

Company Number 05743962
Charity Number 1113753
Scotland Charity Number SC039244
Ireland Charity Number 20158736

**THE SOCIETY FOR THE PROTECTION
OF ANCIENT BUILDINGS
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2019**



**THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES AND PROFESSIONAL ADVISORS
YEAR ENDED 31 DECEMBER 2019**

TRUSTEES

Iain Boyd	(Chair)
Charles Wagner	(Vice Chair)
Dr Mark Archer	(Hon Treasurer, resigned 6 May 2019)
Christopher Wheaton	(Hon Treasurer, from 7 May 2019)
Prof Peter Burman MBE	
Mildred Cookson	
Gillian Darley OBE	
Richard Max	
Duncan McCallum	(from 2 April 2019)
Rachel Morley	
Jessica Sutcliffe	
Nichola Tasker	
James Weir	

DIRECTOR AND CHIEF EXECUTIVE Matthew Slocombe

REGISTERED OFFICE 37 Spital Square, London E1 6DY

COMPANY NUMBER 05743962

REGISTERED CHARITY NUMBER 1113753

SCOTLAND REGISTERED CHARITY NUMBER SC039244

REPUBLIC OF IRELAND CHARITY NUMBER 20158736

AUDITOR

Crowe U.K. LLP
St Bridge's House
10 Salisbury Square
London EC4Y 8EH

ACCOUNTANTS

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One Crown Square
Woking
GU21 4HR

INVESTMENT ADVISORS

Kleinwort Benson Private Banking Ltd
14 St George Street
London
W15 1FE

BANKERS

HSBC Plc
Charing Cross Branch
Strand 455
London
WC2R 0RH

SOLICITORS

Stephenson Harwood
1 Finsbury Circus
London
EC2M 7SH

Stone King
28 Ely Place
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EC1N 6TD

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019



The Directors of the company, who are also the charity trustees and members of the Board, have pleasure in presenting their combined annual report under the Companies Act 2006 and Charities Act 2011 together with the audited accounts for the financial year ended 31 December 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Society is a charitable company being a successor to the unincorporated charity of the same name which was originally founded in 1877.

The Society is governed by Memorandum and Articles of Association last amended in 2018. The charitable company was registered with the Charity Commission on 14 April 2006 as number 1113753. The SPAB is also registered as a charity in Scotland SC039244 and the Republic of Ireland 20158736.

The Society is managed by up to 12 trustees who form a Board and meet four times a year. The 2018 Articles allow eight trustees to be elected from among the Society's Guardians, and four to be co-opted because of their relevant expertise. Board members can serve up to two terms of three years. The Board appoints the Honorary Officers and is assisted by Staffing and Finance & Audit sub-committees.

Guardianship embraces the members of eight committees: Advocacy, Casework, Education & Training; Technical & Research; Mills; SPAB Scotland; SPAB Ireland and Regional Group Chairs. Each of these committees has at least one third of its Guardians elected from the membership, with the remaining Guardians co-opted for their specialist skills.

The company, which is limited by guarantee, does not have a share capital and is constituted as a charity. Every Guardian undertakes to contribute an amount not exceeding £10 in the event of winding-up.

TRUSTEE RECRUITMENT & INDUCTION

The 2018 Articles allow eight of the 12 trustees to be elected from the Society's Guardian committees. Each committee nominates an individual, who is usually one of its members, to sit on the Board. In addition, there are four co-opted places, where the Board selects individuals to be trustees for their specialist skills in matters such as finance or law. New trustees attend an induction session which covers matters such as the SPAB's history, idea, operation and assets. They are also provided with written briefing material.

REMUNERATION POLICY

The Society's approach to remuneration is designed to ensure we can attract and retain the talented and motivated people we need to achieve our mission and deliver our strategic goals. It is applied consistently across the organisation. We aim to pay competitively in the not-for-profit sector within the context of affordability. Salaries of all staff are reviewed annually by trustees on the Staffing Committee.

DIRECTOR

The Director is responsible for the day to day management of the Society's affairs and for implementing policies agreed by the Board of Trustees. The Director is assisted by the senior management team and staff.

OBJECTS, OBJECTIVES AND PRINCIPAL ACTIVITIES

The Charity's objects as declared in the Memorandum and Articles of Association are the preservation and protection of ancient buildings for the benefit of the public guided by the principles declared in the Manifesto of The Society for the Protection of Ancient Buildings by the Founders in 1877. Among other powers to further the Objects is the power to promote education of the public, legislation and research and the publication of the useful results of such research.

PUBLIC BENEFIT

The Trustees, in accordance with Section 17 of the Charities Act 2011, have given due regard to the guidance issued by the Charity Commission and consider the organisation to offer public benefit through a wide range

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of its activities. These include our free technical help line, advice to local authorities through the planning system, training schemes and courses with bursary places, and free online publications.

ANTI-BRIBERY POLICY

It is the SPAB's policy to conduct its business in an honest and ethical manner, and trustees take a zero-tolerance approach to bribery. The SPAB is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates. The SPAB remains bound by the laws of the UK, including the Bribery Act of 2010, in respect of its conduct.

VOLUNTEERS

Volunteers contribute to and support the Society in a number of areas such as working parties, casework, education and training, technical advice and research, archives and administration. The Society is grateful to volunteers for their contribution and out of pocket expenses are reimbursed to volunteers where appropriate.

ACHIEVEMENTS AND PERFORMANCE

In late 2018, the Society purchased a grade II* listed medieval house 'at risk' with the aim of using this for practical demonstration and for training. During 2019 much work occurred to pursue this project and to ensure the building received 'first aid' repair. A working party, linked to the project building and involving a large number of volunteer-trainees, took place on an adjacent historic site in July 2019, helping a grade I listed and scheduled site on the Historic England 'at risk' register. Although these activities occurred in England, the Society maintained an international outlook as a trainer and campaigner and acted as UK country-representative organisation for European heritage body Europa Nostra.

The Gloria e Marco (GeM) Fund, set up in memory of two young architects who died in the Grenfell Tower tragedy, continued to attract support and allowed a second Italian architect-scholar to visit the UK in 2019 and experience this country's conservation work.

(i) Educational Work

The Society ran a range of long-established and newly-devised courses and training initiatives during the year. Our William Morris Craft Fellowship and Lethaby Scholarships for architects, surveyors and engineers continued to offer sector-leading training. In 2019 four Fellows and four Scholars were trained: a larger group overall than in any previous year. In addition to our main Boxley working party the Society ran smaller-scale, site-based regional events, such as the ones at Stourton Caundle in Dorset and Feltwell in Norfolk. SPAB Ireland and SPAB Scotland also ran working parties. In Scotland's case this involved work on the island of Lismore, where a lime kiln was built and local school children were able to participate in activities.

The Society's two annual Repair of Old Buildings courses were fully booked. Other courses covered topical issues such as new design for old buildings, retrofitting and roofing. Masterclasses were also held in partnership with Historic Royal Palaces. In addition, the Society ran an Eco Course for Homeowners and a new series of short talks for continuing professional development as well as a lecture programme and educational events for enthusiasts. Our Philip Webb Award design competition and John Betjeman Award for church conservation drew many notable entries.

The Society's Mills Section ran events and activities including National Mills Weekend.

(ii) Casework Campaigning

From 6121 applications for listed building consent sent to the Society by secular and church authorities in England and Wales during 2019, our casework Team judged 2582 to affect SPAB interests. Substantive comment on 647 (538 in 2018) of these applications was felt necessary, sometimes involving a site visit or discussion between staff and expert volunteers. Our aim is to supply advice that supports the building's conservation when a change is proposed.

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FOR THE YEAR ENDED 31 DECEMBER 2019



(iii) Advisory Services

The Society's Technical Advice Line handled 655 enquiries in 2019 (792 in 2018). We are indebted to Historic England for providing financial support for this service. Expert volunteers assisted staff with a wide range of technical topics and contributed to a SPAB-led sector-wide seminar on the severe supply shortage of Horsham stone for roofing.

Our technical staff also lectured to a range of audiences, gave advice at several shows and contributed to external publications. Production of new or revised technical guidance continued to be a priority in 2019, with four new titles issued including Gypsum Plaster Floors.

(iv) Grants for Building Maintenance

In 2019 the Society offered a grant from its Thomas Hardy Fund for repair to a memorial plaque at the Churches Conservation Trust's Winterborne Tomson church, Dorset. A further £1,000 was donated to the Sustainable Traditional Buildings Alliance to support its research and campaigning. Through its Mill Repair grant fund our Mills Section supported conservation work to Waltham Windmill, Lincs, Wrickton Mill, Shropshire and Marlston Mill, Berks. It also donated £2,400 to the Mills Archive Trust.

GRANT MAKING POLICY

The SPAB will only offer grants where it is certain that the funding will further its charitable objectives and meet strategic priorities. All grants will be approved by trustees, or by those given delegated authority by the Board to act on its behalf.

SPAB grants will be restricted to the following:-

- Misses Newcombe Fund for almshouse repair
- Thomas Hardy Fund for the repair of churches (especially those in Dorset)
- The Mill Repair Fund for wind and water mills
- Baber Fund for emergency works to historic buildings
- Scholarship training bursaries
- Fellowship training bursaries
- Educational course and working party bursaries
- Any other suitable individual or organisation to whom a grant would further the SPAB charitable objectives and strategic priorities as approved by the Trustees.

All of the funds above have written terms and criteria.

Where a grant is made to an individual, or to an organisation that is not a charity, the Society will ensure that the funds will be used only for purposes that fulfil the Society's charitable objectives, either through its own courses or other works. This will be achieved through grant conditions that are accepted in writing by the recipient. Grants for repair work will be paid in retrospect and only after the Society is satisfied that funds have been used appropriately and for the purpose intended.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Society recorded an operating deficit for the year of £83,138 (2018: £204,710 surplus). This became a surplus of £486,091 (2018: £94,225 deficit) after depreciation and investment returns were taken into account. Income was assisted by the strong level of donations and bequests amounting to £723,994. We are hugely grateful to all those members and non-members who choose to remember the Society in their wills. Positive contributions came from our courses and events, advertising revenue and rental income. The Society continued to support a wide range of activities and expenditure on both raising funds and charitable activities, overall expenditure decreased to £1.62m (2018: £1.67m). The Society pursued its Old House Project which after five years of educational benefit will be sold, with the aim of recouping building costs. Staff costs remained little changed at £0.87m (2018: £0.88m) but are a high proportion of total expenditure since advice and training are at the heart of the SPAB's work.

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RESERVES POLICY

The Society held total funds of £5.46m at 31 December 2019 of which £2.36m are restricted and £0.63m endowed. The Society's remaining reserves of £2.47m are unrestricted of which free reserves (excluding designated funds and tangible fixed assets) are approximately £2.12m (£1.87m 2018). This is equivalent to 1.3 times this year's annual expenditure of £1.62m, which the Society's trustees believe, as a matter of policy, to be appropriate given the variety of our sources of income and investments. The Society intends to hold unrestricted reserves at least equal to the sum of 1) Any expected cumulative operating deficit over the following three years 2) The forecast expenditure on major projects, less funding towards those projects that in the judgement of the FASC committee is either secured (such as grants awarded) or reasonably predictable (such as donations towards a project). For the avoidance of doubt this would not include any income forecast from a sale of part or all of property or land associated with a project, which is subject to market conditions so is inherently uncertain. 3) Three months of budgeted operating expenditure excluding any major spending, within the three to six months range suggested as best practice for charities. Our reserves policy is kept under regular review.

INVESTMENT POLICY

The investment management of the Society's reserves is monitored by the Finance & Audit Committee, reporting to the Board, to ensure that the investment objectives and strategy for each portfolio match that fund's specific objectives. The portfolios are invested in a well-diversified set of individual shares as well as third-party and in-house pooled funds across a variety of different asset classes designed to provide us with a combination of above-average income as well as capital growth. The investment manager is Kleinwort Hambros. The largest holdings in the General fund (the largest of the Society's Funds) as at 31 December 2019 were as follows:

<i>Fund</i>	<i>Market value £</i>
Fidelity Index US Fund	187,956
M&G Charifund	138,384
ISHS Gold ETF	137,964

Investment performance for 2019 was as follows for the General Fund and the Wind & Watermill Fund, which combined represent about two-thirds of The Society's investments:

<i>Fund</i>	<i>Performance</i>	<i>Benchmark Index</i>	<i>Performance</i>
SPAB General Fund	+16.1%	ARC PCI Steady growth	+14.4%
SPAB Wind & Watermill	+16.2%	ARC PCI Steady growth	+14.4%

Source: Kleinwort Hambros / ARC

2019 was a much better year for markets than 2018 (which saw the Society's funds decline by c. 5%) with the Society's investments growing substantially and exceeding performance benchmarks. Some of this performance was the recovery from the sharp decline in markets worldwide in the fourth quarter of 2018; markets had broadly recovered these losses by May 2019, and then continued to rise afterwards. The funds' mix of equities and fixed income did not change significantly over the year, split c. 60% equities, 20% bonds, 20% other including gold, cash and alternative strategies (which attempt to generate capital growth irrespective of the direction of markets). This asset allocation should deliver the Society's investment aims of both long-term capital growth and income generation as well.

However, since February 2020, markets globally have gone through significant turmoil due to the fear and then the horrible reality of the global Coronavirus pandemic. This caused a very sharp decline in equity markets, followed by a rebound on the hope of swift economic recovery due to massive state intervention in almost every area of economic activity. Meanwhile bonds and gold rose in value, as interest rates were cut in response to the crisis and money supply dramatically increased, creating fears of inflation. As at mid- May 2020, the Society's investments have fallen c. 7% since the start of the year, having been down c. 12% at the worst point of market turmoil in mid-March. This is despite the UK equity market underperforming its global peers, due largely to the severity of the enforced lockdown and rising fears of the impact of a potential no-deal Brexit at the end of 2020 on top of the economic damage from the pandemic.

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One major consequence of the crisis will be that income generation will be much harder in the near-to medium-term. Interest rates on bonds have reached extreme lows- for example, a 10 year UK government bond yielded an already-low 1.4% at the start of 2018, but yields a mere 0.2% now. The Coronavirus crisis has also meant companies cutting dividends to shareholders. These events have underlined the importance of the strategic priorities of the Finance & Strategy Committee to examine all ways in which fundraising efforts for the Society can be made more effective, and to continue to diversify the income streams of the Society.

RISK

The Society's Board of Trustees has a register of major potential risks for the charity and has continued to review the risks faced by the charity during the year. They are satisfied that controls are in place to manage/mitigate these risks where possible. The main risks identified in 2019 are: a reduction in external grant funding, injury of staff/volunteers, failure of contractors, and cost overruns/delays to the Old House Project in Kent. Policies to address and mitigate risks have been regularly reviewed, with the addition in the last year of an anti-Bribery policy, a grant-making policy and a new financial reserves policy.

The Society relies substantially on grants and legacy income for about half of its income and is currently running an operating deficit. This has been identified as an ongoing risk and a strategic issue to be addressed through additional social media, marketing and fundraising efforts targeted at major individual and corporate donors. Other income streams such as online learning are also being expanded. In light of this risk, the Finance and Audit sub-committee and Board have set the goal of reaching operating cash flow breakeven by 2022, though some review may be needed in view of the likely long-term economic effects of the Coronavirus.

The reserves policy (see p. 4-5) is designed to ensure that the Society's investments act as a buffer to short-term fluctuations in cash flow, and to ensure that the Society can fund its short-term operating deficit, keep a minimum 3 months of expenditure in reserve (as recommended by the Charity Commission), and also maintain a substantial contingency for the St Andrew's Boxley project. The original budget planning, since superseded by the Coronavirus crisis (discussed below) indicated that the Society would need to utilise £100-150k of its funds in 2020, and therefore that there were sufficient funds in the unrestricted reserves to stay well within the reserves policy for 2020.

The Society also relies on its investments as a buffer to both smooth cashflows throughout the year and to generate income to help fund the current operating deficit. These investments are regularly reviewed with the investment manager and their performance against relevant benchmarks assessed. The Society pursues a medium-risk investment strategy with its investments, aiming to minimise losses during market declines while generating income and ensuring the long-term appreciation of its assets. The performance of the investments during the recent market volatility indicates that this medium-risk strategy has resulted in small losses of less than 10% to the Society's assets and therefore that the risk of a major decline in the value of the society's assets is likely to be low.

Major project risk

The two major projects- Kibworth Harcourt Mill and the St Andrew's Boxley renovation project- do carry risks to the Society as they are delivered. These are mitigated through both governance and reporting structures, and through the reserves policy as discussed above. A number of trustees, including the Honorary Treasurer, sit on the St Andrews's project steering committee to monitor project delivery against milestones. Work programmes are on a timescale that allows some flexibility. The reserves policy also included the contingency to allow for repayment of the planned loan from the Architectural Heritage Fund being used to part-fund the project without relying on the sale of the property to do so. This loan has been established to be competitive against terms offered by another lender. It was discussed and agreed by trustees, and the Charity Commission has been contacted to confirm that the requirements of Section 124 of the Charities Act 2011 have been fulfilled.

Coronavirus risks

Operational risks to the Society from the pandemic are primarily related to the ability of the Society to function in a decentralised way, the delivery of its teaching and Scholarship and Fellowship programmes, its ability to fulfil statutory duties on behalf of Heritage England and other grant providers, to progress with the major projects of Kibworth Harcourt and St Andrew's Boxley, and to continue with campaigning, fundraising and membership activities.

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Basic operations during the lockdown, such as financial processing and payroll, have continued without interruption. However, some of the risks detailed above are not subject to easy mitigation- for example, all in-person training courses and the 2020 Scholarship and Fellowship programmes have had to be postponed. Staff involved in this work have been put on partial furlough, allowing the Society to draw from the government's Job Retention Scheme. Review of listed building applications and casework has continued online, albeit at reduced levels due to the lower levels of property-related activity. However, the increased online activity seen during lockdown has led to higher than expected interest in online training courses, both free-to-view and paid, and membership income remains at similar levels to last year. As discussed above, the major projects of Kibworth Harcourt and Boxley have flexible work programmes and can be delayed with minimal short-term cost or additional risk to the society. The Trustees have reviewed these additional operational risks faced by the Society during the pandemic and will continue to monitor them.

The pandemic has also led to increased financial risk to the society. Therefore, a stress-test has been run on the Society's income and expenditure, assuming lower income than budgeted from commercial activities such as advertising, training, and delays to legacy and grant income due to the frozen UK property market and reduction in government funding to grant-making bodies. This results in a likely additional call on the Society's reserves, estimated at an extra £100-200k against the original plan for 2020. Even with this additional call on financial reserves, there are sufficient funds in the unrestricted reserves to stay well within the reserves policy for 2020 and into 2021. Further scenario planning for the Society's finances in 2021 will take place as appropriate. The Trustees will continue to review the financial risks to the Society from the pandemic as part of the regular process of reporting on the financial status of the Society.

FUTURE PLANS

The Society's overall aim for 2020 is to pursue the objectives of its existing five-year strategy and to begin the planning for the next strategy period. Many well-established activities have continued unaffected during 2020, including our casework and technical advisory work, but the COVID-19 crisis has inevitably had some impact on the Society's operational plan and budget for the year. Our Scholarship and Fellowship training schemes have had to be postponed until 2021, and various courses and events have had to be cancelled. This has had some effect on income and expenditure, but we are very grateful to our funders and members for their continuing support which has helped minimise the impact on the Society's work and finances. In addition, it has proved possible, at short notice, to substitute a range of new activities for those we have been unable to hold. Notable have been our webinars and other on-line educational activities which have drawn large audiences and generated new income. Web and social media activity has increased significantly, drawing an audience many times that which the Society has enjoyed previously. Work on our Old House Project has been delayed, but it is expected that roofing repair will take place before the end of summer 2020.

The culmination of our governance reform process occurred in 2020, with the newly constituted Board meeting for the first time in May, but the changes will be subject to evaluation and review.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees, (who are also the directors of The Society for the Protection of Ancient Buildings for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the Accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare accounts for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and resources expended, including the income and expenditure of the charitable company for that period. In preparing these accounts, the trustees are required to:

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

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019



The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the Trustees of the charitable company at the date of approval of this report is aware, there is no relevant audit information (information needed by the charitable company's auditor in connection with preparing the audit report) of which the charitable company's auditor is unaware. Each Trustee has taken all the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Report and accounts have been independently audited in accordance with the provisions applicable to The Companies Act 2006.

Approved by the Board on 3rd August 2020

and signed on its behalf by:

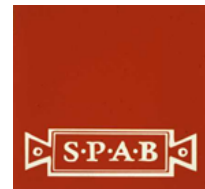
A handwritten signature in black ink, appearing to read 'Rachel Morley', is written over a horizontal line. Below the line, the date '3rd August 2020' is printed.

Name: Rachel Morley, Acting Co-Chair

A handwritten signature in black ink, appearing to read 'Christopher Wheaton', is written over a horizontal line. Below the line, the date '3rd August 2020' is printed.

Name: Christopher Wheaton, Honorary Treasurer

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019



Opinion

We have audited the financial statements of Society for the Protection of Ancient Buildings for the year ended 31 December 2019 which comprise Statement of Financial Activities (including an income and expenditure accounts), Balance Sheet, Cash flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019



Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Tim Redwood', is located to the left of the signature block.

Tim Redwood
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 19 August 2020

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2019



	Notes	Unrestricted Funds	Restricted Funds	Endowed Funds	2019 Total Funds	2018 Total Funds
		£	£	£	£	£
Income and endowments from:						
Donations and legacies	2	579,839	144,155	-	723,994	932,992
Charitable activities	3	432,340	156,214	-	588,554	743,158
Other trading activities	4	116,172	2,283	-	118,455	116,409
Investment Income	5	45,820	48,130	-	93,950	73,265
Other		11,903	6	-	11,909	5,071
Total		1,186,074	350,788	-	1,536,862	1,870,895
Expenditure on:						
Raising funds		227,678	55,968	-	283,646	287,443
Charitable activities		783,805	552,549	-	1,336,354	1,378,742
Total	6	1,011,483	608,517	-	1,620,000	1,666,185
Operating surplus / (deficit)		174,591	(257,729)	-	(83,138)	204,710
Net gains on investments		241,812	251,824	75,593	569,229	(298,935)
Net income		416,403	(5,905)	75,593	486,091	(94,225)
Transfer between funds	14	(184,103)	184,103	-	-	-
Net movement in funds		232,300	178,198	75,593	486,091	(94,225)
Reconciliation of funds:						
Total funds brought forward		2,236,544	2,180,655	554,595	4,971,794	5,066,019
Total funds carried forward		2,468,844	2,358,853	630,188	5,457,885	4,971,794

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
BALANCE SHEET
AS AT 31 DECEMBER 2019




Company Number 05743962

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	9	282,035	298,918
Intangible assets	10	131,457	180,477
Investments	11	4,534,590	3,986,097
		<u>4,948,082</u>	<u>4,465,492</u>
CURRENT ASSETS			
Stock		7,337	7,337
Debtors	12	194,132	236,245
Cash at bank and in hand		465,133	485,713
		<u>666,602</u>	<u>729,295</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	13	156,799	222,993
		<u>509,803</u>	<u>506,302</u>
NET CURRENT ASSETS			
		<u>509,803</u>	<u>506,302</u>
NET ASSETS			
		<u>5,457,885</u>	<u>4,971,794</u>
THE FUNDS OF THE CHARITY			
Unrestricted - General		2,119,100	1,869,915
- Designated	14	349,744	366,629
		<u>2,468,844</u>	<u>2,236,544</u>
Restricted - The Mills Section	14	1,194,822	1,120,401
- The William Morris Craft Fellowship	14	189,655	184,764
- Other	14	974,376	875,490
		<u>2,358,853</u>	<u>2,180,655</u>
Endowed funds	14	<u>630,188</u>	<u>554,595</u>
		<u>5,457,885</u>	<u>4,971,794</u>

The financial statements have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

Approved by the trustees and authorised for issue on: 3rd August 2020

and signed on its behalf by


 3rd August 2020

Rachel Morley, Acting Co-Chair


 3rd August 2020

Christopher Wheaton, Honorary Treasurer

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
CASH FLOW STATEMENT
AS AT 31 DECEMBER 2019



	Note	2019 £	2018 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	a)	(124,455)	205,815
Cash flows from investing activities:			
Dividends and interest from investments		93,950	73,265
Proceeds from sale of tangible and intangible fixed assets		-	150
Purchase of tangible and intangible fixed assets		(10,811)	(156,930)
Proceeds from sale of investments		1,875,354	1,502,404
Purchase of investments		(1,838,799)	(2,418,372)
Net cash provided by investing activities		119,694	(999,483)
Change in cash and cash equivalents in the reporting period		(4,761)	(793,668)
Cash and cash equivalents at 1 January 2019	b)	604,334	1,398,002
at 31 December 2019	b)	599,573	604,334

NOTES TO THE CASH FLOW STATEMENT

a) Reconciliation of net income/(expenditure) to net cash flow from operating activities

Net income for the reporting period	486,091	(94,225)
Adjustments for:		
Depreciation and amortisation	76,714	73,381
(Gains) on investments	(569,229)	298,935
Dividends and interest from investments	(93,950)	(73,265)
Increase in stock	-	(1)
(Increase) / decrease in debtors	42,113	(54,920)
Increase / (decrease) in creditors	(66,194)	55,910
Net cash provided by (used in) operating activities	(124,455)	205,815

b) Analysis of cash and cash equivalents

Cash at bank and in hand	465,133	485,713
Cash held as long term investments	134,440	118,621
	599,573	604,334

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



CHARITY INFORMATION

The Society is a company limited by guarantee (registered number 05743962), which is incorporated and domiciled in the UK and is a public benefit entity. The address of the registered office is 37 Spital Square, London E1 6DY.

1. ACCOUNTING POLICIES

The principal accounting policies adopted and critical areas of judgements are as follows:

a) Basis of Accounting

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and UK Generally Accepted Practice as it applies from 1 January 2015. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note. The Society for the Protection of Ancient Buildings meets the definition of a public benefit entity under FRS 102. These accounts include the corporate funds of the company and also the Trust funds retained in the precursor charity number 231307 under a uniting direction dated 7 December 2006.

Going concern

After making enquires, the trustees have a reasonable expectation that the charitable company has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the accounts. The trustees do not consider there to be any material uncertainties about the charity's ability to continue as a going concern.

b) Functional/presentational currency

The functional currency of The Society for the Protection of Ancient Buildings is considered to be in pounds sterling because that is the currency of the primary economic environment in which the charity operates.

c) Income

Contributions, donations and subscriptions are accounted for on a cash receipts basis. Life memberships received are amortised to the Statement of Financial Activities over a period of 20 years being the period estimated to represent average life membership. Income from trading activities is recognised in the period in which the service has been provided or product sold. Income from government and other grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Investment income from dividends and interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest received or receivable from the bank.

Legacy income is included in the financial statements when the Charity is satisfied that the conditions of entitlement, probability and measurement have been met. Pecuniary legacies are accounted for when notified. Residuary legacies are accounted for when notification of impending distribution or estate accounts have been received. Where legacies have been notified to the Charity or the Charity is aware of the granting of probate and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



1. ACCOUNTING POLICIES (CONTINUED)

d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any irrecoverable VAT.

Raising funds comprise those costs directly attributable to managing the investment portfolio and fund-raising costs which are those incurred in seeking voluntary contributions for the Charity.

Charitable activities comprise direct expenditure including staff costs attributable to each activity. Support costs are apportioned to charitable activities on the basis of staffing of that relevant activity. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

e) Depreciation and amortisation

Tangible fixed assets with a cost of over £500 are capitalised. Depreciation is provided on all tangible fixed assets other than antique furniture at rates calculated to write off the cost less estimated residual value of each asset over its estimated useful life with depreciation being charged in full for the year of acquisition and none in the year of sale. The depreciation rates in use during the year are noted as follows:

Freehold buildings	- over 50 years (2% per annum)
Office equipment	- over 5 years (20% per annum)
Computer equipment	- over 5 years (20% per annum)

Depreciation is not provided on ancient buildings owned by the Charity as in the view of the Trustees, any charge and accumulated balance in respect of depreciation would be immaterial. Further due to the nature of the ancient buildings their age is an intrinsic element of their value to the objects of the Charity, which will not be eroded in the passing of time.

Intangible assets are capitalised at cost and amortised to write off the cost over the estimated useful life.

Intellectual property rights	- over 3 years (33.33% per annum)
Website costs	- over 5 years (20% per annum)

Website and database development costs have been capitalised within intangible assets as they can be identified with a specific project anticipated to produce future benefits. Once brought into use they will be amortised on the straight line basis over the anticipated life of the benefits arising from the completed project.

f) Investments

Investments are revalued to market value as at the balance sheet date and the surplus or deficit of this revaluation is shown as unrealised gains or losses on the face of the Statement of Financial Activities. Realised gains and losses represent the difference between the sale proceeds and the opening market value of an investment or cost if purchased during the year.

g) Stock

Stock is valued at the lower of cost and less costs to complete and sell. Cost is determined on a first in, first out basis.

h) Restricted Funds

These are monies, which have legal restrictions on their use where donors have specified the funds can only be spent on certain of the charity's activities.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



1. ACCOUNTING POLICIES (CONTINUED)

i) Endowed Funds

These are funds where the trustees are required to hold capital, as represented by the investments, and are not entitled to spend it. Income arising from these funds is either restricted income or unrestricted income depending upon the details included with the original gift.

j) Pension Costs

The Charity contributes to The Pensions Trust Schemes and also to an individual personal pension scheme. Contributions to all schemes are charged to the Statement of Financial Activities ('SOFA') as they become payable in accordance with the rules of the schemes.

k) Financial Instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, short term cash deposits together with trade and other debtors excluding prepayments. Financial liabilities held at amortised cost comprise the short and long term trade and other creditors excluding deferred income and taxation payable. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

	2019	2018
	£	£
Financial assets held at fair value (a)	4,400,150	3,867,476

(a) Comprising all fixed asset investments as detailed in Note 11.

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Investments, including bonds and cash held as part of the investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

l) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



2. DONATIONS AND LEGACIES	2019	<i>2018</i>
	£	£
Donations	194,795	205,516
Trusts and legacies	529,199	727,476
	<u>723,994</u>	<u>932,992</u>

As stated in the accounting policies (note 1), the Society recognises income from legacies when there is probability and reliability of receipt and their value can be accurately measured. At 31 December 2019, the Society had been notified of one further legacy that has not been included in these financial statements as it did not meet these criteria. This legacy may realise approximately £100,000.

3. CHARITABLE ACTIVITIES	2019	<i>2018</i>
	£	£
Grants Receivable		
Historic England	86,774	89,460
Carpenter's Trust	10,000	8,000
Historic Environment Scotland	10,000	5,500
WMCF Trust	10,000	-
Dance Scholarship Trust	9,476	17,850
Building Preservation and Restoration Trust	7,500	7,500
CADW	7,140	7,000
Delves Charitable Trust	6,000	-
Drake Trust	6,000	6,000
The Stuart Heath Charitable Settlement	5,000	-
Eastbury Working Party	-	94,350
The Pilgrim Trust	-	30,000
Ashley Family Foundation	-	20,000
Other	13,412	32,250
	<u>171,302</u>	<u>317,910</u>
Total Grants Receivable		
	171,302	317,910
Subscriptions	266,852	258,075
Literature Sales	4,085	3,230
General Events	146,317	163,943
	<u>588,554</u>	<u>743,158</u>

4. OTHER TRADING ACTIVITIES	2019	<i>2018</i>
	£	£
Advertising	94,494	91,852
Rent receivable	23,961	24,557
	<u>118,455</u>	<u>116,409</u>

5. INVESTMENT INCOME	2019	<i>2018</i>
	£	£
Portfolio Income	92,400	72,247
Interest on cash deposits	1,550	1,018
	<u>93,950</u>	<u>73,265</u>

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



6. EXPENDITURE

	Unrestricted Fund £	Restricted Funds £	2019 Total £	2018 Total £
Charitable Activities				
<i>Building Maintenance</i>				
Grants and donations	23,492	32,201	55,693	73,681
	23,492	32,201	55,693	73,681
<i>Educational costs</i>				
Scholarships and fellowships	200	61,866	62,086	44,953
General events	1,208	-	1,208	34,116
Courses, meetings, lectures and events	62,680	11,031	73,711	104,775
Wages and salaries	194,353	108,362	302,714	212,888
Newsletter	71,129	10,553	81,682	94,990
Annual Report costs	5,976	-	5,976	7,350
Literature	8,848	392	9,240	14,760
Travel	9,834	483	10,317	2,180
Other	6,169	3	6,172	17,115
Building Project	3,413	6,417	9,830	2,192
Support costs (note 7)	165,282	105,815	271,097	234,531
	529,093	304,941	834,034	769,850
<i>Advisory services</i>				
Technical and Casework direct costs	12,328	5,270	17,599	34,048
Wages and salaries	95,994	128,075	224,069	237,723
Travel	557	3,736	4,293	1,548
Support costs (note 7)	122,341	78,325	200,666	261,892
	231,220	215,407	446,627	535,211
Total Charitable Activities	783,805	552,549	1,336,354	1,378,742
Raising Funds				
Fundraising costs	5,979	4,015	9,994	8,102
Wages and salaries	117,313	-	117,313	107,456
Support costs (note 7)	64,053	41,007	105,060	118,381
Advertising Commission	36,293	-	36,293	37,759
Investment managers fees	4,040	10,946	14,986	15,745
Total Raising Funds	227,678	55,968	283,646	287,443
TOTAL EXPENDITURE	1,011,483	608,517	1,620,000	1,666,185

The value of volunteer time is not included in the costs disclosed above. Volunteers contribute to and support the Society in a number of areas such as working parties, casework, education and training, technical advice, archives and administration.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



7. SUPPORT COSTS

	Unrestricted Funds £	Restricted Funds £	2019 Total £	<i>2018 Total £</i>
Travel and volunteers' expenditure	7,099	10,527	17,625	14,143
Wages and salaries	152,130	77,485	229,615	323,891
Printing, stationery, postage and advertising	11,742	9,043	20,785	24,212
Establishment expenses	58,070	45,898	103,968	87,488
Legal and professional	47,308	36,807	84,115	43,539
Depreciation	49,896	28,048	77,943	81,766
Bank charges and interest	5,562	3,441	9,003	10,216
Other	6,394	6,460	12,854	10,749
Governance costs:				
<i>Audit</i>	10,563	5,687	16,250	16,250
<i>Trustee meetings</i>	2,913	1,752	4,665	2,550
	351,676	225,147	576,823	614,804

These costs are allocated over charitable activities and raising funds on the basis of the number of staff employed in each of these areas. Included in support costs is remuneration for the Society auditor for non-audit services totalling £nil (2018: £625).

8. TRUSTEES AND EMPLOYEES

	2019 £	<i>2018 £</i>
Staff costs:		
Wages and salaries	770,462	776,576
Social security costs	68,733	69,463
Pension costs	34,516	35,917
	873,711	881,956

The Trustees did not receive any remuneration during the year. Expenses relating to travel of £1,646 (2018: £1,967) were paid on behalf of five (2018: six) Trustees during the year.

The key management personnel of the charity comprise the trustees, the Chief Executive, Technical and Research Director, Education and Training Manager, Development and Marketing Manager and Business Manager. The total employee benefits of the key management personnel of the charity were £291,801 (2018: £206,397).

The average number of employees during the year, analysed by function was:

	<i>Headcount</i>		<i>Full time equivalent</i>	
	2019 No.	<i>2018 No.</i>	2019 No.	<i>2018 No.</i>
Fundraising	2	2	1.5	1.8
Educational	12	12	7.8	7.5
Advisory services	8	7	5.1	4.5
Support	9	10	7.2	8.8
	31	31	21.6	22.5

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



9. TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Antique Furniture	Office Equipment	Computer Equipment	Total
	£	£	£	£	£
Cost					
As at 1 January 2019	392,504	11,129	153,178	99,001	655,812
Additions	-	-	3,800	949	4,749
Disposals	-	-	-	-	-
As at 31 December 2019	392,504	11,129	156,978	99,950	660,561
Depreciation					
As at 1 January 2019	159,441	-	147,684	49,768	356,893
Charge for the year	4,429	-	4,294	12,911	21,634
As at 31 December 2019	163,870	-	151,978	62,679	378,527
Net book value					
31 December 2019	228,634	11,129	5,000	37,271	282,034
<i>31 December 2018</i>	<i>233,063</i>	<i>11,129</i>	<i>5,494</i>	<i>49,233</i>	<i>298,919</i>

Included within freehold property is building and land at 37 Spital Square, which was purchased in 1983. The buildings were purchased at a cost of £221,453 and are depreciated at 2% per annum. Land at a cost of £110,727 is not depreciated.

In 2018 land at St Andrew's Boxley was purchased for £60,000. This is included within Freehold Land & Buildings. It's deemed to be land given the state of the property, and therefore not subject to depreciation. The property will be held as an operational property to be used for teaching purposes.

10. INTANGIBLE ASSETS

	Website & Database Development	Total
	£	£
Cost		
As at 1 January 2019	269,346	269,346
Additions	6,061	6,061
Disposals	-	-
As at 31 December 2019	275,407	275,407
Amortisation		
As at 1 January 2019	88,869	88,869
Disposals	-	-
Charge for year	55,081	55,081
As at 31 December 2019	143,950	143,950
Net Book Value – 31 December 2019	131,457	131,457
<i>– 31 December 2018</i>	<i>180,477</i>	<i>180,477</i>

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



11. FIXED ASSET INVESTMENTS	2019	2018
	£	£
Market value of quoted investments	4,400,150	3,867,476
Cash	<u>134,440</u>	<u>118,621</u>
	<u>4,534,590</u>	<u>3,986,097</u>
Listed investments		
Market value at start of year	3,867,476	3,250,443
Additions	1,838,799	2,418,372
Disposals	(1,875,354)	(1,502,404)
Net gains on investments	<u>569,229</u>	<u>(298,935)</u>
Market value at end of year	<u>4,400,150</u>	<u>3,867,476</u>

Listed investments are managed by third party investment managers on behalf of the Charity and are invested in a mixture of UK and overseas equities, bonds, property funds and fixed interest securities.

12. DEBTORS	2019	2018
	£	£
Trade debtors	8,565	3,888
Prepayments and accrued income	<u>185,566</u>	<u>232,357</u>
	<u>194,132</u>	<u>236,245</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2019	2018
	£	£
Trade creditors	62,183	74,583
Other creditors	2,277	20,790
Taxation and social security	8,529	9,249
Accruals and deferred income	<u>60,423</u>	<u>91,280</u>
	<u>133,412</u>	<u>195,902</u>

CREDITORS: AMOUNTS FALLING DUE > 1YEAR	2019	2018
	£	£
Deferred Income	23,387	27,091
Total Creditors	<u>156,799</u>	<u>222,993</u>

Deferred income of £45,899 (2018: £64,052) is included above. All deferred income is released in the subsequent accounting period with the exception of life membership subscriptions. Life membership subscriptions at 1 January 2019 were £31,048 of which £3,991 was released in 2019. Life membership subscriptions received in the current period amounted to £nil.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



14. FUNDS

MOVEMENT IN FUNDS	<i>Balance 1 January 2019 £</i>	Income £	Expenditure £	Transfers £	Net Investment Gains £	Balance 31 December 2019 £
Restricted Funds:						
The Mills Section	1,120,401	56,195	(165,013)	-	183,239	1,194,822
<i>R&M of ancient buildings</i>	368,622	10,956	(9,557)	-	31,972	401,993
Scholarship for architects	308,301	10,244	(68,300)	-	36,613	286,858
The William Morris Craft Fellowship	184,764	78,723	(73,832)	-	-	189,655
Historic England	-	78,914	(263,017)	184,103	-	-
Gloria e Marco Award	79,087	15,756	(11,379)	-	-	83,463
D&P Marsh Trust	-	100,000	-	-	-	100,000
Restricted (Other)	119,480	-	(17,418)	-	-	102,062
Total Restricted Funds	2,180,655	350,788	(608,517)	184,103	251,824	2,358,853
Endowed Funds	554,595	-	-	-	75,593	630,188
Designated Funds:						
Fixed Asset Reserve	298,918	-	(21,634)	4,749	-	282,033
IT Fund	46,270	-	-	-	-	46,270
Kibworth Harcourt Repair	7,000	-	-	-	-	7,000
Spital Square Repair	14,441	-	-	-	-	14,441
	366,629	-	(21,634)	4,749	-	349,744
General Fund	1,869,915	1,186,074	(989,849)	(188,852)	241,812	2,119,100
Total Unrestricted Funds	2,236,544	1,186,074	(1,011,483)	(184,103)	241,812	2,468,844
Total Funds	4,971,794	1,536,862	(1,620,000)	-	569,229	5,457,885

Restricted Funds:

The Mills Section

The fund supports the work of the Society's separate Mills Section.

Included under the headings Repair and maintenance of ancient building and Scholarships for architects are the following funds:

Grant making

The Hardy Memorial Fund
 The Queen Elizabeth Statue Fund
 The Baber Fund
 The Cook, Taylor & Lilbourne Fund
 The Misses Newcombe Bequest
 The Miss Truman Bequest
 Kibworth Harcourt Mill

Scholarships for Architects

The Banister Fletcher Fund
 The Ernest Cook Scholarship
 The Patrick Plunket Fund
 The Jonathan Vickers Scholarship Fund

The William Morris Craft Fellowship

Funds to cover the cost of the SPAB's training scheme for building craftsmen.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
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14. FUNDS (continued)

Historic England includes:

Technical Advice Line: Funding received towards the costs of the Society's free technical advice helpline.

Casework: Funding received towards the costs of the Society's statutory casework activities.

Gloria e Marco Award

This is a new fund for the benefit of young Italian graduates set up in honour of two young Italian architects, who died tragically in the Grenfell Tower fire. The purpose of the fund is to provide assistance to talented young Italian graduates, to help develop their interest in building conservation.

Endowed Funds:

There are six endowment funds. Banister Fletcher, Ernest Cook and Jonathan Vickers support Scholarships for Architects. Thomas Hardy supports repairs to Hardy's Cottage, the writer's birthplace. Bertha Fletcher and RR Cory support the work of the Society.

Designated Funds:

Fixed Asset Reserve

The Fixed Asset Reserve represents the net book value of the unrestricted element of the tangible fixed assets.

IT Fund

To fund a new website and database development. This fund will be expended over the next one to two years.

Kibworth Harcourt Repair Fund

This fund will be used for the ongoing maintenance of Kibworth Harcourt Mill and will likely be spent over the next 5 years. Major repairs to Kibworth Harcourt Mill will be funded by the Mills Section Enid Lamb Legacy.

Spital Square Repair Fund

This fund has been set aside to support future major repair works.

Transfers between funds

A transfer of £184,103 was made from the unrestricted to the restricted fund during the year to cover the deficit made on the Historic England Fund.

An additional transfer of £4,749 was made between the general fund and designated fixed asset fund in line with additions made to fixed assets in the year.

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15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Intangible Fixed Assets £	Net Investments £	Net Current Assets £	Total 2019 £
Restricted					
The Mills Section	-	-	1,194,822	-	1,194,822
R&M of ancient buildings	-	-	315,966	86,027	401,993
Scholarship for architects	-	-	291,311	(4,453)	286,858
The William Morris Craft Fellowship	-	-	-	189,655	189,655
Gloria e Marco Award	-	-	-	83,463	83,463
D&P Marsh Trust	-	-	-	100,000	100,000
Restricted (Other)	-	-	-	102,062	102,062
Endowed Funds	-	-	608,730	21,458	630,188
Unrestricted Funds	282,033	131,457	2,123,760	(68,406)	2,468,844
Total	282,033	131,457	4,534,590	509,805	5,547,855

16. PENSION

The Society participates in The Pensions Trust's Growth Plan ("the Plan") for 22 staff (2018: 23). This is a multi-employer funded defined benefit pension plan and is not contracted out of the State scheme. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. The Plan's Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefit payments using a discount rate calculated by reference to the expected future investment returns. If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

The Society has been advised that a debt may be payable on withdrawal from the Pensions Trust Growth Plan as an employer and this was actuarially calculated to be £28,291 on 30 September 2018. Withdrawal may be deemed when an employer has no active members remaining in the Plan and no eligible employees to whom to offer membership. Constitutional re-organisation may also be a 'cessation event'. The Society has no plans to leave the scheme and this contingent liability has not been provided for in the accounts. The results of the 30 September 2017 triennial valuation have confirmed the requirement for additional contributions to the Pensions Trust Growth Plan from 1 April 2018 of £729 per annum.

Staff may be members of the Pensions Trust Growth Plan, a money purchase scheme, and the Society makes contributions into this scheme, as well as into the personal pension plan of one member of staff. The pension charge for the year includes contributions payable to The Pensions Trust of £31,548. At the year-end £5,626 (2018: £6,404) was accrued in respect of future deficit contributions to the scheme.

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17. OPERATING LEASES

The future minimum lease rental income due from tenants under non-cancellable operating leases for each of the following periods:

Land and buildings	2019	<i>2018</i>
	£	£
Within one year	16,667	20,000
Between one and five years	<u>-</u>	<u>16,667</u>

18. RELATED PARTY TRANSACTIONS

There were no related party transactions during the current or prior year.

19. CAPITAL COMMITMENTS

Commitments for future capital expenditure not provided for in these accounts in respect of the website and database development amounted to £nil (2018: £nil).

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20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds	Restricted Funds	Endowed Funds	2018 Total Funds
Income and Endowments from:		£	£	£	£
Donations and legacies	2	308,360	624,632	-	932,992
Charitable activities	3	496,367	246,791	-	743,158
Other trading activities	4	113,632	2,777	-	116,409
Investment Income	5	41,333	31,932	-	73,265
Other		5,028	43	-	5,071
Total		<u>964,720</u>	<u>906,175</u>	<u>-</u>	<u>1,870,895</u>
Expenditure on:					
Raising funds		223,065	64,378	-	287,443
Charitable activities		822,674	556,068	-	1,378,742
Total	6	<u>1,045,739</u>	<u>620,446</u>	<u>-</u>	<u>1,666,185</u>
Operating surplus / (deficit)		(81,019)	285,729	-	204,710
Net gains/(losses) on investments		(138,466)	(125,485)	(34,984)	(298,935)
Net income/(expenditure)		<u>(219,485)</u>	<u>160,244</u>	<u>(34,984)</u>	<u>(94,225)</u>
Transfer between funds	9	(262,500)	262,500	-	-
Net movement in funds		<u>(481,985)</u>	<u>422,744</u>	<u>(34,984)</u>	<u>(94,225)</u>
Reconciliation of funds:					
Total funds brought forward		2,718,529	1,757,911	589,579	5,066,019
Total funds carried forward		<u>2,236,544</u>	<u>2,180,655</u>	<u>554,595</u>	<u>4,971,794</u>

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21. COMPARATIVE FUNDS

MOVEMENT IN FUNDS	<i>Balance 1 January 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers £</i>	<i>Net Investment Gains £</i>	<i>Balance 31 December 2018 £</i>
Restricted Funds:						
The Mills Section	770,461	539,461	(103,500)	-	(86,021)	1,120,401
R&M of ancient buildings	381,176	10,137	(3,806)	-	(18,884)	368,623
Scholarship for architects	322,552	9,710	(3,381)	-	(20,580)	308,301
The William Morris Craft Fellowship	168,421	102,705	(86,362)	-	-	184,764
Historic England	-	47,615	(324,767)	277,152	-	-
Eastbury Working Party	-	94,350	(94,350)	-	-	-
Maintenance Co-ops	14,652	-	-	(14,652)	-	-
Gloria e Marco Award	8,959	70,128	-	-	-	79,087
Restricted (Other)	91,690	32,070	(4,280)	-	-	119,479
Total Restricted Funds	1,757,911	906,176	(620,446)	262,500	(125,485)	2,180,655
Endowed Funds	589,579	-	-	-	(34,984)	554,595
Designated Funds:						
Fixed Asset Reserve	207,720	-	(19,512)	110,710	-	298,918
IT Fund	46,270	-	-	-	-	46,270
Kibworth Harcourt Repair	7,000	-	-	-	-	7,000
Spital Square Repair	14,441	-	-	-	-	14,441
	275,431	-	(19,512)	110,710	-	366,629
General Fund	2,443,098	964,720	(1,026,227)	(373,210)	(138,466)	1,869,915
Total Unrestricted Funds	2,718,529	964,720	(1,045,739)	(262,500)	(138,466)	2,236,544
Total Funds	5,066,019	1,870,896	(1,666,185)	-	(298,935)	4,971,794

22. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Intangible Fixed Assets £	Net Investments £	Net Current Assets £	Total 2018 £
Restricted					
The Mills Section	-	-	1,120,401	-	1,120,401
R&M of ancient buildings	-	-	285,787	82,835	368,622
Scholarship for architects	-	-	255,679	52,622	308,301
The William Morris Craft Fellowship	-	-	-	184,764	184,764
Gloria e Marco Award	-	-	-	79,087	79,087
Restricted (Other)	-	-	-	119,480	119,480
Endowed Funds	-	-	534,655	19,940	554,595
Unrestricted Funds	298,918	180,477	1,789,575	(32,426)	2,236,544
Total	298,918	180,477	3,986,097	506,302	4,971,794