

# Annual Report and Financial Statements

Year Ended 31 December 2011

**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, *Chair*

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 MBE

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 Ryan

Dominic Roberts

Kathryn Sather

Richard Tinker

Mark Watson

## **SOUTHERN BUILDINGS COMMITTEE**

John Scott, *Chairman*  
Dr Timothy Brittain-Catlin  
Dr Edward Diestelkamp  
Dr Brent Elliott  
Alec Forshaw  
Maggie Goodall  
Elain Harwood  
Peter Howell  
Charles Lawrence  
David McDonald  
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**

Tom Ashley (from 8 March 2012)

Tim Bridges

Chris Costelloe

Edmund Harris (to 27 February 2012)

James Hughes (from 13 October 2011)

**Campaigns Officer** Katie Gunning (to 30 March 2012); Mike Barnes (from 3 April 2012)

**Administrator** Richard Seedhouse

**Events Administrator** Jane Jephcote

## **BANKERS**

Unity Trust Bank plc, Nine Brindleyplace, Birmingham B1 2HB

COIF Charities Funds, 80 Cheapside, London EC2V 6DZ

Investec Bank plc, 2 Gresham Street, London EC2V 7QP

Principality Building Society, Queen Street, Cardiff CF10 1UA

Weatherbys Bank, Sanders Road, Wellingborough NN8 4BX

## **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 2011 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

**4729 listed building consent applications received**

**2050 identified as our period**

**366 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 2011 we received more than 4,729 notifications of proposals for works to listed buildings (4,382 in 2010), 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, 1,842 related to Victorian or Edwardian buildings (1,620 in 2010), and we gave detailed responses to 366 (337 in 2010).

We receive a grant towards our listed buildings casework from English Heritage, which has recently extended this funding until March 2013. However there is no allowance for inflation and we are concerned

that 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**

**3,157 members**

**94,402 visits to our website**

**3,578 downloads of our factsheet on listed buildings**

**320 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 3,157 members (3,291 in 2010). 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 2011, Gift Aid added £25,614 (£18,940 in 2010) to our funds.

Legacies are also tremendously important. In 2011 we received a legacy of £73,000 from Hazel Catherine Turnbull of the Wirral, £5,000 from our former Chairman, Dr Colin Cunningham, and £500 from ER Willis of Somerset. The Eliot Hodgkin bequest continues to fund our 50th anniversary exhibition *Saving a Century*. In 2011 it was shown at Swansea Civic Centre, Swindon Library, Bristol Central Library, Bournemouth Library, Eastbourne Heritage Centre, The Dome in Buxton, Radnorshire Museum, Brighton Jubilee Library, Sheffield Winter Garden and Leeds City Museum. Thanks to our membership trustee Steve Roman for organising such an impressive touring schedule.

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 2012 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, 3,578 people read our factsheet on listed buildings (2,975 in 2010), 956 on conservation areas (796 in 2010) and 453 our campaigning guide (435 in 2010) – but a lot is done individually. We now have more than 1280 followers (500 in 2010) reading our updates on Twitter, the social networking site.

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

In the last year we have worked with campaigners concerned about a Grade II\*-listed water tower in Colchester. We backed a group of people in St Albans who were protesting against plans to demolish a former school building, and in Lytham St Annes we opposed plans to demolish the unlisted Victoria Hotel. In Birmingham we worked with campaigners to try to save a row of six Victorian and Edwardian houses on the Hagley Road and in Brighton we worked with local people to oppose plans to remodel the Royal Sussex County Hospital which included the demolition of its Grade II-listed chapel.

Some of these community campaigns are still continuing, and we will continue to develop other campaigning opportunities as they arise.

### **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 five 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. Since our 2011 list was published, a building preservation trust is in negotiation to buy the Ancoats Dispensary in Manchester to save it from demolition. From our 2010 list, plans are underway to convert Normansfield Hospital in Teddington to flats, and we were told that our 'naming and shaming' really helped to spur the project on. However, the threat of partial demolition still hangs over Beresford Pite's wonderful 30 Euston Square in London due to High Speed 2 rail link. As well as the extensive media coverage it generates, the campaign also raises our internet profile. Our website recorded a peak of 1,350 unique visitors on the day of the launch (3,507 in 2010).

In 2011, we issued 106 press releases (101 in 2010), leading to more than 320 articles in both national and local newspapers mentioning our campaigns (over 340 in 2010), and we made at least 34 appearances on television and radio. News of our campaigns is reported on our website, which attracted 94,402 unique visits in 2011 (100,919 in 2010), an average of 258 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 English Heritage grant for Community Engagement has been phased out. The trustees reviewed the project before the grant expired and decided that it should continue as it is an extremely important part of our work. 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

**144 events in 2011, organised by volunteers**

**2,727 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 Geoff Brandwood, looked at seven great names of Victorian architecture, including Thomas Rickman, JT Micklethwaite, GE Street, RC Carpenter, ES Prior, Paley & Austin and Sir Ernest George. The autumn series, organised by Michael Hall, celebrated the bicentenary of George Gilbert Scott, considering his reputation and biography, his churches and stained glass, his restorations of cathedrals and of Westminster Abbey Chapter House, and the Midland Grand Hotel (which had triumphantly re-opened as the St Pancras Renaissance Hotel on 5 May 2011). Susie Harries and Michael Hall organised one of our most-popular-ever study days on Nikolaus Pevsner and Victorian architecture to celebrate the publication of her definitive biography. The Brian Allison Memorial Lecture for the Leicester Group was on Jane Austen and Victorian Gothic architecture, by Richard Gill. We also hosted several supper lectures in our office, including topics as diverse as the building of Belgravia, lost Victorian London, Passmore Edwards, Daniel Cottier, the Eastlakes and the Victorian art world, and London’s Victorian sewers.

### **Visits**

One of the highlights of the events programme this year was the AGM weekend based in Hull, organised and led by David Neave and Geoff Brandwood. Our West Yorkshire Group organised a weekend of lectures and visits to celebrate the bicentenary of Sir George Gilbert Scott. We also repeated Geoff Brandwood’s very popular tour of North Yorkshire and Darlington, and also had days out in the Cotswolds to look at the work of Detmar Blow, to look at church restoration in mid Suffolk, and the work of GG Scott in Surrey.

Some of the other visits and walks included days in Oswestry, Bradford, and Derby; tours of Prestwich, Nottingham, and Battersea; and visits to St Andrew’s Roker, Papplewick Pumping Station and the Palace of Westminster. We also went for a swim in the recently-refurbished Kentish Town Baths, and for dinner in the former Victoria Hotel, Northumberland Avenue. Many of these events were organised by our regional groups.

In 2011 the Society held at least 51 lectures (43 in 2010), 2 study days (3), 4 weekends away (4), 12 day trips (18) and 47 visits or walks (44), a total of 122 events (106) or on average two events per week around the country. We processed over 2,727 bookings for events (2,691 in 2010), 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’ (91% in 2010).

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 celebrated the twenty-first modern census by looking at what use those interested in Victorian and Edwardian buildings might make of the information it contains. In July, the theme was George Gilbert Scott to celebrate his bicentenary. In November we looked at Edward Burne-Jones to mark the publication of our Vice-President Fiona MacCarthy’s highly-acclaimed new biography, as well as featuring the top ten most endangered buildings for 2011, and looking at what had happened to those on our 2010 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 third issue, published in 2011, we focused on late Victorian and

Edwardian churches, drawing from an earlier lecture series. The issue after that will look at Ecclesiology and the empire and should appear in October 2012.

### **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 2011, we sold 895 booklets (1260 in 2010) and 35 copies of the book (55 in 2010). As stocks diminish we will reconsider our publications strategy.

We provide a lot of information on our website. The most popular advice notes on our website related to house history (7,558 views, 3,851 in 2010), paintwork (6,709 views; 4,479 in 2010), decorative tiles (6,466 views, 4,462 in 2010) and fireplaces, (6,165 views; 4,404 in 2010).

### **Other publications**

Thanks to a contribution from the David Crellin Memorial Fund, our West Yorkshire Group published *Building a Great Victorian City: Leeds architects and architecture 1790-1914*, in association with Jeremy Mills Publishing. A handsome book, it has sold very well. Our South Yorkshire Group's book on Sheffield schools is well-advanced and should appear later in 2012, while we are also planning to reprint Ted Hubbard's book on *John Douglas*. 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 three 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>	2011	2010	
	£'000	£'000	
<b>Total incoming resources</b>	<b>432</b>	<b>427</b>	<b>Total income up 1.1%</b>
<i>Principal components:</i>			
Subscription income	118	103	Increase 14.6%
Grants	56	60	Decrease 7.5%
Investment income	22	14	Increase 50.1%
Educational events and publications	119	151	Decrease 21%
Donations	29	21	Increase 42.0%
Legacies	79	75	Increase 4.9%

Subscription income was up by 14.6% partly as a result of an increase in subscription rates and partly as a result of additional recovery of Gift Aid. Grant income decreased by 7.5% reflecting the phased withdrawal of our Community Engagement Grant from English Heritage. Investment income increased as a result of placing some of our resources on longer-term deposit at much higher rates. Educational activities continued to be very successful but the gross income was lower this year as a result of changes in the mix of events. Donations increased in 2011 mainly due to a change in the timing of the annual fund appeal which benefitted 2011 to the detriment of 2010. Legacy income continued at what is a very welcome level for us in 2011. 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, and other one-off items, income on a recurring basis for 2011 was £346,000, a decrease of 1.8% on 2010.

<b>Outgoing resources</b>	2011	2010	
	£'000	£'000	
<b>Total outgoing resources</b>	<b>383</b>	<b>383</b>	<b>Total expenses unchanged</b>
<i>Principal components:</i>			
Architectural conservation	190	187	Increase 1.4%
Educational activities	180	183	Decrease 1.5%
Fund raising and governance	13	13	Increase 1.8%

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 changes in staffing and a change in the mix of events which have reduced expenditure.

Adjusting for one-off factors, expenditure on a recurring like-for like basis for 2011 was £370,000, a decrease of 2.5% on 2010.

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

<b>Net movement in resources</b>	2011	2010	
	£'000	£'000	
Deficit on recurring items on a like-for-like basis	(41)	(31)	
Annual fund appeal	18	5	
Result on recurring items after annual fund appeal	(23)	(26)	
Legacies (used for projects) and other non-recurring items	85	75	
One-off costs	(13)	(4)	
Net movement in resources before valuation adjustments	49	45	

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

### Balance sheet

<b>Net assets</b>	2011	2010	
	£'000	£'000	
<b>Total net assets</b>	<b>1,030</b>	<b>984</b>	<b>Total net assets up 4.7%</b>
<i>Principal components:</i>			
<u>Unrestricted fund:</u>			
Tangible fixed assets	198	209	Decrease 5.2%
Short term deposits	486	361	Increase 34.5%
Other net assets	60	97	Decrease 38.5%
<u>Restricted and endowment fund:</u>			
Investments and short term deposits	284	293	Decrease 3.0%

### Unrestricted funds

Unrestricted funds represent the Society's day to day operating finances. Overall unrestricted funds showed an increase for the year of 8.7%. 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. The increase in deposits is due to the receipt of legacy income and to a reduction in the level of cash at bank in comparison with 2010.

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 2011, and excluding the proceeds of legacies earmarked for future projects, the Society's cash and short term reserves were £115,000 in excess of this level (2010: £55,000). 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 4.1% as a result of maintaining expenditure on casework, despite the low level of interest income.

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 decreased during the year by 5.2% as a result of a reduction 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 21 April 2012 and signed on its behalf by

Dr Hilary Grainger, Chair

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2011**

Notes	Unrestricted funds	Restricted funds	Endowment	Total 2011	Total 2010
<b>INCOMING RESOURCES</b>					
<b><i>From generated funds</i></b>					
<i>Voluntary Income:</i>					
Subscriptions	118,090	-	-	118,090	103,558
Donations	28,818	607	-	29,425	20,717
Grants 2	-	55,633	-	55,633	60,130
Legacies	78,644	-	-	78,644	74,944
<i>Investment income:</i>					
Dividends	2,604	-	-	2,604	2,989
Rental income	9,900	-	-	9,900	9,000
Interest	5,982	3,314	-	9,296	2,451
<b><i>From charitable activities</i></b>					
Educational events and publications	116,721	2,626	-	119,347	151,442
<b><i>Other</i></b>	9,222	-	-	9,222	2,296
Total incoming resources	369,981	62,180	-	432,161	427,527
<b>EXPENDED RESOURCES</b>					
<b><i>Costs of generating voluntary income</i></b>					
Fund raising costs	7,113	-	-	7,113	6,738
<b><i>Cost of charitable activities</i></b>					
Architectural conservation	124,394	65,213	-	189,607	187,058
Education	173,083	6,888	-	179,971	182,672
<b><i>Governance costs</i></b>	6,074	-	-	6,074	6,217
Total resources expended	310,664	72,101	-	382,765	382,685
Net incoming/outgoing resources before transfer	59,317	(9,921)	-	49,396	44,842
<b><i>Transfers</i></b>					
<b><i>Other recognised gains/(losses)</i></b>					
Gains/(losses) on investment assets	-	-	(3,065)	(3,065)	3,617
Net movement of funds	59,317	(9,921)	(3,065)	46,331	48,459
<b>RECONCILIATION OF FUNDS</b>					
Balance brought forward at 1 January	684,837	240,133	58,642	983,612	935,153
Balance carried forward at 31 December	£744,154	£230,212	£55,577	£1,029,943	£983,612

The Accounting Policies and the Notes on pages 16 to 20 form part of these Accounts

**BALANCE SHEET AT 31 DECEMBER 2011**

	Notes	Unrestricted funds	Restricted funds	Endowment	Total 2011	Total 2010
<b>TANGIBLE FIXED ASSETS</b>	5	198,153	-	-	198,153	208,959
<b>INVESTMENTS</b>	6	-	-	55,577	55,577	58,642
		198,153	-	55,577	253,730	267,601
<b>CURRENT ASSETS</b>						
Stock of publications		2,042	1,577	-	3,619	6,632
Debtors	7	59,372	-	-	59,372	34,004
Investments	6	486,414	228,264	-	714,678	595,573
Cash in bank and in hand		41,567	371	-	41,938	109,383
		589,395	230,212	-	819,607	745,592
<b>CURRENT LIABILITIES</b>						
Amounts falling due within one year:	8	36,740	-	-	36,740	22,137
<b>NET CURRENT ASSETS</b>		552,655	230,212	-	782,867	723,455
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		750,808	230,212	55,577	1,036,597	991,056
<b>LIABILITIES</b>						
Amounts falling due after one year	9	6,654	-	-	6,654	7,444
<b>NET ASSETS</b>	12	£744,154	£230,212	£55,577	£1,029,943	£983,612
Represented by:						
<b>FUNDS</b>						
Unrestricted		744,154	-	-	744,154	684,837
Restricted	10	-	230,212	-	230,212	240,133
Endowment	11	-	-	55,577	55,577	58,642
<b>TOTAL FUNDS</b>		£744,154	£230,212	£55,577	£1,029,943	£983,612

Approved by the Board of Trustees on 21 April 2012

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

on behalf of the Trustees

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

The Accounting Policies and the Notes on pages 16 to 20 form part of these Accounts

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

### 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 life 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.

The charity has changed its accounting policy for annual subscriptions this year and now recognises them in full on receipt rather than allocating them over the period of the subscription. The charity believes that this is a more accurate reflection of the nature of the transactions since it has no contractual obligation to provide goods or services to members. The policy change has been effected by restatement of the results and balance sheets of prior years. Subscription income for 2010 increased by £512 and brought forward reserves at 01 January 2010 by £17,084 as a result of this change with a consequent reduction in income received in advance in current liabilities.

#### (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**

	2011 £	2010 £
English Heritage	51,633	58,130
CADW	2,000	2,000
Other	-	-
	<u>£53,633</u>	<u>£60,130</u>

**3. Total resources expended**

	Conservation	Education	Fundraising	Governance	Total 2011	Total 2010
<b>Staff</b>	117,586	41,701	5,238	1,961	166,486	168,888
<b>Other direct costs</b>						
Events	-	66,883	-	-	66,883	83,063
The Victorian	-	27,088	-	-	27,088	25,447
The Journal	-	12,742	-	-	12,742	10,530
Casework	9,799	-	-	-	9,799	8,344
Publications	-	11,139	-	-	11,139	7,270
Other	3,398	-	-	3,526	6,924	7,514
<b>Allocated costs</b>						
General office costs	58,824	20,418	1,875	587	81,704	68,809
	<u>£189,607</u>	<u>£179,971</u>	<u>£7,113</u>	<u>£6,074</u>	<u>£382,765</u>	<u>£379,865</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:

	2011 £	2010 £
Auditor's remuneration		
-Audit fee	2,761	2,820
-Accountancy fee for payroll services	594	294
Depreciation	10,806	12,154
Staff costs comprise:		
Wages and salaries	146,720	149,453
Social security costs	12,217	13,313
Pension costs	7,549	6,122

The average number of staff employed during the year, calculated on a full time equivalent basis, was 6.2 (2010: 6.3). 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 (2010: 6) received reimbursement of their travelling expenses totalling £1,153 (2010: £1,356) in relation to their role as trustees or on committees. No Mary Heath trustees received reimbursement either in 2011 or 2010.

#### 5. Tangible Fixed Assets

	Freehold premises £	Office equipment £	Furniture & fittings £	Total £
Cost:				
As at 1 January 2011	168,045	33,494	67,658	269,197
Additions	-	-	-	-
Disposals	-	(7,111)	(19,703)	(26,814)
As at 31 December 2011	<u>168,045</u>	<u>26,383</u>	<u>47,955</u>	<u>242,383</u>
Depreciation:				
As at 1 January 2011	-	17,320	42,918	60,238
Charge for the year	-	5,277	5,529	10,806
Disposals	-	(7,111)	(19,703)	(26,814)
As at 31 December 2011	<u>-</u>	<u>15,486</u>	<u>28,744</u>	<u>44,230</u>
Net book value:				
As at 31 December 2011	<u>£168,045</u>	<u>£10,897</u>	<u>£19,211</u>	<u>£198,153</u>
As at 31 December 2010	<u>£168,045</u>	<u>£16,174</u>	<u>£24,740</u>	<u>£208,959</u>

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

	2011	2010
Quoted investments:		
Market value at 1 January	58,642	55,025
Additions	-	-
Unrealised valuation gains/ (losses)	(3,065)	3,617
Market value at 31 December	<u>£55,577</u>	<u>£58,642</u>

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

##### Current asset investments

Investments in 2011 and 2010 comprise cash on deposit with UK institutions.

#### 7. Debtors

	2011	2010
Other debtors	969	7,466
Prepayments	4,055	4,531
Accrued income	54,348	22,007
	<u>£59,372</u>	<u>£34,004</u>

**8. Liabilities: Amounts falling due within one year**

	<b>2011</b>	<b>2010</b>
Accruals	25,560	13,654
Deferred income	11,180	8,483
	<u>£36,740</u>	<u>£22,137</u>

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

	<b>2011</b>	<b>2010</b>
Life members' subscriptions received in advance	<u>£7,444</u>	<u>£8,279</u>

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

Amount brought forward:		
Due within one year	835	820
Due after one year	7,444	7,139
Additions for the year	-	1,200
Taken to income for the year	(835)	(880)
	<u>£7,444</u>	<u>£8,279</u>

The closing balance comprises:

Amount falling due within one year	790	835
Amount falling due after one year	6,654	7,444
	<u>£7,444</u>	<u>£8,279</u>

**10. Restricted Funds**

	<b>Pevsner Memorial Essay Fund</b>	<b>Mary Heath Trust</b>	<b>Grants</b>	<b>Donations</b>	<b>Total</b>
Balance at 1 January 2011	11,625	219,971	-	8,537	240,133
Received during the year					
Grants	-	-	55,633	-	55,633
Donations	-	-	-	607	607
Interest	-	3,314	-	-	3,314
Other income	-	2,626	-	-	2,626
	<u>11,625</u>	<u>225,911</u>	<u>55,633</u>	<u>9,144</u>	<u>302,313</u>
Applied during the year	-	(16,468)	(55,633)	-	(72,101)
Balance at 31 December 2011	<u>£11,625</u>	<u>£209,443</u>	<u>£-</u>	<u>£9,144</u>	<u>£230,212</u>
Comprising					
Stock	-	1,577	-	-	1,577
Debtors	-	-	-	-	-
Current asset investments	11,625	207,495	-	9,144	228,264
Cash	-	371	-	-	371
Creditors	-	-	-	-	-
	<u>£11,625</u>	<u>£209,443</u>	<u>£-</u>	<u>£9,144</u>	<u>£230,212</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 2011, and excluding the proceeds of legacies earmarked for future projects, the Society's cash and short term reserves were £115,000 in excess of this level (2010: £56,000). 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 2011**

	2011	2010
Gross income from continuing operations		
being total income of continuing operations	432,161	427,527
Total expenditure of continuing operations	382,765	382,685
Net income for the year before transfers and gains/losses on investment assets	49,396	44,842
Transfer from endowment funds	-	-
Net income for the year after transfers	49,396	44,842
Unrealised gain/(loss) on fixed asset investments	(3,065)	3,617
Net income for the year	<u>£46,331</u>	<u>£48,459</u>

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 2011 and 2010.

# Independent auditors' report

## TO THE MEMBERS OF THE VICTORIAN SOCIETY FOR THE YEAR ENDED 31 DECEMBER 2011

We have audited the financial statements of The Victorian Society for the year ended 31 December 2011 which are set out on pages 14 to 20. 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 2011 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: 21 April 2012