

# Annual Report and Financial Statements

Year Ended 31 December 2021

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**THE VICTORIAN SOCIETY**  
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**London W4 1TT**

**Registered Charity**  
No 1081435

**Company Registration**  
No 3940996

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## People

### Patron

HRH The Duke of Gloucester KG, GCVO

### President

Griff Rhys Jones

### Vice Presidents

Sir David Cannadine

The Lord Howarth of Newport CBE

Sir Simon Jenkins

### TRUSTEES AND DIRECTORS OF THE COMPANY

Professor Hilary Grainger OBE, *Chair*

Kate Davey, *Legal to 20 August 2021, then Non-executive*

Alan Davies, *Non-executive (from 27 November 2021)*

Dr David Low, *Non-executive*

Ken Moth, *Casework and Vice Chair*

Lynn Percy, *Finance*

Steve Roman, *Membership*

Professor Andrew Saint, *Non-executive (to 20 August 2021)*

Henry Sainty, *Non-executive to 20 August 2021, then Legal*

Kit Wedd, *Non-executive*

Ann Wilks CBE, *Non-executive (to 20 August 2021)*

### REGIONAL GROUP CHAIRS

*Birmingham* Stephen Hartland

*Leicester* Peter Ellis / Neil Crutchley (*Joint Acting Chairs*)

*Liverpool* Tony Murphy

*Manchester* David Astbury

*Wales* Elaine Davey

*South Yorkshire* Valerie Bayliss CB

*West Yorkshire* June Diamond

### EVENTS COMMITTEE

Professor Neil Jackson RIBA FSA, *Chair*

Julie Ashdown OBE

Joanna Banham FSA

Valerie Bayliss, South Yorkshire (*from 8 March 2021*)

Sheila Binns

Dr Geoff Brandwood (*deceased 17 November 2021*)

Dr Steven Brindle

Elaine Davey, Wales (*from 8 March 2021*)

Susan Deal, South Yorkshire (*from 8 March 2021*)

June Diamond, West Yorkshire (*from 8 March 2021*)

Maya Donelan MBE

Peter Ellis, Leicester (*from 8 March 2021*)

Michael Hall

Nina Hatch, Birmingham & West Midlands  
(*from 8 March 2021*)

Anne Hodgson, Manchester (*from 8 March 2021*)

Roger Hull, Liverpool (*from 8 March 2021*)

Dr Joshua Mardell (*to 13 December 2021*)

Michael Pearson

Sophie Sainty

Paul Waite

**NORTHERN BUILDINGS COMMITTEE**

Ken Moth, *Chair*  
Neil Darlington  
Alan Davies  
Christine Davis  
June Diamond  
Janet Douglas (*from September 2021*)  
Andy Foster

Dr Chris Hammond (*to September 2021*)  
Kate Martyn  
Becky Mills  
John Prichard  
Dominic Roberts  
Kathryn Sather  
Mark Watson

**SOUTHERN BUILDINGS COMMITTEE**

John Scott, *Chair*  
Tom Ashley  
Dr Timothy Brittain-Catlin  
Dr Edward Diestelkamp  
Dr Brent Elliott  
Alec Forshaw  
Maggie Goodall  
Elain Harwood  
Michael Hill  
Peter Howell

Charles Lawrence  
Edward Lewis  
David McDonald  
Benedict O'Looney  
Hannah Parham  
Heloise Palin  
Mark Price  
Dr Aileen Reid  
Professor Andrew Saint  
Teresa Sladen

**STAFF**

**Director of the Society** Joe O'Donnell

**Conservation Advisers**

James Hughes  
Tim Bridges  
Connor McNeil (*from 1 October 2021*)  
Olivia Stockdale (*to 24 September 2021*)  
Tom Taylor

**Media Officer** Molly Murray-Ayres (*to 15 April 2021*)

**Media, Communications & Business Development Manager** John Cowley (*from 2 August 2021*)

**Administrator** Richard Seedhouse

**Events Administrator** Jane Jephcote (*to 28 February 2021*)

**BANKERS**

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

**AUDITORS**

Begbies, 9 Bonhill Street, London EC2A 4DJ

## Chair's Introduction

This report covers the period from January to December 2021. The challenges of the vagaries of the pandemic continued throughout the year. The Society once again responded positively by exploring creative ways of ensuring that core business was undertaken effectively, while at the same time ensuring that personal contact with members and volunteers was maintained. Once again, staff adapted their working patterns to address the rapidly changing requirements to ensure that casework, media coverage and administrative duties were discharged effectively. Examples of the promotion of the Society included our President, Griff Rys-Jones, appearing on ITV's *Good Morning Britain* to talk about the 10 Endangered Buildings initiative, the 'opening up' of Priory Gardens in September as part of Open House London and a Victorian Society stand at a Historic Parks and Gardens event. Director, Joe O'Donnell was invited to judge the National Railway Heritage Awards and was active across the heritage sector throughout the year on behalf of the Society.

The Events Committee produced a compelling range of online lectures and reading groups which reached a very wide audience - regional, national and international. A successful Regional Groups' meeting generated a range of suggestions, these included members of the Regional Groups being invited to join the Events Committee. This has proved valuable not only in terms of capitalising on shared expertise, but also in fostering the exchange of ideas on future programmes. Another positive development was the inclusion of regional events on the Blue Sheet. Greater cohesion will undoubtedly stand the Society in good stead as it seeks to build on the success of its online offer and as we begin to re-introduce live events. Across the country Regional Groups worked hard to maintain contact with local members with in-person events when possible. The Birmingham and West Midlands Group became involved in a listing evaluation project set up with support from Historic England and this work continues. Peter Howell's monograph on J.F. Bentley was launched and a Christmas party was held at Priory Gardens where staff, volunteers and members had the opportunity to thank Jane Jephcote for her many dedicated years of service.

The Trustees would like to thank the Director, staff, volunteers and members for their loyal support, hard work and commitment.

There were a number of staff changes during the year. Our Media Officer, Molly Murray-Ayres left to take up another post. Her resignation prompted the Board of Trustees to look strategically at her role and the decision was made to re-advertise the post as Media Communications and Business Development Manager. John Cowley was appointed to this role, part of which is to explore avenues for funding applications. Olivia Stockdale also left her post as caseworker and Connor McNeil took up the role, having covered James Hughes' paternity leave. With support from the Government's Kickstarter Scheme, we welcomed Louis McDonald, Qianna David, Alfred Portman and Emma Grainger Clark to help with media and administrative work.

There were also changes to the Board of Trustees. Ann Wilks and Andrew Saint retired from their positions and the Board was delighted to co-opt Alan Davies who will stand for election at the forthcoming AGM.

A significant development involved changes to our IT provision. The final choice of Beacon as our new Customer Relationship Management System (CRM) was made after a rigorous due diligence process was undertaken by the Director and designated trustees with particular expertise in this area. The process was supported by extensive research into the options available undertaken by volunteer Sophie Sainty with help from our intern Eric Heiding.

As part our Strategic Plan, the trustees took the decision to set up a Fundraising Advisory Group, comprising the Director, the Media and Business Development Manager, a trustee and invited external members with expertise and experience in fundraising. Chaired by Finance Trustee Lynn Percy, it has been devised in the first instance as a 'start and finish' group and sits outside our governance structure. The Group has already formulated a series of proposals which will be implemented over the coming months. If effective, the lifespan of the Advisory Group may be extended.

A Publications Sub-Committee was formed, chaired by Professor Andrew Saint and is already progressing a forward-thinking agenda to secure a profit-making future for this important area of our academic mission.

As you will see from the Report, our financial position remains a continuing and serious challenge. This year the Society was fortunate to benefit from several legacies, but this leaves no room for complacency in terms of our long-term financial position. The Society's Strategic Plan and Annual Operating Plan will continue to be reviewed regularly to ensure that responses to our financial position are both agile and effective. Finances are reviewed at each trustees' meeting and we continue to monitor our expenditure carefully.

The year under review was blighted by the sudden unexpected death of Dr Geoff Brandwood, a much admired and respected former Chair who remained wholly indefatigable in the service of the Society. Geoff's loss resonated not only across the Victorian Society but across the many organisations in which he was involved. He will be sadly missed by all.

In conclusion, there is much to look forward to in the coming year, not least the opportunity to meet face-to-face at the forthcoming AGM in Nottingham. On behalf of the trustees, I would like to thank you again for your loyalty, continued commitment and generosity.

**Professor Hilary Grainger OBE**  
Chair

A handwritten signature in black ink that reads "Hilary Grainger". The signature is written in a cursive style with a horizontal line underlining the name.

## Annual Review

### The problem and how we tackle it

Thanks to our campaigns over the past sixty years, more people than ever understand and value our Victorian and Edwardian heritage. Yet, we cannot rest on our laurels.

Grade I listed Victorian and Edwardian buildings still see changes which simply would not be proposed for buildings of a similar importance from earlier periods. Many very good Victorian and Edwardian buildings such as schools, hospitals and ordinary houses are still being lost or insensitively altered. Increasingly, we make the case that this wasteful demolition, rather than reuse, cannot continue if our society is to reach net zero.

Buildings need an advocate, who takes the long-term view. Local people may stand up for them, but they benefit enormously from the support of the Victorian Society's knowledge and expertise. The Victorian Society (the Society) encourages people to appreciate their buildings, so that any changes ensure that future generations can enjoy what is special about them. Much historic interest can be lost through the accumulation of changes to accommodate to seemingly urgent, but often short-term, requirements. Our members ensure we have specialist staff on hand to go through thousands of planning applications a year to push for the best possible outcomes.

We review our aims, objectives and activities each year. We have had regard 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.

Below, we report on work we've done in 2021 to achieve the charitable objects in our constitution. By involving and educating the public, we increase the likelihood of saving buildings.

- **CONSERVATION:** to save Victorian and Edwardian heritage from needless destruction or disfigurement.
- **INVOLVEMENT:** to awaken public interest in, and appreciation of, the best of Victorian and Edwardian arts, architecture, crafts and design.
- **EDUCATION:** to encourage the study of these and of related social history and to advise owners and public authorities on the preservation and repair of Victorian and Edwardian buildings and how they can, if necessary, be adapted.

# What have we done in 2021?

## Conservation

### Headline numbers

**9,009 notifications received (2020: 6,965; 2019: 6,600)**

**4,731 (53%) identified as our period (2020: 3,398 (49%); 2019: 3,489)**

**525 detailed responses made (2020: 383; 2019: 363)**

### Saving buildings

We want to help local planning authorities, or denominations that have been exempted from local planning control, make better decisions about Victorian and Edwardian heritage. Commenting on applications for listed building consent, faculty or planning permission is one of the key ways in which we do this.

Our headquarters employs 2.6 (2020: 2.8) full-time-equivalent conservation advisers for church and secular work, and we rely on volunteers around the country for a great deal of our work. In addition, a legacy from a former member, Mary Heath, enables us to employ a Birmingham and West Midlands Conservation Adviser for two days per week to work alongside volunteers. Our regional groups in Birmingham and Leicester respond to applications in their areas, buoyed by considerable local knowledge.

Local authorities are required to notify us of the outcomes of listed building consent applications that they have consulted us on. However, so few do this that it is impossible for us to compile meaningful statistics on the results of applications on which we comment. 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 2021 we received 9,009 notifications of proposals to historic buildings (2020: 6,965; 2019: 6,600). Of the notifications received and logged, 4,731 (53%) related to Victorian or Edwardian buildings (2020: 3,398 (49%); 2019: 3,489; 2018: 2,630), each of which our staff must investigate to see if it is of concern to us. We gave detailed responses to 525 (2020: 383; 2019: 363; 2018: 351). Overall, this works out as our three full-time-equivalent staff each having to look at 1,577 applications identified as in our period a year (1,062 in 2020). This was just over 30 a week, up from just over 20 a week in 2020 - an increase of 50%. The reason for the surge in casework is not yet clearly understood and is being examined by all the amenity societies. It is a testament to the caseworkers that they have been able to maintain high standards in the face of this increased caseload.

Included in the figures above are the 857 notifications received for proposed works to listed religious buildings that fall under the ecclesiastical exemption, the overwhelming majority of which have some element within our period of interest (2020: 853; 2019: 712; 2018: 614).

We have a formal role in the planning system in England & Wales. The Secretary of State's direction in *Arrangements for handling heritage applications - notification to Historic England and National Amenity Societies and the Secretary of State (England) Direction 2021* requires 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. This was underlined in 2020 by a decision of the High Court to quash a planning permission due to Birmingham City Council's failure to disclose our objection to the planning committee - an important endorsement of the value of our expert advice.

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 try to influence proposals before they are submitted, through pre-application discussions with owners and parishes. When opposing a proposal, we work in partnership with residents and other interested parties, if appropriate. We hope that publicising our position on cases will increase awareness of the need to work sensitively with historic buildings. Our success cannot be measured by counting rejected listed building consent applications, as over 90% of applications for listed building consent are approved. Indeed, their approval may well be as a result of our intervention leading to revised designs.

We do not comment on every notification received. We respond when the proposals are damaging to historic character and when our expert input might result in a less destructive outcome. Our responses highlight each site's historic and architectural importance and explain why the proposals are detrimental. The experience of our conservation advisers, buildings committees and other specialists means we deliver considered responses drawing on an exceptional breadth of knowledge.

The sorts of proposals we often comment on continue to 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; and the impact of tall buildings. We also make spot listing requests for unlisted buildings. Our work is best understood by reading the case reports published in each issue of our magazine, *The Victorian*.

Highlights included our joint working with the Georgian Group to campaign against the partial demolition of Grade II listed buildings at 47 Piccadilly in Manchester and working with Matthew Wood to successfully secure the relisting of Carham Hall to end demolition plans after an apparent error by Historic England led to its delisting.

We receive a grant from Historic England which covers a proportion of the cost of our listed buildings casework. This funding has been extended until March 2023. We are very grateful for this but we are concerned that our grant is now being extended only for short periods, making it difficult to plan and compounding the difficulties caused by this grant having reduced substantially over the last decade. We also receive a small grant from Cadw, the Welsh Government's historic environment service.

#### **Influencing policy**

We 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 – our Director sits on the Alliance's Spatial Planning Advocacy Group.

#### **Looking ahead**

Given the trend of the previous years we expect that case work numbers will continue to rise. We are lucky to have in place a very solid team of caseworkers. They will continue to prioritise the cases to which to respond, as they do currently. The Society will continue to urge Historic England to consider how it funds casework so that we can have a more secure funding settlement than the recent year-to-year extensions. We will also continue to take opportunities to comment on changes to the planning system to ensure a better heritage protection system.

## Involvement

### Headline numbers

**2,721 members**

**Twitter followers: 27,188**

**Facebook followers: 9,291**

**Facebook page likes: 8,378**

**Instagram followers: 3,800**

**LinkedIn followers: 686**

### A focus for interested people

The Society provides a focus and community for those interested in Victorian and Edwardian heritage and arts. Membership numbers slightly increased to 2,721 in 2021 (2,642 in 2020, 2,577 in 2019; 2,677 in 2018). The end of 2021 saw us switch to a new membership database - Beacon. As with many IT projects, this has not been as smooth a transition as we would have hoped for. Nevertheless, the new system eliminates many hurdles to joining online and, for the first time, enables direct debits to be set up online and monthly memberships. The Society is thankful that we have a low membership turnover, as members tend to continue supporting our fight. We welcome any suggestions on how we might become better at attracting more new members, while retaining those we have got.

The public engage with us in several important ways, including with financial contribution. Many members generously give us additional donations during the year and sign Gift Aid declarations to maximise the value of their donations and membership subscriptions. In 2021, Gift Aid added £22,050 (2020: £20,009; 2019: £24,505) to our funds.

### Remembering those who remembered the Society

We are privileged to have been remembered in six legacies in 2021, totalling £236,213. (We received three in 2020 totalling £32,095; five in 2019 totalling £53,246; and eight in 2018 totalling £79,689). We are very grateful to all those who remembered us in their will in 2021 and in previous years. Thank you also to all those who are planning on supporting us in this way.

While legacy income cannot be relied upon or budgeted for, it has been crucial in helping the Society through the difficult last few years. Legacy income is vital to our operations and also enables special projects that would otherwise be unaffordable. That's why we need people to remember us when writing their wills. There can also be tax advantages for your estate by supporting a charity in this way. If you would like to support our work by joining, making a donation, or remembering us in your will, please telephone 020 8747 5890 or email [admin@victoriansociety.org.uk](mailto:admin@victoriansociety.org.uk).

### Volunteering

Donations of time and expertise are very valuable to us. As the expert voice 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 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 Society's strategic direction. In a normal year 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 per year, and until 2020 there were many days when volunteers in the office outnumbered the staff.

2021 continued to be affected by Covid-19 and was still challenging for many volunteers who were not yet comfortable travelling to Priory Gardens, even once it was no longer closed by Government restrictions. However, this situation has meant that we have been able to tap into new volunteers who are able to work remotely online.

**Social media**

2021 saw continued growth of our social media presence, supporting the Society's campaigns and increasing awareness of membership. A focus on Instagram resulted in a 36.6% increase in followers. We also saw a 17.41% increase in followers on Facebook compared to 2020. Our largest platform, Twitter, has seen the slowest growth with an increase of only 4.7% - reflecting the much bigger existing audience. Conversely, LinkedIn has seen growth of 32.5% - attributable to the fact that it currently has least followers and therefore the highest potential for growth. Two posts on Facebook were seen by very large audiences: one on [Digbeth in Birmingham](#) with 90k+ views, and one on the [Victorian Baths in Carlisle](#) with 60k+ views. 2021 also saw the Society successfully experiment with paid-for advertising for online events. This is something we hope to refine in future.

**Newsletter**

Design and editorial changes made the newsletter more engaging and readable. 2021 saw the introduction of new sections, such as properties to rescue, and a new push to allow only members to advertise for-profit events or products to encourage people to join the Society. The newsletter has proved an effective platform for selling event tickets, second only to direct member emails and the blue sheet.

**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. However, they often find out about threats only once it's too late to save a building, or they wrongly assume that they're in 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. When people hear about a threat 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.

**Top Ten Endangered Buildings**

The 2021 Top Ten Endangered Buildings Campaign resulted in 35 pieces of press coverage, including a story in the print edition of the Daily Telegraph, a TV appearance by the Victorian Society President, Griff Rhys Jones, on ITV's Good Morning Britain, an article in the Mail Online, the world's most widely-read digital news publication, and multiple TV appearances on BBC Northwest. Following the Top Ten campaign, the Society has been contacted about Icknield Street School, Oldham Hill Stores, Burslem Market and Homcliffe House by local groups and interested investors. This success is in part due to high-quality photography supplied by volunteers, which contributed to the reach of the campaign, including coverage on BBC London's Instagram.

**Press**

As well as the Top Ten coverage in 2021, the Society secured press urging the Government to take steps to save Liverpool's World Heritage status (which ultimately was lost), for Kinmel Hall's new owner to carry out repairs, and to stop demolition of various high-quality buildings across the country. We also urged Preston not to use lottery money to make damaging changes to the Harris Museum. Our Director was quoted in the Guardian following our use of scientific environmental evidence to lobby against the Hondo Tower in Brixton and on threats to UK World Heritage sites. Our Director also wrote a piece for the Conservation and Heritage Journal exploring how conservation can become a central part of the environmental movement. A key press issue in 2021 was securing a correction and republication of an article in the Church Times that portrayed the Society in a bad light due to poor research and one-sided reporting.

**Looking ahead**

We will continue to use the media and social media to promote our work. Already in 2022 we have launched a Young Victorians Group to help attract a younger audience for the Society. Once the transfer of direct debits is completed in 2022 we hope to be able to focus on finessing our new CRM system and ensuring we have gift aid mandates for as many members as possible. We also intend to use the system to have a fuller understanding of who is intending to leave the Society a legacy so that we can improve our relationship with them and to carry out our first fundraising campaign using the CRM platform. A key challenge for 2022 will be encouraging volunteers back to our head office once they feel safe.

## Education

### Headline numbers

**44 events, organised by volunteers**

**8,375 tickets sold for events**

### Talks, conferences, visits and study days

Despite disruption because of Covid, the Society was still able to offer a shortened live event schedule, which was enhanced by the enormous success of our online events programme.

2021's live events all sold very well, showing an ongoing appetite for in-person events. The study day on French Architecture and the English, 1835-1914, was well received and sold out, as did the Kensal Green Cemetery walking tour.

In a relatively rare event for the Society, a bicycle tour of Ealing was organised. Although ticket sales were lower than for other events, the tour was very well received and well attended by non-members from the local area. Early indications are that new kinds of events organised by the Society are a great way of reaching new audiences and making connections with potential members.

2022 will see the Society's new events coordinator joining us, which will help streamline event organisation and achieve our goals of informing and entertaining our well-established membership base, as well as increasing membership.

### The Victorian

In 2021 we published three editions of our membership magazine *The Victorian*. In March 2021, *The Victorian* explored the architecture of art education, the after-lives of Victorian Studio houses, the locations of African-American anti-slavery tours in Victorian Britain and the Christian Socialist vision of the Victorian art museum. The July 2021 issue saw our senior caseworker set out the worrying issues with the faculty system for protecting heritage, an exploration of ES Prior's warnings on church design and alterations in the 1890s, William Whyte on learning to love the Victorian Church, Peter Howell on rescuing Bentley-designed fittings and the favorite churches and chapels of some big names in the sector. Finally, the November 2021 issue saw Andrew Saint explore how London became a better place between 1870 and 1914 and explored the SPAB's view of Victorian architecture before 1958, historic royal naval dockyards, and the carbon cost of demolition. Each edition also featured casework, news, book reviews and 'House Notes' on the practical aspects of looking after Victorian and Edwardian properties.

### Victorian Architects book series

2021 saw the release of the second of our monographs on Victorian and Edwardian architects to be published with Liverpool University Press and Historic England - *AWN Pugin* by David Frazer Lewis, which is available from the Society for £25. It is the first single-volume overview of Pugin's architecture to be published since 1971, despite his work's popularity. The book summarises much new scholarship and provides an excellent introduction to Pugin's career as well as new insight for those already familiar with it. The Society launched the book with a virtual book launch, featuring a talk given by David Frazer Lewis.

### Looking ahead

2022 has seen the appointment of our new Events Co-ordinator who will help support the ongoing success of our events programme. 2022 will also see increasing numbers of live events, including our first in-person AGM for several years scheduled for Nottingham. We are also working on a revised edition of the Victorian Society book of the Victorian House which will help us gain visibility with those who are keen to restore their homes. We look forward to hearing from our newly-formed Publications Sub-Committee about the range of publications we may produce in future.

# Report of the Trustees / Directors for the year ending 31 December 2021

## Structure, governance and management

### Structure

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

### Governance

The Society is managed by a Board of Trustees. All the Trustees are also the Directors of the charitable company for the purposes of the Companies Act, and vice versa. 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 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.

The Board has reviewed the Charity Governance Code for smaller charities, which sets out best practice principles and recommended practice for good governance. The principles address organisational purpose; leadership; integrity; decision-making, risk and control; board effectiveness; diversity; and openness and accountability. The Board is satisfied that it is meeting the principles and key outcomes of the Code although, given the small size of the Society and the Trustee Board, in some areas there is rather less formality than is called for by the Code. As an example, while the Board and the Director of the Society work closely together and are therefore clear about what is delegated to the Director, this is not set out in a formal framework.

### 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 of the Society who, while not a director of the charitable company, attends meetings of the Board of Trustees. The Society benefits from a Northern Buildings Committee and a Southern Buildings Committee, both comprised of experts who meet to advise the Society on architectural and casework matters.

The remuneration of the Director of the Society and other employees is reviewed each year by the Trustees.

### Risk management

The major risks to which the Society 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. The principal financial risks facing the Society relate to a recurring deficit from its ongoing operations and its significant financial investments. These are considered in more detail on the following pages.

## Financial review

### Income and expenditure

<b>Net movement in resources</b>	<b>2021</b>	<b>2020</b>
	£000s	£000s
<b>Deficit on recurring items</b>	<b>(37)</b>	<b>(115)</b>
<i>Non-recurring items</i>		
Refurbishment-related net costs	-	(8)
Write-off of database	(18)	-
Non-recurring grants	41	7
Non-recurring staff costs (net)	(18)	-
Gain on sale of furniture	-	7
Legacies	273	32
<b>Surplus/(Deficit) before valuation adjustments</b>	<b>241</b>	<b>(77)</b>
Net gains on investments	15	6
<b>Surplus/(Deficit) for the year</b>	<b>256</b>	<b>(71)</b>

The Trustees are pleased to report that the deficit on a recurring basis has reduced significantly this year. This is due in large part to the growth in our events income but also to the increased membership and to a full year of rental income. It also reflects a reduction in staff costs and other cost-saving measures taken by the Society, as discussed below. However, the Trustees continue to target returning the Society to an underlying surplus and, as reported earlier, have established a fundraising group to suggest ways in which this might be done.

<b>Income</b>	<b>2021</b>	<b>2020</b>	
	£000s	£000s	
<b>Total</b>	<b>605</b>	<b>290</b>	<b>Total income up 109%</b>
<i>Comprising:</i>			
Subscription income	153	142	Increase 8%
Donations	8	10	Decrease 20%
Legacies	273	32	Increase (non-recurring)
Rental income	15	7	Increase 114%
Other investment income	6	8	Decrease 25%
Grants	85	51	Increase 67%
Educational events and publications	62	33	Increase 88%
Other	3	7	Decrease (non-recurring)

Subscription income was up by 8%, reflecting both a continuation of the encouraging increase in new members joining us, particularly following attendance at one of our online events, and the slight increase in our subscription rates. We received five legacies in 2021 (2020: three) and a further instalment of one of these shortly after the year end: these are a vital part of our funding and the significant sums received this year have put the Society on a much more secure financial footing.

Our underlying grant income was stable but we received significant non-recurring grants both this year and last. We took advantage of the Government's KickStarter scheme to welcome four members of staff on a short-term basis, receiving a grant of £17,561, and benefited from a Business Interruption Grant from Hounslow Council of £16,264. The Paul Mellon Centre for French Architecture made a generous grant towards the cost of our French Architecture and the English study day, we received a grant from Cause 4 to cover staff time spent taking part in the Heritage Compass programme and, finally, we received an unrestricted grant from the John Swire 1989 Charitable Trust. In 2020 we received a Coronavirus Job Retention Scheme (CJRS) grant of £7,386.

**Financial review (continued)**

Income from events increased by 126% and the net surplus rose by over 250% (see Note 3 to the accounts). Income in 2020 had been hit hard by the enforced cancellation of our live events programme for the year, which continued into 2021. However, our very successful programme of online events, started during 2020, continued to grow during 2021 and we will be continuing with this mixed schedule of events.

The increase in rental income reflects a full year of income, following the re-let of the flat at Priory Gardens in July 2020 after the refurbishment. Other income in 2021 was primarily an insurance reimbursement of repair costs and in 2020 was the gain on sale of an item of antique furniture no longer in use by the Society.

<b>Expenditure</b>	<b>2021</b> £000s	<b>2020</b> £000s	
<b>Total</b>	<b>364</b>	<b>367</b>	<b>Total expenses down 1%</b>
<i>Comprising:</i>			
Architectural conservation	275	255	Increase 8%
Educational activities	83	97	Decrease 14%
Fundraising	6	15	Decrease 60%

Total expenditure was broadly unchanged from 2020. However, in 2021 we incurred a non-recurring charge of £18,586 to write off the remaining carrying value of our database, caused by our previous provider withdrawing from this market and no longer supporting the operation of the system. Excluding this cost, and the refurbishment costs incurred in 2020, our recurring expenditure fell by 4%. Certain 2020 costs have been reclassified, as explained in Note 4 to the accounts.

Staff costs (including temporary costs to cover parental leave) fell by just over £9,000. This net reduction reflected non-recurring costs of £17,700 for our four KickStarters and redundancy and an increase of £10,400 in temporary staff costs to cover paternity leave. However, these costs were more than outweighed by the reduced recurring staff costs and related rebate from HMRC during that leave, the absence of an events administrator and a short period without a media officer.

This year the Society reported unrealised investment gains of £15,001 (2020: £6,077).

**Balance sheet**

<b>Net assets</b>	<b>2021</b> £000s	<b>2020</b> £000s	
<b>Total net assets</b>	<b>2,076</b>	<b>1,819</b>	<b>Increase 14%</b>
<u>Unrestricted funds:</u>			
Tangible fixed assets	1,174	1,177	Stable
Intangible fixed assets	4	25	Decrease 84%
Deposits and other investments	336	289	Increase 16%
Cash balances	276	111	Increase 149%
Other net assets/(liabilities)	36	(27)	n/a
	<u>1,826</u>	<u>1,575</u>	Increase 16%
<u>Restricted and Endowment funds:</u>			
Deposits, investments and cash	250	244	Increase 2%
Other net assets/(liabilities)	-	-	
	<u>250</u>	<u>244</u>	

## Financial review (continued)

### Unrestricted funds

Unrestricted funds represent the Society's day to day operating finances. Overall, unrestricted funds increased by 16%, reflecting the surplus for the year. Around two-thirds of the total is represented by tangible fixed assets, largely the freehold property in Priory Gardens. The market value of this property is estimated to exceed the cost by a substantial amount, however no formal valuation has been obtained because this would incur undue cost to the Society. The level of unrestricted reserves held which are not designated or invested in the Society's tangible and intangible assets, and are therefore available to finance general spending, is £648,057 (2020: £373,489).

The deposits, other investments and cash balances are placed in accounts with a range of terms. Investment decisions are made taking into account the short- and longer-term cashflow needs of the Society and its planned activities. Although the Trustees are conscious of the very low returns currently available on cash holdings, they place great importance on the capital security of the Society's funds, particularly in the current uncertain economic environment. This, and the benefits of liquidity, are currently considered to outweigh the inflationary risk of holding cash. By utilising deposit accounts with a number of different institutions, the investments are largely covered by the FSCS bank deposit guarantee scheme, which is a key method of managing investment risk. Since the Society's funds are invested with banks and building societies, the Trustees are unable to influence the social, environmental or ethical policies of the providers used.

### Reserves policy

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, particularly in view of the deficit on a recurring basis disclosed above. In considering the adequacy of the Society's reserves, the Trustees focus on its 'free' unrestricted reserves which, as disclosed above, were £648,057 at 31 December 2021 (2020: £373,489). The Trustees consider it prudent that the level of precautionary reserve should not be less than a year's expected future expenditure (excluding events expenditure since this is income-generating), plus an allowance for ongoing property refurbishment. At 31 December 2021, the Society's free unrestricted reserves were adequately in excess of this level. This is a considerable recovery from the position at the end of 2020, when significant free reserves had been absorbed by the refurbishment of the Society's headquarters and the deficits incurred since 2018, in large part due to the very generous legacies received during 2021 but also due to a continuing fall in the Society's recurring deficit. The Trustees continue to explore actions that can be taken both to increase income and to reduce expenditure.

### 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. The endowment funds are invested in a balanced managed fund which should, over time, generate both a steady income and some capital growth.

Of the £2,075,756 total funds held at the balance sheet date, £129,367 are restricted and £120,072 are endowment funds.



## 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

Begbies are the Society's auditors and a resolution proposing their reappointment will be put to the annual general meeting.

The report was approved by the Board of Trustees on 14 May 2022 and signed on its behalf by

Professor Hilary Grainger, Chair



## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2021

		Unrestricted funds	Restricted funds	Endowment	Total 2021	Total 2020 (Restated: see note 4)
Notes		£	£	£	£	£
<b>INCOME AND ENDOWMENT FROM:</b>						
<b><i>Donations and Legacies</i></b>						
		152,588	-	-	152,588	141,603
		7,502	625	-	8,127	10,084
		273,213	-	-	273,213	32,095
<b><i>Investment</i></b>						
		-	-	-	-	4
		15,400	-	-	15,400	7,051
		5,807	277	-	6,084	8,050
<b><i>Charitable activities</i></b>						
	2	36,825	47,847	-	84,672	50,711
	3a	60,966	412	-	61,378	33,272
	3b	3,204	-	-	3,204	6,810
		<b>555,505</b>	<b>49,161</b>	<b>-</b>	<b>604,666</b>	<b>289,680</b>
<i>Including refurbishment-related:</i>		-	-	-	-	-
<b>EXPENDITURE ON</b>						
		(6,391)	-	-	(6,391)	(15,294)
<b><i>Charitable activities</i></b>						
		(226,448)	(47,895)	-	(274,343)	(254,647)
		(82,866)	-	-	(82,866)	(97,091)
	4	<b>(315,705)</b>	<b>(47,895)</b>	<b>-</b>	<b>(363,600)</b>	<b>(367,032)</b>
<i>Including refurbishment-related:</i>		-	-	-	-	(8,403)
	9	28	-	14,973	15,001	6,077
		<b>239,828</b>	<b>1,266</b>	<b>14,973</b>	<b>256,067</b>	<b>(71,275)</b>
		11,293	(11,293)	-	-	-
	6	<b>251,121</b>	<b>(10,027)</b>	<b>14,973</b>	<b>256,067</b>	<b>(71,275)</b>
<b>RECONCILIATION OF FUNDS</b>						
		1,575,196	139,394	105,099	1,819,689	1,890,964
		<b>1,826,317</b>	<b>129,367</b>	<b>120,072</b>	<b>2,075,756</b>	<b>1,819,689</b>

The Accounting Policies and the Notes on pages 20 to 29 form part of these financial statements.

Note 6 analyses the 2020 net income/(expenditure) between Unrestricted, Restricted and Endowment funds.

**BALANCE SHEET as at 31 DECEMBER 2021**

	Notes	Unrestricted funds £	Restricted funds £	Endowment £	Total 2021 £	Total 2020 £
<b>TANGIBLE FIXED ASSETS</b>	<b>7</b>	1,173,945	-	-	1,173,945	1,176,717
<b>INTANGIBLE ASSETS</b>	<b>8</b>	4,315	-	-	4,315	24,990
<b>INVESTMENTS</b>	<b>9</b>	127	-	120,072	120,199	105,198
		<u>1,178,387</u>	<u>-</u>	<u>120,072</u>	<u>1,298,459</u>	<u>1,306,905</u>
<b>CURRENT ASSETS</b>						
Stock		1,980	-	-	1,980	1,305
Debtors	<b>10</b>	67,063	125	-	67,188	43,287
Investments		336,323	128,527	-	464,850	401,186
Cash at bank and in hand		275,584	715	-	276,299	138,122
		<u>680,950</u>	<u>129,367</u>	<u>-</u>	<u>810,317</u>	<u>583,900</u>
<b>CURRENT LIABILITIES</b>						
Amounts falling due within one year	<b>11</b>	(33,020)	-	-	(33,020)	(71,116)
<b>NET CURRENT ASSETS</b>		647,930	129,367	-	777,297	512,784
<b>TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS</b>		<u><u>1,826,317</u></u>	<u><u>129,367</u></u>	<u><u>120,072</u></u>	<u><u>2,075,756</u></u>	<u><u>1,819,689</u></u>
Represented by:						
<b>FUNDS</b>						
Unrestricted	<b>12</b>	1,826,317	-	-	1,826,317	1,575,196
Restricted	<b>13</b>	-	129,367	-	129,367	139,394
Endowment	<b>14</b>	-	-	120,072	120,072	105,099
	<b>15</b>	<u><u>1,826,317</u></u>	<u><u>129,367</u></u>	<u><u>120,072</u></u>	<u><u>2,075,756</u></u>	<u><u>1,819,689</u></u>

The Accounting Policies and the Notes on pages 20 to 29 form part of these financial statements.

Approved by the Board of Trustees on 14 May 2022 and signed on its behalf by

Professor Hilary Grainger, Chair

*Hilary Grainger*

**CASH FLOW STATEMENT for the year ended 31 DECEMBER 2021**

	Total 2021 £	Total 2020 £
<b>Cash flows from operating activities:</b>		
<i>Net cash provided by operating activities</i>	222,596	(76,552)
<b>Cash flows from investing activities:</b>		
Dividends and interest on investments	6,054	7,294
Increase in investments that are not cash equivalents	(203,851)	25,350
Purchase of tangible asset - fixtures & fittings	-	(7,405)
Purchase of tangible asset - refurbishment	(26,809)	(46,868)
<i>Net cash (absorbed)/provided by investing activities</i>	(224,606)	(21,629)
<i>Change in cash and cash equivalents in the reporting period</i>	(2,010)	(98,181)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	489,308	587,489
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>487,298</u>	<u>489,308</u>

**Note to the cash flow statement**

	£	£
<b><i>Net income for the reporting period</i></b>	256,067	(71,275)
Adjustments for:		
Amortisation and impairment of intangible asset	20,675	3,528
Depreciation of tangible assets	2,837	2,738
Unrealised (gains)/losses on investments	(15,001)	(6,077)
Dividends and interest on investments	(6,084)	(8,054)
(Increase)/decrease in stocks	(675)	(1,305)
(Increase)/decrease in debtors	(23,871)	2,056
Increase/(decrease) in creditors	(11,352)	1,837
<b><i>Net cash provided by operating activities</i></b>	<u>222,596</u>	<u>(76,552)</u>

***Reconciliation to balance sheet***

	£	£
Cash at bank and in hand	276,299	138,122
Current asset investments that are cash equivalents	210,999	351,186
<b>Total cash and cash equivalents</b>	<u>487,298</u>	<u>489,308</u>
Current asset investments that are not cash equivalents	253,851	50,000
	<u>741,149</u>	<u>539,308</u>

There was no net debt at 31 December 2021 (2020: none).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021****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' (the Charities SORP (FRS 102) Revised), UK accounting standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Companies Act 2006. The Society is a public benefit entity and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are prepared on a going concern basis and the trustees consider that there are no material uncertainties about the Society's ability to continue as a going concern. Note 15 contains further analysis of the sufficiency of the Society's reserves.

The financial statements are prepared in Sterling, which is the functional currency of the Society.

**(b) Company status**

The Society is a charitable company limited by guarantee and incorporated in England & Wales. In the event of the Society being wound up, the liability in respect of the guarantee is limited to £1 per member. The registered office is 1 Priory Gardens, London, W4 1TT.

**(c) Fund accounting**

The Society 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 Society. Restricted funds are funds that are to be used in accordance with specific restrictions imposed by the providers of the funds. Expendable endowment funds are intended to be used primarily to generate income. 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 and other forms of voluntary income are dealt with when the Society is legally entitled to the income and the amount can be quantified with reasonable accuracy. Legacies are recognised when it is probable that they will be received. Legacies and gifts of property, furniture and reference books are recorded at their value at the date of receipt. Sales of literature and advertising, and interest income, are dealt with on an accruals basis. Subscriptions are due on 1 March each year. They are treated as donations and are therefore recognised as received. 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 general volunteers.

**(e) Recognition of expenditure**

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021****1 Accounting Policies (continued)****(f) Assets**

Tangible fixed assets are stated at cost less depreciation. Tangible 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 (antique furniture) 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 take place only in exceptional circumstances.

The capital cost of the website is recognised as an intangible asset and is stated at cost less amortisation. It is being amortised over its estimated useful life of 10 years from February 2018, when it became available for use.

Investments are stated at fair value, if they are publicly traded or their fair value can otherwise be measured reliably. Changes are recognised in income and expenditure. Other investments are stated on the basis of historical cost. Current asset investments qualify as cash equivalents if they have a maturity of three months or less from the date of acquisition.

Stock is stated at the lower of cost and realisable value.

Debtors are stated at the amount expected to be recoverable.

**(g) Depreciation**

No depreciation is provided on freehold premises since this would be immaterial having regard both to the length of the useful economic life of the property and its estimated residual value. Depreciation is provided on office equipment at 20% on cost and on fixtures and fittings at 10% on cost. Where assets are not subject to depreciation, an annual impairment review is performed.

**(h) Allocation of expenditure**

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

**(i) Pensions**

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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2 Grants	2021	2020
	£	£
Historic England	41,166	41,224
Cadw	2,081	2,101
Coronavirus Job retention Scheme	-	7,386
KickStarter grants	17,561	-
Hounslow Business Interruption grant	16,264	-
Other	7,600	-
	<u>84,672</u>	<u>50,711</u>

Receipt of the Historic England and Cadw grants is conditional on the Society incurring sufficient levels of eligible expenditure during the grant years, which run to March. This will be confirmed to Historic England and to Cadw in returns submitted after the year end.

During 2021 the Society benefited from four members of staff joining us on a temporary basis under the government's KickStarter scheme. The Paul Mellon Centre for French Architecture made a grant of £2,600 towards the cost of the Society's Study Day on French Architecture and the English, a grant of £2,000 was received from Cause 4 to cover staff time spent taking part in the Heritage Compass programme and an unrestricted grant of £3,000 was received from the John Swire 1989 Charitable Trust. One member of staff was furloughed during 2020, for which we received a Job Retention grant.

3a Educational Events and Publications	2021	2020
	£	£
Income from events	51,769	22,942
Related expenditure	(11,921)	(12,122)
Surplus from events	<u>39,848</u>	<u>10,820</u>

Educational Events and Publications income comprised the above income from events, advertising income of £4,415 (2020: £6,976) and income from the sale of publications of £5,194 (2020: £3,354).

**3b Other income**

Other income was mainly an insurance recovery of repair costs incurred (2020: gain on sale of fixed asset).

**4 Total expenditure**

	Conservation	Education	Fundraising	Total 2021
	£	£	£	£
Staff (including temporary staff)	191,336	24,458	4,405	220,199
<b>Other direct costs</b>				
Events	-	11,921	-	11,921
<i>The Victorian</i>	-	32,760	-	32,760
<i>The Journal</i>	-	-	-	-
Casework	7,363	-	-	7,363
Publications	-	2,704	-	2,704
<b>Allocated support and governance costs</b>				
Premises and general office costs	43,979	6,011	1,083	51,073
Finance	4,826	660	119	5,605
IT	23,607	3,227	581	27,415
Governance	3,926	537	97	4,560
	<u>275,037</u>	<u>82,278</u>	<u>6,285</u>	<u>363,600</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 4 Total expenditure (continued)

Allocated costs are generally allocated on the basis of the proportions of staff time engaged in each aspect of the Society's work. Premises costs include an impairment charge of £18,586 arising from writing off the Society's database.

	Conservation £	Education £	Fundraising £	Total 2020 £
Staff (including temporary staff)	181,062	37,118	11,258	229,438
<b>Other direct costs</b>				
Events	-	12,122	-	12,122
<i>The Victorian</i>	-	31,922	-	31,922
<i>The Journal</i>	-	-	-	-
Casework	9,406	-	-	9,406
Publications	-	1,849	-	1,849
Other	-	778	-	778
<b>Allocated support and governance costs</b>				
Related to refurbishment	6,616	1,371	416	8,403
Other premises and general office costs	29,423	6,099	1,850	37,372
Finance	5,468	1,133	344	6,945
IT	19,082	3,955	1,200	24,237
Governance	3,590	744	226	4,560
	<u>254,647</u>	<u>97,091</u>	<u>15,294</u>	<u>367,032</u>

£2,000 of temporary staff costs have been reclassified from Casework costs to Staff costs (allocated to Conservation), to group all staff costs together. The £5,000 cost of the shared casework database has been reclassified from allocated costs to a direct Casework cost. The remaining allocated costs have been analysed in more detail this year, to disclose their general nature more clearly. The costs related to the refurbishment arose on the relandscaping of the grounds at Priory Gardens.

<b>Costs include:</b>	<b>2021</b> £	<b>2020</b> £
Auditors' remuneration		
- audit fee	4,560	4,560
Depreciation and amortisation	4,926	6,266
Impairment	18,586	
Staff costs comprise:		
- Wages & salaries	187,638	203,916
- Social security costs	11,787	14,167
- Pension costs	8,374	9,355
	<u>207,799</u>	<u>227,438</u>



**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021****4 Total expenditure (continued)**

The average number of staff employed during the year was 8.33 (2020: 8). Calculated on a full time equivalent basis, the average number during the year was 6.75 (2020: 6.4). No staff member received remuneration in excess of £60,000. The gross employment cost of key management personnel, including national insurance and pension contributions, was £49,967 (2020: £55,519). In addition to the cost of employed staff, the Society incurred temporary staff costs of £12,400 (2020: £2,000) to cover a period of paternity leave but benefited from an associated rebate from HMRC of £5,311.

**5 Transactions with Trustees**

No trustee (2020: none) was in receipt of remuneration or employment benefits. One trustee (2020: four) received reimbursement of their travelling or other expenses totalling £162 (2020: £289) in relation to their role as Trustees or on committees. The Trustees made donations (including membership subscriptions) of £594 (2020: £414) during the year.

**6 Fund analysis of net income/(expenditure) for the comparative year**

	Unrestricted funds £	Restricted funds £	Endow- ment £	2020 Total £
<b>INCOME:</b>				
Subscriptions	141,603	-	-	141,603
Donations	10,084	-	-	10,084
Legacies	32,095	-	-	32,095
Dividends and interest	7,055	999	-	8,054
Rental income	7,051	-	-	7,051
Grants	7,386	43,325	-	50,711
Educational events and publications	32,746	526	-	33,272
Other	6,810	-	-	6,810
<b>Total income</b>	<b>244,830</b>	<b>44,850</b>	<b>-</b>	<b>289,680</b>
<b>EXPENDITURE:</b>				
Raising funds	(15,294)	-	-	(15,294)
Architectural conservation	(207,777)	(46,870)	-	(254,647)
Education	(97,091)	-	-	(97,091)
<b>Total expenditure</b>	<b>(320,162)</b>	<b>(46,870)</b>	<b>-</b>	<b>(367,032)</b>
Net gains/(losses) on investments	(45)	-	6,122	6,077
<b>Net income/(expenditure)</b>	<b>(75,377)</b>	<b>(2,020)</b>	<b>6,122</b>	<b>(71,275)</b>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

7 Tangible Fixed Assets

	Freehold premises £	Office equipment £	Furniture & fittings £	Total £
<b>Cost:</b>				
As at 1 January 2021	1,157,931	23,855	23,138	1,204,924
Additions	65	-	-	65
As at 31 December 2021	<u>1,157,996</u>	<u>23,855</u>	<u>23,138</u>	<u>1,204,989</u>
<b>Depreciation:</b>				
As at 1 January 2021	-	20,059	8,148	28,207
Charge for year	-	1,183	1,654	2,837
As at 31 December 2021	<u>-</u>	<u>21,242</u>	<u>9,802</u>	<u>31,044</u>
<b>Net book value:</b>				
As at 31 December 2021	<u>1,157,996</u>	<u>2,613</u>	<u>13,336</u>	<u>1,173,945</u>
As at 31 December 2020	<u>1,157,931</u>	<u>3,796</u>	<u>14,990</u>	<u>1,176,717</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 undue cost to the Society.

8 Intangible Assets

	Membership database £	Website £	Total £
<b>Cost:</b>			
As at 1 January 2021	28,512	6,768	35,280
Disposals (scrapped)	(28,512)	-	(28,512)
Additions	-	-	-
As at 31 December 2021	<u>-</u>	<u>6,768</u>	<u>6,768</u>
<b>Amortisation and impairment</b>			
As at 1 January 2021	8,316	1,974	10,290
Charge for year	1,610	479	2,089
Impairment	18,586	-	18,586
On disposals	(28,512)	-	(28,512)
As at 31 December 2020	<u>-</u>	<u>2,453</u>	<u>2,453</u>
<b>Net book value:</b>			
As at 31 December 2021	<u>-</u>	<u>4,315</u>	<u>4,315</u>
As at 31 December 2020	<u>20,196</u>	<u>4,794</u>	<u>24,990</u>

Costs relating to the Society's website, previously included within the amount described as membership database costs, have now been shown separately, as the Society continues to use that website. The provider of the previous membership database ceased to offer that service and the remaining cost therefore had to be written off. There was no capital cost associated with the replacement system.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

**9 Investments**

<b>Fixed Asset Investments</b>	<b>2021</b>	<b>2020</b>
	£	£
Fair value as at 1 January	105,198	99,121
Unrealised revaluation gains/(losses)	15,001	6,077
Fair value as at 31 December	<u>120,199</u>	<u>105,198</u>

Investments comprise:

- Endowment fund: Units in the COIF Charities Investment Fund, managed by CCLA, with an historical cost of £65,897 (2020: £65,897). The Fund is managed to grow the real value of investors' capital and income over the long-term, whilst keeping risk levels sensibly under control. At 31 December 2021 the bid price of income units was 2053.68p (2020: 1797.57p). The units are valued by CCLA based on the values of the underlying investments. Quoted investments are valued at bid prices and unquoted investments by the CCLA fund manager, based on information provided by the manager of the underlying investment. The Fund exposes the Society principally to market price risk, but also to currency, credit and liquidity risk, although CCLA states that it believes that the Fund is able to make redemptions required by unitholders.

- Unrestricted funds: Bequest of 75 shares in BT which are stated at the quoted market price in an active market. The closing market value as at 31 December 2021 was £127 (2020: £99) and the total amount of dividends received during the year was £0 (2020: £3).

**Current Asset Investments**

Investments in 2021 and 2020 comprised cash on deposit with UK institutions, held at historical cost.

<b>10 Debtors</b>	<b>2021</b>	<b>2020</b>
	£	£
Trade debtors	-	2,199
Other debtors and prepayments	10,071	4,481
Accrued income	57,117	36,607
	<u>67,188</u>	<u>43,287</u>

Accrued income in 2021 includes £40,000 of legacy income received in January 2022 that had met the criteria for recognition as income prior to the year end.

<b>11 Liabilities: Amounts falling due within one year</b>	<b>2021</b>	<b>2020</b>
	£	£
Trade creditors	1,740	706
Accruals	21,339	58,212
PAYE & Pension	3,988	6,699
Deferred income	5,953	5,499
	<u>33,020</u>	<u>71,116</u>

Deferred income in 2021 represented income received in advance for events held after the year end. Deferred income in 2020 represented income received for events that were cancelled and rescheduled for 2021. All deferred income is released within 12 months.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

12 Unrestricted funds	2021	2020
	£	£
<b>Balance at 1 January</b>	1,575,196	1,638,572
Net income/(expenditure) for the year	239,828	(75,377)
Transfer from restricted funds	11,293	12,001
<b>Balance at 31 December</b>	<u>1,826,317</u>	<u>1,575,196</u>

Total unrestricted funds are made up as follows:

	£	£
Tangible and intangible fixed assets	1,178,260	1,201,707
Fixed asset investments	127	99
Net current assets	647,930	373,390
	<u>1,826,317</u>	<u>1,575,196</u>

## 13 Restricted funds

	Pevsner Memorial Essay Fund	Mary Heath Trust	Grants	Donations	Total
	£	£	£	£	£
<b>Balance at 1 January 2020</b>	<b>11,625</b>	<b>141,790</b>	-	-	<b>153,415</b>
Receivable during the year					
-Grants	-	-	43,325	-	43,325
-Interest	-	999	-	-	999
-Educational events & publications	-	526	-	-	526
	<u>11,625</u>	<u>143,315</u>	<u>43,325</u>	<u>-</u>	<u>198,265</u>
Applied during the year	-	(3,545)	(43,325)	-	(46,870)
Transfer to unrestricted funds	-	(12,001)	-	-	(12,001)
<b>Balance at 1 January 2021</b>	<b>11,625</b>	<b>127,769</b>	-	-	<b>139,394</b>
Receivable during the year					
-Donations	-	-	-	625	625
-Grants	-	-	47,847	-	47,847
-Interest	-	277	-	-	277
-Educational events & publications	-	412	-	-	412
	<u>11,625</u>	<u>128,458</u>	<u>47,847</u>	<u>625</u>	<u>188,555</u>
Applied during the year	-	(48)	(47,847)	-	(47,895)
Transfer to unrestricted funds	-	(11,293)	-	-	(11,293)
<b>Balance at 31 December 2021</b>	<b>11,625</b>	<b>117,117</b>	-	<b>625</b>	<b>129,367</b>

comprising:

## 2020

Current asset investments	11,625	100,624	-	-	112,249
Cash at bank	-	27,145	-	-	27,145
	<u>11,625</u>	<u>127,769</u>	<u>-</u>	<u>-</u>	<u>139,394</u>

## 2021

Debtors	-	-	-	125	125
Current asset investments	11,625	116,902	-	500	128,527
Cash at bank	-	715	-	-	715
	<u>11,625</u>	<u>117,617</u>	<u>-</u>	<u>625</u>	<u>129,367</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021****13 Restricted funds (continued)**

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'. The Trust bears the cost of the Society's Birmingham and West Midlands caseworker.

**Grants**

**Historic England** provides funds for the Society's casework in England. **Cadw** provides funds for the Society's casework in Wales.

The entire amount of grants receivable is shown as applied during the year to which they relate. There is a debtor at the year end for grants not yet received which is included within accrued income, reported as part of unrestricted funds.

Two further restricted grants were received during the year totalling £4,600 as detailed in note 2. Both grants were applied fully during the year.

A restricted **donation** was received during 2021 as a contribution towards the costs of the next issue of *The Journal*.

**14 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. The fund is represented by investments of £120,072 (2020: £105,099) and movements on the fund are set out in the Statement of Financial Activities. Interest income of £3,122 on the Fund was taken to unrestricted funds (2020: £3,062).

**15 Reserves adequacy**

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

Note 12 discloses the split of unrestricted funds between fixed and current assets. 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 (excluding events expenditure since this is income-generating - see Note 3), plus an allowance for ongoing property refurbishment. At 31 December 2021, the Society's free unrestricted reserves amounted to £648,057 (2020: £373,489), adequately in excess of this level. This is a considerable recovery from the position at the end of 2020, when significant free reserves had been absorbed by the refurbishment of the Society's headquarters and the deficits incurred since 2018, in large part due to the very generous legacies received during 2021 but also due to a continuing fall in the Society's recurring deficit. The Trustees continue to explore actions that can be taken both to increase income and to reduce expenditure.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

**16 Statutory and general information**

This note contains information required by the Companies Act and the Charities SORP (FRS 102):

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

In accordance with the Charities SORP (FRS 102), the Society is required to disclose a summary income and expenditure account:

	2021	2020
	£	£
Total income	604,666	289,680
Total expenditure	<u>(363,600)</u>	<u>(367,032)</u>
Net surplus/(deficit) for the year before gains/losses on investment assets	241,066	(77,352)
Unrealised gains/(losses) on investment assets, excluding endowment funds	28	(45)
Net surplus/(deficit) for the year, excluding endowment funds	<u>241,094</u>	<u>(77,397)</u>

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 2021 and 2020 other than as stated in the financial statements.

The Society had no capital commitments at 31 December 2021 (2020: none).

## **INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF THE VICTORIAN SOCIETY FOR THE YEAR ENDED 31 DECEMBER 2021**

### **Opinion**

We have audited the financial statements of The Victorian Society (the "Charitable Company") for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the 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).

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. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **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.

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF THE VICTORIAN SOCIETY FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)**

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 the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees 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 they 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.



## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE VICTORIAN SOCIETY FOR THE YEAR ENDED 31 DECEMBER 2021 (continued)

### Our responsibilities for the audit of the financial statements

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.

### Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries and confirmation of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- Review of minutes of Board meetings throughout the period;
- incorporating unpredictability into the nature, timing and/or extent of testing.
- Evaluation of the selection and application of the accounting policies chosen by the charity.
- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Katherine Dee FCA (Senior Statutory Auditor)



For and on behalf of Begbies Chartered Accountants, Statutory Auditor

9 Bonhill Street

London

EC2A 4DJ

Date: 26/1/22