

Annual Report and Financial Statements

Year Ended 31 December 2012

**THE VICTORIAN
SOCIETY**

Contents

3	PEOPLE
5	ANNUAL REVIEW
5	WHAT'S THE PROBLEM? WHAT ARE WE DOING ABOUT IT?
6	CONSERVING
7	INVOLVING
9	EDUCATING
10	TRUSTEES' REPORT
10	STRUCTURE, GOVERNANCE AND MANAGEMENT
11	FINANCIAL REVIEW
14	STATEMENT OF FINANCIAL ACTIVITIES
15	BALANCE SHEET
16	NOTES TO THE FINANCIAL STATEMENTS
21	INDEPENDENT AUDITORS' REPORT

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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

Harry Handelsman

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

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Jennifer Chambers

Alan Davies

Andy Foster

Michael Green

Dr Chris Hammond

Sharman Kadish

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 Chris Costelloe (from 1 September 2012)
Dr Ian Dungavell (to 31 August 2012)

Conservation Advisers

Tom Ashley (from 8 March 2012)
Tim Bridges
Chris Costelloe (to 31 August 2012)
Kathy Clark (from 7 October 2012)
Edmund Harris (to 27 February 2012)
James Hughes

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 2012 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

5,138 listed building consent applications received

2,244 identified as our period

343 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 that they have consulted us on. 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 2012 we received more than 5,138 notifications of proposals for works to listed buildings (4,729 in 2011), 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, 2,244 related to Victorian or Edwardian buildings (1,842 in 2011), and we gave detailed responses to 343 (366 in 2011).

We receive a grant towards our listed buildings casework from English Heritage, which has recently extended this funding until March 2014. 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. 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

3,186 members

114,599 unique visitors to our website

4,346 followers on Twitter

328 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 3,186 members (3,157 in 2011). 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 2012, Gift Aid added £22,313 (£25,614 in 2011) to our funds.

Legacies are also tremendously important. In 2012 we received £1000 from Margaret Purdy of Sanderstead. The Eliot Hodgkin bequest continues to fund our 50th anniversary exhibition *Saving a Century*. In 2012 it was shown at Kew Bridge Steam Museum, Ipswich County Library, Louth Museum, Cragside in Northumberland, Wightwick Manor, Blackpool Winter Gardens, Bath Place Community Venture in Leamington Spa, Nottingham Central Library, Liverpool John Moores University, Norfolk and Norwich Millennium Library, Southampton Central Library, and Christ Church, West Didsbury. 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 2013 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 hundreds of 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 Media & Campaigns Officer 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, and increasingly social media plays an important role. We now have more than 4,346 followers (1,280 in 2011) 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 house by William White in Cornwall. In Lytham St Annes we opposed plans to demolish the unlisted Victoria Hotel. In Hackney we worked with campaigners to try to stop the demolition of an unlisted 1830s pub by the Geffrye Museum and in West Yorkshire we assisted a strong local campaign to save a spectacular listed Victorian spillway from destruction.

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 six 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 2012 list was published, action has been taken to secure Ipswich County Hall from further damage, and a Buildings Preservation Trust has put forward plans for the retention of at least part of the threatened S. S. Teulon church at Birch in Essex. From our 2009 list, plans have been drawn up to convert Oldham Town Hall into a cinema – a laudable move on the part of Oldham Council - and the burst of publicity that we obtained for the building 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, featured in our 2010 list, due to the proposed High Speed 2 railway. As well as the extensive media coverage it generates, the campaign also raises our internet profile. Our website recorded a peak of 1,753 unique visitors on the day of the launch (1,350 in 2011).

In 2012, we issued 73 press releases (106 in 2011), leading to more than 328 articles in both national and local newspapers mentioning our campaigns (320 in 2011), and we made at least 20 appearances on television and radio. News of our campaigns is reported on our website, which attracted 114,599 unique visits in 2012 (94,402 in 2011), an average of 314 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

124 events in 2012, organised by volunteers

4,497 bookings taken for events

87% 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 Steven Brindle, looked at great Victorian constructors, including Thomas Brassey, Sir William Armstrong, Sir John Aird, Sir Joseph Bazalgette, Fox, Henderson & Co., Robert Stephenson and smaller contractors in London. The autumn series, organised by Michael Hall, continued our 'decade' series, moving to the 1890s. After a brilliant introductory lecture by Andrew Saint lectures covered Charles Rennie Mackintosh, Lutyens, Paley & Austin, to celebrate the publication of Geoff Brandwood's monograph on the practice, architectural photography, Westminster Cathedral and buildings for beer. Paul Dobraszczyk organised a study day on decorative cast iron in Victorian architecture, and Kate Jordan and Ayla Lepine organised one on monasteries and convents in nineteenth-century Britain, many of which are now under threat due to the dwindling of their communities. The West Midlands Group organised a highly successful study day looking at education in Birmingham in the nineteenth century. Our conservation adviser Edmund Harris gave a lecture to the Manchester Group on the endangered historic architecture of Moscow. We also hosted several supper lectures in our office, including topics as diverse as the first railway murder, Bedford Lemere & Co., Fern Fever, Dickens' London, and London's Victorian squares.

Visits

One of the highlights of the events programme this year was the AGM weekend based in Newcastle-upon-Tyne, organised and led by Grace McCombie, Neil Moat, Thomas Faulkner and Andrew Saint. Our Wales Group organised an ambitious visit to see Mackintosh's Glasgow and the Isle of Bute. Michael Whitaker led a very successful weekend in the Cotswolds, and we also had days out in Norwich, contrasting the works of George Skipper and Edward Boardman, Warwickshire, looking at the work of GG Scott in that county, and 'Stanhope Country', centred on the murals at Hoylandswaine that are currently being restored.

Some of the other visits and walks included days in Selby, Liverpool libraries, and Bridgwater; a weekend in Llandudno, tours of Imperial College, Port Sunlight and Preston; and visits to West Yorkshire railway stations, Beaumanor Hall in Woodhouse Eaves and Sale Cemetery. We explored libraries in north and east London, and went to dinner in the St Pancras Hotel. Many of these events were organised by our regional groups.

In 2012 the Society held at least 45 lectures (51 in 2011), 3 study days (2), 6 weekends away (4), 26 day trips (12) and 44 visits or walks (47), a total of 124 events (122) or on average two events per week around the country. We processed over 2,569 bookings for events (2,727 in 2011), not including regional group events or 'turn up on the day' events. Overall, 87% of delegates who answered the question in our survey rated the event they attended 'Excellent' or 'Very good' (91% in 2011).

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.

The Victorian

We published three issues of our magazine, *The Victorian*, edited with great dedication and skill by Liz Robinson. In March we looked at how the continuing revival of the railways is affecting Britain's unrivalled historic railway architecture. In July, the theme was Artists' houses, celebrating the reopening of William Morris's childhood home. In November we looked at William Burges, to mark the publication of a revised edition of J. Mordaunt Crook's highly-acclaimed biography, as well as featuring the top ten most endangered buildings for 2012, and looking at what had happened to those on our 2011 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 fourth issue, published in 2012, we focused on Ecclesiology and Empire, looking at the global influence of Victorian church architects. We are currently preparing for publication an issue focussing on Nikolaus Pevsner, which should appear towards the end of 2013.

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 2012, we sold 867 booklets (895 in 2011) and 21 copies of the book (35 in 2011). 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, paintwork, decorative tiles, and fireplaces.

Other publications

Our South Yorkshire Group published *Building Schools for Sheffield 1870-1914* in 2012, in association with ALD Design & Print, and sales are going well. Our reprint of Ted Hubbard's book on *John Douglas* is well-advanced. 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

Incoming resources	2012	2011	
	£'000	£'000	
Total incoming resources	382	432	Total income down 11.6%
<i>Principal components:</i>			
Subscription income	125	118	Increase 5.9%
Grants	48	56	Decrease 13.3%
Investment income	25	22	Increase 16%
Educational events and publications	129	119	Increase 8.4%
Donations	12	29	Decrease 60.6%
Legacies	41	79	Decrease 47.5%

Subscription income was up by 5.9% as a result of an increase in subscription rates. Grant income decreased by 13.3% reflecting the planned withdrawal of our Community Engagement Grant from English Heritage. We are grateful to English Heritage for their continued support of the Society. Investment income increased as a result of some of our resources being on longer-term deposit at much higher rates. Educational activities continued to be very successful and the gross income was higher this year as a result of changes in the mix of events. Donations decreased in 2012 but the decrease was at least partly due to a change in the timing of the Annual Fund appeal which will benefit 2013 at the cost of 2012. Donations are a key element of the Society's fundraising programme and we are grateful to all members who support us. Legacy income continued at what is a very welcome level for us in 2012 although lower than 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 2012 was £341,000, a decrease of 1.6% on 2011 on a like for like basis.

Outgoing resources	2012	2011	
	£'000	£'000	
Total outgoing resources	352	383	Total expenses down 7.9%
<i>Principal components:</i>			
Architectural conservation	171	190	Decrease 9.6%
Educational activities	168	180	Decrease 6.7%
Fund raising and governance	13	13	Increase 0.2%

Expenditure on the Society's charitable activities of architectural conservation and education amounted to 96% of total expenditure for the year. The principal reason for the decrease in expenditure in comparison with 2011 is that 2011 reflected higher one-off maintenance costs. Excluding this, like for like expenditure was down 4.7% due to lower publication and publicity costs in 2012 offsetting higher events costs.

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

Net movement in resources	2012	2011	
	£'000	£'000	
Deficit on recurring items on a like-for-like basis	(18)	(41)	
Annual fund appeal	6	18	
Result on recurring items after annual fund appeal	(12)	(23)	
Legacies (used for projects) and other non-recurring items	41	85	
One-off costs	-	(13)	
Net movement in resources before valuation adjustments	29	49	

Balance sheet

Net assets	2012	2011	
	£'000	£'000	
Total net assets	1,065	1,030	Total net assets up 3.4%
<i>Principal components:</i>			
Unrestricted fund:			
Tangible fixed assets	193	198	Decrease 2.8%
Short term deposits	552	486	Increase 13.6%
Other net assets	34	60	Decrease 43.2%
Restricted and endowment fund:			
Investments and short term deposits	284	284	Unchanged

Unrestricted funds

Unrestricted funds represent the Society's day to day operating finances. Overall unrestricted funds showed an increase for the year of 4.7%. 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. Since the year end the Society has accepted an offer of £2 million for the property, subject to contract. The increase in deposits is due to the receipt of legacy income and to a reduction in the level of debtors in comparison with 2011.

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 a year's expected future expenditure plus an allowance for property refurbishment. At 31 December 2012, and excluding the proceeds of legacies earmarked for future projects, the Society's cash and short term reserves were £40,000 in excess of this level. 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 2.4 % as a result of maintaining expenditure on casework at above the interest earned on deposits..

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 9.3% as a result of a increase 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 27 April 2013 and signed on its behalf by

Professor Hilary Grainger, Chair

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	Unrestricted funds	Restricted funds	Endowment	Total 2012	Total 2011
INCOMING RESOURCES						
From generated funds						
<i>Voluntary Income:</i>						
Subscriptions		125,012	-	-	125,012	118,090
Donations		10,995	607	-	11,602	29,425
Grants	2	-	48,250	-	48,250	55,633
Legacies		41,268	-	-	41,268	78,644
<i>Investment income:</i>						
Dividends		2,626	-	-	2,626	2,604
Rental income		9,900	-	-	9,900	9,900
Interest		8,101	4,664	-	12,765	9,296
From charitable activities						
Educational events and publications		127,856	1,579	-	129,435	119,347
Other		1,036	-	-	1,036	9,222
Total incoming resources		326,794	55,100	-	381,894	432,161
EXPENDED RESOURCES						
Costs of generating voluntary income						
Fund raising costs		6,829	-	-	6,829	7,113
Cost of charitable activities						
Architectural conservation		111,977	59,441	-	171,418	189,607
Education		166,737	1,085	-	167,822	179,971
Governance costs		6,385	-	-	6,385	6,074
Total resources expended	3	291,928	60,526	-	352,454	382,765
Net incoming/outgoing resources before transfer						
		34,866	(5,426)	-	29,440	49,396
Transfers						
		-	-	-	-	-
Other recognised gains/(losses)						
Gains/(losses) on investment assets		-	-	5,165	5,165	(3,065)
Net movement of funds		34,866	(5,426)	5,165	34,605	46,331
RECONCILIATION OF FUNDS						
Balance brought forward at 1 January		744,154	230,212	55,577	1,029,943	983,612
Balance carried forward at 31 December		£779,020	£224,786	£60,742	£1,064,548	£1,029,943

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

BALANCE SHEET AT 31 DECEMBER 2012

	Notes	Unrestricted funds	Restricted funds	Endowment	Total 2012	Total 2011
TANGIBLE FIXED ASSETS	5	192,660		-	192,660	198,153
INVESTMENTS	6	-	-	60,742	60,742	55,577
		192,660	-	60,742	253,402	253,730
CURRENT ASSETS						
Stock of publications		3,116	832	-	3,948	3,619
Debtors	7	23,220	-	-	23,220	59,372
Investments	6	552,517	223,047	-	775,564	714,678
Cash in bank and in hand		50,976	907	-	51,883	41,938
		629,829	224,786	-	854,615	819,607
CURRENT LIABILITIES						
Amounts falling due within one year:	8	37,562	-	-	37,562	36,740
NET CURRENT ASSETS		592,267	224,786	-	817,053	782,867
TOTAL ASSETS LESS CURRENT LIABILITIES		784,927	224,786	60,742	1,070,455	1,036,597
LIABILITIES						
Amounts falling due after one year	9	5,907	-	-	5,907	6,654
NET ASSETS	12	£779,020	£224,786	£60,742	£1,064,548	£1,029,943
Represented by:						
FUNDS						
Unrestricted		779,020			779,020	744,154
Restricted	10		224,786		224,786	230,212
Endowment	11			60,742	60,742	55,577
		£779,020	£224,786	£60,742	£1,064,548	£1,029,943

_____ Hilary Grainger (Chairman)

_____ Andrew Coleman (Finance Trustee)

on behalf of the Main Committee

Date: 27 April 2013

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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.

(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 and on fixtures and fittings at 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

	2012	2011
	£	£
English Heritage	46,250	51,633
CADW	2,000	2,000
Other	-	2,000
	<u>£48,250</u>	<u>£55,633</u>

3. Total resources expended

	Conservation	Education	Fundraising	Governance	Total 2012	Total 2011
Staff	116,413	41,842	5,246	1,927	165,428	166,486
Other direct costs						
Events	-	72,734	-	-	72,734	66,883
The Victorian	-	24,724	-	-	24,724	27,088
The Journal	-	11,831	-	-	11,831	12,742
Casework	7,479	-	-	-	7,479	9,799
Publications	-	2,853	-	-	2,853	11,139
Other	5,900	-	-	3,949	9,849	6,924
Allocated costs						
General office costs	41,626	13,838	1,583	509	57,556	81,704
	<u>£171,418</u>	<u>£167,822</u>	<u>£6,829</u>	<u>£6,385</u>	<u>£352,454</u>	<u>£382,765</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:

	2012	2011
	£	£
Auditor's remuneration		
-Audit fee	2,850	2,761
-Accountancy fee for payroll services	700	594
Depreciation	11,162	10,806
Staff costs comprise:		
Wages and salaries	145,938	146,720
Social security costs	11,335	12,217
Pension costs	8,155	7,549

The average number of staff employed during the year, calculated on a full time equivalent basis, was 5.9 (2011: 6.2). 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

5 Trustees (2011: 6) received reimbursement of their travelling expenses totalling £1,272 (2011: £1,153) in relation to their role as trustees or on committees. No Mary Heath trustees received reimbursement either in 2012 or 2011.

5. Tangible Fixed Assets

	Freehold premises	Office equipment	Furniture & fittings	Total
	£	£	£	£
Cost:				
As at 1 January 2012	168,045	26,383	47,955	242,383
Additions	-	5,669	-	5,669
Disposals	-	-	-	-
As at 31 December 2012	<u>168,045</u>	<u>32,052</u>	<u>47,955</u>	<u>248,052</u>
Depreciation:				
As at 1 January 2012	-	15,486	28,744	44,230
Charge for the year	-	6,411	4,751	11,162
Disposals	-	-	-	-
As at 31 December 2012	<u>-</u>	<u>21,897</u>	<u>33,495</u>	<u>55,392</u>
Net book value:				
As at 31 December 2012	<u>£168,045</u>	<u>£10,155</u>	<u>£14,460</u>	<u>£192,660</u>
As at 31 December 2011	<u>£168,045</u>	<u>£10,897</u>	<u>£19,211</u>	<u>£198,153</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 but subsequent to the year end, the Society accepted an offer of £2 million for the premises, subject to contract.

6. Investments

Fixed asset investments

	2012	2011
Quoted investments:		
Market value at 1 January	55,577	58,642
Additions	-	-
Unrealised valuation gains/ (losses)	5,165	(3,065)
Market value at 31 December	<u>£60,742</u>	<u>£55,577</u>

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

Current asset investments

Investments in 2012 and 2011 comprise cash on deposit with UK institutions.

7. Debtors

	2012	2011
Other debtors	3,258	969
Prepayments	3,665	4,055
Accrued income	16,297	54,348
	<u>£23,220</u>	<u>£59,372</u>

8. Liabilities: Amounts falling due within one year

	2012	2011
Accruals	24,696	25,560
Deferred income	12,866	11,180
	<u>£37,562</u>	<u>£36,740</u>

9. Life members' subscriptions received in advance

	2012	2011
Life members' subscriptions received in advance	<u>£6,653</u>	<u>£7,444</u>

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

Amount brought forward:		
Due within one year	790	835
Due after one year	6,654	7,444
Additions for the year	-	-
Taken to income for the year	(791)	(835)
	<u>£6,653</u>	<u>£7,444</u>

The closing balance comprises:

Amount falling due within one year	746	790
Amount falling due after one year	5,907	6,654
	<u>£6,653</u>	<u>£7,444</u>

10. Restricted Funds

	Pevsner Memorial Essay Fund	Mary Heath Trust	Grants	Donations	Total
Balance at 1 January 2012	11,625	209,443	-	9,144	230,212
Received during the year					
Grants			48,250		48,250
Donations				607	607
Interest		4,664			4,664
Other income		1,579			1,579
	<u>11,625</u>	<u>215,686</u>	<u>48,250</u>	<u>9,751</u>	<u>285,312</u>
Applied during the year	-	(12,276)	(48,250)	-	(60,526)
Balance at 31 December 2012	<u>£11,625</u>	<u>£203,410</u>	<u>£-</u>	<u>£9,751</u>	<u>£224,786</u>
Comprising					
Stock	-	-	-	-	-
Debtors	-	832	-	-	832
Current asset investments	11,625	201,671		9,751	223,047
Cash	-	907	-	-	907
Creditors	-	-	-	-	-
	<u>£11,625</u>	<u>£203,410</u>	<u>£-</u>	<u>£9,751</u>	<u>£224,786</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 12 months' expected future expenditure plus an allowance for property refurbishment. At 31 December 2012, and excluding the proceeds of legacies earmarked for future projects, the Society's cash and short term reserves were £40,000 in excess of this level.. 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 2012

	2012	2011
Gross income from continuing operations		
being total income of continuing operations	381,894	432,161
Total expenditure of continuing operations	352,454	382,765
Net income for the year before transfers and gains/losses on investment assets	29,440	49,396
Transfer from endowment funds	-	-
Net income for the year after transfers	29,440	49,396
Unrealised gain/(loss) on fixed asset investments	5,165	(3,065)
Net income for the year	£34,605	£46,331

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 2012 and 2011.

Independent auditors' report

TO THE MEMBERS OF THE VICTORIAN SOCIETY FOR THE YEAR ENDED 31 DECEMBER 2012

We have audited the financial statements of The Victorian Society for the year ended 31 December 2012 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 2012 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: 27 April 2013