustees allocate for project funding, income on a recurring basis for 2010 was £352,000, an increase of 1.0% on 2009.

<b>Outgoing resources</b>	2010	2009	
	£'000	£'000	
<b>Total outgoing resources</b>	<b>383</b>	<b>383</b>	<b>Total expenses unchanged</b>
<i>Principal components:</i>			
Architectural conservation	187	189	Decrease 0.9%
Educational activities	183	182	Increase 0.6%
Fund raising and governance	13	12	Increase 5.1%

Expenditure on the Society's charitable activities of architectural conservation and education amounted to 97% of total expenditure for the year. In part the effect of inflation on the Society's cost base has been offset by two staff electing to work part-time.

Adjusting for one-off factors, expenditure on a recurring like-for like basis for 2010 was £369,000, a decrease of 1.9% on 2009.

Taking into account the incoming and outgoing resources referred to above, the Society achieved the following outcome:

<b>Net movement in resources</b>	2010	2009	
	£'000	£'000	
Deficit on recurring items on a like-for-like basis	(22)	(40)	
Annual fund appeal	5	13	
Result on recurring items after annual fund appeal	(17)	(27)	
Legacies (used for projects) and other non-recurring items	75	29	
One-off costs	(14)	(7)	
Net movement in resources before valuation adjustments	44	(5)	

This shows how important the Annual Appeal is in bridging the gap between the Society's recurring expenditure and its recurring income. Non-recurring costs are financed out of legacy income, including legacy income received in prior years.

**Balance sheet**

<b>Net assets</b>	2010	2009	
	£'000	£'000	
<b>Total net assets</b>	<b>966</b>	<b>918</b>	<b>Total net assets up 5.2%</b>
<i>Principal components:</i>			
<u>Unrestricted fund:</u>			
Tangible fixed assets	209	207	Increase 1.0%
Short term deposits	361	365	Decrease 0.9%
Other net assets	97	46	Increase 110%
<u>Restricted and endowment fund:</u>			
Investments and short term deposits	293	301	Decrease 2.7%

Unrestricted funds

Unrestricted funds represent the Society's day to day operating finances. Overall unrestricted funds showed an increase for the year of 8.0%. The increase in tangible fixed assets comprised some long-overdue refurbishment at the Society's freehold headquarters at 1 Priory Gardens, offset by an increase in depreciation. Tangible fixed assets include the cost of Priory Gardens. The market value of this property is estimated to exceed the cost by a substantial amount. No formal valuation has been obtained because this would incur expenditure out of proportion to its benefit.

For the Society to function successfully, it must maintain an adequate level of unrestricted reserves that can be used to finance the Society's day to day operations and provide a precautionary reserve in case of fluctuations in the future level of income. The Trustees consider it prudent that the level of precautionary reserve should not be less than six months' expected future expenditure plus an allowance for property refurbishment. At 31 December 2010, and excluding the proceeds of legacies earmarked for future projects, the Society's cash and short term reserves were £55,000 in excess of this level (2009: £54,000). The excess fluctuates from time to time and the Trustees are presently satisfied that no further action is necessary.

Restricted and endowment funds

The restricted and endowment funds are invested so as to reflect the Society's obligations under each of the funds, as well as the requirements of liquidity management and wishing to accept limited financial risk.

The restricted funds are invested in cash deposits. Restricted funds decreased during the year by 2.1% as a result of maintaining expenditure on casework and educational activities despite the reduction in income due to lower interest rates.

The endowment funds are invested in a balanced managed fund which should, over time, generate both a steady income and some capital growth. The endowment funds increased during the year by 6.6% as a result of further recovery in stock market levels.

**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The trustees who are directors for the purposes of Company Law are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Practice (United Kingdom Accounting Standards) and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the company's financial activities for the year and of its financial position at the end of the year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that, as far as each trustee is aware, there is no relevant audit information of which the charity's auditors are unaware and that each trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

#### **AUDITORS**

A resolution proposing that Derek Rothera & Company be re-appointed as auditors will be put to the annual general meeting.

Approved by the Board of Trustees on 14 May 2011 and signed on its behalf by

Dr Hilary Grainger, Chair

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	Unrestricted funds	Restricted funds	Endowment	Total 2010	Total 2009
<b>INCOMING RESOURCES</b>						
<b>From generated funds</b>						
<b>Voluntary income:</b>						
Subscriptions		103,046	-	-	103,046	105,822
Donations		14,515	6,202	-	20,717	22,674
Grants	2	-	60,130	-	60,130	65,562
Legacies		74,944	-	-	74,944	28,795
<b>Investment income:</b>						
Dividends		2,989	-	-	2,989	2,448
Rental income		9,000	-	-	9,000	9,000
Interest		1,358	1,093	-	2,451	7,663
<b>From charitable activities</b>						
Educational events and publications		140,814	10,628	-	151,442	132,985
Other		2,296	-	-	2,296	2,228
Total incoming resources		348,962	78,053	-	427,015	377,237
<b>EXPENDED RESOURCES</b>						
<b>Costs of generating voluntary income</b>						
Fund raising costs		6,738	-	-	6,738	6,064
<b>Cost of charitable activities</b>						
Architectural conservation		110,784	78,274	-	187,058	188,823
Education		175,782	6,890	-	182,672	181,609
<b>Governance costs</b>						
		6,217	-	-	6,217	6,259
Total resources expended	3	299,521	83,164	-	382,685	382,755
Net incoming/(outgoing) resources before transfers		49,441	(5,111)	-	44,330	(5,518)
<b>Transfers</b>						
		-	-	-	-	-
<b>Other recognised gains/(losses)</b>						
Gains on investment assets		-	-	3,617	3,617	4,456
<b>Net movement of funds</b>		49,441	(5,111)	3,617	47,947	(1,062)
<b>RECONCILIATION OF FUNDS</b>						
Balance brought forward at 1 January		617,800	245,244	55,025	918,069	919,131
Balance carried forward at 31 December		£667,241	£240,133	£58,642	£966,016	£918,069

The Accounting Policies and the Notes on pages 16 to 21 form part of these Accounts

**BALANCE SHEET AT 31 DECEMBER 2010**

	Notes	Unrestricted funds	Restricted funds	Endowment	Total 2010	Total 2009
<b>TANGIBLE FIXED ASSETS</b>	5	208,959	-	-	208,959	206,821
<b>INVESTMENTS</b>	6	-	-	58,642	58,642	55,025
		<b>208,959</b>	<b>-</b>	<b>58,642</b>	<b>267,601</b>	<b>261,846</b>
<b>CURRENT ASSETS</b>						
Stock of publications		3,543	3,089	-	6,632	11,513
Debtors	7	32,004	2,000	-	34,004	37,199
Investments	6	361,423	234,150	-	595,573	610,717
Cash in bank and in hand		108,489	894	-	109,383	83,073
		<b>505,459</b>	<b>240,133</b>	<b>-</b>	<b>745,592</b>	<b>742,502</b>
<b>CURRENT LIABILITIES</b>						
Amounts falling due within one year:	8	39,733	-	-	39,733	79,140
<b>NET CURRENT ASSETS</b>		<b>465,726</b>	<b>240,133</b>	<b>-</b>	<b>705,859</b>	<b>663,362</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>674,685</b>	<b>240,133</b>	<b>58,642</b>	<b>973,460</b>	<b>925,208</b>
<b>LIABILITIES</b>						
Amounts falling due after one year	9	7,444	-	-	7,444	7,139
<b>NET ASSETS</b>	12	<b>£667,241</b>	<b>£240,133</b>	<b>£58,642</b>	<b>£966,016</b>	<b>£918,069</b>
Represented by:						
<b>FUNDS</b>						
Unrestricted		667,241	-	-	667,241	617,800
Restricted	10	-	240,133	-	240,133	245,244
Endowment	11	-	-	58,642	58,642	55,025
<b>TOTAL FUNDS</b>		<b>£667,241</b>	<b>£240,133</b>	<b>£58,642</b>	<b>£966,016</b>	<b>£918,069</b>

Approved by the Board of Trustees on 14 May 2011

\_\_\_\_\_ Hilary Grainger (Chair)

on behalf of the Trustees

\_\_\_\_\_ Andrew Coleman (Finance Trustee)

The Accounting Policies and the Notes on pages 16 to 21 form part of these Accounts

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

### 1. Accounting Policies

#### (a) Basis of preparation

These financial statements have been drawn up under the historical cost convention, as modified by the revaluation of investments to market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' published in March 2005, applicable UK accounting standards and the Companies Act 2006 .

#### (b) Company status

The charity is a company limited by guarantee. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member.

#### (c) Fund accounting

The charity has three types of funds, unrestricted, restricted and endowment. The unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are funds that are to be used in accordance with specific restrictions imposed by the providers of the funds. Endowment funds are intended to be used primarily to generate income. In accordance with the widely used method of presentation, the income from the investments in the endowment fund is shown as unrestricted income. Details of the restricted and endowment funds are set out in the notes to the financial statements below.

#### (d) Recognition of Income

Subscriptions, donations, grants, legacies and other forms of voluntary income are dealt with when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Legacies and gifts of property, furniture and reference books are recorded at their value at the date of receipt. Sales of literature and advertising are dealt with on an accruals basis. Subscriptions are due on 1 March each year. Subscriptions are recognised as received. Life subscriptions are treated as covering a period of 20 years. The element of subscriptions received relating to future periods is carried forward. Income from events is recognised when the event takes place. Gift aid receivable is included in the category of income to which it relates. No amounts are included in the financial statements for services donated by volunteers.

#### (e) Recognition of Expenditure

Expenditure is recognised when a liability is incurred. Expenditure on future events is deferred until the event takes place.

#### (f) Depreciation

No depreciation is provided on freehold premises since this would be immaterial having regard both to the length of the useful economic life of the property and its estimated residual value. Depreciation is provided on office equipment at 20% on cost. Depreciation is provided on fixtures and fittings on the reducing balance basis at a rate of 25% of written down value on items acquired prior to 1999. For additions in 1999 and thereafter, depreciation is provided at the rate of 20% on cost. No depreciation is provided on antique furniture that is primarily decorative and is not subject to wear and tear. Where assets are not subject to depreciation, an annual impairment review is performed.

#### (g) Allocation of Expenditure

Expenses have been allocated as between direct charitable expenditure, fund-raising, and governance on the basis of expenditure incurred, pro-rated where appropriate, using the proportions of staff time engaged in these functions.

#### (h) Assets

Fixed assets are stated at cost less depreciation. Fixed assets with a cost of less than £500 are generally not capitalised. Donated assets of no functional benefit to the Society received prior to 2000 are not capitalised because it is not possible to attribute a meaningful value to them. Such assets are held for their lifetime and disposal would only take place in exceptional circumstances. Investments are stated at market value. Stock of publications is stated at the lower of cost and realisable value. Debtors are stated at the amount expected to be recoverable.

## 2. Grants

	2010	2009
	£	£
English Heritage	58,130	61,842
CADW	2,000	2,000
Other	-	1,720
	<u>£60,130</u>	<u>£65,562</u>

## 3. Total resources expended

	Conservation	Education	Fundraising	Governance	Total 2010	Total 2009
<b>Staff</b>	121,469	40,442	5,078	1,899	168,888	174,522
<b>Other direct costs</b>						
Events	-	83,063	-	-	83,063	78,904
The Victorian	-	25,447	-	-	25,447	25,447
The Journal		10,530			10,530	-
Casework	8,344	-	-	-	8,344	11,049
Publications	-	7,270	-	-	7,270	22,891
Audit	-	-	-	2,820	2,820	2,750
Other	6,534	-	-	980	980	2,814
<b>Allocated costs</b>						
General office costs	12,591	3,601	429	134	16,755	18,570
Printing	7,695	2,201	262	82	10,240	5,986
Postage and telephone	3,227	923	110	34	4,294	7,977
IT	8,128	2,324	277	87	10,816	16,529
Depreciation	9,134	2,612	311	97	12,154	9,673
50th anniversary	-	-	-	-	-	-
Other	9,936	4,259	271	84	14,550	8,041
	<u>£187,058</u>	<u>£182,672</u>	<u>£6,738</u>	<u>£6,217</u>	<u>£382,685</u>	<u>£382,755</u>

Allocated costs are generally allocated on the basis of the proportions of staff time engaged in each aspect of the Society's work. For depreciation and other costs, these are partially allocated on the basis of directly attributable items and the balance is apportioned on the basis of staff time.

Costs include:

	2010	2009
	£	£
Auditor's remuneration		
-Audit fee	2,820	2,750
-Accountancy fee for payroll services	294	400
Depreciation	12,154	9,673
Staff costs comprise:		
Wages and salaries	149,453	152,792
Social security costs	13,313	13,860
Pension costs	6,122	7,870

The average number of staff employed during the year, calculated on a full time equivalent basis, was 6.3 (2009: 6.5). No staff member received remuneration in excess of £60,000.

The Society makes pension contributions to employees' personal pension schemes or to a stakeholder pension scheme. All of the schemes are defined contribution and the Society has no liability for the payment of pensions in the future.

#### 4. Transactions with Trustees

6 Trustees (2009: 5) received reimbursement of their travelling expenses totalling £1,356 (2009: £1,469) in relation to their role as trustees or on committees. No Mary Heath trustees received reimbursement either in 2010 or 2009.

#### 5. Tangible Fixed Assets

	Freehold premises £	Office equipment £	Furniture & fittings £	Total £
Cost:				
As at 1 January 2010	168,045	35,316	53,366	256,727
Additions	-	-	14,292	14,292
Disposals	-	(1,822)	-	(1,822)
As at 31 December 2010	168,045	33,494	67,658	256,727
Depreciation:				
As at 1 January 2010	-	12,444	37,462	49,906
Charge for the year	-	6,698	5,456	12,154
Disposals	-	(1,822)	-	(1,822)
As at 31 December 2010	-	17,320	42,918	60,238
Net book value:				
As at 31 December 2010	£168,045	£16,174	£24,740	£208,959
As at 31 December 2009	£168,045	£22,872	£15,904	£206,821

The freehold premises are occupied by the Society as offices and surplus space is rented out. The market value of the premises is estimated to exceed substantially the book value in these financial statements. No formal valuation has been obtained since this would incur expense out of proportion to its benefit.

#### 6. Investments

##### Fixed asset investments

	2010	2009
Quoted investments:		
Market value at 1 January	55,025	50,569
Additions	-	-
Unrealised valuation gains/ (losses)	3,617	4,456
Market value at 31 December	£58,642	£55,025

Investments comprise units in a UK common investment fund for charities with a historical cost of £65,897.

##### Current asset investments

Investments in 2010 and 2009 comprise cash on short term deposit with UK institutions.

#### 7. Debtors

	2010	2009
Other debtors	7,466	4,974
Prepayments	4,531	3,781
Accrued income	22,007	28,444

£34,004	£37,199
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**8. Liabilities: Amounts falling due within one year**

	2010	2009
Accruals	13,654	29,167
Deferred income	26,079	49,973
	<u>£39,733</u>	<u>£79,140</u>

**9. Life members' subscriptions received in advance**

	2010	2009
Life members' subscriptions received in advance	<u>£8,279</u>	<u>£7,959</u>

The movement on life members subscriptions received in advance was as follows:

Amount brought forward:		
Due within one year	820	760
Due after one year	7,139	5,955
Additions for the year	1,200	2,110
Taken to income for the year	(880)	(866)
	<u>£8,279</u>	<u>£7,959</u>

Closing balance

The closing balance comprises:  
 Amount falling due within one year  
 Amount falling due after one year

835	820
7,444	7,139

<u>£8,279</u>	<u>£7,959</u>
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**10. Restricted Funds**

	Pevsner Memorial Essay Fund	Mary Heath Trust	Grants	Donations	Total
Balance at 1 January 2010	11,510	228,799	-	4,935	245,244
Received during the year					
Grants	-	-	60,130	-	60,130
Donations	-	-	-	6,202	6,202
Interest	115	978	-	-	1,093
Other income	-	10,628	-	-	10,628
	<u>11,625</u>	<u>240,405</u>	<u>60,130</u>	<u>11,137</u>	<u>323,297</u>
Applied during the year	-	(20,434)	(60,130)	(2,600)	(83,164)
Balance at 31 December 2010	<u>£11,625</u>	<u>£219,971</u>	<u>£-</u>	<u>£8,537</u>	<u>£240,133</u>
Comprising					
Stock	-	3,089	-	-	3,089
Debtors	-	-	2,000	-	2,000
Current asset investments	11,625	215,988	(2,000)	8,537	234,150
Cash	-	894	-	-	894
Creditors	-	-	-	-	-
	<u>£11,625</u>	<u>£219,971</u>	<u>£-</u>	<u>£8,537</u>	<u>£240,133</u>

The Pevsner Memorial Essay Fund was set up to provide an Annual Prize for an essay on British architecture, art or the decorative arts in the Victorian or Edwardian period, by someone who has not been published before.

The Mary Heath Trust was set up according to the terms of the will of the late Mary Heath, who left her entire estate to the Society 'for the benefit of the Birmingham Group'.

### **11. Endowment Fund**

The Tom Greeves Memorial Fund was established in April 1999 following a generous gift from Eleanor Greeves in memory of her husband. The fund is constituted as an expendable endowment and is to be used to support the Society's casework. Movements on the fund are set out in the Statement of Financial Activities. The fund is represented by investments.

### **12. Analysis of net assets between funds**

The levels of restricted and endowment funds are considered satisfactory to fulfil the obligations the Society took on in accepting those funds.

Much of the unrestricted funds represent fixed and working assets required by the Society in carrying on its day to day work. The remainder of the unrestricted funds comprises cash and short term deposits. For the Society to function successfully, it must maintain an adequate level of unrestricted reserves that can be used to finance the Society's day to day operations and provide a precautionary reserve in case of fluctuations in the future level of income. The Trustees consider it prudent that the level of precautionary reserve should not be less than six months' expected future expenditure plus an allowance for property refurbishment. At 31 December 2010, and excluding the proceeds of legacies earmarked for future projects, the Society's cash and short term reserves were £56,000 in excess of this level (2009: £54,000). The excess fluctuates from time to time and the Trustees are presently satisfied that no further action is necessary.

### **13. Statutory and general information**

This note contains information required to comply with statutory and technical accounting pronouncements:

*(i) In relation to the statement of financial activities*

None of the Society's activities was acquired or discontinued during the current or previous years. Accordingly all of the Society's results relate to continuing operations.

Save as disclosed in the Statement of Financial Activities, the Society has no recognised gains and losses. Accordingly a statement of total recognised gains and losses for the year would be the same as the statement of financial activities and has not been presented.

In accordance with the Statement of Recommended Practice 'Accounting by Charities', the Society is required to disclose a summary income and expenditure account prepared in accordance with Financial Reporting Standard No 3:

**Summarised income and expenditure account  
for the year to 31 December 2010**

	2010	2009
Gross income from continuing operations being total income of continuing operations	427,015	377,237
Total expenditure of continuing operations	382,685	382,755
Net income for the year before transfers and gains/losses on investment assets	44,330	(5,518)
Transfer from endowment funds	-	-
Net income for the year after transfers	44,330	(5,518)
Unrealised gain/(loss) on fixed asset investments	3,617	4,456
Net income for the year	£47,947	£(1,062)

The income and the expenditure for the year comprises the income and expenditure on unrestricted and restricted funds as shown in the Statement of Financial Activities.

No taxation is payable as the Society is a registered charity and accordingly is entitled to exemption from taxation on its charitable activities under the provisions of the Income and Corporation Taxes Act 1988.

*(ii) Balance sheet*

There are no pension or other contingencies at 31 December 2010 and 2009.

# Independent auditors' report

## TO THE MEMBERS OF THE VICTORIAN SOCIETY FOR THE YEAR ENDED 31 DECEMBER 2010

We have audited the financial statements of The Victorian Society for the year ended 31 December 2010 which are set out on pages 16 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective Responsibilities of the Trustees and Auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). We have undertaken the audit in accordance with the requirements of APB Ethical Standards including *APB Ethical Standard - Provisions Available for Small Entities*, in the following circumstances: in common with many other businesses of your size and nature, you use our payroll services.

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with those financial statements. In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made. We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 December 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

D Rothera FCA  
Senior Statutory Auditor  
for and on behalf of Derek Rothera & Co,  
Chartered Accountants & Statutory Auditors  
Units 15&16, 7 Wenlock Road, London N1 7SL

Date: 14 May 2011