

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS

England & Wales · Charity number 1113753

Details

| | |
|----------------|---|
| Status | Registered |
| Legal form | Charitable company |
| Company number | 05743962 |
| Registered | 2006-04-12 |
| Register | View on the Charity Commission register |

Contact

Address Society For The Protection
Ancient Buildings
37 Spital Square
London
E1 6DY

Phone 02073771644

Email info@spab.org.uk

Website www.spab.org.uk

Activities

Objects: 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 WRITTEN BY THE FOUNDERS IN 1877.

Activities: The SPAB was founded in 1877. Today it is the largest, and most technically expert national pressure group fighting to save old buildings from decay, demolition and damage. We run training courses; comment on threats to historic buildings; operate a free technical helpline; conduct research; issue advisory publications and campaign on issues like the need for building maintenance.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** NATIONAL
- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|------------|-------------|------------|-----------|
| 2024-12-31 | £2,606,185 | £1,933,129 | £7,062,610 | 22 |
| 2023-12-31 | £2,344,731 | £1,790,104 | £6,131,777 | 22 |
| 2022-12-31 | £2,023,768 | £1,703,225 | £5,358,211 | 30 |
| 2021-12-31 | £1,602,967 | £1,874,006 | £5,470,930 | 30 |
| 2020-12-31 | £1,341,488 | £1,491,334 | £5,409,323 | 31 |

Trustees

| Name | Role | Appointed |
|---------------------------|------|------------|
| Andrew Paul Dalton Walker | | 2025-06-27 |
| Carole Leith | | 2025-01-20 |
| Charles Wagner | | 2024-02-01 |
| Clare Isobel Birks | | 2026-01-23 |
| David McFerran | | 2025-04-08 |
| Duncan McCallum | | 2019-04-02 |
| Georgina Ruth Nayler MBE | | 2022-01-13 |
| Lewis Thomas Hobbs | | 2026-01-29 |
| Louise Bainbridge | | 2025-01-20 |
| Lucy Emma Newport | | 2025-01-20 |
| Morwenna Rosalind Slade | | 2023-07-24 |
| Tyler Lott-Johnson | | 2022-01-13 |

Linked charities

- THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS (1113753-1)
- MISS S M TAYLOR BEQUEST (1113753-10)
- BENTON FLETCHER FUND (1113753-11)
- EVELYN FITZGERALD STANNUS BEQUEST (1113753-12)
- MISS S F MATHER BEQUEST (1113753-13)
- REVEREND GEOFFREY HILL BEQUEST (1113753-14)
- LANGDON HILLS OLD CHURCH ESSEX TRUST (1113753-15)
- AGNES MAY FYLCHE BEQUEST (1113753-16)
- MORRIS BEQUEST (1113753-17)
- MISS I TRUMAN BEQUEST (1113753-18)
- KIBWORTH HARCOURT MILL (1113753-19)
- ERNEST E COOK BEQUEST (1113753-2)
- PATRICK PLUNKET MEMORIAL SCHOLARSHIP TRUST (1113753-20)
- SIR BANISTER FLETCHER SCHOLARSHIP (1113753-3)
- MISSES NEWCOMBE BEQUEST (1113753-4)
- DAME MILLICENT FAWCETT BEQUEST (1113753-5)
- ERNEST COOK SCHOLARSHIP FUND (1113753-6)
- REGINALD RADCLIFFE CORY (1113753-7)
- THOMAS HARDY MEMORIAL FUND (1113753-8)
- WIND AND WATERMILL SECTION FUND (1113753-9)

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS

England & Wales - Charity number 1113753

Accounts

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 2024**



**THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES AND PROFESSIONAL ADVISORS
YEAR ENDED 31 DECEMBER 2024**

TRUSTEES

| | |
|---------------------|----------------------------------|
| Charles Wagner | (From Feb 2024) |
| Duncan McCallum | (Chair) |
| Christopher Wheaton | (Hon Treasurer) |
| Catherine Cullis | (Resigned Jan 2025) |
| Georgina Nayler | |
| Hazel Morris | |
| Jo Thwaites | |
| Mildred Cookson | (Resigned Jan 2025) |
| Morwenna Slade | |
| Richard Max | (Resigned Jan 2025) |
| Shona O'Keefe | (From Jan 2024) |
| Sally Stradling | (Resigned Jan 2024) |
| Triona Byrne | (Vice Chair – resigned Jan 2024) |
| Tyler Lott-Johnson | (Vice Chair) |
| Carole Leith | (From Jan 2025) |
| Lucy Newport | (From Jan 2025) |
| Louise Bainbridge | (From Jan 2025) |

| | |
|---|---------------------------------|
| 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
55 Ludgate Hill
London
EC4M 7JW

ACCOUNTANTS
JS2 Limited
One Crown Square
Woking
GU21 4HR

INVESTMENT ADVISORS
Kleinwort Hambros Private Banking
Ltd
14 St George Street
London
W15 1FE

BANKERS
Barclays
127 Edgware Road
London
W2 2HT

SOLICITORS
Stephenson Harwood
1 Finsbury Circus
London
EC2M 7SH

HSBC
455 Strand
London
WC2R 0RH

Stone King
28 Ely Place
London
EC1N 6TD

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024



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 2024.

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 with minor revisions in 2023. The charitable company was registered with the Charity Commission in England and Wales on 14 April 2006 as number 1113753. It is also registered in Scotland SC039244 and the Republic of Ireland 20158736. Changes to the Articles, to fulfil legislative differences between the UK and Republic of Ireland, are under review and will be put to the SPAB's Guardians at the AGM in 2024.

The Society is managed by up to 12 trustees who form a Board and meet five times a year. Board members can serve up to two terms of three years, with the possibility of a one-year extension in exceptional circumstances. The Board appoints the Honorary Officers and is assisted by Staffing and Finance & Audit sub-committees.

There are eight SPAB Guardian Committees who oversee all areas of our work made up of members who, through election or co-option, have an especially strong link with the Society and its work. Our committees are: Advocacy; Casework; Education & Training; Technical & Research; Mills; SPAB Scotland; SPAB Ireland; and Regional Group Chairs. Each committee 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 are briefed on matters including the SPAB's history, ideas, operation and assets.

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 within the budget and, when necessary, 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.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024



PUBLIC BENEFIT

The Trustees, in accordance with Section 17 of the Charities Act 2011 [amended 2022], have given due regard to the guidance issued by the Charity Commission and consider the organisation to offer public benefit through a wide range 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, site-based projects with community engagement and free online information.

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.

FRAUD

The SPAB will continually strive to ensure that all its financial and administrative processes are carried out and reported honestly, accurately, transparently and accountably and that all decisions are taken objectively and free of personal interest. We will not condone any behaviour that falls short of these principles.

VOLUNTEERS

Volunteers contribute to and support the SPAB 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 its volunteers for their significant contribution. Out of pocket expenses are reimbursed to volunteers where appropriate. A Volunteering Working Group, led by the Chair, carried out extensive research in 2024 and will report shortly on changes to help maximise the contribution of volunteers to the SPAB's work.

ACHIEVEMENTS AND PERFORMANCE

After extensive internal consultation, the SPAB's Board confirmed a new Strategy in 2024. This covers the period 2025-30. The Strategy supports many aspects of existing work but puts greater emphasis on the positive relationship between building conservation and environmental sustainability as well as the need to reach new audiences, particularly within under-represented groups. It also seeks to bring more predictability to the SPAB's income and to use the 150th Anniversary in 2027 as an opportunity for both celebration and organisational development.

On site working parties took place in England, Scotland, and Ireland, with high attendance at each. These successful events allow the SPAB to put its hands-on approach into practice. Our working party at Tibbermore, supported by Historic Environment Scotland, was linked to current efforts by SPAB Scotland to assist the care of historic churches when transferred into new custodianship.

Our Old House Project in Kent, provided a focus for educational activities as well as research into the production of local materials and sustainability for old buildings. With the exterior now repaired, work in 2024 focused on the services and internal work. The project is on track to be completed in spring 2025 after which the building will be sold and an Architectural Heritage Fund loan repaid. We thank the Pilgrim Trust, in particular, for their grant support and others for their financial and in-kind support.

The SPAB acquired Fladbury Mill in Worcestershire, in July 2024, as part of a generous legacy from member David Wynn. The Fladbury Mill site was opened for public viewing during the Fladbury Walkabout weekend. The SPAB's post mill at Kibworth Harcourt was also opened on various occasions during the year, with the assistance of local volunteers.

(i) Educational Work

The Society's flagship training programmes - the William Morris Craft Fellowship and the Lethaby Scholarships for architects, surveyors and engineers - ran successfully with a full complement of

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participants. All completed their programmes successfully. We are extremely grateful to our funders for their assistance during the year, and particularly to Historic England for their continuing support.

The Society's two annual Repair of Old Buildings courses took place – one in-person and one online using new videoed site visits and discussion sessions alongside lectures. Our online educational events attract an increasing number of international participants.

The millwright training programme, linked to the Craft Fellowship and supported by the Enid Lamb legacy, had a further successful year, helping to increase the numbers of those with the skills to assist this 'endangered craft'.

(ii) Casework

Total numbers of cases received by the Society as part of its statutory work in England and Wales remain high, with over 2,000 relevant to SPAB interests. With reduced heritage advisory support within local and national public authorities, the need for the SPAB's expertise is great. This increased need exists against the backdrop of reduced financial support for the SPAB from government, via Historic England and Cadw, which has decreased in real terms over recent years. Despite the SPAB's role being statutory, the Society is expected to fund more of this advisory work, which supports the effective operation of the planning system. . During 2024 the SPAB took part in a consultation exercise, commissioned by Historic England for central government, to explore ways in which our work adds value to the planning system.

From applications for listed building consent received from England and Wales during 2024, our casework Team made substantive comment on 986 (858 in 2023). This sometimes involved input from expert volunteers or members of our Casework Committee, as well as staff. Our aim is to supply advice that supports owners and councils to achieve a sympathetic outcome when change to old buildings is proposed. In addition, the Society carries out campaigning work to support historic 'buildings at risk'.

(iii) Advisory Services

The Society's Technical Advice Line remained in strong demand during 2024 and handled 576 enquiries (592 in 2023). We are indebted to Historic England for providing financial support for this service. Expert volunteers on the Technical and Research Committee assisted staff with a wide range of technical topics including research into the production and use of locally-produced quick limes and building fabric performance.

Our technical staff also lectured to a range of audiences and contributed to external publications. Development and publication of technical guidance continued in 2024, with continuing support also offered towards a UCL PhD concerning surface finishes.

iv) Grants for Building Maintenance & organisational support

In 2024 the Society maintained its support for the Sustainable Traditional Buildings Alliance's research and campaigning, contributing £1,000. Baber Fund (emergency works) grants were offered to the Spitalfields Trust for Charing Palace, Kent. Grants were also made from the Thomas Hardy Fund for repairs to Manor Farm Barn, Winterborn Clenston, Dorset; and from the Newcombe Fund (almshouses) for St John the Baptist & St John the Evangelist, Sherborne. Dorset, Frances Geering Almshouses, Harwell, Oxfordshire and Sir Walter Moyles Almshouses, Seaton Torpoint, Cornwall. Through its Mill Repair grant fund our Mills Section supported conservation work to Whitchurch Silk Mill, Hampshire, Eskdale Watermill, Cumbria. It also donated £4000 to the Mills Archive Trust.

The SPAB remains a member of The Heritage Alliance and contributed £1035 as its subscription; the subscription to the Joint Committee of the National Amenity Societies was £400.

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.

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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. Specific funds have written terms and criteria.

Where a grant is given 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 surplus for the year of £673,056 (2023: £554,627). This became a surplus of £930,833 (2023: £773,566) after depreciation and investment returns were taken into account. Donations and legacies at £1.54m were higher than in the previous year (2023: £1.39m). We are hugely grateful to all those members and non-members who choose to remember the Society in their wills, including the gift of a building. 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 increased to £1.93m (2023: £1.79m). The Society continued to pursue its Old House Project which after five years of educational benefit is due to be sold in 2025. Staff costs increased slightly to £1m (2023: £0.97m) and continue to represent a high proportion of total expenditure since advice and training are at the heart of the SPAB's work.

FUNDRAISING POLICY

The SPAB is committed to the highest standards in fundraising. The Society is registered with the Fundraising Regulator and by extension upholds the Fundraising Promise and complies with all the relevant standards as set out in the Code of Fundraising Practice. The in-house Fundraising Policy is informed by the Code of Fundraising Practice. All our in-house fundraising team are offered membership to the Institute of Fundraising and are actively encouraged and enabled to keep their knowledge of regulations and standards up to date.

The SPAB does not currently use third party providers of fundraising services. The charity received no complaints about its fundraising activities during the year.

RESERVES POLICY

The Society held total funds of £7.06m (2023: £6.13m) at 31 December 2024 of which £1.69m (2023: £1.64m) are restricted and £0.75m (2023: £0.71) are endowed. The Society's remaining reserves of £4.62m (2023: £3.78m) are unrestricted of which free reserves (excluding designated funds and tangible fixed assets) are approximately £2.66m (2023: £3.18m). This is equivalent to 1.4 times this year's annual expenditure of £1.93m, which the Society's trustees believe, as a matter of policy, to be appropriate given the variety of our sources of income and investments.

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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 Finance and Audit sub-committee (FASC) 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;
- 4) £175k as an amount of self-insurance relating to flood damage risks at Fladbury Mill, in addition to insurance taken out to cover the property for catastrophic loss.

INVESTMENT POLICY

The investment management of the Society's reserves is monitored by the Finance & Audit sub-committee, reporting to the Board, to ensure that the investment objectives and strategy for each portfolio match that fund's specific objectives. The investment manager is Kleinwort Hambros. The portfolios are invested by Kleinwort Hambros on the Society's behalf into a well-diversified third-party and in-house pooled funds across a variety of different asset classes, designed to provide the Society with a combination of above-average income as well as capital growth.

INVESTMENT REPORT

The total value of the Society's holdings across the investment funds as at 30th May 2025 were £4.0m, after a withdrawal from investments in March 2025 of £0.5m to fund the budgeted 2025 operating deficit and final work on the Old House Project. This value of £4.0m is a decrease of c.10% versus the value of c.£4.5m as at 31 December 2024, and a decrease of 7% versus the value of £4.3m as at 31 December 2023

Investment performance for 2024 was as follows for the General Fund and the Wind & Watermill/Enid Lamb Fund, which combined represent about two-thirds of The Society's investments:

| Fund | Performance | Benchmark Index | Performance |
|---------------------------------|-------------|------------------|-------------|
| SPAB General Fund | +8.1% | ARC PCI Balanced | +6.8% |
| SPAB Wind & Watermill Enid Lamb | +7.7% | ARC PCI Balanced | +8.4% |

Source: Kleinwort Hambros / ARC

The Society funded its capital and operating requirements during the year from its existing cash resources, including some bequests received in the year. It also drew on an existing agreed loan with the Architectural Heritage Foundation to fund the ongoing repair work at the Old House Project, secured against the property, which will be repaid when the property is sold.

Stock markets did very well in 2024, though not so well so far in 2025. The US stock market was up 27%, Europe up 8%, China up 17% and the UK up 10%, despite fears of weakening Chinese and US economies, with the technology driven boom in the US continuing to drive stock market returns. Since then, however, the decisions taken by the US administration have caused markets to be very volatile, with imposition of tariffs and then their possible partial removal, the variability and unpredictability of those tariffs once imposed, and challenges to their very legality.

So far in 2025, the US stock market is down 2% having been down 15% in early April, Europe is up 8% having been down 2%, and the UK is up 6% having been down 6%- we would describe this as being "violently flat". The US market continues to be dominated by its technology companies, whose shares rose c.30% in 2024, and are up c.10% year to date. Bond markets had a much worse year than global stock markets did – for example, the interest rate on UK 10 year Gilts ended 2023 at 3.6% and ended 2024 at 4.6%, and is currently at that level (bond yields work inversely to bond prices, so bonds fell in value in 2024

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as yields on bonds rose). The US showed the same trend, with 10 year bonds starting 2024 at 3.9% and ending at 4.6%.

While the noise is loud, the signal is discernible: lower economic growth, higher inflation, higher interest rates. On top of this is the apparent end of a rules- and structures-based international economic system that has existed largely since the 1950s. The US also appears to be trying to reduce government spending in order to stimulate the private economy, but then also spend the financial benefits of this economic growth, and an assumed benefit of the imposition of tariffs on importers, before those benefits have actually materialised- assuming that they ever do. It is therefore unsurprising that the US has lost its top investment grade rating (known as AAA or Triple A) from the debt rating agency Moody's, a rating it has held since 1917. Similar to the US, UK government finances continue to disappoint, with low (although improving) growth rates and higher inflation, though thankfully the UK, a predominantly service-based economy, has escaped the worst of the Trump tariff regime.

All of the above suggests an environment in which it will be harder to make investment returns in excess of inflation, unlike much of the last fifteen years. The Society's investments remain carefully managed to deliver the best return possible in this uncertain environment. Current asset allocation, including the cash currently held by the Society, is c.55% equities, 25% bonds, 10% other investments, 10% cash. This asset allocation reflects the caution that stockmarkets may continue to be volatile over the next 1-3 years, given that investors can receive 4-5% interest rates on low-risk government bonds, which has increased the attractiveness of bonds versus equities. This asset allocation should continue deliver the Society's investment aims of both long-term capital growth and income generation as well.

This investment outlook continues to underline the importance of the strategic priorities of the Finance and Audit sub-Committee to examine all ways in which fundraising efforts for the Society can be made more effective, to invest in infrastructure to support the Society's growth, broaden the Society's reach and fulfil the Society's charitable aims. This includes using the imminent 150th anniversary of the Society in 2027 as a springboard for fundraising. The committee continues its work to diversify the sources of the Society's income, and reduce the year-to-year volatility in income due to the high proportion of legacies, which hinders long-term planning. The Society has been extremely fortunate, yet again, to receive a number of generous legacies from members and supporters in 2024, and the outlook for legacy income in 2025, which was running well below budgeted levels, has improved significantly due to a generous bequest. Planning for the rest of 2025 and beyond reflects continuing prudence in the face of this uncertainty.

LEGACY RECOGNITION POLICY

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 the charity is satisfied that the conditions for recognising income of entitlement, probability and measurement have been met. 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.

RISK

The Society's Finance and Audit sub-committee and Board of Trustees reviews at each meeting potential risks to the charity. Risks including volatility in financial markets and cyber attack were reviewed regularly and with particular care, given the uncertainties of the external environment. The Board is satisfied that controls are in place to manage/mitigate identified risks. The Finance and Audit sub-committee and Board continue to set the goal of operating cash flow breakeven, though some additional expenditure from reserves has been planned for 2024-5 in view of high legacy receipts of past years and as an investment in long term sustainable growth.

The reserves policy (see p. 5-6) is designed to ensure that the Society's investments act as a buffer to short term fluctuations in cash flow, and to make certain that the Society can fund its short-term operating deficit.

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

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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 is outlined in the Investment Report (see p.6).

MAJOR PROJECT RISK

Our Old House Project (OHP) at St Andrew', Boxley in Kent has carried some significant risks for the organisation, though these risks are now much reduced. Governance and reporting structures have existed to allow these risks to be monitored, and where necessary, mitigated. The Board and Finance and Audit sub-committee receive regular reports about the project. Additionally, the OHP's Project Board offers expert support and guidance. The reserves policy includes a contingency to allow for repayment of a loan from the Architectural Heritage Fund which provides part-funding for the project, though this risk has diminished significantly in 2024 through completion of work approved by planning and listed building consents. This progress significantly increases the site's asset value.

We are extremely grateful to the Pilgrim Trust for its generous grant to the OHP, and to SPAB members for their support through donations. Historic England provided a grant of c. £35,000 which allowed the completion of structural repairs in 2023. The project is due to be completed in Spring 2025 and the building sold.

GOING CONCERN

Management have prepared cash flow forecasts to support the assessment that the accounts should be prepared on a going concern basis. The forecast covers the period to 30 September 2026 to consider the future plans of the Society, and assumes no capital return on investments, only a dividend income stream, and legacy income equal to budgeted amounts. The forecast demonstrates that the Society has the ability to remain in a cash positive position throughout the period of analysis with the lowest cash balance (excluding Investments) forecast to be just over £400k. Unrestricted reserves at the date of the signing of the accounts are in excess of £1.6m, well in excess of the c.£450k minimum unrestricted funds calculated according to the Society's reserves policy.

This forecast assumes that funds from the sale of the Old House Project will be received in the second half of 2025. Repayment of the Architectural Heritage Foundation loan of £500k used to part-fund the Old House Project is due in late December 2025. If completion of the sale of the Old House Project was delayed beyond this date, and the loan repayment not agreed to be deferred to be coincident with sale of the property, the forecast indicates that the loan repayment could still be made in full from available unrestricted funds, and maintain a balance of unrestricted reserves in excess of the minimum amount indicated by the reserves policy.

FUTURE PLANS

The SPAB's current Strategy reached its end in 2024. Its objectives included reinforcing the SPAB's conservation messages, increasing the advice offered in relation to energy efficiency and environmental sustainability for old buildings, and in broadening the audiences with which the SPAB works. Very good progress has been made with all objectives though some aims will be pursued further within the next strategy covering the period 2025-30. Work on this strategy is now complete with Board approval for implementation from January 2025. It will cover the SPAB's 150th anniversary in 2027 which is expected to act as a springboard for various future projects.

2025 will see the completion and sale of the SPAB's Old House Project at Boxley in Kent. The project will then be evaluated. Fladbury Watermill, Worcestershire – a generous bequest from the late David Wynn – came into the SPAB's possession during 2024. Options for the site are currently being considered, but it has already served to illustrate sustainability for old buildings and the means by which historic sites can be managed to mitigate flood risks.

SPAB Scotland is seeking support from Historic Environment Scotland for various new projects.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024



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 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.

DISCLOSURE OF INFORMATION TO AUDITORS

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.

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

Approved by the Board on 15th July 2025

and signed on its behalf by:

Handwritten signature of Duncan McCallum in black ink.

Name: Duncan McCallum, Chair

Handwritten signature of Christopher Wheaton in black ink.

Name: Christopher Wheaton, Honorary Treasurer

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024



Opinion

We have audited the financial statements of The Society for the Protection of Ancient Buildings ('the charitable company') for the year ended 31 December 2024 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including 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 2024 and of the charitable company's income and expenditure, 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 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

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 trustee's 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 charitable company'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 contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024



- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their 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 requires 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' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 9, 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024



Act 2006 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR) and employment and health and safety legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and sample testing of income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our 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 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 and 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 'JPoulter', is located below the text of the report.

Julia Poulter
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date: 1 August 2025

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024



| | Notes | Unrestricted Funds | Restricted Funds | Endowed Funds | 2024 Total Funds | 2023 Total Funds |
|--------------------------------------|-------|--------------------|------------------|----------------|------------------|------------------|
| | | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | |
| Donations and legacies | 2 | 1,480,845 | 59,028 | - | 1,539,873 | 1,390,112 |
| Charitable activities | 3 | 448,642 | 315,008 | - | 763,650 | 714,766 |
| Other trading activities | 4 | 172,955 | 2,009 | - | 174,964 | 118,431 |
| Investment Income | 5 | 43,488 | 76,842 | - | 120,330 | 112,532 |
| Other | | 7,368 | - | - | 7,368 | 8,890 |
| Total | | 2,153,298 | 452,887 | - | 2,606,185 | 2,344,731 |
| Expenditure on: | | | | | | |
| Raising funds | | 216,611 | 26,061 | - | 242,672 | 205,148 |
| Charitable activities | | 1,191,679 | 498,778 | - | 1,690,457 | 1,584,956 |
| Total | 6 | 1,408,290 | 524,839 | - | 1,933,129 | 1,790,104 |
| Operating surplus / (deficit) | | 745,008 | (71,952) | - | 673,056 | 554,627 |
| Net gains on investments | | 93,891 | 120,806 | 43,080 | 257,777 | 218,939 |
| Net income / (expenditure) | | 838,899 | 48,854 | 43,080 | 930,833 | 773,566 |
| Transfer between funds | 15 | - | - | - | - | - |
| Net movement in funds | | 838,899 | 48,854 | 43,080 | 930,833 | 773,566 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | 21 | 3,784,316 | 1,642,070 | 705,391 | 6,131,777 | 5,358,211 |
| Total funds carried forward | 15 | 4,623,215 | 1,690,924 | 748,471 | 7,062,610 | 6,131,777 |

The above results are from continuing activities and there are no other gains and losses except as stated above.

The notes on pages 17 to 35 form part of these financial statements

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
BALANCE SHEET
AS AT 31 DECEMBER 2024



Company Number 05743962

| | Notes | 2024 £ | 2023 £ |
|--|-------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 9 | 910,936 | 536,188 |
| Intangible assets | 10 | 44,569 | 58,643 |
| Heritage assets | 11 | 983,000 | - |
| Investments | 12 | 4,504,128 | 4,534,320 |
| | | 6,442,633 | 5,129,151 |
| CURRENT ASSETS | | | |
| Debtors | 13 | 354,053 | 282,128 |
| Cash at bank and in hand | | 905,563 | 1,236,124 |
| | | 1,259,616 | 1,518,252 |
| CURRENT LIABILITIES | | | |
| Creditors: amounts falling due within one year | 14 | 639,639 | 187,729 |
| NET CURRENT ASSETS | | | |
| | | 619,977 | 1,330,523 |
| Creditors: amounts falling due > than one year | 14 | - | 327,897 |
| | | 619,977 | 1,002,626 |
| NET ASSETS | | | |
| | | 7,062,610 | 6,131,777 |
| THE FUNDS OF THE CHARITY | | | |
| 15 | | | |
| Unrestricted - General | | 2,661,567 | 3,180,417 |
| - Designated | | 1,961,648 | 603,899 |
| | 15 | 4,623,215 | 3,784,316 |
| Restricted - The Mills Section | | 639,172 | 587,600 |
| - The William Morris Craft Fellowship | | 107,577 | 114,372 |
| - Other | | 944,175 | 940,098 |
| | 15 | 1,690,924 | 1,642,070 |
| Endowed funds | 15 | 748,471 | 705,391 |
| | | 7,062,610 | 6,131,777 |

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 15th July 2025 and signed on its behalf by:

Duncan McCallum

Name: Duncan McCallum, Chair

Chris Wheaton

Name: Chris Wheaton, Honorary Treasurer

The notes on pages 17 to 35 form part of these financial statements

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
CASH FLOW STATEMENT
AS AT 31 DECEMBER 2024



| | Note | 2024 £ | 2023 £ |
|--|------|-------------------------|-------------------------|
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | a) | 533,830 | 569,114 |
| Cash flows from investing activities: | | | |
| Dividends and interest from investments | | 120,330 | 112,532 |
| Purchase of tangible and intangible fixed assets | | (389,690) | (204,013) |
| Purchase of heritage assets | | (983,000) | - |
| Proceeds from sale of investments | | 1,375,103 | 1,249,487 |
| Purchase of investments | | (1,047,503) | (1,406,050) |
| Net cash provided by investing activities | | (924,760) | (248,044) |
| Cash flows from financing activities | | | |
| Net cash provided by financing activities | | 100,000 | 50,000 |
| Change in cash and cash equivalents in the reporting period | | (290,930) | 371,070 |
| Cash and cash equivalents at 1 January | b) | <u>1,420,778</u> | <u>1,049,708</u> |
| at 31 December | b) | <u>1,129,848</u> | <u>1,420,778</u> |

NOTES TO THE CASH FLOW STATEMENT

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

| | | |
|--|----------------|----------------|
| Net income/(expenditure) for the reporting period | 930,833 | 773,566 |
| Adjustments for: | | |
| Depreciation and amortisation | 29,016 | 21,056 |
| (Gains) on investments | (257,777) | (218,940) |
| Dividends and interest from investments | (120,330) | (112,532) |
| (Increase) / decrease in debtors | (71,925) | 86,243 |
| Increase in creditors | 24,013 | 19,721 |
| Net cash provided by (used in) operating activities | 533,830 | 569,114 |

b) Analysis of cash and cash equivalents

| | | |
|------------------------------------|-------------------------|-------------------------|
| Cash at bank and in hand | 905,563 | 1,236,124 |
| Cash held as long-term investments | 224,285 | 184,654 |
| | <u>1,129,848</u> | <u>1,420,778</u> |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
CASH FLOW STATEMENT
AS AT 31 DECEMBER 2024

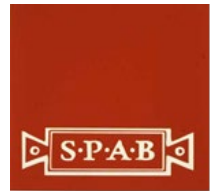


ANALYSIS OF CHANGES IN NET DEBT

| | At 31 Dec 2023 £ | Cash flows £ | At 31 Dec 2024 £ |
|------------------------------------|---------------------------------|-------------------------|---------------------------------|
| Cash and cash equivalents | | | |
| Cash at bank and in hand | 1,236,124 | (330,561) | 905,563 |
| Cash held as long-term investments | 184,654 | 39,630 | 224,284 |
| | <u>1,420,778</u> | <u>(290,931)</u> | <u>1,129,847</u> |
| Borrowings | | | |
| Loans falling due within one year | (327,897) | (102,327) | (430,224) |
| Total | <u>1,092,881</u> | <u>(393,258)</u> | <u>699,623</u> |

The notes on pages 17 to 35 form part of this financial statement

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



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

Management have prepared cash flow forecasts to support the assessment that the accounts should be prepared on a going concern basis. The forecast covers the period to 30 September 2026 to consider the future plans of the Society, and assumes no capital return on investments, only a dividend income stream, and legacy income equal to budgeted amounts. The forecast demonstrates that the Society has the ability to remain in a cash positive position throughout the period of analysis with the lowest cash balance (excluding Investments) forecast to be just over £400k. Unrestricted reserves at the date of the signing of the accounts are in excess of £1.6m, well in excess of the c.£450k minimum unrestricted funds calculated according to the Society's reserves policy.

This forecast assumes that funds from the sale of the Old House Project will be received in the second half of 2025. Repayment of the Architectural Heritage Foundation loan of £500k used to part-fund the Old House Project is due in late December 2025. If completion of the sale of the Old House Project was delayed beyond this date, and the loan repayment not agreed to be deferred to be coincident with sale of the property, the forecast indicates that the loan repayment could still be made in full from available unrestricted funds, and maintain a balance of unrestricted reserves in excess of the minimum amount indicated by the reserves policy.

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 were previously amortised to the Statement of Financial Activities over a period of 20 years being the period estimated to represent average life membership. From 2022, life memberships are fully recognised as income from the date of receipt of the income. Income from trading activities is recognised in the period in which the service has been provided or the product sold.

Grant 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.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



1. ACCOUNTING POLICIES (Continued)

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 final 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.

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 land and 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.

St Andrew's Boxley is currently undergoing significant repairs and construction work and is therefore classified in the accounts as an asset under construction. Assets under construction are not depreciated until the work is completed and the asset is placed into service.

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.

Heritage assets: the Society maintains four properties in support of the Society's objective of preserving and protecting ancient buildings. Kibworth Harcourt Mill, St Mary's Church, and Eynsford Castle are held as heritage assets under FRS102 with a £Nil book value in the accounts. The Trustees consider that, as all three assets are scheduled ancient monuments with no current income or development potential, it would not be cost-effective to obtain valuations for them.

The fourth heritage asset, Fladbury, was acquired in the year to December 2024 and is recognised in the accounts at valuation. The valuation is based on an estimate provided by a professional property surveyor in May 2025.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



1. ACCOUNTING POLICIES (Continued)

Heritage assets (Continued):

Heritage assets are recognised on the balance sheet where a reliable cost or valuation is available. Purchased assets are recorded at historical cost. Donated items are recognised at valuation, where independently assessed. In cases where it is impracticable to obtain a reliable valuation, assets are not capitalised but are disclosed in this note with explanatory narrative.

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) 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.

h) 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.

i) 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.

j) 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.

| | 2024 | 2023 |
|---|-------------|-------------|
| | £ | £ |
| Financial assets held at fair value (a) | 4,279,844 | 4,349,667 |

(a) Comprising all fixed asset investments as detailed in Note 12.

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.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



1. ACCOUNTING POLICIES (Continued)

k) 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 2024



| 2. DONATIONS AND LEGACIES | 2024 | 2023 |
|----------------------------------|-------------------------|-------------------------|
| | £ | £ |
| Donations | 162,782 | 242,056 |
| Trusts and legacies | 1,377,091 | 1,148,056 |
| | <u>1,539,873</u> | <u>1,390,112</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 2024, the Society had been notified of 3 further legacies that haven't been included in these financial statements as they did not meet these criteria. These legacies may realise approximately £606,000.

| 3. CHARITABLE ACTIVITIES | 2024 | 2023 |
|----------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Grants Receivable | | |
| Historic England | 133,959 | 84,908 |
| Heritage Council for Ireland | 46,829 | 33,682 |
| Historic Environment Scotland | 32,943 | - |
| Dance Scholarship Foundation | 23,500 | 21,000 |
| The Drake Trust | 10,750 | 10,000 |
| Alan Baxter Foundation | 10,405 | 10,000 |
| The Pilgrim Trust | 10,000 | 10,000 |
| Radcliffe Trust | 10,000 | 5,000 |
| National Philanthropic Trust UK | 8,000 | - |
| CADW | 7,953 | 18,609 |
| WMCF Trust | 7,529 | 14,000 |
| Delves Charitable Trust | 7,000 | 6,600 |
| Highway One Trust | 7,000 | - |
| Carpenter's Trust | 5,000 | 5,000 |
| Francis Coales Foundation | 3,000 | 2,500 |
| Stuart Hearth Charity | 3,000 | - |
| The Swire Charitable Trust | - | 20,000 |
| Ashley Family Foundation | - | 12,500 |
| Benefact Trust | - | 8,100 |
| The Idlewild trust | - | 5,000 |
| Oldham W&E | - | 5,000 |
| The Aurelius Charitable Trust | - | 4,000 |
| Kent Archaeological Society | - | 1,400 |
| Cathedral Architects Association | - | 500 |
| | <u>326,868</u> | <u>277,799</u> |
| Total Grants Receivable | | |
| Subscriptions | 276,744 | 269,883 |
| Literature Sales | 6,061 | 12,724 |
| General Events | 153,977 | 154,360 |
| | <u>763,650</u> | <u>714,766</u> |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



| | 2024 | 2023 |
|------------------------------------|----------------|-------------|
| | £ | £ |
| 4. OTHER TRADING ACTIVITIES | | |
| Advertising | 72,500 | 79,944 |
| Rent receivable | 55,236 | 38,483 |
| Sponsorship | 5,417 | - |
| Sale of Assets | 41,811 | 4 |
| | 174,964 | 118,431 |
| | 174,964 | 118,431 |
| | | |
| | 2023 | 2023 |
| | £ | £ |
| 5. INVESTMENT INCOME | | |
| Portfolio Income | 94,710 | 94,090 |
| Interest on cash deposits | 25,620 | 18,442 |
| | 120,330 | 112,532 |
| | 120,330 | 112,532 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



6. EXPENDITURE

| | Unrestricted Funds £ | Restricted Funds £ | 2024 Total £ | 2023 Total £ |
|---|----------------------------|--------------------------|--------------------|--------------------|
| Charitable Activities | | | | |
| <i>Building Maintenance</i> | | | | |
| Grants and donations | 38,912 | 19,219 | 58,131 | 76,137 |
| | 38,912 | 19,219 | 58,131 | 76,137 |
| <i>Educational costs</i> | | | | |
| Scholarships and fellowships | - | 77,769 | 77,769 | 76,078 |
| General events | 5,063 | 7,371 | 12,434 | 3,277 |
| Courses, meetings, lectures, and events | 66,156 | 22,382 | 88,538 | 86,698 |
| Wages and salaries | 257,972 | 151,922 | 409,894 | 381,568 |
| Newsletter | 78,821 | 4,602 | 83,423 | 72,974 |
| Literature | 5,945 | 336 | 6,281 | 4,138 |
| Staff Travel | 17,718 | 2,978 | 20,696 | 15,522 |
| Other Educational Costs | 8,704 | 12 | 8,716 | 3,872 |
| Building Project | 11,447 | - | 11,447 | 4 |
| Support costs (note 7) | 401,686 | 59,257 | 460,943 | 416,576 |
| | 853,512 | 326,629 | 1,180,141 | 1,060,706 |
| <i>Advisory services</i> | | | | |
| Technical and Casework direct costs | 7,413 | 1,056 | 8,469 | 8,765 |
| Wages and salaries | 86,935 | 121,711 | 208,646 | 209,810 |
| Travel | 440 | - | 440 | 477 |
| Support costs (note 7) | 204,467 | 30,163 | 234,630 | 229,060 |
| | 299,255 | 152,930 | 452,185 | 448,112 |
| Total Charitable Activities | 1,191,679 | 498,778 | 1,690,457 | 1,584,956 |
| Raising Funds | | | | |
| Fundraising costs | 8,601 | 649 | 9,250 | 11,303 |
| Wages and salaries | 89,524 | - | 89,524 | 70,966 |
| Support costs (note 7) | 87,732 | 12,942 | 100,674 | 77,478 |
| Advertising Commission | 23,255 | 1,104 | 24,359 | 27,406 |
| Investment managers fees | 7,499 | 11,366 | 18,865 | 17,995 |
| Total Raising Funds | 216,611 | 26,061 | 242,672 | 205,148 |
| TOTAL EXPENDITURE | 1,408,290 | 524,839 | 1,933,129 | 1,790,104 |

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 2024



7. SUPPORT COSTS

| | Unrestricted Funds £ | Restricted Funds £ | 2024 Total £ | <i>2023 Total £</i> |
|--|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Travel and volunteers' expenditure | 7,707 | 2,907 | 10,614 | 2,529 |
| Wages and salaries | 268,499 | 44,867 | 313,366 | 311,556 |
| Printing, stationery, postage, and advertising | 12,502 | 7,013 | 19,515 | 16,732 |
| Establishment expenses | 133,738 | 3,584 | 137,322 | 137,863 |
| Legal and professional | 159,993 | 20,052 | 180,045 | 144,318 |
| Depreciation | 37,002 | 4,372 | 41,374 | 29,036 |
| Bank charges and interest | 20,434 | 11,692 | 32,126 | 29,241 |
| Other | 19,729 | 2,848 | 22,577 | 16,676 |
| Governance costs: | | | | |
| <i>Audit (including irrecoverable VAT)</i> | 22,924 | 2,997 | 25,921 | 23,114 |
| <i>Trustee meetings</i> | 11,357 | 2,030 | 13,387 | 12,050 |
| | 693,885 | 102,362 | 796,247 | 723,115 |

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 (2023: £Nil)

8. TRUSTEES AND EMPLOYEES

| | 2024 £ | <i>2023 £</i> |
|-----------------------|-------------------|-------------------|
| Staff costs: | | |
| Wages and salaries | 893,227 | 852,924 |
| Social security costs | 80,580 | 73,833 |
| Pension costs | 47,622 | 47,142 |
| | 1,021,429 | 973,899 |

| | | |
|---|----------|----------|
| Employee emoluments in the band £80,000 - £89,000 | 1 | <i>1</i> |
|---|----------|----------|

The Trustees did not receive any remuneration during the year. Expenses relating to travel of £1,162 (2023: £609) were paid on behalf of 3 (2023: 3) Trustees during the year. SPAB providing training as part of a project where a trustee is taking the lead and is the contracting organisation amounting to £3,900.

The key management personnel of the charity comprise the trustees, the Director, Head of Development and Communications, Head of Education and Training, and Head of Technical and Research. The total employee benefits of the key management personnel of the charity were £354,872 (2023: £321,754).

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

| | <i>Headcount</i> | | <i>Full-time equivalent</i> | |
|-------------------|---------------------|---------------------|-----------------------------|---------------------|
| | 2024 No. | <i>2023 No.</i> | 2024 No. | <i>2023 No.</i> |
| Fundraising | 1 | 1 | 0.3 | 0.8 |
| Educational | 10 | 10 | 6.6 | 6.4 |
| Advisory services | 7 | 7 | 3.5 | 4.0 |
| Support | 14 | 15 | 11.2 | 10.4 |
| | 32 | <i>33</i> | 21.6 | <i>21.6</i> |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



9. TANGIBLE FIXED ASSETS

| | Freehold Land & Buildings £ | Antique Furniture £ | Office Equipment £ | Computer Equipment £ | Assets Under Construction £ | Total £ |
|--|--------------------------------------|---------------------------|--------------------------|----------------------------|--------------------------------------|--------------------|
| Cost: | | | | | | |
| As at 1 January 2024 | 332,504 | 11,129 | 9,757 | 99,839 | 331,604 | 784,833 |
| Additions | - | - | - | 1,321 | 388,369 | 389,690 |
| Disposals | - | - | - | - | - | - |
| As at 31 December 2024 | 332,504 | 11,129 | 9,757 | 101,160 | 719,973 | 1,174,523 |
| Depreciation: | | | | | | |
| As at 1 January 2024 | 181,585 | - | 5,316 | 61,744 | - | 248,645 |
| Charge for the year | 4,429 | - | 967 | 9,546 | - | 14,942 |
| As at 31 December 2024 | 186,014 | - | 6,283 | 71,290 | - | 263,587 |
| Net book value 31 December 2024 | 146,490 | 11,129 | 3,474 | 29,870 | 719,973 | 910,936 |
| <i>31 December 2023</i> | <i>150,919</i> | <i>11,129</i> | <i>4,441</i> | <i>38,095</i> | <i>331,604</i> | <i>536,188</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 asset was previously deemed to be land given the state of the property, and therefore not subject to depreciation. The asset has since undergone significant repairs and construction work and is classified in these accounts as an asset under construction. The work was completed in June 2025.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



10. INTANGIBLE ASSETS

| | Website & Database Development £ | Total £ |
|-------------------------------|---|----------------|
| Cost: | | |
| As at 1 January 2024 | 345,780 | 345,780 |
| Additions | - | - |
| | <hr/> | <hr/> |
| As at 31 December 2024 | 345,780 | 345,780 |
| Depreciation: | | |
| As at 1 January 2024 | 287,137 | 287,137 |
| Charge for the year | 14,074 | 14,074 |
| | <hr/> | <hr/> |
| As at 31 December 2024 | 301,211 | 301,211 |
| Net book value | | |
| 31 December 2024 | 44,569 | 44,569 |
| | <hr/> | <hr/> |
| <i>31 December 2023</i> | <i>58,643</i> | <i>58,643</i> |
| | <hr/> | <hr/> |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



11. HERITAGE ASSETS

| | Freehold Property £ | Total £ |
|-------------------------------|---------------------------|----------------|
| Cost: | | |
| As at 1 January 2024 | - | - |
| Additions | 983,000 | 983,000 |
| | 983,000 | 983,000 |
| As at 31 December 2024 | 983,000 | 983,000 |
| Depreciation: | | |
| As at 1 January 2024 | - | - |
| Charge for the year | - | - |
| | 983,000 | 983,000 |
| As at 31 December 2024 | 983,000 | 983,000 |
| Net book value | | |
| 31 December 2024 | 983,000 | 983,000 |
| <i>31 December 2023</i> | - | - |

Kibworth Harcourt Mill, St Mary's Church, and Eynsford Castle are held as heritage assets under FRS102 with a £Nil book value in the accounts. The Trustees consider that, as all three assets are scheduled ancient monuments with no current income or development potential, it would not be cost-effective to obtain valuations for them.

Property at Fladbury was acquired in the year and is currently recognised as a heritage asset with a valuation of £983,000. The valuation is based on an estimate provided by a professional property surveyor in May 2025.

5-year summary of transactions

| Year Ended | Opening Balance £ | Additions (Purchases) £ | Additions (Donations) £ | Disposals £ | Revaluations £ | Closing Balance £ |
|-----------------------|-------------------------|-------------------------------|-------------------------------|----------------|-------------------|----------------------------------|
| 31 Dec 2020 | - | - | - | - | - | - |
| 31 Dec 2021 | - | - | - | - | - | - |
| 31 Dec 2022 | - | - | - | - | - | - |
| 31 Dec 2023 | - | - | - | - | - | - |
| 31 Dec 2024 | - | - | 983,000 | - | - | 983,000 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



| 12. FIXED ASSET INVESTMENTS | 2024 | 2023 |
|------------------------------------|-------------------------|-------------------------|
| | £ | £ |
| Market value of quoted investments | 4,279,843 | 4,349,666 |
| Cash | <u>224,285</u> | <u>184,654</u> |
| | <u>4,504,128</u> | <u>4,534,320</u> |
| | | |
| Listed investments: | | |
| Market value at start of year | 4,349,666 | 3,974,164 |
| Additions | 1,047,503 | 1,406,049 |
| Disposals | (1,375,103) | (1,249,487) |
| Net gains on investments | <u>257,777</u> | <u>218,940</u> |
| | | |
| Market value at end of year | <u>4,279,843</u> | <u>4,349,667</u> |
| | | |
| 13. DEBTORS | 2024 | 2023 |
| | £ | £ |
| Bank loans and overdrafts | 30,303 | 24,618 |
| Prepayments and accrued income | 307,272 | 257,510 |
| VAT debtors | <u>16,478</u> | <u>-</u> |
| | <u>354,053</u> | <u>282,128</u> |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



| 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 2024 | 2023 |
|---|-----------------------|-----------------------|
| | £ | £ |
| Trade creditors | 89,992 | 90,802 |
| Other creditors | 13,271 | 7,798 |
| Taxation and social security | 17,358 | 18,974 |
| Accruals and deferred income | 88,794 | 70,155 |
| Bank loans and overdrafts | 430,224 | - |
| | <u>639,639</u> | <u>187,729</u> |

Deferred income of £9,209 (2023: £10,456) is included above.
All deferred income is released in the subsequent accounting period.

| CREDITORS: AMOUNTS FALLING DUE > 1 YEAR | 2024 | 2023 |
|---|-----------------------|-----------------------|
| | £ | |
| Bank loans and overdrafts | - | 327,897 |
| Total Creditors | <u>639,639</u> | <u>515,626</u> |

The loan for £430,224 is part of a £500,000 loan facility provided by the Architectural Heritage Fund. £400,000 of this loan facility has been drawn down at 31 December 2024 (2023: £300,000). SPAB are recognising £30,224 of accrued loan interest as at 31 December 2024 (2023: £27,897). The loan is available for a period of 60 months from the first date upon which the loan is drawn down. No capital and interest repayments are due for a period of 36 months after the date of the initial drawdown. After this initial period only interest payments are required to be paid up to month 60, upon which full capital repayment must be made.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
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FOR THE YEAR ENDED 31 DECEMBER 2024



15. MOVEMENT IN FUNDS

| | Balance 1 January 2024 £ | Income £ | Expenditure £ | Transfers £ | Net Investment Gains £ | Balance 31 December 2024 £ |
|-------------------------------------|-----------------------------------|------------------|--------------------|--------------------|-------------------------------------|--|
| Restricted Funds: | | | | | | |
| The Mills Section | 587,600 | 64,238 | (99,876) | - | 87,212 | 639,174 |
| R&M of ancient buildings | 449,208 | 29,159 | (56,822) | - | 15,756 | 437,301 |
| Scholarship for architects | 194,004 | 123,929 | (105,767) | - | 17,838 | 230,004 |
| The William Morris Craft Fellowship | 114,372 | 94,276 | (101,072) | - | - | 107,576 |
| Historic England | 29,092 | 94,412 | (123,504) | - | - | - |
| Gloria e Marco Award | 751 | - | - | - | - | 751 |
| D&P Marsh Trust | 100,000 | - | - | - | - | 100,000 |
| Restricted (Other) | 167,043 | 46,873 | (37,798) | - | - | 176,118 |
| Total Restricted Funds | 1,642,070 | 452,887 | (524,839) | - | 120,806 | 1,690,924 |
| Endowed Funds: | | | | | | |
| | Balance 1 January 2024 £ | Income £ | Expenditure £ | Transfers £ | Net Investmen t Gains £ | Balance 31 December 2024 £ |
| Banister Fletcher | 5,138 | - | - | - | - | 5,138 |
| Hardy Memorial | 230,761 | - | - | - | 17,195 | 247,956 |
| Ernest Cook | 42,058 | - | - | - | (345) | 41,713 |
| Jonathan Vickers | 170,608 | - | - | - | 9,628 | 180,236 |
| Bertha Fletcher | 134,708 | - | - | - | 7,200 | 141,908 |
| R R Cory Bequest | 122,118 | - | - | - | 9,402 | 131,520 |
| Total Endowed Funds | 705,391 | - | - | - | 43,080 | 748,471 |
| Designated Funds: | | | | | | |
| Fixed Asset Reserve | 536,188 | - | (14,942) | 1,372,691 | - | 1,893,937 |
| IT Fund | 46,270 | - | - | - | - | 46,270 |
| Kibworth Harcourt Repair | 7,000 | - | - | - | - | 7,000 |
| Spital Square Repair | 14,441 | - | - | - | - | 14,441 |
| | 603,899 | - | (14,942) | 1,372,691 | - | 1,961,648 |
| General Fund | 3,180,417 | 2,153,298 | (1,393,348) | (1,372,691) | 93,891 | 2,661,567 |
| Total Unrestricted Funds | 3,784,316 | 2,153,298 | (1,408,290) | - | 93,891 | 4,623,215 |
| Total Funds | 6,131,777 | 2,606,185 | (1,933,129) | - | 257,777 | 7,062,610 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



15. MOVEMENT IN FUNDS (continued)

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.

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 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.

D&P Marsh Trust

This fund is in place to help fund educational bursaries for talented individuals.

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 £1,372,691 was made from the General to the Designated fund during the year. The transfer was made to equate the Fixed Asset Reserve account to the fixed asset balance on the balance sheet.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
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16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Heritage Assets £ | Tangible Fixed Assets £ | Intangible Fixed Assets £ | Net Investments £ | Net Current Assets £ | Total 2024 £ |
|-------------------------------------|-------------------------|----------------------------------|------------------------------------|-------------------------|-------------------------------|--------------------|
| Restricted | | | | | | |
| The Mills Section | - | - | - | 639,173 | - | 639,173 |
| R&M of ancient buildings | - | - | - | 297,223 | 140,078 | 437,301 |
| Scholarship for architects | - | - | - | 302,326 | (72,322) | 230,004 |
| The William Morris Craft Fellowship | - | - | - | - | 107,577 | 107,577 |
| Gloria e Marco Award | - | - | - | - | 751 | 751 |
| Historic England | - | - | - | - | - | - |
| D&P Marsh Trust | - | - | - | - | 100,000 | 100,000 |
| Restricted (Other) | - | - | - | - | 176,118 | 176,118 |
| Endowed Funds | - | - | - | 727,531 | 20,940 | 748,471 |
| Unrestricted Funds | 983,000 | 910,936 | 44,569 | 2,537,875 | 146,835 | 4,623,215 |
| Total | 983,000 | 910,936 | 44,569 | 4,504,128 | 619,977 | 7,062,610 |

17. PENSION

The Society participates in The Pensions Trust's Growth Plan ("the Plan") for 30 staff (2023: 31). 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 2024 report has confirmed the requirement for additional contributions to the Pensions Trust Growth Plan from 1 April 2023 of £508.03 per annum. From 1 April 2024 deficit contributions required from The Society are £250 a year.

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 £38,548 (2023: £36,330). At the year-end £809 (2023: £4,692) was accrued in respect of future deficit contributions to the scheme.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



18. 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 | 2024 £ | 2023 £ |
|----------------------------|----------------------|----------------------|
| Within one year | 36,425 | 40,910 |
| Between one and five years | 11,667 | 48,092 |
| | <u>48,092</u> | <u>89,002</u> |

19. RELATED PARTY TRANSACTIONS

Matthew Slocombe (CEO) is a Trustees of The Drake Trust. The Drake Trust awarded grants for £10,750 to SPAB in 2024 (2023: £10,000).

Matthew Slocombe (Director) is a secretary of the The Joint Committee of the National Amenity Societies. Receipts totalling £1,500 were remitted to SPAB in 2024 (2023: £1,546.67).

Duncan McCallum (Chair) is a Trustee at Highway One Trust. Highway One Trust awarded grants for £7,000 to SPAB in 2024.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

| | Notes | Unrestricted Funds | Restricted Funds | Endowed Funds | 2023 Total Funds |
|--|-------|-----------------------|---------------------|------------------|------------------------|
| | | £ | £ | £ | £ |
| Income and Endowments from: | | | | | |
| Donations and legacies | 2 | 1,315,586 | 74,527 | - | 1,390,112 |
| Charitable activities | 3 | 492,126 | 222,640 | - | 714,766 |
| Other trading activities | 4 | 116,520 | 1,911 | - | 118,431 |
| Investment Income | 5 | 42,730 | 69,802 | - | 112,532 |
| Other | | 8,865 | 25 | - | 8,890 |
| Total | | 1,975,826 | 368,905 | - | 2,344,731 |
| Expenditure on: | | | | | |
| Raising funds | | 179,443 | 25,705 | - | 205,148 |
| Charitable activities | | 1,181,345 | 403,611 | - | 1,584,956 |
| Total | 6 | 1,360,789 | 429,316 | - | 1,790,104 |
| Operating surplus / (deficit) | | 615,037 | (60,411) | - | 554,627 |
| Net gains/(losses) on investments | | 82,151 | 98,596 | 38,192 | 218,939 |
| Net income/(expenditure) | | 697,189 | 38,185 | 38,192 | 773,566 |
| Transfer between funds | 9 | - | - | - | - |
| Net movement in funds | | 697,189 | 38,185 | 38,192 | 773,566 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 3,087,127 | 1,603,885 | 667,199 | 5,358,211 |
| Total funds carried forward | | 3,784,316 | 1,642,070 | 705,391 | 6,131,777 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024



21. COMPARATIVE FUNDS

| MOVEMENT IN FUNDS | <i>Balance 1 January 2023 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers £</i> | <i>Net Investment Gains £</i> | <i>Balance 31 December 2023 £</i> |
|-------------------------------------|---|---------------------|--------------------------|------------------------|---|---|
| Restricted Funds: | | | | | | |
| The Mills Section | 597,313 | 60,264 | (141,339) | - | 71,362 | 587,600 |
| R&M of ancient buildings | 421,216 | 17,674 | (2,373) | - | 12,691 | 449,208 |
| Scholarship for architects | 207,164 | 90,636 | (118,340) | - | 14,543 | 194,004 |
| The William Morris Craft Fellowship | 128,006 | 84,223 | (97,857) | - | - | 114,372 |
| Historic England | 10,483 | 88,017 | (69,408) | - | - | 29,092 |
| D&P Marsh Charitable Trust | 751 | - | - | - | - | 751 |
| Gloria e Marco Award | 100,000 | - | - | - | - | 100,000 |
| Restricted (Other) | 138,952 | 28,091 | 0 | - | - | 167,043 |
| Total Restricted Funds | 1,603,885 | 368,905 | (429,316) | - | 98,596 | 1,642,070 |
| Endowed Funds | 667,199 | - | - | - | 38,192 | 705,391 |
| Designated Funds: | | | | | | |
| Fixed Asset Reserve | 352,731 | - | (9,327) | 192,783 | - | 536,188 |
| IT Fund | 46,270 | - | - | - | - | 46,270 |
| Kibworth Harcourt Repair | 7,000 | - | - | - | - | 7,000 |
| Spital Square Repair | 14,441 | - | - | - | - | 14,441 |
| | 420,442 | - | (9,327) | 192,783 | - | 603,899 |
| General Fund | 2,666,685 | 1,975,826 | (1,351,462) | (192,783) | 82,149 | 3,180,416 |
| Total Unrestricted Funds | 3,087,127 | 1,975,826 | (1,360,789) | - | 82,149 | 3,784,315 |
| Total Funds | 5,358,212 | 2,344,731 | (1,790,104) | - | 218,938 | 6,131,777 |

22. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible Fixed Assets £ | Intangible Fixed Assets £ | Net Investments £ | Net Current Assets £ | Total 2023 £ |
|-------------------------------------|--|--|----------------------------------|-------------------------------------|-----------------------------|
| Restricted | | | | | |
| The Mills Section | - | - | 587,600 | - | 587,600 |
| R&M of ancient buildings | - | - | 314,418 | 134,790 | 449,208 |
| Scholarship for architects | - | - | 302,326 | (108,322) | 194,004 |
| The William Morris Craft Fellowship | - | - | - | 114,372 | 114,372 |
| Gloria e Marco Award | - | - | - | 751 | 751 |
| Historic England | - | - | - | 29,092 | 29,092 |
| D&P Marsh Charitable Trust | - | - | - | 100,000 | 100,000 |
| Restricted (Other) | - | - | - | 167,043 | 167,043 |
| Endowed Funds | - | - | 693,734 | 11,657 | 705,391 |
| Unrestricted Funds | 536,188 | 58,643 | 2,636,242 | 553,243 | 3,784,316 |
| Total | 536,188 | 58,643 | 4,534,320 | 1,002,626 | 6,131,777 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS

England & Wales - Charity number 1113753

Accounts

**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 2023**



**THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES AND PROFESSIONAL ADVISORS
YEAR ENDED 31 DECEMBER 2023**

TRUSTEES

| | |
|---------------------|----------------------------------|
| Charles Wagner | (From Feb 2024) |
| Duncan McCallum | (Chair) |
| Christopher Wheaton | (Hon Treasurer) |
| Catherine Cullis | |
| Georgina Nayler | |
| Hazel Morris | |
| Jo Thwaites | |
| Mildred Cookson | |
| Morwenna Slade | (From Jul 2023) |
| Richard Max | |
| Shona O'Keefe | (From Jan 2024) |
| Sally Stradling | (Resigned Jan 2024) |
| Triona Byrne | (Vice Chair – resigned Jan 2024) |
| Tyler Lott-Johnson | (Vice Chair) |

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
55 Ludgate Hill
London
EC4M 7JW

ACCOUNTANTS

JS2 Limited
One Crown Square
Woking
GU21 4HR

INVESTMENT ADVISORS

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

BANKERS

Barclays
127 Edgware Road
London
W2 2HT

HSBC
455 Strand
London
WC2R 0RH

SOLICITORS

Stephenson Harwood
1 Finsbury Circus
London
EC2M 7SH

Stone King
28 Ely Place
London
EC1N 6TD

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023



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 2023.

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 with minor revisions in 2023. The charitable company was registered with the Charity Commission in England and Wales on 14 April 2006 as number 1113753. It is also registered in Scotland SC039244 and the Republic of Ireland 20158736. Changes to the Articles, to fulfil legislative differences between the UK and Republic of Ireland, are under review and will be put to the SPAB's Guardians at the AGM in 2024.

The Society is managed by up to 12 trustees who form a Board and meet five times a year. Board members can serve up to two terms of three years, with the possibility of a one-year extension in exceptional circumstances. The Board appoints the Honorary Officers and is assisted by Staffing and Finance & Audit sub-committees.

There are eight SPAB Guardian Committees who oversee all areas of our work made up of members who, through election or co-option, have an especially strong link with the Society and its work. Our committees are: Advocacy; Casework; Education & Training; Technical & Research; Mills; SPAB Scotland; SPAB Ireland; and Regional Group Chairs. Each committee 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 are briefed on matters including the SPAB's history, ideas, operation and assets.

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 within the budget and, when necessary, 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.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023



PUBLIC BENEFIT

The Trustees, in accordance with Section 17 of the Charities Act 2011 [amended 2022], have given due regard to the guidance issued by the Charity Commission and consider the organisation to offer public benefit through a wide range 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, site-based projects with community engagement and free online information.

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.

FRAUD

The SPAB will continually strive to ensure that all its financial and administrative processes are carried out and reported honestly, accurately, transparently and accountably and that all decisions are taken objectively and free of personal interest. We will not condone any behaviour that falls short of these principles.

VOLUNTEERS

Volunteers contribute to and support the SPAB 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. A Volunteering Working Group was approved in 2023 to help maximise the contribution of volunteers to the SPAB's work.

ACHIEVEMENTS AND PERFORMANCE

The SPAB's current strategy, covering the post-Covid period 2022-5, has Community, Sustainability and Consistency as its main themes. The advice of a working group on equality, diversity and inclusion has helped to improve practice in public engagement, recruitment, training, communications and other areas of activity.

On site working parties took place in England, Scotland, Wales and Ireland, with high attendance at each. These successful events allow the SPAB to put its hands-on approach into practice. We were delighted that the project, of which our working party at St Mary's Church, Caerau near Cardiff was a part, won a national archaeological award for community engagement in 2023.

Following completion of our major repair project at Kibworth Harcourt windmill in Leicestershire, using funds from the Enid Lamb legacy, we are delighted that a new volunteer group has formed to help maintain the building and open it to the public.

At our Old House Project in Kent, all consents were secured and external repairs were completed. The project provided a focus for educational activities as well as research into the production of local materials and sustainability for old buildings. We thank the Pilgrim Trust, in particular, for their grant support.

Phase one of an essential website platform upgrade was commenced with work close to completion by the end of 2023.

An audience insights survey was completed, with conclusions from the results beginning to be implemented in 2023.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023



(i) Educational Work

The Society's flagship training programmes - the William Morris Craft Fellowship and the Lethaby Scholarships for architects, surveyors and engineers - ran successfully with more participants overall than ever before. All completed their programmes successfully. We are extremely grateful to our funders for their assistance during the year, and particularly to Historic England for their continuing support.

The Society's two annual Repair of Old Buildings courses took place – one in-person and one online using new videoed site visits and discussion sessions alongside lectures. Our online educational programme, including lectures, CPD sessions for professionals and 'Members' Skill Share' series continued successfully, but with an increasing number of in-person events, specialist, and bespoke courses.

The Society's Mills Section ran its annual National Mills Weekend which included the SPAB's Kibworth Harcourt post mill. The millwright training programme, linked to the Craft Fellowship and supported by the Enid Lamb legacy, had a further successful year, helping to increase the numbers of those with the skills to assist this 'endangered craft'.

(ii) Casework

Total numbers of cases received by the Society as part of its statutory work in England and Wales remain high, with over 2,000 relevant to SPAB interests. With reduced heritage advisory support within local and national public authorities, the need for the SPAB's expertise is great. This increased need exists against the backdrop of reduced financial support for the SPAB from government, via Historic England and Cadw, which has decreased in real terms over recent years. Despite the SPAB's role being statutory, the Society is expected to fund more of this advisory work, which supports the planning system. Discussions have taken place with Historic England about casework reporting requirements and Welsh Government has been lobbied to maintain its heritage budget.

From applications for listed building consent received from England and Wales during 2023, our casework Team made substantive comment on 858 (1017 in 2022). This sometimes involved input from expert volunteers or members of our Casework Committee, as well as staff. Our aim is to supply advice that supports the building's conservation when a change is proposed. In addition, the Society carries out campaigning work to support historic 'buildings at risk'.

The Casework Team also successfully pursued High Court action against Broxtowe Council which had failed to notify the SPAB of an application to alter an important grade II* listed group of almshouses.

(iii) Advisory Services

The Society's Technical Advice Line remained in strong demand during 2023 and handled 592 enquiries (c.700 in 2022). We are indebted to Historic England for providing financial support for this service. Expert volunteers assisted staff with a wide range of technical topics including research into the production and use of locally-produced quick limes.

Our technical staff also lectured to a range of audiences and contributed to external publications. Development and publication of technical guidance continued in 2023, with continuing support also offered towards a UCI PhD concerning surface finishes.

iv) Grants for Building Maintenance & organisational support

In 2023 the Society maintained its support for the Sustainable Traditional Buildings Alliance's research and campaigning, contributing £1,000. Through its Mill Repair grant fund our Mills Section supported conservation work to the Heage Windmill Society, Windmill Hill Trust, Melbury Abbas Mill, and Bourn Windmill (Cambridgeshire) totalling £3,900. It also donated £2,400 to the Mills Archive Trust and resolved to increase this donation in 2024. The SPAB remains a member of The Heritage Alliance and contributed £930 as its subscription; the subscription to the Joint Committee of the National Amenity Societies was £400.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023



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 above funds 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 surplus for the year of £554,627 (2022: £320,543). This became a surplus of £773,566 (2022: £112,719 deficit) after depreciation and investment returns were taken into account. Donations and legacies at £1.39m were higher than in the previous year (2022: £1.03m). 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 increased slightly to £1.79m (2022: £1.70m). The Society continued to pursue its Old House Project which after five years of educational benefit is due to be sold in 2024. Staff costs increased slightly to £0.97m (2022: £0.83m) and continue to represent a high proportion of total expenditure since advice and training are at the heart of the SPAB's work.

FUNDRAISING POLICY

The SPAB is committed to the highest standards in fundraising. The Society is registered with the Fundraising Regulator and by extension upholds the Fundraising Promise and complies with all the relevant standards as set out in the Code of Fundraising Practice. The in-house Fundraising Policy is informed by the Code of Fundraising Practice. All our in-house fundraising team are offered membership to the Institute of Fundraising and are actively encouraged and enabled to keep their knowledge of regulations and standards up to date. The SPAB does not currently use third party providers of fundraising services. The charity received no complaints about its fundraising activities during the year.

RESERVES POLICY

The Society held total funds of £6.13m (2022: £5.36m) at 31 December 2023 of which £1.64m (2022: £1.6m) are restricted and £0.71m (2022: £0.67) are endowed. The Society's remaining reserves of £3.78m (2022: £3.09m) are unrestricted of which free reserves (excluding designated funds and tangible fixed assets) are approximately £3.18m (2022: £2.67m). This is equivalent to 1.8 times this year's annual expenditure of £1.79m, 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 FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023



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 Finance and Audit sub-committee (FASC) 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.
- 4) £175k as an amount of self-insurance relating to flood damage risks at Fladbury Mill, in addition to insurance taken out to cover the property for catastrophic loss.

For items 1) and 3) above, the Society is currently expected to be run at as close-to an operating breakeven as possible for the next three years, three months' worth of budgeted operating expenditure is c. £500k. Item 2), spend on major projects, is forecast to be £550k for the Old House Project and £500k for planned work at Fladbury Mill subject to the bequest being finalised, a total of £1.050m. Combined, these items total c.£1.5M, substantially less than the free reserves of £3.18m. Our reserves policy is kept under regular review.

INVESTMENT POLICY

The investment management of the Society's reserves is monitored by the Finance & Audit sub-committee, reporting to the Board, to ensure that the investment objectives and strategy for each portfolio match that fund's specific objectives. The investment manager is Kleinwort Hambros. The portfolios are invested by Kleinwort Hambros on the Society's behalf into a well-diversified third-party and in-house pooled funds across a variety of different asset classes, designed to provide the Society with a combination of above-average income as well as capital growth.

INVESTMENT REPORT

The total value of the Society's holdings across the investment funds as at 20th May 2024 were £4.556m. This is an increase of c. 5% versus the value of £4.350m as at 31 December 2023, and an increase of c.15% versus the value of £3.974m as at 31 December 2022.

Investment performance for 2023 was as follows for the General Fund and the Enid Lamb Fund, which combined represent about two-thirds of The Society's investments:

| Fund | Performance | Benchmark Index | Performance |
|---------------------------------|-------------|------------------|-------------|
| SPAB General Fund | 7.0% | ARC PCI Balanced | 6.0% |
| SPAB Wind & Watermill Enid Lamb | 6.8% | ARC PCI Balanced | 6.0% |

Source: Kleinwort Hambros / ARC

The target investment return for the portfolio is to deliver an investment return exceeding inflation, while taking a medium level of risk through a mix of bonds and equities, to achieve this. Investment returns over the recent past have exceeded this target.

To reiterate from last year's annual report, the Society's investment manager, Kleinwort Hambros, is ultimately owned by Société Générale, one of France's largest banks. KH also maintains segregation of client assets from the bank's assets, and uses separate custodian companies to hold client assets, so that they are not treated as the bank's own capital nor could be subject to claims by creditors of Société Générale. The Society's cash balances held outside the investment funds are at Barclays.

The Society funded all of its capital and operating requirements during the year from its existing cash resources, including some bequests received in the year, and did not withdraw significant funds from its investments. It also drew on an existing agreed loan with the Architectural Heritage Foundation to fund the ongoing repair work at the Old House Project, secured against the property, and that that will be repaid when the property is sold.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023



Equity markets were flat in 2023 to early in the fourth quarter due to the continuing fear of persistent inflation and weak government finances despite high levels of taxation versus historic levels. The weakness of the Chinese economy, which has ceased to grow at the rapid rates seen before the pandemic, was also a concern. Bond prices generally went down in 2023, across both Europe and the US, as inflation has remained higher and for longer than anticipated. As mentioned in last year's investment report, In the eternal struggle between capital and labour, labour is finally reclaiming some of the ground lost over the last fifteen years since the financial crisis, and so wage inflation is likely to be sustained for some time yet. This expectation higher inflation has led to the expectation that interest rates will remain higher, and this has caused bond prices to fall (bond prices work inversely to interest rates; rising interest rates mean falling bond prices).

In the fourth quarter the US stock market then experienced a mini-mania around the potential of Artificial Intelligence, and this has led to a number of technology-related companies achieving astonishingly high valuations- this appears to us a small-scale repeat of the technology mania of 1998-2000. The US stock market since November has risen by an astonishing 20%, but this is all concentrated in these small number of companies (known as "the magnificent seven")- excluding these very large technology companies, the US stockmarket is actually down slightly over the last nine months.

Year to date, European stock markets are up c.10% to date, the US up 6%, and the UK finally performing better than either of those, up c.12%. In this same period, the Society's investments have increased by c.3%, with falling bond prices offsetting rises in equity markets. The UK is finally looking attractive to international investors, but largely through takeovers- there were 50 takeover bids in 2023, 75% of those from private equity looking to buy businesses at low valuations. This low valuation of the UK is also reflected in the decision by several large companies to move from the UK to US stockmarket listings. Reform of pension investment governance to put more money into the UK stockmarket- allocation of investments by pension funds to UK equity markets is c.5% versus 20% twenty years ago- seems essential to us.

Current asset allocation, including the cash currently held by the Society, is c.45% equities, 25% bonds, 15% other investments, 15% cash. This asset allocation reflects the caution that stockmarkets may not continue to rise significantly in the near future, given that investors can receive 5% interest rates on low-risk government bonds, which has increased the attractiveness of bonds versus equities. This asset allocation should continue deliver the Society's investment aims of both long-term capital growth and income generation as well.

This investment outlook continues to underline the importance of the strategic priorities of the Finance, Audit and Strategy Committee to examine all ways in which fundraising efforts for the Society can be made more effective, to invest in infrastructure to support the Society's growth, broaden the Society's reach and fulfil the Society's charitable aims. The committee continues its work to diversify the Society's income, and reduce the year-to-year variation in income, which hinders long-term planning. The Society has been extremely fortunate, yet again, to receive a number of generous legacies from members and supporters in 2023 and also for 2024, but the outlook for legacy income in 2025 currently looks to be well below budgeted levels, and planning for 2024 and 2025 reflects prudence in the face of this uncertainty.

LEGACY RECOGNITION POLICY

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 the charity is satisfied that the conditions for recognising income of entitlement, probability and measurement have been met. 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.

RISK

The Society's Finance and Audit sub-committee and Board of Trustees reviews at each meeting potential risks to the charity. Risks including volatility in financial markets and cyber attack were reviewed regularly and with particular care, given the uncertainties of the external environment. . The Board is satisfied that controls are in place to manage/mitigate identified risks.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023



The Finance and Audit sub-committee and Board continue to set the goal of operating cash flow breakeven, though some additional expenditure from reserves has been planned for 2023-4 in view of high legacy receipts and as an investment in long term sustainable growth.

The reserves policy (see p.5) is designed to ensure that the Society's investments act as a buffer to short-term fluctuations in cash flow, and to make certain that the Society can fund its short-term operating deficit.

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 is outlined in the Investment Report (see p.6).

MAJOR PROJECT RISK

Our Old House Project (OHP) at St Andrew', Boxley in Kent carries some significant risks for the organisation. Governance and reporting structures exist to allow these risks to be monitored, and where necessary, mitigated. The Board and Finance and Audit sub-committee receive regular reports about the project. Additionally, the OHP's Project Board offers expert support and guidance. The reserves policy includes a contingency to allow for repayment of a loan from the Architectural Heritage Fund which provides part-funding for the project, though this risk has diminished significantly in 2023 through resolution of the building's main structural problems and the granting of planning permission and listed building consent for re-use. This progress significantly increases the site's asset value. We are extremely grateful to the Pilgrim Trust for its generous grant to the OHP, and to SPAB members for their support through donations. Historic England provided a grant of c.£35,000 which allowed the completion of structural repairs in 2023.

GOING CONCERN

Management have prepared cash flow forecasts to support the assessment that the accounts should be prepared on a going concern basis. The model covers the period to 31 December 2025 to consider the future plans of the Society and the effect of inflation and possible recession on future costs and income streams. The forecast demonstrates the Society has the ability to remain in a cash positive position throughout the period of analysis with cash in hand reaching its lowest point in the middle of 2025. Unrestricted reserves at the date of the signing of the accounts are in excess of £3.1m, or c.1.5x forecast annual expenditure and in excess of the c.£1.5M minimum unrestricted funds calculated according to the Society's reserves policy.

There is one large potential cash inflow included in the cash flow forecast, relating to the sale of the Old House Project at Boxley; even if this sum were completely excluded from the cash flow analysis, the Society's unrestricted reserves would still be in excess of the minimum unrestricted funds calculated according to the Society's reserves policy.

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.

FUTURE PLANS

The SPAB's current Strategy will reach its end in 2024. Its objectives have included reinforcing the SPAB's conservation messages, increasing the advice offered in relation to energy efficiency and environmental sustainability for old buildings, and in broadening the audiences with which the SPAB works. Very good progress has been made with all objectives though further work remains to be done. This work and new activities will be taken forward in the SPAB's next strategy covering the period 2025-30 Work on this strategy has now begun. It will cover the SPAB's 150th anniversary in 2027 which is expected to act as a springboard for various future projects.

2024-5 will see the completion and sale of the SPAB's Old House Project at Boxley in Kent. The project will then be evaluated with the possibility of an OHP II then explored. Already certain is the acquisition of Fladbury Watermill, Worcs – a generous bequest from the late David Wynn – that will come into the SPAB's

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023



possession during 2024. Options for the site are currently being considered, but it has much potential to illustrate sustainability for old buildings and the means by which historic sites can be managed to mitigate flood risks.

SPAB Ireland is developing a range of activities with generous support from the Heritage Council in the Republic. SPAB Scotland will take forward initiatives linked to the sale of a significant percentage of the Church of Scotland's historic building stock. Our biennial Heritage Awards ceremony will be held in November 2024.

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 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.

DISCLOSURE OF INFORMATION TO AUDITORS

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.

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

Approved by the Board on 16th July 2024

and signed on its behalf by:

Name: Duncan McCallum, Chair

Name: Christopher Wheaton, Honorary Treasurer

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023



Opinion

We have audited the financial statements of The Society for the Protection of Ancient Buildings ('the charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including 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 2023 and of the charitable company's income and expenditure, 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 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

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 trustee's 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 charitable company'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 contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023



- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their 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 requires 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' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 9, 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS102) 2019.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023



We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR) and employment and health and safety legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and sample testing of income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our 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 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 and 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 'JPoulter', is located below the text.

Julia Poulter
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

2nd August 2024

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023



| | Notes | Unrestricted Funds | Restricted Funds | Endowed Funds | 2023 Total Funds | 2022 Total Funds |
|--|-------|--------------------|------------------|----------------|------------------|------------------|
| | | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | |
| Donations and legacies | 2 | 1,315,585 | 74,527 | - | 1,390,112 | 1,026,840 |
| Charitable activities | 3 | 492,126 | 222,640 | - | 714,766 | 779,731 |
| Other trading activities | 4 | 116,520 | 1,911 | - | 118,431 | 125,911 |
| Investment Income | 5 | 42,730 | 69,802 | - | 112,532 | 81,590 |
| Other | | 8,865 | 25 | - | 8,890 | 9,696 |
| Total | | 1,975,826 | 368,905 | - | 2,344,731 | 2,023,768 |
| Expenditure on: | | | | | | |
| Raising funds | | 179,443 | 25,705 | - | 205,148 | 220,116 |
| Charitable activities | | 1,181,345 | 403,611 | - | 1,584,956 | 1,483,109 |
| Total | 6 | 1,360,788 | 429,316 | - | 1,790,104 | 1,703,225 |
| Operating surplus / (deficit) | | 615,038 | (60,411) | - | 554,627 | 320,543 |
| Net (losses)/gains on investments | 11 | 82,151 | 98,596 | 38,192 | 218,939 | (433,262) |
| Net income / (expenditure) | | 697,189 | 38,185 | 38,192 | 773,566 | (112,719) |
| Transfer between funds | 14 | - | - | - | - | - |
| Net movement in funds | | 697,189 | 38,185 | 38,192 | 773,566 | (112,719) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 3,087,127 | 1,603,885 | 667,199 | 5,358,211 | 5,470,930 |
| Total funds carried forward | 14 | 3,784,316 | 1,642,070 | 705,391 | 6,131,777 | 5,358,211 |

The above results are from continuing activities and there are no other gains and losses except as stated above.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
BALANCE SHEET
AS AT 31 DECEMBER 2023



Company Number 05743962

| | Notes | 2023 £ | 2022 £ |
|--|-------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 9 | 204,584 | 352,732 |
| Intangible assets | 10 | 58,643 | 59,143 |
| Assets Under Construction | 9 | 331,604 | - |
| Investments | 11 | 4,534,320 | 4,262,064 |
| | | 5,129,151 | 4,673,939 |
| CURRENT ASSETS | | | |
| Debtors | 12 | 282,128 | 368,371 |
| Cash at bank and in hand | | 1,236,124 | 761,807 |
| | | 1,518,252 | 1,130,178 |
| CURRENT LIABILITIES | | | |
| Creditors: amounts falling due within one year | 13 | 187,729 | 181,070 |
| NET CURRENT ASSETS | | 1,330,523 | 949,108 |
| Creditors: amounts falling due > than one year | 13 | 327,897 | 264,836 |
| NET ASSETS | | 6,131,777 | 5,358,211 |
| THE FUNDS OF THE CHARITY | | | |
| | | 14 | |
| Unrestricted - General | | 3,180,417 | 2,666,685 |
| - Designated | | 603,899 | 420,442 |
| | 14 | 3,784,316 | 3,087,127 |
| Restricted - The Mills Section | | 587,600 | 597,313 |
| - The William Morris Craft Fellowship | | 114,372 | 128,006 |
| - Other | | 940,098 | 878,566 |
| | 14 | 1,642,070 | 1,603,885 |
| Endowed funds | 14 | 705,391 | 667,199 |
| | | 6,131,777 | 5,358,211 |

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 16th July 2024 and signed on its behalf by:

Name: Duncan McCallum, Chair

Name: Chris Wheaton, Honorary Treasurer

The notes on pages 17 to 33 form part of these financial statements

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
CASH FLOW STATEMENT
AS AT 31 DECEMBER 2023



| | Note | 2023 £ | 2022 £ |
|--|------|------------------|------------------|
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | a) | 569,114 | 42,111 |
| Cash flows from investing activities: | | | |
| Dividends and interest from investments | | 112,532 | 81,590 |
| Purchase of tangible and intangible fixed assets | | (204,013) | (176,141) |
| Proceeds from sale of investments | | 1,249,487 | 1,235,153 |
| Purchase of investments | | (1,406,050) | (1,241,760) |
| Net cash provided by investing activities | | (248,044) | (101,158) |
| Cash flows from financing activities | | | |
| Net cash provided by financing activities | | 50,000 | 150,000 |
| Change in cash and cash equivalents in the reporting period | | 371,070 | 90,953 |
| Cash and cash equivalents at 1 January | b) | 1,049,708 | 958,755 |
| at 31 December | b) | 1,420,778 | 1,049,708 |

NOTES TO THE CASH FLOW STATEMENT

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

| | | |
|--|----------------|---------------|
| Net income/(expenditure) for the reporting period | 773,566 | (112,719) |
| Adjustments for: | | |
| Depreciation and amortisation | 21,056 | 41,304 |
| (Gains) / Losses on investments | (218,939) | 433,262 |
| Dividends and interest from investments | (112,532) | (81,590) |
| (Increase) / decrease in debtors | 86,243 | (220,519) |
| Increase / (decrease) in creditors | 19,720 | (17,627) |
| Net cash provided by (used in) operating activities | 569,114 | 42,111 |

b) Analysis of cash and cash equivalents

| | | |
|------------------------------------|------------------|------------------|
| Cash at bank and in hand | 1,236,124 | 761,807 |
| Cash held as long-term investments | 184,654 | 287,901 |
| | 1,420,778 | 1,049,708 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
CASH FLOW STATEMENT
AS AT 31 DECEMBER 2023

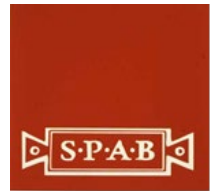


ANALYSIS OF CHANGES IN NET DEBT

| | At 31 Dec 2022 £ | Cash flows £ | At 31 Dec 2023 £ |
|--|---------------------------------|-------------------------|---------------------------------|
| Cash and cash equivalents | | | |
| Cash at bank and in hand | 761,807 | 474,317 | 1,236,124 |
| Cash held as long-term investments | 287,901 | (103,247) | 184,654 |
| | <u>1,049,708</u> | <u>371,070</u> | <u>1,420,778</u> |
| Borrowings | | | |
| Loans falling due after more than one year | (264,836) | (63,061) | (327,897) |
| Total | <u>784,872</u> | <u>308,009</u> | <u>1,092,881</u> |

The notes on pages 17 to 33 form part of this financial statement

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



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

Management have prepared cash flow forecasts to support the assessment that the accounts should be prepared on a going concern basis. The model covers the period to 31 December 2025 to consider the future plans of the Society on future income streams. The forecast demonstrates that the Society has the ability to remain in a cash positive position throughout the period of analysis. Unrestricted reserves at the date of the signing of the accounts are in excess of £3.1m or c.1.8x annual expenditure and in excess of the minimum unrestricted funds suggested by the Society's reserves policy.

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 were previously amortised to the Statement of Financial Activities over a period of 20 years being the period estimated to represent average life membership. From 2022, life memberships are fully recognised as income from the date of receipt of the income. Income from trading activities is recognised in the period in which the service has been provided or the product sold.

Grant 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.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



1. ACCOUNTING POLICIES (Continued)

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.

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 land and 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.

St Andrew's Boxley is currently undergoing significant repairs and construction work and is therefore classified in the accounts as an asset under construction. Assets under construction are not depreciated until the work is completed and the asset is placed into service.

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.

Heritage assets: the Society maintains three properties in support of the Society's objective of preserving and protecting ancient buildings. Kibworth Harcourt Mill, St Mary's Church, and Eynsford Castle are held as heritage assets under FRS102 with a £Nil book value in the accounts. The Trustees consider that, as all three assets are scheduled ancient monuments with no current income or development potential, it would not be cost-effective to obtain valuations for them.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



1. ACCOUNTING POLICIES (Continued)

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) 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.

h) 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.

i) 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.

j) 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.

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Financial assets held at fair value (a) | 4,349,667 | 3,974,164 |

(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.

k) 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.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



1. **ACCOUNTING POLICIES (Continued)**

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 2023



| 2. DONATIONS AND LEGACIES | 2023 | 2022 |
|----------------------------------|-------------------------|-------------------------|
| | £ | £ |
| Donations | 242,056 | 146,213 |
| Trusts and legacies | 1,148,056 | 880,627 |
| | <u>1,390,112</u> | <u>1,026,840</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 2023, the Society had been notified of 3 further legacies that haven't been included in these financial statements as they did not meet these criteria. These legacies may realise approximately £2,592,820.

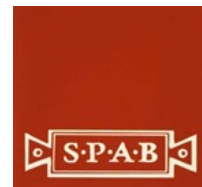
| 3. CHARITABLE ACTIVITIES | 2023 | 2022 |
|---|-----------------------|-----------------------|
| | £ | £ |
| Grants Receivable | | |
| Historic England | 84,908 | 146,945 |
| Heritage Council for Ireland | 33,682 | - |
| Dance Scholarship Foundation | 21,000 | 24,500 |
| The Swire Charitable Trust | 20,000 | - |
| CADW | 18,609 | 10,483 |
| WMCF Trust | 14,000 | 13,000 |
| Ashley Family Foundation | 12,500 | 11,500 |
| The Pilgrim Trust | 10,000 | 10,000 |
| Alan Baxter | 10,000 | 10,000 |
| Drake Trust | 10,000 | 7,500 |
| Benefact Trust | 8,100 | - |
| Delves Charitable Trust | 6,600 | 6,600 |
| Carpenter's Trust | 5,000 | 5,000 |
| Radcliffe Trust | 5,000 | - |
| The Idlewild trust | 5,000 | - |
| Oldham W&E | 5,000 | - |
| The Aurelius Charitable Trust | 4,000 | - |
| Francis Coales Foundation | 2,500 | - |
| Kent Archaeological Society | 1,400 | - |
| Cathedral Architects Association | 500 | - |
| National Heritage - Ireland fund | - | 43,962 |
| Lethaby Scholarship | - | 7,000 |
| Quilter Cheviot | - | 5,000 |
| William & Edith | - | 5,000 |
| RWK Goodman LLP | - | 3,500 |
| Francis de Caires | - | 2,500 |
| The Charlotte Bonham Carter Foundation | - | 2,000 |
| Whitehead Moncton Charitable Foundation | - | 1,000 |
| | <u>277,799</u> | <u>315,490</u> |
| Total Grants Receivable | | |
| Subscriptions | 269,883 | 303,344 |
| Literature Sales | 12,724 | 6,329 |
| General Events | 154,360 | 154,568 |
| | <u>714,766</u> | <u>779,731</u> |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



| 4. OTHER TRADING ACTIVITIES | 2023 £ | 2022 £ |
|------------------------------------|------------------|------------------|
| Advertising | 79,944 | 80,588 |
| Rent receivable | 38,483 | 36,206 |
| Sponsorship | - | 9,117 |
| Sale of Assets | 4 | - |
| | 118,431 | 125,911 |
| | | |
| 5. INVESTMENT INCOME | 2023 £ | 2022 £ |
| Portfolio Income | 94,090 | 77,670 |
| Interest on cash deposits | 18,442 | 3,920 |
| | 112,532 | 81,590 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



6. EXPENDITURE

| | Unrestricted Funds £ | Restricted Funds £ | 2023 Total £ | 2022 Total £ |
|---|----------------------------|--------------------------|--------------------|--------------------|
| Charitable Activities | | | | |
| <i>Building Maintenance</i> | | | | |
| Grants and donations | 69,837 | 6,300 | 76,137 | 55,339 |
| | 69,837 | 6,300 | 76,137 | 55,339 |
| <i>Educational costs</i> | | | | |
| Scholarships and fellowships | 3,188 | 72,890 | 76,078 | 73,726 |
| General events | 2,345 | 932 | 3,277 | 18,590 |
| Courses, meetings, lectures, and events | 80,799 | 5,899 | 86,698 | 85,842 |
| Wages and salaries | 267,570 | 113,998 | 381,568 | 302,730 |
| Newsletter | 63,245 | 9,729 | 72,974 | 76,508 |
| Literature | 4,138 | - | 4,138 | 7,347 |
| Staff Travel | 13,471 | 2,050 | 15,521 | 11,670 |
| Other Educational Costs | 3,872 | - | 3,872 | 9,957 |
| Building Project | 4 | - | 4 | 51,808 |
| Support costs (note 7) | 337,599 | 78,978 | 416,577 | 282,431 |
| | 776,231 | 284,476 | 1,060,707 | 920,609 |
| <i>Advisory services</i> | | | | |
| Technical and Casework direct costs | 7,801 | 964 | 8,765 | 21,139 |
| Wages and salaries | 141,366 | 68,444 | 209,810 | 251,138 |
| Travel | 477 | - | 477 | 586 |
| Support costs (note 7) | 185,633 | 43,427 | 229,060 | 234,298 |
| | 335,277 | 112,835 | 448,112 | 507,161 |
| Total Charitable Activities | 1,181,345 | 403,611 | 1,584,956 | 1,483,109 |
| Raising Funds | | | | |
| Fundraising costs | 11,141 | 162 | 11,303 | 16,177 |
| Wages and salaries | 70,966 | - | 70,966 | 78,373 |
| Support costs (note 7) | 62,789 | 14,689 | 77,478 | 73,118 |
| Advertising Commission | 27,406 | - | 27,406 | 33,957 |
| Investment managers fees | 7,141 | 10,854 | 17,995 | 18,491 |
| Total Raising Funds | 179,443 | 25,705 | 205,148 | 220,116 |
| TOTAL EXPENDITURE | 1,360,788 | 429,316 | 1,790,104 | 1,703,225 |

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 2023



7. SUPPORT COSTS

| | Unrestricted Funds £ | Restricted Funds £ | 2023 Total £ | <i>2022 Total £</i> |
|--|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Travel and volunteers' expenditure | 1,776 | 753 | 2,529 | 19,281 |
| Wages and salaries | 247,265 | 64,291 | 311,556 | 200,498 |
| Printing, stationery, postage, and advertising | 15,271 | 1,461 | 16,732 | 22,789 |
| Establishment expenses | 104,062 | 33,801 | 137,863 | 122,402 |
| Legal and professional | 130,149 | 14,169 | 144,318 | 116,385 |
| Depreciation | 23,728 | 5,308 | 29,036 | 41,304 |
| Bank charges and interest | 22,530 | 6,711 | 29,241 | 26,084 |
| Other | 12,843 | 3,833 | 16,676 | 11,124 |
| Governance costs: | | | | |
| <i>Audit (including irrecoverable VAT)</i> | 18,991 | 4,123 | 23,114 | 20,000 |
| <i>Trustee meetings</i> | 9,406 | 2,644 | 12,050 | 9,980 |
| | 586,021 | 137,094 | 723,115 | 589,847 |

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 (2022: £Nil)

8. TRUSTEES AND EMPLOYEES

| | 2023 £ | <i>2022 £</i> |
|-----------------------|-------------------|-------------------|
| Staff costs: | | |
| Wages and salaries | 852,924 | 727,785 |
| Social security costs | 73,833 | 63,563 |
| Pension costs | 47,142 | 41,391 |
| | 973,899 | 832,739 |

| | | |
|---|---|---|
| Employee emoluments in the band £80,000 - £89,000 | 1 | 1 |
|---|---|---|

The Trustees did not receive any remuneration during the year. Expenses relating to travel of £609 (2022: £988) were paid on behalf of 3 (2022: 3) Trustees during the year. SPAB providing training as part of a project where a trustee is taking the lead and is the contracting organisation amounting to £7,760.

The key management personnel of the charity comprise the trustees, the Director, Head of Development and Communications, Head of Education and Training, and Head of Technical and Research. The total employee benefits of the key management personnel of the charity were £321,754 (2022: £248,436).

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

| | <i>Headcount</i> | | <i>Full-time equivalent</i> | |
|-------------------|---------------------|---------------------|-----------------------------|---------------------|
| | 2023 No. | <i>2022 No.</i> | 2023 No. | <i>2022 No.</i> |
| Fundraising | 1 | 1 | 0.8 | 1.0 |
| Educational | 10 | 11 | 6.4 | 5.9 |
| Advisory services | 7 | 8 | 4.0 | 4.5 |
| Support | 15 | 10 | 10.4 | 5.9 |
| | 33 | 30 | 21.6 | 17.3 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



9. TANGIBLE FIXED ASSETS

| | Freehold Land & Buildings £ | Antique Furniture £ | Office Equipment £ | Computer Equipment £ | Assets Under Construction £ | Total £ |
|--|--------------------------------|------------------------|-----------------------|-------------------------|--------------------------------|-------------------|
| Cost: | | | | | | |
| As at 1 January 2023 | 332,504 | 11,129 | 4,921 | 70,209 | 173,287 | 592,050 |
| Additions | - | - | 4,836 | 29,630 | 158,317 | 192,783 |
| As at 31 December 2023 | 332,504 | 11,129 | 9,757 | 99,839 | 331,604 | 784,833 |
| Depreciation: | | | | | | |
| As at 1 January 2023 | 177,156 | - | 4,161 | 58,001 | - | 239,318 |
| Charge for the year | 4,429 | - | 1,155 | 3,743 | - | 9,327 |
| As at 31 December 2023 | 181,585 | - | 5,316 | 61,744 | - | 248,645 |
| Net book value 31 December 2023 | 150,919 | 11,129 | 4,441 | 38,095 | 331,604 | 536,188 |
| <i>31 December 2022</i> | <i>155,348</i> | <i>11,129</i> | <i>760</i> | <i>12,208</i> | <i>173,287</i> | <i>352,732</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 asset was previously deemed to be land given the state of the property, and therefore not subject to depreciation. However, the asset has since undergone significant repairs and construction work and is now classified in the accounts as an asset under construction.

Heritage Assets

Kibworth Harcourt Mill, St Mary's Church, and Eynsford Castle are held as heritage assets under FRS102 with a £Nil book value in the accounts. The Trustees consider that, as all three assets are scheduled ancient monuments with no current income or development potential, it would not be cost-effective to obtain valuations for them.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



| 10. INTANGIBLE ASSETS | Website & Database Development £ | Total £ |
|--|---|----------------|
| Cost: | | |
| As at 1 January 2023 | 334,551 | 334,551 |
| Additions | 11,229 | 11,229 |
| As at 31 December 2023 | 345,780 | 345,780 |
| Amortisation: | | |
| As at 1 January 2023 | 275,408 | 275,408 |
| Charge for year | 11,729 | 11,729 |
| As at 31 December 2023 | 287,137 | 287,137 |
| Net Book Value – 31 December 2023 | 58,643 | 58,643 |
| 31 December 2022 | 59,143 | 59,143 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



| 11. FIXED ASSET INVESTMENTS | 2023 | 2022 |
|------------------------------------|-------------------------|-------------------------|
| | £ | £ |
| Market value of quoted investments | 4,349,666 | 3,974,164 |
| Cash | 184,654 | 287,901 |
| | <u>4,534,320</u> | <u>4,262,065</u> |
| Listed investments | | |
| Market value at start of year | 3,974,164 | 4,400,819 |
| Additions | 1,406,050 | 1,241,760 |
| Disposals | (1,249,487) | (1,235,153) |
| Net gains on investments | 218,939 | (433,262) |
| | <u>4,349,666</u> | <u>3,974,164</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 | 2023 | 2022 |
|--------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Trade debtors | 24,618 | 47,100 |
| Prepayments and accrued income | 257,510 | 321,271 |
| | <u>282,128</u> | <u>368,371</u> |

| 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 2023 | 2022 |
|---|-----------------------|-----------------------|
| | £ | £ |
| Trade creditors | 90,802 | 90,119 |
| Other creditors | 7,798 | 8,377 |
| Taxation and social security | 18,974 | 22,802 |
| Accruals and deferred income | 70,155 | 59,772 |
| | <u>187,729</u> | <u>181,070</u> |

Deferred income of £10,456 (2022: £17,105) is included above. All deferred income is released in the subsequent accounting period.

| CREDITORS: AMOUNTS FALLING DUE > 1YEAR | 2023 | 2022 |
|--|-----------------------|-----------------------|
| | £ | £ |
| Bank loans and overdrafts | 327,897 | 264,836 |
| Total Creditors | <u>515,626</u> | <u>445,906</u> |

The loan for £327,897 is part of a £500,000 loan facility provided by the Architectural Heritage Fund. £300,000 of this loan facility has been drawn down at 31 December 2023 (2022: £250,000). SPAB are recognising £27,897 of accrued loan interest as at 31 December 2023 (2022: £14,836). The loan is available for a period of 60 months from the first date upon which the loan is drawn down. No capital and interest repayments are due for a period of 36 months after the date of the initial drawdown. After this initial period only interest payments are required to be paid up to month 60, upon which full capital repayment must be made.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



14. MOVEMENT IN FUNDS

| | Balance 1 January 2023 £ | Income £ | Expenditure £ | Transfers £ | Net Investment Gains £ | Balance 31 December 2023 £ |
|-------------------------------------|-----------------------------------|------------------|--------------------|------------------|---------------------------------|--|
| Restricted Funds: | | | | | | |
| The Mills Section | 597,313 | 60,264 | (141,339) | - | 71,362 | 587,600 |
| R&M of ancient buildings | 421,216 | 17,674 | (2,373) | - | 12,691 | 449,208 |
| Scholarship for architects | 207,164 | 90,636 | (118,339) | - | 14,543 | 194,004 |
| The William Morris Craft Fellowship | 128,006 | 84,223 | (97,857) | - | - | 114,372 |
| Historic England | 10,483 | 88,017 | (69,408) | - | - | 29,092 |
| Gloria e Marco Award | 751 | - | - | - | - | 751 |
| D&P Marsh Trust | 100,000 | - | - | - | - | 100,000 |
| Restricted (Other) | 138,952 | 28,091 | - | - | - | 167,043 |
| Total Restricted Funds | 1,603,885 | 368,905 | (429,316) | - | 98,596 | 1,642,070 |
| Endowed Funds: | | | | | | |
| | Balance 1 January 2023 £ | Income £ | Expenditure £ | Transfers £ | Net Investment Gains £ | Balance 31 December 2023 £ |
| Banister Fletcher | 5,138 | - | - | - | - | 5,138 |
| Hardy Memorial | 216,903 | - | - | - | 13,858 | 230,761 |
| Ernest Cook | 42,101 | - | - | - | (43) | 42,058 |
| Jonathan Vickers | 162,834 | - | - | - | 7,774 | 170,608 |
| Bertha Fletcher | 127,508 | - | - | - | 7,200 | 134,708 |
| R R Cory Bequest | 112,715 | - | - | - | 9,403 | 122,118 |
| Total Endowed Funds | 667,199 | - | - | - | 38,192 | 705,391 |
| Designated Funds: | | | | | | |
| Fixed Asset Reserve | 352,731 | - | (9,326) | 192,783 | - | 536,188 |
| IT Fund | 46,270 | - | - | - | - | 46,270 |
| Kibworth Harcourt Repair | 7,000 | - | - | - | - | 7,000 |
| Spital Square Repair | 14,441 | - | - | - | - | 14,441 |
| | 420,442 | - | (9,326) | 192,783 | - | 603,899 |
| General Fund | 2,666,685 | 1,975,826 | (1,351,462) | (192,783) | 82,151 | 3,180,417 |
| Total Unrestricted Funds | 3,087,127 | 1,975,826 | (1,360,788) | - | 82,151 | 3,784,316 |
| Total Funds | 5,358,211 | 2,344,731 | (1,790,104) | - | 218,939 | 6,131,777 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



14. MOVEMENT IN FUNDS (continued)

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.

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.

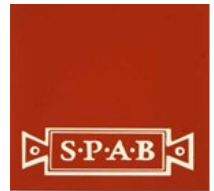
Spital Square Repair Fund

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

Transfers between funds

A transfer of £192,783 was made from the General to the Designated fund during the year. The transfer was made to equate the Fixed Asset Reserve account to the fixed asset balance on the balance sheet.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible Fixed Assets £ | Intangible Fixed Assets £ | Net Investments £ | Net Current Assets £ | Total 2023 £ |
|-------------------------------------|--|--|----------------------------------|-------------------------------------|-----------------------------|
| Restricted | | | | | |
| The Mills Section | - | - | 587,600 | - | 587,600 |
| R&M of ancient buildings | - | - | 314,418 | 134,790 | 449,208 |
| Scholarship for architects | - | - | 302,326 | (108,322) | 194,004 |
| The William Morris Craft Fellowship | - | - | - | 114,372 | 114,372 |
| Gloria e Marco Award | - | - | - | 751 | 751 |
| Historic England | - | - | - | 29,092 | 29,092 |
| D&P Marsh Trust | - | - | - | 100,000 | 100,000 |
| Restricted (Other) | - | - | - | 167,043 | 167,043 |
| Endowed Funds | - | - | 693,734 | 11,657 | 705,391 |
| Unrestricted Funds | 536,188 | 58,643 | 2,636,242 | 553,243 | 3,784,316 |
| Total | 536,188 | 58,643 | 4,534,320 | 1,002,626 | 6,131,777 |

16. PENSION

The Society participates in The Pensions Trust's Growth Plan ("the Plan") for 31 staff (2022: 27). 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 2020 triennial valuation have confirmed the requirement for additional contributions to the Pensions Trust Growth Plan from 1 April 2022 of £508.03 per annum. From 1 April 2023 deficit contributions required from The Society are £508.03 a year.

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 £36,330 (2022: £29,526). At the year-end £4,692 (2022: £4,692) was accrued in respect of future deficit contributions to the scheme.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



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 | 2023 £ | 2022 £ |
|----------------------------|---------------|---------------|
| Within one year | 40,910 | 26,910 |
| Between one and five years | 48,092 | 49,335 |
| | <u>89,002</u> | <u>76,245</u> |

18. RELATED PARTY TRANSACTIONS

Matthew Slocombe (Director) is a Trustees of The Drake Trust. The Drake Trust awarded grants for £10,000 to SPAB in 2023 (2022: £7,500).

Matthew Slocombe (Director) is a secretary of the The Joint Committee of the National Amenity Societies. Receipts totalling £1,546.67 were remitted to SPAB in 2023 (2022: £1,546.67).

Mildred Cookson (Trustee) is a Trustee of the Mills Archive Trust. Supplies totalling £2,400 were remitted to the Mills Archive Trust from SPAB in 2023 (2022: £2,000).

Georgina Nayler (Trustee) is a Trustee of London Historic Buildings Trust – Receipts totalling £7,760 were remitted to SPAB in 2023 (2022: £Nil).

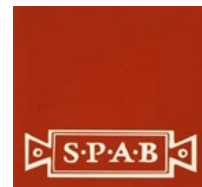
THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



19. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

| | Notes | Unrestricted Funds | Restricted Funds | Endowed Funds | 2022 Total Funds |
|--|-------|-----------------------|---------------------|------------------|------------------------|
| Income and Endowments from: | | £ | £ | £ | £ |
| Donations and legacies | 2 | 1,010,493 | 16,347 | - | 1,026,840 |
| Charitable activities | 3 | 527,596 | 252,135 | - | 779,731 |
| Other trading activities | 4 | 124,764 | 1,147 | - | 125,911 |
| Investment Income | 5 | 35,232 | 46,358 | - | 81,590 |
| Other | | 9,696 | - | - | 9,696 |
| Total | | 1,707,781 | 315,987 | - | 2,023,768 |
| Expenditure on: | | | | | |
| Raising funds | | 196,074 | 24,042 | - | 220,116 |
| Charitable activities | | 1,056,952 | 426,157 | - | 1,483,109 |
| Total | 6 | 1,253,026 | 450,199 | - | 1,703,225 |
| Operating surplus / (deficit) | | 454,755 | (134,212) | - | 320,543 |
| Net gains/(losses) on investments | | (203,069) | (198,463) | (31,730) | (433,262) |
| Net income/(expenditure) | | 251,686 | (332,675) | (31,730) | (112,719) |
| Transfer between funds | 9 | - | - | - | - |
| Net movement in funds | | 251,686 | (332,675) | (31,730) | (112,719) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 2,835,441 | 1,936,560 | 698,929 | 5,470,930 |
| Total funds carried forward | | 3,087,127 | 1,603,885 | 667,199 | 5,358,211 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023



20. COMPARATIVE FUNDS

| MOVEMENT IN FUNDS | <i>Balance 1 January 2022 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers £</i> | <i>Net Investment Gains £</i> | <i>Balance 31 December 2022 £</i> |
|-------------------------------------|---|---------------------|--------------------------|------------------------|---|---|
| Restricted Funds: | | | | | | |
| The Mills Section | 848,751 | 63,188 | (171,265) | - | (143,361) | 597,313 |
| R&M of ancient buildings | 438,836 | 10,558 | (2,415) | - | (25,763) | 421,216 |
| Scholarship for architects | 272,805 | 73,738 | (110,039) | - | (29,339) | 207,164 |
| The William Morris Craft Fellowship | 145,614 | 66,324 | (83,932) | - | - | 128,006 |
| Historic England | - | 93,031 | (82,548) | - | - | 10,483 |
| D&P Marsh Charitable Trust | 501 | 250 | - | - | - | 751 |
| Gloria e Marco Award | 100,000 | - | - | - | - | 100,000 |
| Restricted (Other) | 130,053 | 8,898 | 1 | - | - | 138,952 |
| Total Restricted Funds | 1,936,560 | 315,987 | (450,199) | - | (198,463) | 1,603,885 |
| Endowed Funds | 698,929 | - | - | - | (31,730) | 667,199 |
| Designated Funds: | | | | | | |
| Fixed Asset Reserve | 255,743 | - | (20,010) | 116,998 | - | 352,731 |
| IT Fund | 46,270 | - | - | - | - | 46,270 |
| Kibworth Harcourt Repair | 7,000 | - | - | - | - | 7,000 |
| Spital Square Repair | 14,441 | - | - | - | - | 14,441 |
| | 323,454 | - | (20,010) | 116,998 | - | 420,442 |
| General Fund | 2,511,987 | 1,707,781 | (1,233,016) | (116,998) | (203,069) | 2,666,685 |
| Total Unrestricted Funds | 2,835,441 | 1,707,781 | (1,253,026) | - | (203,069) | 3,087,127 |
| Total Funds | 5,470,930 | 2,023,738 | (1,703,225) | - | (433,262) | 5,358,211 |

21. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible Fixed Assets £ | Intangible Fixed Assets £ | Net Investments £ | Net Current Assets £ | Total 2021 £ |
|-------------------------------------|--|--|----------------------------------|-------------------------------------|-----------------------------|
| Restricted | | | | | |
| The Mills Section | - | - | 597,313 | - | 597,313 |
| R&M of ancient buildings | - | - | 310,416 | 110,800 | 421,216 |
| Scholarship for architects | - | - | 287,773 | (80,609) | 207,164 |
| The William Morris Craft Fellowship | - | - | - | 128,006 | 128,006 |
| Gloria e Marco Award | - | - | - | 751 | 751 |
| Historic England | - | - | - | 10,483 | 10,483 |
| D&P Marsh Charitable Trust | - | - | - | 100,000 | 100,000 |
| Restricted (Other) | - | - | - | 138,951 | 138,951 |
| Endowed Funds | - | - | 653,704 | 13,495 | 667,199 |
| Unrestricted Funds | 352,732 | 59,143 | 2,412,858 | 262,395 | 3,087,128 |
| Total | 352,732 | 59,143 | 4,262,064 | 684,272 | 5,358,211 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS

England & Wales - Charity number 1113753

Accounts

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 2022**



**THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES AND PROFESSIONAL ADVISORS
YEAR ENDED 31 DECEMBER 2022**

TRUSTEES

| | |
|---------------------|---------------------------------|
| Nichola Tasker | (Chair, resigned Feb 2023) |
| Charles Wagner | (Vice Chair, resigned Jan 2022) |
| Duncan McCallum | (Chair) |
| Christopher Wheaton | (Hon Treasurer) |
| Catherine Cullis | |
| Conor Meehan | (Resigned Jan 2022) |
| Georgina Nayler | (From Jan 2022) |
| Hazel Morris | |
| Jamie McNamara | (Resigned Jan 2022) |
| Jo Thwaites | (From Jan 2022) |
| Mildred Cookson | |
| Richard Max | |
| Sally Stradling | (From Jan 2022) |
| Triona Byrne | (Vice Chair) |
| Tyler Lott-Johnson | (From Jan 2022) |

| | |
|---|---------------------------------|
| 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
55 Ludgate Hill
London
EC4M 7JW

ACCOUNTANTS
JS2 Limited
One Crown Square
Woking
GU21 4HR

INVESTMENT ADVISORS
Kleinwort Hambros Private Banking
Ltd
14 St George Street
London
W15 1FE

BANKERS
Barclays
127 Edgware Road
London
W2 2HT

SOLICITORS
Stephenson Harwood
1 Finsbury Circus
London
EC2M 7SH

HSBC
455 Strand
London
WC2R 0RH

Stone King
28 Ely Place
London
EC1N 6TD

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022



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 2022.

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 with minor revisions in 2022. The charitable company was registered with the Charity Commission in England and Wales on 14 April 2006 as number 1113753. It is also registered in Scotland SC039244 and the Republic of Ireland 20158736.

The Society is managed by up to 12 trustees who form a Board and meet five times a year. 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.

There are eight SPAB Guardian Committees who oversee all areas of our work made up members who, through election or co-option, have an especially strong link with the Society and its work. Our committees are :: Advocacy; Casework; Education & Training; Technical & Research; Mills; SPAB Scotland; SPAB Ireland; and Regional Group Chairs. Each committee 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 are briefed on matters including the SPAB's history, ideas, operation and assets.

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 within the budget and, when necessary, 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 [amended 2022], have given due regard to the guidance issued by the Charity Commission and consider the organisation to offer public benefit

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
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FOR THE YEAR ENDED 31 DECEMBER 2022



through a wide range 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, site-based projects and free online information.

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 SPAB 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

A new strategy, covering the period 2022-5 commenced in the year, with Community, Sustainability and Consistency as its main themes. The advice of a working group on equality, diversity and inclusion was used to improve practice in recruitment, training, communications and other areas of activity.

Working parties took place in England, Scotland, Wales and Ireland, with high attendance at each. The working party at St Mary's Church, Caerau near Cardiff, was postponed in 2021 but took place in September 2022. It raised the SPAB's profile in Wales and our hope is that it will lead to the establishment of SPAB Cymru.

Our major repair project at Kibworth Harcourt windmill in Leicestershire, using funds from the Enid Lamb legacy, was completed successfully.

At our Old House Project in Kent, good progress was made with structural stabilisation and external wall repair. The project provided a focus for educational activities as well as research into the production of local materials and sustainability for old buildings. We thank the Pilgrim Trust, in particular, for their grant support.

Phase one of an essential website platform upgrade was commenced with work due to be completed in 2023.

A major audience insights survey was undertaken, with findings to be implemented next year.

(i) Educational Work

The Society's flagship training programmes - the William Morris Craft Fellowship and the Lethaby Scholarships for architects, surveyors and engineers - ran successfully with more participants overall than ever before. All completed their programmes successfully. We are extremely grateful to our funders for their assistance during the year, and particularly to Historic England for their continuing support.

The Society's two annual Repair of Old Buildings courses took place – one in-person and one online using videoed site visits and discussion sessions alongside lectures. Our online educational programme, including lectures, CPD sessions for professionals and 'Members' Skill Share' series continued successfully, but with a return to more in-person events.

Our Philip Webb Award design competition and John Betjeman Award for church conservation were relaunched in 2022, and featured in a major new Awards ceremony which received good media and online coverage.

The Society's Mills Section ran National Mills Weekend. The millwright training programme, linked to the Craft Fellowship and supported by the Enid Lamb legacy, had a second successful year, helping to increase the numbers of those with the skills to assist this 'endangered craft'.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
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FOR THE YEAR ENDED 31 DECEMBER 2022



(ii) Casework

Total numbers of cases received by the Society as part of its statutory work in England and Wales were over 2,000. A significant rise in case numbers experienced in 2021 levelled off in 2022, however, with reduced heritage advisory support within local and national public authorities, the need for the SPAB's expertise is great. This increased need exists against the backdrop of reduced financial support for the SPAB from government, via Historic England and Cadw, which has decreased in real terms over recent years. Despite the SPAB's role being statutory, the Society is expected to fund more of this advisory work, which supports the planning system.

From applications for listed building consent received from England and Wales during 2022, our casework Team made substantive comment on 1017 (864 in 2021). This sometimes involved input from expert volunteers or members of our Casework Committee, as well as staff. Our aim is to supply advice that supports the building's conservation when a change is proposed. In addition the Society carries out campaigning work to support historic 'buildings at risk'.

The Casework Team also led a series of church maintenance training events in Wales, supported by Cadw.

(iii) Advisory Services

The Society's Technical Advice Line remained in strong demand during 2022 and handled over 700 enquiries (700+ in 2021). We are indebted to Historic England for providing financial support for this service. Expert volunteers assisted staff with a wide range of technical topics including research into the production and use of locally produced quick limes.

Our technical staff also lectured to a range of audiences and contributed to external publications. Development and publication of technical guidance continued in 2022, with continuing support also offered towards a UCI PhD concerning surface finishes.

iv) Grants for Building Maintenance & organisational support

In 2022 the Society maintained its support for the Sustainable Traditional Buildings Alliance's research and campaigning, contributing £1,000. Through its Mill Reir grant fund our Mills Section supported conservation work to Windmill Hill, Bourn, Bursledon and Heage windmills, totalling £2,700. It also donated £2,400 to the Mills Archive Trust. The SPAB remains a member of The Heritage Alliance and contributed £830 as its subscription; the subscription to the Joint Committee of the National Amenity Societies was £400.

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 above funds have written terms and criteria.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
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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 surplus for the year of £320,543 (2021: £271,039 deficit). This became a deficit of £112,719 (2021: £61,607 surplus) after depreciation and investment returns were taken into account. Donations and legacies at £1.03m were higher than in the previous year (2021: £271,843). 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 slightly decreased to £1.70m (2021: £1.87m). The Society continued to pursue its Old House Project which after five years of educational benefit is due to be sold in 2024. Staff costs were slightly reduced at £0.83m (2020: £0.84m) but still represent a high proportion of total expenditure since advice and training are at the heart of the SPAB's work.

FUNDRAISING POLICY

The SPAB is committed to the highest standards in fundraising. The Society is registered with the Fundraising Regulator and by extension upholds the Fundraising Promise and complies with all the relevant standards as set out in the Code of Fundraising Practice. The in-house Fundraising Policy is informed by the Code of Fundraising Practice. All our in-house fundraising team are offered membership to the Institute of Fundraising and are actively encouraged and enabled to keep their knowledge of regulations and standards up to date. The SPAB does not currently use third party providers of fundraising services. The charity received no complaints about its fundraising activities during the year.

RESERVES POLICY

The Society held total funds of £5.36m at 31 December 2022 of which £1.6m are restricted and £0.67m endowed. The Society's remaining reserves of £3.09m are unrestricted of which free reserves (excluding designated funds and tangible fixed assets) are approximately £2.67m (£2.51m 2021). This is equivalent to 1.6 times this year's annual expenditure of £1.71m, 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 Finance and Audit sub-committee (FASC) 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.

For items 1) and 3) above, the Society is currently expected to be run at as close-to an operating breakeven as possible for the next three years, three months' worth of budgeted operating expenditure is c.£500k. Item 2), spend on major projects, is forecast to be £207k for the Old House Project and £290k for planned work at Fladbury Mill subject to the bequest being finalised, a total of £497k. Combined, these items total c.£1.0M, substantially less than the free reserves of £2.67M. Our reserves policy is kept under regular review.

INVESTMENT POLICY

The investment management of the Society's reserves is monitored by the Finance & Audit sub-committee, reporting to the Board, to ensure that the investment objectives and strategy for each portfolio match that fund's specific objectives. The investment manager is Kleinwort Hambros. The portfolios are invested by Kleinwort Hambros on the Society's behalf into a well-diversified third-party and in-house pooled funds

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across a variety of different asset classes, designed to provide the Society with a combination of above-average income as well as capital growth.

INVESTMENT REPORT

The total value of the Society's holdings across the investment funds as at 28th March 2023 were £4.129M. This is an increase of 0.6% versus the value of £4.106M as at 31 December 2022.

Investment performance for 2022 was as follows for the General Fund and the Enid Lamb Fund, which combined represent about two-thirds of The Society's investments:

| Fund | Performance | Benchmark Index | Performance |
|---------------------------------|-------------|------------------|-------------|
| SPAB General Fund | -8.0% | ARC PCI Balanced | -9.1% |
| SPAB Wind & Watermill Enid Lamb | -7.8% | ARC PCI Balanced | -9.1% |

Source: Kleinwort Hambros / ARC

The Society funded almost all of its capital and operating requirements during the year from its existing cash resources, including some bequests received in the year, and did not withdraw significant funds from its investments.

We had said in previous investment reports that there was no longer such a thing as a "risk-free asset", with interest rates at record lows, and equity markets generally (the UK excepted) at high valuations. Unfortunately, 2022 proved that view to largely be correct as both equity markets and bond markets fell heavily in the year. For context, over the last 150 years there have been only seven years when both the US stock market and US bond prices (bond prices work inversely to interest rates; rising interest rates mean falling bond prices) have fallen together. At the worst point in the year, the Society's investments had fallen in value by c.20%, a larger fall than even during the pandemic where the decline in value at worst point in 2020 was only c.14%. A decline in the value of investments of only 8% for 2022 is therefore better than could have been feared.

Both European and US stock markets are up 7-10% to date in 2023. The UK stockmarket performed well relative to others in 2022, up 2% in 2022, but is doing worse relatively in 2023, at about flat year-to date, due to fears of persistent inflation and weak government finances despite high levels of taxation versus historic levels. We expect that markets will continue to oscillate within a range in the near term as the fear of higher interest rates and the reality of higher inflation dominate investors' thinking, especially the concern over a spiral emerging between wages and prices as inflation remains much higher than the recent past despite higher interest rates. In the eternal struggle between capital and labour, labour is finally reclaiming some of the ground lost over the last fifteen years since the financial crisis, and so wage inflation is likely to be sustained for some time yet.

Bank solvency has been a concern in 2023 following the failure in the US of the Silicon Valley and First Republic Banks. To offer some reassurance to members and supporters, the Society's investment manager, Kleinwort Hambros, is ultimately owned by Société Générale, one of France's largest banks. KH also maintains segregation of client assets from the bank's assets, and uses separate custodian companies to hold client assets, so that they are not treated as the bank's own capital nor could be subject to claims by creditors of Société Générale. The Society's cash balances held outside the investment funds are at Barclays.

Current asset allocation, including the cash currently held by the Society, is c.50% equities, 18% bonds, 17% other investments, 15% cash. This asset allocation reflects the caution that stockmarkets may not rise significantly in the near future, and should continue to deliver the Society's investment aims of both long-term capital growth and income generation as well.

This environment underlines the importance of the strategic priorities of the Finance, Audit and Strategy Committee to examine all ways in which fundraising efforts for the Society can be made more effective, to invest in infrastructure to support the Society's growth, broaden the Society's reach and fulfil the Society's charitable aims, and to continue to diversify its income streams. The Society has been extremely fortunate, yet again, to receive a number of generous legacies from members and supporters in 2022, the largest of

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
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which it is expected will be received in mid-2023. Extensive work is under way as to how these legacies will be used to continue to fulfil the Society's charitable aims in the years to come.

LEGACY RECOGNITION POLICY

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 the charity is satisfied that the conditions for recognising income of entitlement, probability and measurement have been met. 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.

RISK

The Society's Board of Trustees has a register of potential risks to the charity, and these were reviewed regularly and with particular care, given the uncertainties of the external environment in 2022-3. The Board is satisfied that controls are in place to manage/mitigate identified risks.

The Finance and Audit sub-committee and Board continue to set the goal of operating cash flow breakeven, though some additional expenditure from reserves has been planned for 2023 in view of high legacy receipts and as an investment in long term sustainable growth.

The reserves policy (see p.5) is designed to ensure that the Society's investments act as a buffer to short-term fluctuations in cash flow, and to make certain that the Society can fund its short-term operating deficit.

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 is outlined in the Investment Report (see p.6).

MAJOR PROJECT RISK

Work on the Society's two major projects – the repair of our windmill at Kibworth Harcourt, Leicestershire and our Old House Project (OHP) at St Andrew', Boxley in Kent – has carried some significant risks for the organisation but major progress proved possible in 2022, with Kibworth Windmill now repaired and removed from Historic England's 'at risk' register. Governance and reporting structures allowed these risks to be monitored, and where necessary, mitigated. The Board and Finance and Audit sub-committee receive regular reports about both projects. Additionally, the OHP 's expert Project Board offered expert support and guidance. The reserves policy includes a contingency to allow for repayment of a loan from the Architectural Heritage Fund which provides part-funding for the project, though this risk has diminished significantly in 2022 through resolution of the building's main structural problems. This progress significantly increases the site's asset value. We are extremely grateful to the Pilgrim Trust for its generous grant to the OHP, and to SPAB members for their support through donations. Historic England provided a grant of c.£30,000, which allowed the development of the structural repair proposals implemented in 2022.

Work at the SPAB's important post mill at Kibworth Harcourt, Leicestershire, was completed in 2022, supported largely by a generous legacy from the late Enid Lamb. The building has since been removed from the Historic England's national 'at risk' register, and a group of local volunteers has been formed to help care for the mill.

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FOR THE YEAR ENDED 31 DECEMBER 2022



GOING CONCERN

Management have prepared cash flow forecasts to support the assessment that the accounts should be prepared on a going concern basis. The model covers the period to 30 September 2024 to consider the future plans of the Society and the effect of inflation and possible recession on future costs and income streams. The forecast demonstrates that the Society has the ability to remain in a cash positive position throughout the period of analysis with the lowest cash balance (excluding Investments) forecast to be just over £500k. Unrestricted reserves at the date of the signing of the accounts are in excess of £2.5M, or c.1.2x annual expenditure and in excess of the c.£1.0M minimum unrestricted funds calculated according to the Society's reserves policy.

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.

FUTURE PLANS

The SPAB's 2022-5 Strategy will be pursued in 2023, with increasing emphasis placed on the link between building conservation and environmental sustainability. This will feature strongly in research objectives, casework and our communications output. In addition, the SPAB is set to acquire Fladbury Mill in Worcestershire, as the result of a generous legacy. The site has particular educational value in having both a traditional waterwheel and a river-powered electricity-generating turbine.

In addition to well-established areas of work, in 2023 we will run our main working party at Boxley in Kent, while also continuing repair work at its neighbouring Old House Project. The Society will also transfer its website to a new software platform.

SPAB Ireland is developing a range of activities with further support from the Heritage Council in the Republic. SPAB Scotland is exploring the needs of historic churches in the country, linked to the planned sale of a significant percentage of the Church of Scotland's historic building stock. The SPAB's regional groups have resumed activities following the pandemic period. Our successful new Awards Ceremony is to be held on a biennial basis, with 2023 devoted to the preparation for an anticipated second event in November 2024.

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 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.

**THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**



DISCLOSURE OF INFORMATION TO AUDITORS

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.

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

Approved by the Board on 11th July 2023

and signed on its behalf by:

A handwritten signature in black ink, reading 'Duncan McCallum', written over a horizontal line.

Name: Duncan McCallum, Chair

A handwritten signature in black ink, appearing to be 'C. Wheaton', written over a horizontal line.

Name: Christopher Wheaton, Honorary Treasurer

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INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022



Opinion

We have audited the financial statements of The Society for the Protection of Ancient Buildings ('the charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities (incorporating an Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including 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 2022 and of the charitable company's income and expenditure, 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 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

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 trustee's 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 charitable company'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 contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 2022



Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their 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 requires 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 8, 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and The Charities and Trustee Investment (Scotland) Act 2005 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR) and employment and health and safety legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022



enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and sample testing of income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our 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 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 and 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 'JPoulter'.

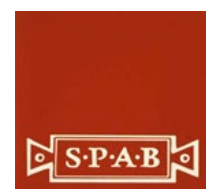
Julia Poulter
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

21st July 2023

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022



| | Notes | Unrestricted Funds | Restricted Funds | Endowed Funds | 2022 Total Funds | 2021 Total Funds |
|--|-------|--------------------|------------------|-----------------|------------------|------------------|
| | | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | |
| Donations and legacies | 2 | 1,010,493 | 16,347 | - | 1,026,840 | 271,843 |
| Charitable activities | 3 | 527,596 | 252,135 | - | 779,731 | 862,846 |
| Other trading activities | 4 | 124,764 | 1,147 | - | 125,911 | 374,221 |
| Investment Income | 5 | 35,232 | 46,358 | - | 81,590 | 67,340 |
| Other | | 9,696 | - | - | 9,696 | 26,717 |
| Total | | 1,707,781 | 315,987 | - | 2,023,768 | 1,602,967 |
| Expenditure on: | | | | | | |
| Raising funds | | 196,074 | 24,042 | - | 220,116 | 294,361 |
| Charitable activities | | 1,056,952 | 426,157 | - | 1,483,109 | 1,579,645 |
| Total | 6 | 1,253,026 | 450,199 | - | 1,703,225 | 1,874,006 |
| Operating surplus / (deficit) | | 454,755 | (134,212) | - | 320,543 | (271,039) |
| Net (losses)/gains on investments | | (203,069) | (198,463) | (31,730) | (433,262) | 332,646 |
| Net income / (expenditure) | | 251,686 | (332,675) | (31,730) | (112,719) | 61,607 |
| Transfer between funds | 14 | - | - | - | - | - |
| Net movement in funds | | 251,686 | (332,675) | (31,730) | (112,719) | 61,607 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 2,835,441 | 1,936,560 | 698,929 | 5,470,930 | 5,409,323 |
| Total funds carried forward | | 3,087,127 | 1,603,885 | 667,199 | 5,358,211 | 5,470,930 |

The above results are from continuing activities and there are no other gains and losses except as stated above.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
BALANCE SHEET
AS AT 31 DECEMBER 2022



Company Number 05743962

| | Notes | 2022 £ | 2021 £ |
|--|-------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 9 | 352,732 | 255,744 |
| Intangible assets | 10 | 59,143 | 21,293 |
| Investments | 11 | 4,262,064 | 4,691,722 |
| | | 4,673,939 | 4,968,759 |
| CURRENT ASSETS | | | |
| Debtors | 12 | 368,371 | 147,852 |
| Cash at bank and in hand | | 761,807 | 667,852 |
| | | 1,130,178 | 815,704 |
| CURRENT LIABILITIES | | | |
| Creditors: amounts falling due within one year | 13 | 181,070 | 191,415 |
| NET CURRENT ASSETS | | | |
| | | 949,108 | 624,289 |
| Creditors: amounts falling due > than one year | 13 | 264,836 | 122,118 |
| NET ASSETS | | | |
| | | 5,358,211 | 5,470,930 |
| THE FUNDS OF THE CHARITY | | | |
| 14 | | | |
| Unrestricted - General | | 2,666,685 | 2,511,987 |
| - Designated | | 420,442 | 323,454 |
| | 15 | 3,087,127 | 2,835,441 |
| Restricted - The Mills Section | | 597,313 | 848,752 |
| - The William Morris Craft Fellowship | | 128,006 | 145,614 |
| - Other | | 878,566 | 942,194 |
| | 14 | 1,603,885 | 1,936,560 |
| Endowed funds | 14 | 667,199 | 698,929 |
| | | 5,358,211 | 5,470,930 |

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 11th July 2023 and signed on its behalf by:

Name: Duncan McCallum, Chair

Name: Chris Wheaton, Honorary Treasurer

The notes on pages 16 to 31 form part of these financial statements

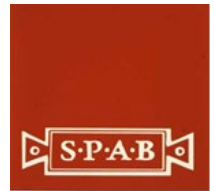
THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
CASH FLOW STATEMENT
AS AT 31 DECEMBER 2022



| | Note | 2022 £ | 2021 £ |
|---|------|------------------|-----------------|
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | a) | 192,111 | (17,862) |
| Cash flows from investing activities: | | | |
| Dividends and interest from investments | | 81,590 | 67,340 |
| Purchase of tangible and intangible fixed assets | | (176,141) | (5,605) |
| Proceeds from sale of investments | | 1,235,153 | 1,485,509 |
| Purchase of investments | | (1,241,760) | (1,317,257) |
| Net cash provided by investing activities | | (101,158) | 229,988 |
| Cash flows from financing activities | | | |
| Net cash provided by financing activities | | - | - |
| Change in cash and cash equivalents in the reporting period | | 90,953 | 212,125 |
| Cash and cash equivalents at 1 January | b) | 958,755 | 746,630 |
| at 31 December | b) | 1,049,708 | 958,755 |
| NOTES TO THE CASH FLOW STATEMENT | | | |
| a) Reconciliation of net income/(expenditure) to net cash flow from operating activities | | | |
| Net income/(expenditure) for the reporting period | | (112,719) | 61,607 |
| Adjustments for: | | | |
| Add back long-term loan amount | | - | - |
| Depreciation and amortisation | | 41,304 | 75,198 |
| (Gains) on investments | | 433,262 | (332,646) |
| Dividends and interest from investments | | (81,590) | (67,340) |
| Decrease in stock | | - | - |
| (Increase) / decrease in debtors | | (220,519) | 166,798 |
| Increase / (decrease) in creditors | | 132,373 | 78,521 |
| Net cash provided by (used in) operating activities | | 192,111 | (17,862) |
| b) Analysis of cash and cash equivalents | | | |
| Cash at bank and in hand | | 761,807 | 667,852 |
| Cash held as long-term investments | | 287,901 | 290,903 |
| | | 1,049,708 | 958,755 |

The notes on pages 16 to 31 form part of this financial statement

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



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

Management have prepared cash flow forecasts to support the assessment that the accounts should be prepared on a going concern basis. The model covers the period to 30 September 2024 to consider the future plans of the Society on future income streams. The forecast demonstrates that the Society has the ability to remain in a cash positive position throughout the period of analysis with the lowest cash balance (excluding Investments) forecast to be over £600k. Unrestricted reserves at the date of the signing of the accounts are in excess of £2.5M, or c.1.5x annual expenditure and in excess of the minimum unrestricted funds suggested by the Society's reserves policy.

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 2022



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.

St Andrew's Boxley is currently undergoing significant repairs and construction work and is therefore classified in the accounts as an asset under construction. Assets under construction are not depreciated until the work is completed and the asset is placed into service.

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.

Heritage assets: the Society maintains two properties in support of the Society's objective of preserving and protecting ancient buildings. Kibworth Harcourt Mill and St Mary's Church are held as heritage assets with a £Nil book value in the accounts. The Trustees consider that, as both are scheduled ancient monuments with no current income or development potential, it would not be worthwhile or cost-effective to obtain valuations for them.

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) 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 2022



1. ACCOUNTING POLICIES (Continued)

h) 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.

i) 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.

j) 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.

| | 2022 | 2021 |
|---|-------------|-------------|
| | £ | £ |
| Financial assets held at fair value (a) | 3,974,164 | 4,400,819 |

(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.

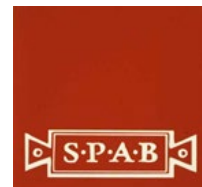
Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement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

k) 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 2022



| 2. DONATIONS AND LEGACIES | 2022 | 2021 |
|----------------------------------|-------------------------|-----------------------|
| | £ | £ |
| Donations | 146,213 | 158,478 |
| Trusts and legacies | 880,627 | 113,365 |
| | <u>1,026,840</u> | <u>271,843</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 2022, the Society had been notified of 3 further legacies that haven't been included in these financial statements as they did not meet these criteria. These legacies may realise approximately £2,592,820.

| 3. CHARITABLE ACTIVITIES | 2022 | 2021 |
|--|-----------------------|-----------------------|
| | £ | £ |
| Grants Receivable | | |
| Historic England | 146,945 | 94,344 |
| National Heritage – Ireland Funding | 43,962 | - |
| Dance Scholarship Foundation | 24,500 | 15,000 |
| WMCF Trust | 13,000 | 10,000 |
| Ashley Family Foundation | 11,500 | - |
| CADW | 10,483 | - |
| The Pilgrim Trust | 10,000 | 10,000 |
| Alan Baxter | 10,000 | - |
| Drake Trust | 7,500 | - |
| Lethaby Scholarship | 7,000 | - |
| Delves Charitable Trust | 6,600 | 6,000 |
| Quilter Cheviot | 5,000 | 2,500 |
| Carpenter's Trust | 5,000 | - |
| William & Edith | 5,000 | - |
| RWK Goodman LLP | 3,500 | - |
| Francis de Caires | 2,500 | 2,500- |
| The Charlotte Bonham Carter Foundation | 2,000 | - |
| Whitehead Moncton Charitable Foundation | 1,000 | - |
| Culture Recovery Fund | - | 260,500 |
| Old Buildings Preservation and Restoration Trust | - | 7,500 |
| Fenton Arts Trust | - | 7,000 |
| Charitable Trust | - | 2,000 |
| Other | - | 5,498 |
| Total Grants Receivable | <u>315,490</u> | <u>422,842</u> |
| Subscriptions | 303,344 | 299,097 |
| Literature Sales | 6,329 | 5,889 |
| General Events | 154,568 | 135,018 |
| | <u>779,731</u> | <u>862,846</u> |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



| 4. OTHER TRADING ACTIVITIES | 2022 £ | 2021 £ |
|------------------------------------|------------------|------------------|
| Advertising | 80,588 | 83,422 |
| Rent receivable | 36,206 | 30,299 |
| Sponsorship | 9,117 | 10,500 |
| Sale of Assets | - | 250,000 |
| | 125,911 | 374,221 |

£250,000 was realised in relation to the sale of land at Oxford, Suffolk. The land was acquired by SPAB as part of a much larger property bequest and the sale of the plot has released funds to assist educational and promotional work linked to the Old House Project. This work was otherwise unfunded.

| 5. INVESTMENT INCOME | 2022 £ | 2021 £ |
|-----------------------------|------------------|------------------|
| Portfolio Income | 77,670 | 66,939 |
| Interest on cash deposits | 3,920 | 401 |
| | 81,590 | 67,340 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



6. EXPENDITURE

| | Unrestricted Funds £ | Restricted Funds £ | 2022 Total £ | 2021 Total £ |
|---|----------------------------|--------------------------|--------------------|--------------------|
| Charitable Activities | | | | |
| <i>Building Maintenance</i> | | | | |
| Grants and donations | 50,210 | 5,129 | 55,339 | 103,900 |
| | 50,210 | 5,129 | 55,339 | 103,900 |
| <i>Educational costs</i> | | | | |
| Scholarships and fellowships | 357 | 73,369 | 73,726 | 62,102 |
| General events | 18,590 | - | 18,590 | 250 |
| Courses, meetings, lectures, and events | 78,312 | 7,530 | 85,842 | 26,589 |
| Wages and salaries | 194,669 | 108,061 | 302,730 | 296,039 |
| Newsletter | 69,123 | 7,385 | 76,508 | 73,789 |
| Literature | 7,347 | - | 7,347 | 1,200 |
| Staff Travel | 9,585 | 2,085 | 11,670 | 6,789 |
| Other Educational Costs | 7,957 | 2,000 | 9,957 | 4,084 |
| Building Project | - | 51,808 | 51,808 | 306,238 |
| Support costs (note 7) | 235,294 | 47,137 | 282,431 | 264,127 |
| | 621,234 | 299,375 | 920,609 | 1,041,207 |
| <i>Advisory services</i> | | | | |
| Technical and Casework direct costs | 11,584 | 9,555 | 21,139 | 17,729 |
| Wages and salaries | 178,144 | 72,994 | 251,138 | 220,277 |
| Travel | 586 | - | 586 | - |
| Support costs (note 7) | 195,194 | 39,104 | 234,298 | 196,532 |
| | 385,508 | 121,653 | 507,161 | 434,538 |
| Total Charitable Activities | 1,056,952 | 426,157 | 1,483,109 | 1,579,645 |
| Raising Funds | | | | |
| Fundraising costs | 15,431 | 746 | 16,177 | 22,225 |
| Wages and salaries | 78,373 | - | 78,373 | 116,987 |
| Support costs (note 7) | 60,915 | 12,203 | 73,118 | 104,376 |
| Advertising Commission | 33,957 | - | 33,957 | 32,465 |
| Investment managers fees | 7,398 | 11,093 | 18,491 | 18,308 |
| Total Raising Funds | 196,074 | 24,042 | 220,116 | 294,361 |
| TOTAL EXPENDITURE | 1,253,026 | 450,199 | 1,703,225 | 1,874,006 |

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 2022



7. SUPPORT COSTS

| | Unrestricted Funds £ | Restricted Funds £ | 2022 Total £ | <i>2021 Total £</i> |
|--|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Travel and volunteers' expenditure | 15,741 | 3,540 | 19,281 | 5,487 |
| Wages and salaries | 169,177 | 31,321 | 200,498 | 210,310 |
| Printing, stationery, postage, and advertising | 15,986 | 6,803 | 22,789 | 18,065 |
| Establishment expenses | 97,850 | 24,552 | 122,402 | 99,440 |
| Legal and professional | 103,974 | 12,411 | 116,385 | 113,843 |
| Depreciation | 33,812 | 7,492 | 41,304 | 75,198 |
| Bank charges and interest | 21,001 | 5,083 | 26,084 | 17,439 |
| Other | 8,568 | 2,556 | 11,124 | 5,167 |
| Governance costs: | | | | |
| <i>Audit (including irrecoverable VAT)</i> | 17,124 | 2,876 | 20,000 | 18,000 |
| <i>Trustee meetings</i> | 8,170 | 1,810 | 9,980 | 2,086 |
| | 491,403 | 98,444 | 589,847 | 565,035 |

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 (2021: £Nil)

8. TRUSTEES AND EMPLOYEES

| | 2022 £ | <i>2021 £</i> |
|-----------------------|-------------------|-------------------|
| Staff costs: | | |
| Wages and salaries | 727,785 | 743,502 |
| Social security costs | 63,563 | 63,270 |
| Pension costs | 41,391 | 36,841 |
| | 832,739 | 843,613 |

| | | |
|---|---|---|
| Employee emoluments in the band £70,000 - £79,999 | - | 1 |
| Employee emoluments in the band £80,000 - £89,000 | 1 | - |

The Trustees did not receive any remuneration during the year. Expenses relating to travel of £988 (2021: £47) were paid on behalf of 3 (2021: 1) Trustees during the year.

The key management personnel of the charity comprise the trustees, the Director, Head of Development and Communications, Head of Education and Training, Head of Technical and Research, and Head of Casework. The total employee benefits of the key management personnel of the charity were £248,436 (2021: £258,721).

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

| | <i>Headcount</i> | | <i>Full-time equivalent</i> | |
|-------------------|---------------------|---------------------|---------------------------------|---------------------|
| | 2022 No. | <i>2021 No.</i> | 2022 No. | <i>2021 No.</i> |
| Fundraising | 1 | 2 | 1.0 | 1.5 |
| Educational | 11 | 11 | 5.9 | 7.2 |
| Advisory services | 8 | 8 | 4.5 | 5.3 |
| Support | 10 | 9 | 5.9 | 6.5 |
| | 30 | 30 | 17.3 | 20.5 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



9. TANGIBLE FIXED ASSETS

| | Freehold Land & Buildings £ | Antique Furniture £ | Office Equipment £ | Computer Equipment £ | Assets Under Construction £ | Total £ |
|--|--------------------------------|------------------------|-----------------------|-------------------------|--------------------------------|-----------------------|
| Cost | | | | | | |
| As at 1 January 2022 | 332,504 | 11,129 | 20,678 | 78,247 | 60,000 | 502,558 |
| Additions | - | - | - | 3,711 | 113,287 | 116,998 |
| Disposals | - | - | (15,757) | (11,749) | - | (27,506) |
| As at 31 December 2022 | <u>332,504</u> | <u>11,129</u> | <u>4,921</u> | <u>70,209</u> | <u>173,287</u> | <u>592,050</u> |
| Depreciation | | | | | | |
| As at 1 January 2022 | 172,727 | - | 19,158 | 54,929 | - | 246,814 |
| Charge for the year | 4,429 | - | 760 | 14,821 | - | 20,010 |
| Disposals | - | - | (15,757) | (11,749) | - | (27,506) |
| As at 31 December 2022 | <u>177,156</u> | <u>-</u> | <u>4,161</u> | <u>58,001</u> | <u>-</u> | <u>239,318</u> |
| Net book value 31 December 2022 | <u>155,348</u> | <u>11,129</u> | <u>760</u> | <u>12,208</u> | <u>173,287</u> | <u>352,732</u> |
| <i>31 December 2021</i> | <i><u>159,777</u></i> | <i><u>11,129</u></i> | <i><u>1,520</u></i> | <i><u>23,318</u></i> | <i><u>60,000</u></i> | <i><u>255,744</u></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 asset was previously deemed to be land given the state of the property, and therefore not subject to depreciation. However, the asset has since undergone significant repairs and construction work and is now classified in the accounts as an asset under construction.

Heritage Assets

Kibworth Harcourt Mill and St Mary's Church are held as heritage assets with a £Nil book value in the accounts. The Trustees consider that, as both are scheduled ancient monuments with no current income or development potential, it would not be worthwhile or cost-effective to obtain valuations for them.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



| 10. INTANGIBLE ASSETS | Website & Database Development £ | Total £ |
|--|---|----------------------|
| Cost | | |
| As at 1 January 2022 | 275,407 | 275,407 |
| Additions | 59,144 | 59,144 |
| Disposals | - | - |
| | <u>334,551</u> | <u>334,551</u> |
| As at 31 December 2022 | | |
| Amortisation | | |
| As at 1 January 2022 | 254,114 | 254,114 |
| Disposals | - | - |
| Charge for year | 21,294 | 21,294 |
| | <u>275,408</u> | <u>275,408</u> |
| As at 31 December 2022 | | |
| | <u>59,143</u> | <u>59,143</u> |
| Net Book Value – 31 December 2022 | | |
| 31 December 2021 | <u>21,294</u> | <u>21,294</u> |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



| 11. FIXED ASSET INVESTMENTS | 2022 | 2021 |
|------------------------------------|-------------------------|-------------------------|
| | £ | £ |
| Market value of quoted investments | 3,974,164 | 4,400,819 |
| Cash | 287,901 | 290,903 |
| | <u>4,262,065</u> | <u>4,691,722</u> |
| Listed investments | | |
| Market value at start of year | 4,400,819 | 4,236,425 |
| Additions | 1,241,760 | 1,317,257 |
| Disposals | (1,235,153) | (1,485,509) |
| Net gains on investments | <u>(433,262)</u> | <u>332,646</u> |
| Market value at end of year | <u>3,974,164</u> | <u>4,400,819</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 | 2022 | 2021 |
|--------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Trade debtors | 47,100 | 23,917 |
| Prepayments and accrued income | <u>321,271</u> | <u>123,935</u> |
| | <u>368,371</u> | <u>147,852</u> |

| 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 2022 | 2021 |
|---|-----------------------|-----------------------|
| | £ | £ |
| Trade creditors | 90,119 | 10,968 |
| Other creditors | 8,377 | 8,249 |
| Taxation and social security | 22,802 | 12,500 |
| Accruals and deferred income | <u>59,772</u> | <u>159,698</u> |
| | <u>181,070</u> | <u>191,415</u> |

| CREDITORS: AMOUNTS FALLING DUE > 1YEAR | 2022 | 2021 |
|--|-----------------------|-----------------------|
| | £ | £ |
| Bank loans and overdrafts | 264,836 | 104,983 |
| Deferred Income | - | 17,135 |
| | <u>264,836</u> | <u>122,118</u> |

The loan for £265,292 is part of a £500,000 loan facility provided by the Architectural Heritage Fund. £250,000 of this loan facility has been drawn down at 31 December 2022 (2021: £100,000). SPAB are recognising £9,853 of accrued loan interest as at 31 December 2022 (2021: £4,983). The loan is available for a period of 60 months from the first date upon which the loan is drawn down. No capital and interest repayments are due for a period of 36 months after the date of the initial drawdown. After this initial period only interest payments are required to be paid up to month 60, upon which full capital repayment must be made.

Deferred income of £17,105 (2021: £30,175) is included above. All deferred income is released in the subsequent accounting period.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



14. MOVEMENT IN FUNDS

| | Balance 1 January 2022 £ | Income £ | Expenditure £ | Transfers £ | Net Investment Gains £ | Balance 31 December 2022 £ |
|--|-----------------------------------|------------------|--------------------|------------------|---------------------------------|--|
| Restricted Funds: | | | | | | |
| The Mills Section | 848,751 | 63,188 | (171,265) | - | (143,361) | 597,313 |
| R&M of ancient buildings | 438,836 | 10,558 | (2,415) | - | (25,763) | 421,216 |
| Scholarship for architects | 272,805 | 73,738 | (110,040) | - | (29,339) | 207,164 |
| The William Morris Craft Fellowship | 145,614 | 66,324 | (83,932) | - | - | 128,006 |
| Historic England | - | 93,031 | (82,548) | - | - | 10,483 |
| Gloria e Marco Award | 501 | 250 | - | - | - | 751 |
| D&P Marsh Trust | 100,000 | - | - | - | - | 100,000 |
| Restricted (Other) | 130,053 | 8,898 | 1 | - | - | 138,952 |
| Total Restricted Funds | 1,936,560 | 315,987 | (450,199) | - | (198,463) | 1,603,885 |
| Endowed Funds: | | | | | | |
| | Balance 1 January 2022 £ | Income £ | Expenditure £ | Transfers £ | Net Investment Gains £ | Balance 31 December 2022 £ |
| Banister Fletcher | 5,138 | - | - | - | - | 5,138 |
| Hardy Memorial | 244,947 | - | - | - | (28,044) | 216,903 |
| Ernest Cook | 46,586 | - | - | - | (4,485) | 42,101 |
| Jonathan Vickers | 178,638 | - | - | - | (15,804) | 162,834 |
| Bertha Fletcher | 120,308 | - | - | - | 7,200 | 127,508 |
| R R Cory Bequest | 103,312 | - | - | - | 9,403 | 112,715 |
| Total Endowed Funds | 698,929 | - | - | - | (31,730) | 667,199 |
| Designated Funds: | | | | | | |
| Fixed Asset Reserve | 255,743 | - | (20,010) | 116,998 | - | 352,731 |
| IT Fund | 46,270 | - | - | - | - | 46,270 |
| Kibworth Harcourt Repair | 7,000 | - | - | - | - | 7,000 |
| Spital Square Repair | 14,441 | - | - | - | - | 14,441 |
| | 323,454 | - | (20,010) | 116,998 | - | 420,442 |
| General Fund | 2,511,987 | 1,707,781 | (1,233,016) | (116,998) | (203,069) | 2,666,685 |
| Total Unrestricted Funds | 2,835,441 | 1,707,781 | (1,253,026) | - | (203,069) | 3,087,127 |
| Total Funds | 5,470,930 | 2,023,738 | (1,703,225) | - | (433,262) | 5,358,211 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



14. MOVEMENT IN FUNDS (continued)

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.

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.

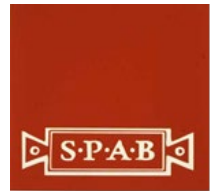
Spital Square Repair Fund

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

Transfers between funds

A transfer of ££116,998 was made from the General to the Designated fund during the year. The transfer was made to equate the Fixed Asset Reserve account to the fixed asset balance on the balance sheet.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible Fixed Assets £ | Intangible Fixed Assets £ | Net Investments £ | Net Current Assets £ | Total 2022 £ |
|-------------------------------------|--|--|----------------------------------|-------------------------------------|-----------------------------|
| Restricted | | | | | |
| The Mills Section | - | - | 597,313 | - | 597,313 |
| R&M of ancient buildings | - | - | 310,416 | 110,800 | 421,216 |
| Scholarship for architects | - | - | 287,773 | (80,609) | 207,164 |
| The William Morris Craft Fellowship | - | - | - | 128,006 | 128,006 |
| Gloria e Marco Award | - | - | - | 751 | 751 |
| Historic England | - | - | - | 10,483 | 10,483 |
| D&P Marsh Trust | - | - | - | 100,000 | 100,000 |
| Restricted (Other) | - | - | - | 138,951 | 138,951 |
| Endowed Funds | - | - | 653,704 | 13,495 | 667,199 |
| Unrestricted Funds | 352,732 | 59,143 | 2,412,858 | 262,395 | 3,087,128 |
| Total | 352,732 | 59,143 | 4,262,064 | 684,272 | 5,358,211 |

16. PENSION

The Society participates in The Pensions Trust's Growth Plan ("the Plan") for 27 staff (2021: 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 2020 triennial valuation have confirmed the requirement for additional contributions to the Pensions Trust Growth Plan from 1 April 2022 of £508.03 per annum. From 1 April 2023 deficit contributions required from The Society are £508 a year.

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 £29,526 (2021: £31,898). At the year-end £4,692 (2021: £4,692) was accrued in respect of future deficit contributions to the scheme.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



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 | 2022 £ | 2021 £ |
|----------------------------|---------------|---------------|
| Within one year | 26,910 | 21,667 |
| Between one and five years | 49,335 | - |
| | <u>76,245</u> | <u>21,667</u> |

18. RELATED PARTY TRANSACTIONS

Matthew Slocombe (CEO) and Nichola Tasker (Trustee) are both Trustees of The Drake Trust. The Drake Trust awarded grants for £7,500 to SPAB in 2022 (2021: £Nil).

Mildred Cookson (Trustee) is a Trustee of the Mills Archive Trust. Supplies totalling £2,000 were remitted to the Mills Archive Trust from SPAB in 2022 (2021: £2,400).

Duncan McCallum (Chair) was a director at Historic England, having left in 2022. Historic England awarded grants for £146,945 to SPAB in 2022 (2021: £94,344).

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



19. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

| | Notes | Unrestricted Funds | Restricted Funds | Endowed Funds | 2021 Total Funds |
|--|-------|-----------------------|---------------------|------------------|------------------------|
| | | £ | £ | £ | £ |
| Income and Endowments from: | | | | | |
| Donations and legacies | 2 | 255,820 | 16,023 | - | 271,843 |
| Charitable activities | 3 | 698,406 | 164,440 | - | 862,846 |
| Other trading activities | 4 | 372,889 | 1,332 | - | 374,221 |
| Investment Income | 5 | 29,489 | 37,851 | - | 67,340 |
| Other | | 26,705 | 12 | - | 26,717 |
| Total | | 1,383,309 | 219,658 | - | 1,602,967 |
| Expenditure on: | | | | | |
| Raising funds | | 256,541 | 37,820 | - | 294,361 |
| Charitable activities | | 837,393 | 742,252 | - | 1,579,645 |
| Total | 6 | 1,093,934 | 780,072 | - | 1,874,006 |
| Operating surplus / (deficit) | | 289,375 | (560,414) | - | (271,039) |
| Net gains/(losses) on investments | | 130,642 | 148,029 | 53,975 | 332,646 |
| Net income/(expenditure) | | 420,017 | (412,385) | 53,975 | 61,607 |
| Transfer between funds | 9 | - | - | - | - |
| Net movement in funds | | 420,017 | (412,385) | 53,975 | 61,607 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 2,415,424 | 2,348,945 | 644,954 | 5,409,323 |
| Total funds carried forward | | 2,835,441 | 1,936,560 | 698,929 | 5,470,930 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



20. COMPARATIVE FUNDS

| MOVEMENT IN FUNDS | <i>Balance 1 January 2021 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers £</i> | <i>Net Investment Gains £</i> | <i>Balance 31 December 2021 £</i> |
|-------------------------------------|---|---------------------|--------------------------|------------------------|---|---|
| Restricted Funds: | | | | | | |
| The Mills Section | 1,153,423 | 49,238 | (460,812) | - | 106,902 | 848,751 |
| R&M of ancient buildings | 414,147 | 7,969 | (2,468) | - | 19,188 | 438,836 |
| Scholarship for architects | 288,993 | 45,019 | (83,146) | - | 21,939 | 272,805 |
| The William Morris Craft Fellowship | 188,385 | 33,009 | (75,780) | - | - | 145,614 |
| Historic England | - | 74,344 | (74,344) | - | - | - |
| D&P Marsh Charitable Trust | 100,000 | - | - | - | - | 100,000 |
| Gloria e Marco Award | 83,713 | 310 | (83,522) | - | - | 501 |
| Restricted (Other) | 120,284 | 9,769 | - | - | - | 130,053 |
| Total Restricted Funds | 2,348,945 | 219,658 | (780,072) | - | 148,029 | 1,936,560 |
| Endowed Funds | 644,954 | - | - | - | 53,975 | 698,929 |
| Designated Funds: | | | | | | |
| Fixed Asset Reserve | 270,254 | - | (20,115) | 5,604 | - | 255,743 |
| IT Fund | 46,270 | - | - | - | - | 46,270 |
| Kibworth Harcourt Repair | 7,000 | - | - | - | - | 7,000 |
| Spital Square Repair | 14,441 | - | - | - | - | 14,441 |
| | 337,965 | - | (20,115) | 5,604 | - | 323,454 |
| General Fund | 2,077,459 | 1,383,309 | (1,073,819) | (5,604) | 130,642 | 2,511,987 |
| Total Unrestricted Funds | 2,415,424 | 1,383,309 | (1,093,934) | - | 130,642 | 2,835,441 |
| Total Funds | 5,409,323 | 1,602,967 | (1,874,006) | - | 332,646 | 5,470,930 |

21. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible Fixed Assets £ | Intangible Fixed Assets £ | Net Investments £ | Net Current Assets £ | Total 2021 £ |
|-------------------------------------|--|--|----------------------------------|-------------------------------------|-----------------------------|
| Restricted | | | | | |
| The Mills Section | - | - | 848,751 | - | 848,751 |
| R&M of ancient buildings | - | - | 338,310 | 100,526 | 438,836 |
| Scholarship for architects | - | - | 318,271 | (45,466) | 272,805 |
| The William Morris Craft Fellowship | - | - | - | 145,614 | 145,614 |
| Gloria e Marco Award | - | - | - | 501 | 501 |
| D&P Marsh Charitable Trust | - | - | - | 100,000 | 100,000 |
| Restricted (Other) | - | - | - | 130,053 | 130,053 |
| Endowed Funds | - | - | 684,946 | 13,983 | 698,929 |
| Unrestricted Funds | 255,744 | 21,293 | 2,501,444 | 56,960 | 2,835,441 |
| Total | 255,744 | 21,293 | 4,691,722 | 502,171 | 5,470,930 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS

England & Wales - Charity number 1113753

Accounts

**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 2021**



**THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES AND PROFESSIONAL ADVISORS
YEAR ENDED 31 DECEMBER 2021**

TRUSTEES

| | |
|----------------------|-------------------------------------|
| Doug Kent | |
| Charles Wagner | (Vice Chair) (Resigned 13 Jan 2022) |
| Christopher Wheaton | (Hon Treasurer) |
| Mildred Cookson | |
| Richard Max | |
| Duncan McCallum | |
| Rachel Morley | (Resigned 25 Jan 2021) |
| Nichola Tasker | |
| Hazel Morris | |
| Conor Meehan | (Resigned 13 Jan 2022) |
| Jamie Mcnamara | (Resigned 13 Jan 2022) |
| Catherine Cullis | |
| Triona Byrne | |
| Tyler Lott-Johnson | (Appointed 13 Jan 2022) |
| Georgina Nayler MBE | (Appointed 13 Jan 2022) |
| Sally Jane Stradling | (Appointed 13 Jan 2022) |
| Jo Thwaites | (Appointed 13 Jan 2022) |

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
55 Ludgate Hill
London
EC4M 7JW

ACCOUNTANTS

JS2 Limited
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
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London
EC2M 7SH

Stone King
28 Ely Place
London
EC1N 6TD

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021



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 2021.

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 in England and Wales on 14 April 2006 as number 1113753. It is also registered in Scotland SC039244 and the Republic of Ireland 20158736.

The Society is managed by up to 12 trustees who form a Board and meet five times a year. 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 are briefed on matters including the SPAB's history, ideas, operation and assets.

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 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, site-based projects and free online information.

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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

Despite the continuing effects of the Covid-19 pandemic the majority of SPAB activities were able to proceed in existing or revised form during 2021. There was some impact on income, and the receipt of some legacies was delayed, but staff built on the experience and innovations of 2020 to ensure the Society's charitable purpose continued to be pursued. Online courses and training remained popular, though with some evidence of reduced enthusiasm by the year end. Equally though, online courses and events allowed a broader and more international audience to participate. Working parties took place, as planned, in England, Scotland and Ireland, though with extra covid precautions. Our main on-site project was the repair of Kibworth Harcourt windmill in Leicestershire, using funds from the Enid Lamb legacy. At our Old House Project in Kent, consents were secured for repair and re-use; planning work for the structural repair of the building's west end was carried out with the support of a grant from Historic England.

The Society's 2016-21 strategy reached its conclusion, with most objectives successfully fulfilled. A new strategy, covering the period 2022-5 was devised and agreed, with Community, Sustainability and Consistency as its main themes. Reviews were also carried out to assess the effect of governance changes in 2018 with useful recommendations made. A working group was set up to assess and make recommendations on the Society's equality, diversity and inclusion policy and practice.

(i) Educational Work

Despite the complications caused by Covid-19, the Society's flagship training programmes – the William Morris Craft Fellowship and the Lethaby Scholarships for architects, surveyors and engineers - were able to run. Four Fellows and three Scholars were supported and, despite the need to self-isolate at certain points during the year, all were able to complete their programmes satisfactorily and to the full. We are extremely grateful to our funders for their continuing support during the year, and particularly to Historic England for extending their assistance to the Scholarship programme.

The Society's two annual Repair of Old Buildings courses took place online, using videoed site visits and discussion sessions alongside lectures. Our online educational programme, including lectures, CPD sessions for professionals and 'Members' Skill Share' series continued successfully.

Our Philip Webb Award design competition and John Betjeman Award for church conservation were put on hold in anticipation of a relaunch in 2022, linked to a major new awards ceremony intended for November of that year.

The Society's Mills Section ran an online National Mills Weekend. The new millwright training programme, linked to the Craft Fellowship and supported by the Enid Lamb legacy, got underway in 2021 with Millwright Fellow Toby Slater working on several mill sites, including the SPAB's project at Kibworth Harcourt windmill in Leics.

(ii) Casework

Total numbers of cases received by the Society have been relatively stable for many years, but 2021 saw a significant increase. The rise in numbers was approximately 20% with 2871 considered relevant to the SPAB (April 2021-Mar 2022). This may have been the result of improved notification procedures or more building

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
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activity in England and Wales, but it placed extra pressure on the SPAB's Casework Team. This increase came against the backdrop of support from government, via Historic England and CADW, which has steadily decreased in real terms over recent years. Despite the role being statutory, more and more the Society is expected to fund this advisory work, which supports the planning system, from its own charitable resources. From applications for listed building consent received from England and Wales during 2020, our casework Team made substantive comment on 864 (c1000 in 2020). This sometimes involved input from expert volunteers or our Casework Committee, as well as staff. Our aim is to supply advice that supports the building's conservation when a change is proposed. In addition, the Society carries out campaigning work to support historic 'buildings at risk'.

(ii) Advisory Services

The Society's Technical Advice Line was in strong demand during 2021 and handled 791 enquiries (765 in 2020). We are indebted to Historic England for providing financial support for this service. Expert volunteers assisted staff with a wide range of technical topics including research into the production and use of locally produced quick limes.

Our technical staff also lectured to a range of audiences and contributed to external publications. Development and publication of technical guidance continued in 2021, with support also offered towards a UCL PhD concerning surface finishes.

iv) Grants for Building Maintenance

In 2021 the Society maintained its support for the Sustainable Traditional Buildings Alliance's research and campaigning. Through its Mill Repair grant fund our Mills Section supported conservation work to Buxhall Mill, Suffolk. It also donated £2,400 to the Mills Archive Trust. The SPAB remains a member of The Heritage Alliance and contributed £830 as its subscription.

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 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.

We are grateful to Men of the Stones. When this charity was wound up in 2020, £18 000 was donated to the SPAB for educational bursaries. This began to be used to support places on courses and training events for deserving candidates, in 2021.

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FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Society recorded an operating deficit for the year of £271,039 (2020: £149,846 deficit). This became a surplus of £61,607 (2020: £48,562 deficit) after depreciation and investment returns were considered. Donations and legacies at £271,843 were lower than in the previous year (2020: £580,438) but within this figure donations were above budget. We were also notified of some substantial forthcoming legacies. 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 increased to £1.87m (£1.49m in 2020). The Society pursued its Old House Project which after five years of educational benefit will be sold in 2024. During 2021, the Society completed a complicated new site entrance, finished re-roofing work and secured planning and listed building consents, significantly increasing the site's asset value. Staff costs were slightly reduced at £0.84m (2020: £0.89m) but still a high proportion of total expenditure since advice and training are at the heart of the SPAB's work.

FUNDRAISING POLICY

The SPAB is committed to the highest standards in fundraising. The Society is registered with the Fundraising Regulator and by extension upholds the Fundraising Promise and complies with all the relevant standards as set out in the Code of Fundraising Practice. The in-house Fundraising Policy is informed by the Code of Fundraising Practice. All our in-house fundraising team are members of the Institute of Fundraising and are actively encouraged and enabled to keep their knowledge of regulations and standards up to date. The SPAB does not currently use third party providers of fundraising services. The charity received no complaints about its fundraising activities during the year.

RESERVES POLICY

The Society held total funds of £5.47m at 31 December 2021 of which £1.94m are restricted and £0.70m endowed. The Society's remaining reserves of £2.83m are unrestricted of which free reserves (excluding designated funds and tangible fixed assets) are approximately £2.51m (2020: £2.07m). This is equivalent to 1.34 times this year's annual expenditure of £1.87m, 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 Finance and Audit sub-committee (FASC) 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 sub-committee, reporting to the Board, to ensure that the investment objectives and strategy for each portfolio match that fund's specific objectives. The investment manager is Kleinwort Hambros. The portfolios are invested by Kleinwort Hambros on the Society's behalf into a well-diversified third-party and in-house pooled funds across a variety of different asset classes, designed to provide the Society with a combination of above-average income as well as capital growth.

Investment report

The total value of the Society's holdings across the investment funds as at 24 May 2022 were £4.18M. This is a decrease of 7.4% versus the value of £4.52M as at 31 December 2021.

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Investment performance for 2021 was as follows for the General Fund and the Enid Lamb Fund, which combined represent about two-thirds of The Society's investments:

| Fund | Performance | Benchmark Index | Performance |
|---------------------------------|-------------|------------------|-------------|
| SPAB General Fund | +8.5% | ARC PCI Balanced | +7.9% |
| SPAB Wind & Watermill Enid Lamb | +8.3% | ARC PCI Balanced | +7.9% |

Source: Kleinwort Hambros / ARC

The Society funded most of its capital and operating requirements during the year from its existing cash resources and also the sale of land at Yoxford, Suffolk, the proceeds of which is budgeted to fund part of the Old House Project at Boxley over the next two years. This enabled the Society to withdraw much less from its investments than in 2020 to fund its operations.

2021 was another strange year for markets, even as things started to return to normal- or a new normal- across the world as mass vaccination programmes started to reduce the impact of the pandemic. Markets started the year with some of the euphoria from the successful vaccine trials in November 2020 wearing off and fell due to fears over new and resurgent strains of the Coronavirus. However, once it was clear that the virus would be contained, then markets resumed their rise, and by the end of the first half of the year had risen 6% in the UK, and 15% in the US and Europe.

However, our major concerns this time last year were that weakening supply chains, inflation and interest rates were all combining to create significant risks, especially considering highly valued US equity markets, though these concerns were largely ignored by markets, which continued to rise. Since then, global markets have fallen sharply as these fears have intensified, amplified by the invasion of Ukraine by Russia on 24 February. The conflict has created significant inflation through the price of energy, as Russian oil production has been put under sanction, and fears over loss of Russian gas supplies, with Russia supplying one-third of Europe's gas consumption. It has also had a major impact on food prices, with Ukraine being a major grain and edible oil exporter. The fears over higher inflation and higher interest rates have also caused bonds to fall as well (for example, 10-year UK gilts have fallen by c.12% in value since November)- an illustration of our concern, expressed last year, that there was no longer anything resembling a low-risk asset.

All the above has caused markets to fall so far in 2022. For context, the calendar year 2021 performance of the FTSE100 was +14%, the EuroSTOXX index +22% and the US S&P500 index +27%. However, since 1 Jan 2022, the FTSE100 is flat, the EuroSTOXX index is down 12% and the US S&P500 index down 18%. We remain concerned that markets continue to fall in the short term as the fear of higher interest rates and the reality of higher inflation dominate investors' thinking, especially the concern over an inflationary spiral emerging between wages and prices. We also note that while some of the headline declines in value of markets appear startling, markets had gone up a lot in the last three years- for example in the US, the Dow Jones index is now only back to where it was in February 2021, and the technology industry-dominated Nasdaq index only back to the level of December 2020. At some point in 2022 markets could overshoot and represent much better value for money- but, we think, not yet.

Current asset allocation, including the cash currently held by the Society following the sale of Yoxford is c. 59% equities, 13% bonds, 13% other investments, 15% cash. This asset allocation should continue deliver the Society's investment aims of both long-term capital growth and income generation as well.

This environment underlines the importance of the strategic priorities of the Finance & Audit Sub-Committee to examine all ways in which fundraising efforts for the Society can be made more effective, to invest to grow and broaden the Society's reach and fulfil its charitable aims, and to continue to diversify the income streams of the Society. The Society has been extremely fortunate to have been notified of several generous legacies, which it is hoped will be received in the second half of 2022, and extensive work is under way as to how these legacies can be used to fulfil the Society's charitable aims in the years to come.

Legacy recognition policy

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 the charity is satisfied that the conditions for recognising income of entitlement, probability and measurement have been met. Where legacies have been notified to

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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.

RISK

The Society's Board of Trustees has a register of potential risks to the charity, and these were reviewed for 2021-2 with particular care, given the uncertainties of the external environment. The Board has also introduced new means of monitoring risk at each of its meetings and has nominated a 'Risk Trustee'. The Board is satisfied that controls are in place to manage/mitigate these risks. Overall, in 2021, risks were judged to have lessened somewhat by the end of the year through mitigation measures, and changes such as the granting of consent for the re-use of the Society's Old House Project building. Major risks outstanding at the end of 2021 were cyber-attacks, loss of key staff, and potential difficulties with the completion of the Society major repair project at Kibworth Harcourt Mill due to a boundary dispute with a neighbouring landowner. The Society has mitigated these risks through a) the Society's IT staff focusing on cyber security risks, along with purchase of insurance, and staff training on risk awareness; b) benchmarking of salaries by the Society against market rates, and regular pay and staff structure reviews; c) since year-end major repair work has been successfully completed at Kibworth Harcourt without dispute with the neighbouring landowner.

The Society relies substantially on grants and legacy income for about half of its income. 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. Despite the need to diversify funding, in 2021 there was a significant increase in public sector support. Our increased encouragement to potential donors produced notification during the year of several substantial forthcoming legacies. Other income streams such as online learning are also being expanded. The Finance and Audit sub-committee and Board continue to set the goal of operating cash flow breakeven, though some additional expenditure from reserves has been planned for 2022 as an investment in long term sustainable growth. This will include website renewal and the appointment of a new Digital Officer.

The reserves policy (see p. 5) is designed to ensure that the Society's investments act as a buffer to short-term fluctuations in cash flow, and to make certain that the Society can fund its short-term operating deficit and keep a minimum 3 months of expenditure in reserve (as recommended by the Charity Commission).

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 has been good.

Major project risk

Work on the Society's two major projects – the repair of our windmill at Kibworth Harcourt, Leicestershire and our Old House Project (OHP) at St Andrew', Boxley in Kent - carried some significant risks for the Society but major progress proved possible in 2021. Financial and reputational risks are now greatly diminished. Governance and reporting structures allowed these risks to be monitored, and where necessary, mitigated. The Board and Finance and Audit sub-committee receive regular reports about both projects. Additionally, the OHP gained a new Project Board from mid-2021 which includes specialists in conservation, finance, project management and valuation and will advise closely on activities until the project's expected completion in 2024.

The reserves policy also includes a contingency to allow for repayment of a loan from the Architectural Heritage Fund which provides part-funding for the project, though this risk has diminished significantly in 2021 through the creation of a new access to the site and granting of planning and listed building applications for the building's re-use. This progress significantly increases the site's asset value. A parcel of land, owned by the Society, was sold at above market value with the proceeds devoted primarily to the educational and promotional aspects of the Old House Project. These lie beyond the scope of the AHF loan. We are extremely grateful to the Pilgrim Trust for its generous grant to the OHP, and to SPAB members for their support through donations. Historic England offered a grant of about £30,000, in autumn 2021 towards the development of structural repair proposals for the OHP's west wall. This work has been completed with the grant drawn down in early 2022.

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Work at the SPAB's important, scheduled post mill at Kibworth Harcourt, Leics has been supported largely by a generous legacy from the late Enid Lamb. Very good progress was made during the year with completion expected by summer 2022.

Coronavirus risks

The SPAB's Trustees have monitored additional operational risks faced by the Society during the pandemic and will continue to monitor them. A substantial covid-related Culture Recovery Fund grant of £260,500 helped overcome income loss in 2020-21. For 2021-2 activity is expected to return to pre-pandemic levels though contingencies are in place where activity could be affected by further restrictions. There are sufficient funds in the unrestricted reserves to stay well within the reserves policy for 2022 and beyond. Cashflow planning is carried out to assure sufficient funds are available for over a year ahead.

Gloria e Marco Award

The Gloria e Marco (GeM) Fund, set up in memory of two young architects who died in the Grenfell Tower tragedy, has attracted support and donations. The committee which manages the award has now been registered as an independent charity and during 2021 the SPAB's trustees transferred all GeM donations. No Italian architect-scholar was able to receive the award and visit the UK in 2021 to experience this country's conservation work, but it is hoped that an appointment will be possible in 2022.

GOING CONCERN

Management have prepared cash flow forecasts to support the assessment that the accounts should be prepared on a going concern basis. The model covers the period to 31 December 2023 to consider the future plans of the Society and effect of Covid-19 on future income streams. The forecast demonstrates that the Society has the ability to remain in a cash positive position throughout the period of analysis with the lowest cash balance (excluding Investments) forecast to be over £400k. Unrestricted reserves at the date of the signing of the accounts are in excess of £2M, or c.1.2x annual expenditure and in excess of the minimum unrestricted funds suggested by the Society's reserves policy.

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.

FUTURE PLANS

The Society's last strategy came to an end in 2021. This strategy was successful in many respects, achieving the growth, increased reach and the strengthening of identity that was intended. Work linked to the strategy has proved fruitful in many areas, including the establishment of SPAB Ireland, increase in social media activity, a new website and database, expansion of working parties, the Old House Project, and introduction of the SPAB Approach document as a summary of the Society's ideas. In other areas, activities have been maintained through constant efforts: Scholarship and Fellowship programmes, courses, membership, regional and national groups, Mills Section, the SPAB Magazine, Technical Advice Line, technical publications, casework, etc.

During 2021, the Society's Trustees, Guardians and staff developed a new strategy for the organisation. In view of the economic and social uncertainties likely to follow the pandemic, this new strategy covers a shorter three-year period. Its aims are to support the SPAB's Community including those who are potential supporters; to promote the contribution of building conservation to environmental Sustainability while also ensuring the SPAB itself remains sustainable; and increasing Consistency in our messaging and in all aspects of our work.

In addition to well-established areas of work, the Society will maintain many new on-line activities during 2022. On site, we will run our main working party at Boxley in Kent, while also entering the main phase of repair work at its neighbouring Old House Project. The Society will also develop a new website on a new software platform.

SPAB Ireland is developing a range of activities with support from the Heritage Council in the Republic; SPAB Scotland plan an event to celebrate Scotland's watermills. A working party at St Mary's Church, Caerau near

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
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FOR THE YEAR ENDED 31 DECEMBER 2021



Cardiff, was postponed in 2021 but is due to take place in May 2022 with the aim of raising the SPAB's profile in Wales.

In November 2022 we will hold a major Awards Ceremony to celebrate work and achievements that support the SPAB's objectives.

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 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.

DISCLOSURE OF INFORMATION TO AUDITORS

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.

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

Approved by the Board on 12th July 2022

and signed on its behalf by:

Name: Nichola Tasker, Chair

Name: Christopher Wheaton, Honorary Treasurer

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021



Opinion

We have audited the financial statements of the Society for the Protection of Ancient Buildings for the year ended 31 December 2021 which comprise the Statement of Financial Activities (including an income and expenditure account), 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 2021 and of the charitable company's income and expenditure, 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

In auditing the financial statements, we have concluded that the trustee's 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 charitable company'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 contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 2021



Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their 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 Annual Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9 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.

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:

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities Act 2011 and the Charities and Trustees Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021



material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR) and employment and health and safety legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, testing on the posting of journals, tested the application of cut-off and revenue recognition, particularly around voluntary income and grants; reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 our 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 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 and the charitable company's members 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 'JPoulter', is located below the text.

Julia Poulter
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

17th August 2022

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021



| | Notes | Unrestricted Funds | Restricted Funds | Endowed Funds | 2021 Total Funds | 2020 Total Funds |
|--------------------------------------|-------|--------------------|------------------|----------------|------------------|------------------|
| | | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | |
| Donations and legacies | 2 | 255,820 | 16,023 | - | 271,843 | 580,438 |
| Charitable activities | 3 | 698,406 | 164,440 | - | 862,846 | 551,190 |
| Other trading activities | 4 | 372,889 | 1,332 | - | 374,221 | 114,433 |
| Investment Income | 5 | 29,489 | 37,851 | - | 67,340 | 71,928 |
| Other | | 26,705 | 12 | - | 26,717 | 23,499 |
| Total | | 1,383,309 | 219,658 | - | 1,602,967 | 1,341,488 |
| Expenditure on: | | | | | | |
| Raising funds | | 256,541 | 37,820 | - | 294,361 | 301,186 |
| Charitable activities | | 837,393 | 742,252 | - | 1,579,645 | 1,190,148 |
| Total | 6 | 1,093,934 | 780,072 | - | 1,874,006 | 1,491,334 |
| Operating surplus / (deficit) | | 289,375 | (560,414) | - | (271,039) | (149,846) |
| Net gains on investments | 11 | 130,642 | 148,029 | 53,975 | 332,646 | 101,284 |
| Net income / (expenditure) | | 420,017 | (412,385) | 53,975 | 61,607 | (48,562) |
| Transfer between funds | | - | - | - | - | - |
| Net movement in funds | | 420,017 | (412,385) | 53,975 | 61,607 | (48,562) |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | 14 | 2,415,424 | 2,348,945 | 644,954 | 5,409,323 | 5,457,885 |
| Total funds carried forward | 14 | 2,835,441 | 1,936,560 | 698,929 | 5,470,930 | 5,409,323 |

The above results are from continuing activities and there are no other gains and losses except as stated above.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
BALANCE SHEET
AS AT 31 DECEMBER 2021



Company Number 05743962

| | Notes | 2021 £ | 2020 £ |
|--|-----------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 9 | 255,744 | 270,256 |
| Intangible assets | 10 | 21,293 | 76,374 |
| Investments | 11 | 4,691,722 | 4,359,697 |
| | | <u>4,968,759</u> | <u>4,706,327</u> |
| CURRENT ASSETS | | | |
| Debtors | 12 | 147,852 | 314,650 |
| Cash at bank and in hand | | 667,852 | 623,359 |
| | | <u>815,704</u> | <u>938,009</u> |
| CURRENT LIABILITIES | | | |
| Creditors: amounts falling due within one year | 13 | 191,415 | 114,964 |
| NET CURRENT ASSETS | | <u>624,287</u> | <u>823,045</u> |
| Creditors: amounts falling due > than one year | 13 | 122,118 | 120,049 |
| NET ASSETS | | <u>5,470,930</u> | <u>5,409,323</u> |
| THE FUNDS OF THE CHARITY | | | |
| | 14 | | |
| Unrestricted - General | | 2,511,987 | 2,077,459 |
| - Designated | | 323,454 | 337,965 |
| | | <u>2,835,441</u> | <u>2,415,424</u> |
| Restricted - The Mills Section | | 848,752 | 1,153,423 |
| - The William Morris Craft Fellowship | | 145,614 | 188,385 |
| - Other | | 942,194 | 1,007,137 |
| | 14 | <u>1,936,560</u> | <u>2,348,945</u> |
| Endowed funds | 14 | <u>698,929</u> | <u>644,954</u> |
| | | <u>5,470,930</u> | <u>5,409,323</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: 12 July 2022

and signed on its behalf by

Name: Nichola Tasker, Chair

Name: Christopher Wheaton, Honorary Treasurer

The notes on pages 17 to 30 form part of these financial statements

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
CASH FLOW STATEMENT
AS AT 31 DECEMBER 2021



| | Note | 2021 £ | 2020 £ |
|---|------|-----------------|------------------|
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | a) | (17,862) | (282,307) |
| Cash flows from investing activities: | | | |
| Dividends and interest from investments | | 67,340 | 71,928 |
| Proceeds from sale of tangible and intangible fixed assets | | - | - |
| Purchase of tangible and intangible fixed assets | | (5,605) | (7,574) |
| Proceeds from sale of investments | | 1,485,509 | 1,240,324 |
| Purchase of investments | | (1,317,257) | (975,314) |
| Net cash provided by investing activities | | 229,988 | 329,364 |
| Cash flows from financing activities | | | |
| Net cash provided by financing activities | | - | 100,000 |
| Change in cash and cash equivalents in the reporting period | | 212,125 | 147,057 |
| Cash and cash equivalents at 1 January | b) | 746,630 | 599,573 |
| at 31 December | b) | 958,755 | 746,630 |
| NOTES TO THE CASH FLOW STATEMENT | | | |
| a) Reconciliation of net income/(expenditure) to net cash flow from operating activities | | | |
| Net income/(expenditure) for the reporting period | | 61,607 | (48,561) |
| Adjustments for: | | | |
| Add back long-term loan amount | | - | (100,000) |
| Depreciation and amortisation | | 75,198 | 74,434 |
| (Gains) on investments | | (332,646) | (101,284) |
| Dividends and interest from investments | | (67,340) | (71,928) |
| Decrease in stock | | - | 7,337 |
| (Increase) / decrease in debtors | | 166,798 | (120,518) |
| Increase / (decrease) in creditors | | 78,521 | 78,213 |
| Net cash provided by (used in) operating activities | | (17,862) | (282,307) |
| b) Analysis of cash and cash equivalents | | | |
| Cash at bank and in hand | | 667,852 | 623,358 |
| Cash held as long-term investments | | 290,903 | 123,272 |
| | | 958,755 | 746,630 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
CASH FLOW STATEMENT
AS AT 31 DECEMBER 2021



c) Analysis of changes in net debt

| | At start of year £ | Cash-flows | Fair value movements | At end of year £ |
|--|--------------------|---------------|----------------------|------------------|
| Cash at bank and in hand | 623,358 | 44,494 | - | 667,852 |
| Cash held as long-term investments | 123,272 | - | 167,631 | 290,903 |
| Loans falling due after more than one year | (100,000) | (4,983) | - | (104,983) |
| Total | 646,630 | 39,511 | 167,631 | 853,772 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



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

Management have prepared cash flow forecasts to support the assessment that the accounts should be prepared on a going concern basis. The model covers the period to 31 December 2023 to consider the future plans of the Society and effect of Covid-19 on future income streams. The forecast demonstrates that the Society has the ability to remain in a cash positive position throughout the period of analysis with the lowest cash balance (excluding Investments) forecast to be over £400k. Unrestricted reserves at the date of the signing of the accounts are in excess of £2M, or c.1.2x annual expenditure and in excess of the minimum unrestricted funds suggested by the Society's reserves policy.

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 2021



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.

Heritage assets: the Society maintains two properties in support of the Society's objective of preserving and protecting ancient buildings. Conventional valuation approaches lack sufficient reliability and that, even if valuations could be obtained, the costs would be onerous compared with the additional benefits derived by the Society. As a result, no value is reported for these assets in the Balance Sheet.

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.

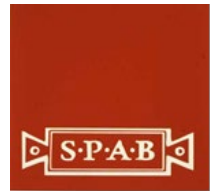
g) Stock

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 2021



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.

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Financial assets held at fair value (a) | 4,400,819 | 4,236,425 |

(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 2021



| 2. DONATIONS AND LEGACIES | 2021 | 2020 |
|----------------------------------|----------------|----------------|
| | £ | £ |
| Donations | 158,478 | 117,612 |
| Trusts and legacies | 113,365 | 462,826 |
| | 271,843 | 580,438 |

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 2021 the society has been notified of one further legacy that has not been included in these financial statements as it did not meet the criteria. This legacy will realise £10,000.

| 3. CHARITABLE ACTIVITIES | 2021 | 2020 |
|--|----------------|----------------|
| | £ | £ |
| Grants Receivable | | |
| Culture Recovery Fund | 260,500 | - |
| Historic England | 94,344 | 94,818 |
| Dance Scholarship Foundation | 15,000 | - |
| WMCF Trust | 10,000 | 10,000 |
| The Pilgrim Trust | 10,000 | 10,000 |
| Old Buildings Preservation and Restoration Trust | 7,500 | - |
| Fenton Arts Trust | 7,000 | - |
| Delves Charitable Trust | 6,000 | 6,000 |
| Francis de Caires | 2,500 | - |
| Quilter Cheviot | 2,500 | - |
| Charitable Trust | 2,000 | - |
| National Heritage – Covid Emergency Funding | - | 45,400 |
| Drake Trust | - | 7,500 |
| CADW | - | 7,283 |
| Radcliffe Foundation | - | 6,666 |
| Carpenter's Trust | - | 5,000 |
| The Stuart Heath Charitable Settlement | - | 5,000 |
| Roger & Sarah Bancroft Charitable Trust | - | 4,000 |
| Wheler Foundation | - | 1,500 |
| Other | 5,498 | 150 |
| Total Grants Receivable | 422,842 | 203,317 |
| Subscriptions | 299,097 | 277,593 |
| Literature Sales | 5,889 | 4,857 |
| General Events | 135,018 | 65,423 |
| | 862,846 | 551,190 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

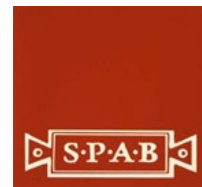


| 4. OTHER TRADING ACTIVITIES | 2021 £ | 2020 £ |
|------------------------------------|------------------|------------------|
| Advertising | 83,422 | 88,020 |
| Rent receivable | 30,299 | 26,413 |
| Sponsorship | 10,500 | - |
| Sale of Assets | 250,000 | - |
| | 374,221 | 114,433 |

£250,000 was realised in relation to the sale of land at Yoxford, Suffolk. The land was acquired by SPAB as part of a much larger property bequest and the sale of the plot has released funds to assist educational and promotional work linked to the Old House Project. This work was otherwise unfunded.

| 5. INVESTMENT INCOME | 2021 £ | 2020 £ |
|-----------------------------|------------------|------------------|
| Portfolio Income | 66,939 | 70,960 |
| Interest on cash deposits | 401 | 968 |
| | 67,340 | 71,928 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



6. EXPENDITURE

| | Unrestricted Funds £ | Restricted Funds £ | 2021 Total £ | 2020 Total £ |
|---|----------------------------|--------------------------|--------------------|--------------------|
| Charitable Activities | | | | |
| <i>Building Maintenance</i> | | | | |
| Grants and donations | 14,406 | 89,494 | 103,900 | 12,492 |
| | 14,406 | 89,494 | 103,900 | 12,492 |
| <i>Educational costs</i> | | | | |
| Scholarships and fellowships | 300 | 61,802 | 62,102 | 6,775 |
| General events | 250 | - | 250 | 69 |
| Courses, meetings, lectures, and events | 24,198 | 2,391 | 26,589 | 21,296 |
| Wages and salaries | 180,450 | 115,589 | 296,039 | 305,820 |
| Newsletter | 65,065 | 8,724 | 73,789 | 68,587 |
| Literature | 1,200 | - | 1,200 | 2,162 |
| Travel | 5,513 | 1,276 | 6,789 | 4,548 |
| Other | 4,084 | - | 4,084 | 3,834 |
| Building Project | 23,252 | 282,986 | 306,238 | 24,994 |
| Support costs (note 7) | 203,553 | 60,574 | 264,127 | 276,551 |
| | 507,865 | 533,342 | 1,041,207 | 714,636 |
| <i>Advisory services</i> | | | | |
| Technical and Casework direct costs | 7,815 | 9,914 | 17,729 | 19,157 |
| Wages and salaries | 155,847 | 64,430 | 220,277 | 232,904 |
| Travel | - | - | - | 346 |
| Support costs (note 7) | 151,460 | 45,072 | 196,532 | 210,613 |
| | 315,122 | 119,416 | 434,538 | 463,020 |
| Total Charitable Activities | 837,393 | 742,252 | 1,579,645 | 1,190,148 |
| Raising Funds | | | | |
| Fundraising costs | 19,275 | 2,950 | 22,225 | 28,697 |
| Wages and salaries | 116,987 | - | 116,987 | 117,225 |
| Support costs (note 7) | 80,439 | 23,937 | 104,376 | 106,006 |
| Advertising Commission | 32,465 | - | 32,465 | 31,820 |
| Investment managers fees | 7,375 | 10,933 | 18,308 | 17,438 |
| Total Raising Funds | 256,541 | 37,820 | 294,361 | 301,186 |
| TOTAL EXPENDITURE | 1,093,934 | 780,072 | 1,874,006 | 1,491,334 |

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 2021



7. SUPPORT COSTS

| | Unrestricted Funds £ | Restricted Funds £ | 2021 Total £ | <i>2020 Total £</i> |
|--|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Travel and volunteers' expenditure | 4,265 | 1,222 | 5,487 | 4,697 |
| Wages and salaries | 171,255 | 39,055 | 210,310 | 234,378 |
| Printing, stationery, postage, and advertising | 10,326 | 7,739 | 18,065 | 11,360 |
| Establishment expenses | 81,657 | 17,783 | 99,440 | 117,174 |
| Legal and professional | 75,665 | 38,178 | 113,843 | 104,095 |
| Depreciation | 58,953 | 16,245 | 75,198 | 74,451 |
| Bank charges and interest | 13,097 | 4,342 | 17,439 | 12,882 |
| Other | 3,695 | 1,472 | 5,167 | 16,800 |
| Governance costs: | | | | |
| <i>Audit</i> | 14,903 | 3,097 | 18,000 | 17,100 |
| <i>Trustee meetings</i> | 1,635 | 451 | 2,086 | 233 |
| | 435,451 | 129,584 | 565,035 | 593,170 |

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 (2020: £Nil)

8. TRUSTEES AND EMPLOYEES

| | 2021 £ | <i>2020 £</i> |
|-----------------------|-------------------|-------------------|
| Staff costs: | | |
| Wages and salaries | 743,502 | 781,110 |
| Social security costs | 63,270 | 72,047 |
| Pension costs | 36,841 | 37,170 |
| | 843,613 | 890,327 |

Employee emoluments in the band £70,000 - £79,999 1 1

The Trustees did not receive any remuneration during the year. Expenses relating to travel of £47 (2020: £1,069) were paid on behalf of one (2020: four) 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 £258,721 (2020: £299,309).

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

| | <i>Headcount</i> | | <i>Full time equivalent</i> | |
|-------------------|---------------------|---------------------|-----------------------------|---------------------|
| | 2021 No. | <i>2020 No.</i> | 2021 No. | <i>2020 No.</i> |
| Fundraising | 2 | 2 | 1.5 | 1.5 |
| Educational | 11 | 12 | 7.2 | 7.4 |
| Advisory services | 8 | 8 | 5.3 | 5.3 |
| Support | 9 | 9 | 6.5 | 6.3 |
| | 30 | 31 | 20.5 | 20.5 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



9. TANGIBLE FIXED ASSETS

| | Freehold Land & Buildings | Antique Furniture | Office Equipment | Computer Equipment | Total |
|-------------------------------|---------------------------------|----------------------|----------------------|-----------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| As at 1 January 2021 | 392,504 | 11,129 | 20,678 | 72,643 | 496,954 |
| Additions | - | - | - | 5,605 | 5,605 |
| Disposals | - | - | - | - | - |
| As at 31 December 2021 | <u>392,504</u> | <u>11,129</u> | <u>20,678</u> | <u>78,248</u> | <u>502,559</u> |
| Depreciation | | | | | |
| As at 1 January 2021 | 168,298 | - | 17,673 | 40,727 | 226,698 |
| Charge for the year | 4,429 | - | 1,485 | 14,203 | 20,117 |
| Disposals | - | - | - | - | - |
| As at 31 December 2021 | <u>172,727</u> | <u>-</u> | <u>19,158</u> | <u>54,930</u> | <u>246,815</u> |
| Net book value | | | | | |
| 31 December 2021 | <u>219,777</u> | <u>11,129</u> | <u>1,520</u> | <u>23,318</u> | <u>255,744</u> |
| <i>31 December 2020</i> | <u>224,206</u> | <u>11,129</u> | <u>3,005</u> | <u>31,916</u> | <u>270,256</u> |

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.

Kibworth Harcourt Mill and St Andrew's Chapel are held as heritage assets with a £Nil book value in the accounts

10. INTANGIBLE ASSETS

| | Website & Database Development | Total |
|--|--------------------------------------|-----------------------|
| | £ | £ |
| Cost | | |
| As at 1 January 2021 | 275,407 | 275,407 |
| Additions | - | - |
| Disposals | - | - |
| As at 31 December 2021 | <u>275,407</u> | <u>275,407</u> |
| Amortisation | | |
| As at 1 January 2021 | 199,033 | 199,033 |
| Disposals | - | - |
| Charge for year | 55,081 | 55,081 |
| As at 31 December 2021 | <u>254,114</u> | <u>254,114</u> |
| Net Book Value – 31 December 2021 | <u>21,293</u> | <u>21,293</u> |
| <i>– 31 December 2020</i> | <u>76,374</u> | <u>76,374</u> |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



| 11. FIXED ASSET INVESTMENTS | 2021 | 2020 |
|--|---------------------------|---------------------------|
| | £ | £ |
| Market value of quoted investments | 4,400,819 | 4,236,425 |
| Cash | 290,903 | 123,272 |
| | <u>4,691,722</u> | <u>4,359,697</u> |
| Listed investments | | |
| Market value at start of year | 4,236,425 | 4,400,150 |
| Additions | 1,317,257 | 975,314 |
| Disposals | (1,485,509) | (1,240,323) |
| Net gains on investments | 332,646 | 101,284 |
| | <u>4,400,819</u> | <u>4,236,425</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 | 2021 | 2020 |
| | £ | £ |
| Trade debtors | 23,917 | 31,959 |
| Prepayments and accrued income | 123,935 | 282,691 |
| | <u>147,852</u> | <u>314,650</u> |
| 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 2021 | 2020 |
| | £ | £ |
| Trade creditors | 10,968 | 29,619 |
| Other creditors | 8,249 | 3,626 |
| Taxation and social security | 12,500 | 17,497 |
| Accruals and deferred income | 159,698 | 64,222 |
| | <u>191,415</u> | <u>114,964</u> |
| CREDITORS: AMOUNTS FALLING DUE > 1YEAR | 2021 | 2020 |
| | £ | £ |
| Bank loans and overdrafts | 104,983 | 100,133 |
| Deferred Income | 17,135 | 19,916 |
| Total Creditors | <u>122,118</u> | <u>120,049</u> |

The loan for £104,983 is part of a £500,000 loan facility provided by the Architectural Heritage Fund. £100,000 of this loan facility has been drawn down at 31 December 2021. SPAB are recognising £4,983 of accrued loan interest as at 31 December 2021. The loan is available for a period of 60 months from the first date upon which the loan is drawn down. No capital and interest repayments are due for a period of 36 months after the date of the initial drawdown. After this initial period only interest payments are required to be paid up to month 60, upon which full capital repayment must be made.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



13. CREDITORS (Continued)

Deferred income of £30,175 (2020: £45,899) 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 2021 were £23,486 (2020: £27,056) of which £3,350 was released in 2021 (2020: £3,570). Life membership subscriptions received in the current period amounted to £nil.

14. MOVEMENT IN FUNDS

| | <i>Balance 1 January 2021 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers £</i> | <i>Net Investment Gains £</i> | <i>Balance 31 December 2021 £</i> |
|-------------------------------------|---|---------------------|--------------------------|------------------------|---|---|
| Restricted Funds: | | | | | | |
| The Mills Section | 1,153,423 | 49,238 | (460,812) | - | 106,902 | 848,751 |
| R&M of ancient buildings | 414,147 | 7,969 | (2,468) | - | 19,188 | 438,836 |
| Scholarship for architects | 288,993 | 45,019 | (83,146) | - | 21,939 | 272,805 |
| The William Morris Craft Fellowship | 188,385 | 33,009 | (75,780) | - | - | 145,614 |
| Historic England | - | 74,344 | (74,344) | - | - | - |
| Gloria e Marco Award | 83,713 | 310 | (83,522) | - | - | 501 |
| D&P Marsh Trust | 100,000 | - | - | - | - | 100,000 |
| Restricted (Other) | 120,284 | 9,769 | - | - | - | 130,053 |
| Total Restricted Funds | 2,348,945 | 219,658 | (780,072) | - | 148,029 | 1,936,560 |
| Endowed Funds | 644,954 | - | - | - | 53,975 | 698,929 |
| Designated Funds: | | | | | | |
| Fixed Asset Reserve | 270,254 | - | (20,115) | 5,604 | - | 255,743 |
| IT Fund | 46,270 | - | - | - | - | 46,270 |
| Kibworth Harcourt Repair | 7,000 | - | - | - | - | 7,000 |
| Spital Square Repair | 14,441 | - | - | - | - | 14,441 |
| | 337,965 | - | (20,115) | 5,604 | - | 323,454 |
| General Fund | 2,077,459 | 1,383,309 | (1,073,819) | (5,604) | 130,642 | 2,511,987 |
| Total Unrestricted Funds | 2,415,424 | 1,383,309 | (1,093,934) | - | 130,642 | 2,835,441 |
| Total Funds | 5,409,323 | 1,602,967 | (1,874,006) | - | 332,646 | 5,470,930 |

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 SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



14. MOVEMENT IN FUNDS (continued)

Restricted Funds (continued):

The William Morris Craft Fellowship

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

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

No transfers were made from the restricted to the unrestricted fund during the year.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible Fixed Assets £ | Intangible Fixed Assets £ | Net Investments £ | Net Current Assets £ | Total 2021 £ |
|-------------------------------------|--|--|----------------------------------|-------------------------------------|-----------------------------|
| Restricted | | | | | |
| The Mills Section | - | - | 848,751 | - | 848,751 |
| R&M of ancient buildings | - | - | 338,310 | 100,526 | 438,836 |
| Scholarship for architects | - | - | 318,271 | (45,466) | 272,805 |
| The William Morris Craft Fellowship | - | - | - | 145,614 | 145,614 |
| Gloria e Marco Award | - | - | - | 501 | 501 |
| D&P Marsh Trust | - | - | - | 100,000 | 100,000 |
| Restricted (Other) | - | - | - | 130,053 | 130,053 |
| Endowed Funds | - | - | 684,946 | 13,983 | 698,929 |
| Unrestricted Funds | 255,744 | 21,293 | 2,501,444 | 56,960 | 2,835,441 |
| Total | 255,744 | 21,293 | 4,691,722 | 502,171 | 5,470,930 |

16. PENSION

The Society participates in The Pensions Trust's Growth Plan ("the Plan") for 23 staff (2020: 22). 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 2020 triennial valuation have confirmed the requirement for additional contributions to the Pensions Trust Growth Plan from 1 April 2021 of £1,111.68 per annum. From 1 April 2022 deficit contributions required from The Society are £508.03 a year.

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 £31,898. At the year-end £1,690 (2020: £4,692) was accrued in respect of future deficit contributions to the scheme.

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



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 | 2021 £ | 2020 £ |
| Within one year | 21,667 | 26,000 |
| Between one and five years | - | 21,667 |
| | <u>21,667</u> | <u>47,667</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 (2020: £Nil)

20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

| | Notes | Unrestricted Funds | Restricted Funds | Endowed Funds | 2020 Total Funds |
|--|-------|-----------------------|---------------------|------------------|------------------------|
| | | £ | £ | £ | £ |
| Income and Endowments from: | | | | | |
| Donations and legacies | 2 | 558,208 | 22,230 | - | 580,438 |
| Charitable activities | 3 | 383,464 | 167,726 | - | 551,190 |
| Other trading activities | 4 | 111,584 | 2,849 | - | 114,433 |
| Investment Income | 5 | 33,345 | 38,583 | - | 71,928 |
| Other | | 23,499 | - | - | 23,499 |
| Total | | <u>1,110,100</u> | <u>231,388</u> | - | <u>1,341,488</u> |
| Expenditure on: | | | | | |
| Raising funds | | 254,226 | 46,960 | - | 301,186 |
| Charitable activities | | 757,233 | 432,915 | - | 1,190,148 |
| Total | 6 | <u>1,011,459</u> | <u>479,875</u> | - | <u>1,491,334</u> |
| Operating surplus / (deficit) | | 98,641 | (248,487) | - | (149,846) |
| Net gains/(losses) on investments | | 33,200 | 53,318 | 14,766 | 101,284 |
| Net income/(expenditure) | | <u>131,841</u> | <u>(195,169)</u> | <u>14,766</u> | <u>(48,562)</u> |
| Transfer between funds | | (185,261) | 185,261 | - | - |
| Net movement in funds | | <u>(53,420)</u> | <u>(9,908)</u> | <u>14,766</u> | <u>(48,562)</u> |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 2,468,844 | 2,358,853 | 630,188 | 5,457,885 |
| Total funds carried forward | | <u>2,415,424</u> | <u>2,348,945</u> | <u>644,954</u> | <u>5,409,323</u> |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



21. COMPARATIVE FUNDS

| MOVEMENT IN FUNDS | <i>Balance 1 January 2020 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers £</i> | <i>Net Investment Gains £</i> | <i>Balance 31 December 2020 £</i> |
|-------------------------------------|---|---------------------|--------------------------|------------------------|---|---|
| Restricted Funds: | | | | | | |
| The Mills Section | 1,194,822 | 51,654 | (130,825) | - | 37,772 | 1,153,423 |
| R&M of ancient buildings | 401,993 | 8,330 | (4,166) | - | 7,990 | 414,147 |
| Scholarship for architects | 286,858 | 31,736 | (37,157) | - | 7,556 | 288,993 |
| The William Morris Craft Fellowship | 189,655 | 42,903 | (44,173) | - | - | 188,385 |
| Historic England | - | 77,949 | (263,210) | 185,261 | - | - |
| D&P Marsh Charitable Trust | 100,000 | - | - | - | - | 100,000 |
| Gloria e Marco Award | 83,463 | 250 | - | - | - | 83,713 |
| Restricted (Other) | 102,062 | 18,566 | (344) | - | - | 120,284 |
| Total Restricted Funds | 2,358,853 | 231,388 | (479,875) | 185,261 | 53,318 | 2,348,945 |
| Endowed Funds | 630,188 | - | - | - | 14,766 | 644,954 |
| Designated Funds: | | | | | | |
| Fixed Asset Reserve | 282,033 | - | (19,353) | 7,574 | - | 270,254 |
| IT Fund | 46,270 | - | - | - | - | 46,270 |
| Kibworth Harcourt Repair | 7,000 | - | - | - | - | 7,000 |
| Spital Square Repair | 14,441 | - | - | - | - | 14,441 |
| | 349,744 | - | (19,353) | 7,574 | - | 337,965 |
| General Fund | 2,119,100 | 1,110,100 | (992,106) | (192,835) | 33,200 | 2,077,459 |
| Total Unrestricted Funds | 2,468,844 | 1,110,100 | (1,011,459) | (185,261) | 33,200 | 2,415,424 |
| Total Funds | 5,457,885 | 1,341,488 | (1,491,334) | - | 101,284 | 5,409,323 |

22. COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible Fixed Assets £ | Intangible Fixed Assets £ | Net Investments £ | Net Current Assets £ | Total 2020 £ |
|-------------------------------------|--|--|----------------------------------|-------------------------------------|-----------------------------|
| Restricted | | | | | |
| The Mills Section | - | - | 1,153,423 | - | 1,153,423 |
| R&M of ancient buildings | - | - | 321,560 | 92,587 | 414,147 |
| Scholarship for architects | - | - | 297,658 | (8,665) | 288,993 |
| The William Morris Craft Fellowship | - | - | - | 188,385 | 188,385 |
| Gloria e Marco Award | - | - | - | 83,713 | 83,713 |
| D&P Marsh Charitable Trust | - | - | - | 100,000 | 100,000 |
| Restricted (Other) | - | - | - | 120,284 | 120,284 |
| Endowed Funds | - | - | 630,709 | 14,245 | 644,954 |
| Unrestricted Funds | 270,254 | 76,375 | 1,956,348 | 112,447 | 2,415,424 |
| Total | 270,254 | 76,375 | 4,359,698 | 702,996 | 5,409,323 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS

England & Wales - Charity number 1113753

Accounts

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 2020**



THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES AND PROFESSIONAL ADVISORS
YEAR ENDED 31 DECEMBER 2020

TRUSTEES

| | |
|-----------------------|-------------------------------|
| Iain Boyd | (Chair, Resigned 17 May 2020) |
| Charles Wagner | (Vice Chair) |
| Christopher Wheaton | (Hon Treasurer) |
| Prof Peter Burman MBE | (Resigned 17 May 2020) |
| Mildred Cookson | |
| Gillian Darley OBE | (Resigned 17 May 2020) |
| Richard Max | |
| Duncan McCallum | |
| Rachel Morley | (Resigned 25 Jan 2021) |
| Jessica Sutcliffe | (Resigned 17 May 2020) |
| Nichola Tasker | |
| James Weir | (Resigned 17 May 2020) |
| Hazel Morris | (From 18 May 2020) |
| Conor Meehan | (From 18 May 2020) |
| Jamie Mcnamara | (From 18 May 2020) |
| Catherine Cullis | (From 18 May 2020) |
| Triona Byrne | (From 19 May 2020) |

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
55 Ludgate Hill
London
EC4M 7JW

ACCOUNTANTS

JS2 Limited
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
London
EC1N 6TD

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
TRUSTEES REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020



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 2020.

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 in England and Wales on 14 April 2006 as number 1113753. It is also registered 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. 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.

The SPAB is also registered as a charity in Scotland and in the Irish Republic.

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 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.

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FUNDRAISING POLICY

The SPAB is committed to the highest standards in fundraising. The Society is registered with the Fundraising Regulator and by extension upholds the Fundraising Promise and complies with all the relevant standards as set out in the Code of Fundraising Practice. The in-house Fundraising Policy is informed by the Code of Fundraising Practice. All of our in-house fundraising team are members of the Institute of Fundraising and are actively encouraged and enabled to keep their knowledge of regulations and standards up to date. The SPAB does not currently use third party providers of fundraising services. The one exception to this in 2020 was a small project in Edinburgh where £66 was raised by an organisation called Cobbletales. No co-marketing agreement was made, and no permission to use the SPAB logo was given. Fundraising income is primarily generated through membership, legacies and grant giving trusts, and to a lesser extent individual donations.

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

During 2020 the SPAB's work was inevitably affected by the Coronavirus pandemic, but many activities were able to continue in existing or revised form. There was an impact on income, and the receipt of some legacies was delayed, but the challenges of the year also proved to be a catalyst for much beneficial change. Of particular note was the shift to online courses and training. These proved popular and in many cases drew in a much larger audience than would have been possible with an in-person event. Our main annual on-site working party could not take place on the scale originally planned, but with social distancing and careful site management it was able to go ahead and was still able to accomplish a great deal. The same was true of our Old House Project where a full repair of the building's roof was carried out. We were also able to undertake the planning work necessary for the repair of the SPAB's post mill at Kibworth Harcourt in Leicestershire, which commenced in mid 2021.

(i) Educational Work

Perhaps the major casualties of the year were our long-established training programmes. The William Morris Craft Fellowship and Lethaby Scholarships for architects, surveyors and engineers could not be run as intended. However, the four Fellows and three Scholars selected were supported during the year and were able to undertake some substitute activities. They have been able to commence their training in late spring 2021, with a revised programme but one which still includes much on-site learning. We are extremely grateful to our funders for their continuing support during this difficult period.

The Society's two annual Repair of Old Buildings courses could not take place, but in other regards we were able to create, at short notice, a new and expanded online educational programme, including lectures, CPD sessions for professionals and a new 'Members' Skill Share' series. Our Philip Webb Award design competition and John Betjeman Award for church conservation continued and drew many notable entries. The Betjeman Award was extended to Scotland and the Republic of Ireland.

The Society's Mills Section ran an online National Mills Weekend. Although the new millwright training programme, linked to the Craft Fellowship, could not take place in 2020, it will begin in 2021.

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(ii) Casework Campaigning

From applications for listed building consent received from England and Wales during 2020, our casework Team made substantive comment on over 1000 (647 in 2019). This sometimes involved input from expert volunteers or our Casework Committee, as well as staff. Our aim is to supply advice that supports the building's conservation when a change is proposed. Extra emphasis was placed, during 2020, on the Society's 'buildings at risk' work.

(iii) Advisory Services

The Society's Technical Advice Line was in strong demand during 2020 and handled 765 enquiries (655 in 2019). We are indebted to Historic England for providing financial support for this service. Expert volunteers assisted staff with a wide range of technical topics including research into the production and use of chalk-lime.

Our technical staff also lectured to a range of audiences and contributed to external publications. Production of technical guidance continued in 2020, with three new or revised titles published.

iv) Grants for Building Maintenance

In 2020 the Society offered a grant from its Baber Fund to St James, Llangua, Wales. 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 Oldland Mill, Rickton Mill and Henslow Mill. 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.

We are grateful to Men of the Stones. When this charity was wound up in 2020, £18 000 was donated to the SPAB for educational bursaries.

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

The Society recorded an operating deficit for the year of £149,846 (2019: £83,138 deficit). This became a deficit of £48,562 (2019: £486,091 surplus) after investment gains were taken into account. Donations and legacies at £580,438 were lower than in the previous year, which had been exceptional (2019: £723,994) but in line with our budget prediction. We are hugely grateful to all those members and non-members who choose

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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 £1.49m (£1.62m 2019). The Society pursued its Old House Project which after five years of educational benefit will be sold, with the aim of recouping building and loan costs. Staff costs remained little changed at £0.89m (2019: £0.87m), but are a high proportion of total expenditure since advice and training are at the heart of the SPAB's work.

RESERVES POLICY

The Society held total funds of £5.41m at 31 December 2020 of which £2.35m are restricted and £0.65m endowed. The Society's remaining reserves of £2.41m are unrestricted of which free reserves (excluding designated funds and tangible fixed assets) are approximately £1.72m (£1.39m 2019). This exceeds the £0.9M which the Society's reserves policy, as described below, calculates as the current minimum level of free reserves to be maintained. This is also in excess of 3 months of budgeted expenditure of c. £0.4M excluding the Old House Project, that the Charity Commission suggests is best practice for minimum free reserves. 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 Finance and Audit sub-committee (FASC) 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 sub-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.

Investment report

At 31 December 2020, the Society's investment funds total £4,236,424, compared to £4,400,150 at 31 December 2019, a decrease of 4% over the year. As at 7 July 2021, the value had increased to £4,434,274.

Investment performance for 2020 was as follows for the General Fund and the Enid Lamb Fund, which combined represent about two-thirds of The Society's investments:

| Fund | Performance | Benchmark Index | Performance |
|---------------------------------|-------------|------------------|-------------|
| SPAB General Fund | +3.7% | ARC PCI Balanced | +4.3% |
| SPAB Wind & Watermill Enid Lamb | +4.1% | ARC PCI Balanced | +4.3% |

Source: Kleinwort Hambros / ARC

2020 was as extraordinary a year for investing as it was for pretty much everything else. It is hard to believe that a year which saw a global pandemic and the steepest decline in global economies seen in a century should result in positive performance from the Society's investments. However, the withdrawals from investments required to fund the Society's operations means that the value of reserves declined in the year, despite this investment performance.

At the worst point of market turmoil in mid-March 2020, the value of the Society's investments had fallen c.12% versus the beginning of 2020. The Society's holdings in bonds and gold rose in value as the pandemic crisis started, as interest rates were cut in response and money supply dramatically increased, creating fears of inflation. This offset about half of the impact of the significant declines seen across all equity markets- for context, the FTSE100 index to mid-March 2020 was down c. 30% versus December 2019. Following the

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rebound in markets in the second quarter of 2020, all asset classes then plateaued out, before resuming a downtrend into the 4th quarter of 2020 as fears over a resurgence of the virus grew.

The key event in the second half of 2020 was “Pfizer Monday”, 9th November, when the Pfizer/BioNTech joint venture announced their vaccine candidate was over 80% effective against the Coronavirus in clinical trials. This caused a rapid appreciation in equity markets- reinforced by AstraZeneca reporting similar efficacy data for their vaccine just days later- and a decline in everything else, as investors could now assume not an open-ended fight against the disease, but an end-point in the reasonably foreseeable future. This helped the Society’s investments perform well into the year end. For context against the performance figures reported above for the Society’s investments, the calendar year performance of the FTSE100 was -11.5%, the EuroSTOXX index -2.6%, the US S&P500 index +18% and the MSCI World index +16%.

The funds’ mix of equities and fixed income has changed slightly over the year. The assets started 2020 with a split of c. 60% equities, 20% fixed income, 20% other including gold, cash and alternative strategies (which attempt to generate capital growth irrespective of the direction of markets). However, with the rise in stock markets, the asset allocation is now c. 64% equities, 16% bonds, 20% other. This asset allocation should continue deliver the Society’s investment aims of both long-term capital growth and income generation as well.

However, the investment environment is even harder now than it was twelve months ago with many long-term changes to global economies fast-forwarded by the pandemic. In particular, it is difficult to identify anything resembling a low-risk asset any more. Dividend income, especially in the UK, has been cut sharply and in aggregate is not likely to recover to prior levels in the near term. The valuation of the US equity market is very high, driven by those companies benefiting from the mass digitisation the pandemic has enforced, valuation levels only exceeded on most measures during the late 1990’s dotcom bubble. Interest rates on bonds have increased from their extreme lows- 10 year UK government bonds yielded as little as 0.2% in May 2020- but this means the value of bonds is falling. Bottlenecks in supply of many items ranging from wood to microprocessors have emerged as the global economy has been jump-started, which when combined with governments printing money to fund economic recovery policies, is again stoking fears of inflation after a decade with very little inflation indeed. It is not inflation, but the possibility of sharply higher interest rates and the impact on consumers and economies that markets should be concerned about.

This environment underlines the importance of the strategic priorities of the Finance & Audit Sub-Committee to examine all ways in which fundraising efforts for the Society can be made more effective, to invest to grow and broaden the Society’s reach and fulfil its charitable aims, 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 placed particular emphasis on monitoring these risks in 2020-1, given the uncertainties of the external environment. The Board has also sought new and simplified means of monitoring risks regularly and has nominated a ‘Risk Trustee’. They are satisfied that controls are in place to manage/mitigate these risks. The main risks identified in 2020 and beyond 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-fraud policy.

The Society relies substantially on grants and legacy income for about half of its income. 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. This is on track in 2021, though will be reviewed mid-year to ensure the Society is responding effectively to the social and economic effects of the pandemic.

The reserves policy (see p.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 budget plan for 2021 aims at

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financial break-even at an operating level. A substantial grant from the Culture Recovery Fund in 2021 has helped offset loss of income from the pandemic and should make it possible, alongside strict budgeting, for the Society to avoid drawing on reserves in 2021.

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 has been good.

Major project risk

Our two major projects – the repair of the Society’s windmill at Kibworth Harcourt, Leicestershire and our Old House Project (OHP) at St Andrew’s Boxley in Kent - carry some 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. The Board and Finance and Audit sub-committee receive regular reports about both projects. The OHP will have a newly constituted Project Board from mid 2021 which will advise closely on the activities until the project’s expected completion in 2024. Work programmes are on a timescale that allows some flexibility. The reserves policy also included the contingency to allow for repayment of a 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. Proceeds from the sale of a parcel of land, owned by the Society, will be devoted primarily to the educational and promotional aspects of the Old House Project, which lie beyond the scope of the AHF loan. We are extremely grateful to the Pilgrim Trust for its generous grant to the OHP, and to SPAB members for their support through donations. Work at Kibworth Harcourt Mill is supported largely by a generous legacy from the late Enid Lamb.

Coronavirus risks

The SPAB’s Trustees have monitored additional operational risks faced by the Society during the pandemic and will continue to monitor them. Income has been reduced in some areas, but savings have been made in others. Reserves had to be called upon in 2020, but this has been somewhat balanced by a substantial covid-related Culture Recovery Fund grant in £260,000. There are sufficient funds in the unrestricted reserves to stay well within the reserves policy for 2021 and beyond. Cashflow planning is carried out to assure sufficient funds are available for over a year ahead.

Gloria e Marco Award

The Gloria e Marco (GeM) Fund, set up in memory of two young architects who died in the Grenfell Tower tragedy, has attract support and donations. The committee which manages the award has now been registered as an independent charity and the SPAB’s trustees have approved the transfer of all GeM donations to it during 2021. No Italian architect-scholar was able to receive the award and visit the UK in 2020 to experience this country’s conservation work, but it is hoped that an appointment will be possible in 2021.

FUTURE PLANS

The Society’s current strategy comes to an end in 2021. The existing strategy has been successful in many respects, achieving the growth, increased reach and the strengthening of identity that was intended. Work linked to the strategy has proved fruitful in many areas, including the establishment of SPAB Ireland, increase in social media activity, a new website and database, expansion of working parties, the Old House Project, and introduction of the SPAB Approach document as a summary of the Society’s ideas. In other areas, activities have been maintained through constant efforts: Scholarship and Fellowship programmes, courses, membership, regional and national groups, Mills Section, the SPAB Magazine, Technical Advice Line, technical publications, casework, etc. During 2021, the Society’s Trustees, Guardians and staff will develop a new strategy for the coming period. In view of the economic and social uncertainties likely to follow the pandemic, this new strategy is expected to cover a shorter three year period, with the immediate objective being to sustain the Society before further growth.

In addition to much well-established work, the Society will maintain many new on-line activities during 2021. On site, we will run our main working party at Boxley in Kent, with connected activities at the neighbouring Old House Project, but the main focus of 2021’s on-site work will be at our windmill at Kibworth Harcourt.

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SPAB Scotland intend to run a working party with related activities at Moffat in the Scottish Borders. SPAB Ireland is developing a range of activities with support from the Heritage Council in the Republic. A working party is planned for St Mary's Church at Caerau near Cardiff, with the intention that this should raise the SPAB's profile in Wales.

POST BALANCE SHEET EVENTS NOTE

In April 2021 SPAB sold Yoxford Paddock for proceeds of £250,000. At 31 December 2020 Yoxford Paddock is being held as a fixed asset with a £Nil residual value. This is considered to be a non-adjusting post balance sheet event as no adjustments are required to the 2020 accounts.

In June 2021 SPAB transferred £83,522 to the Gloria e Marco Award. At 31 December 2020 £83,713 is being held in relation to the Gloria e Marco Award as a restricted fund. This is considered to be a non-adjusting post balance sheet event as no adjustments are required to the 2020 accounts.

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 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 14 September 2021

and signed on its behalf by:

Name: Nichola Tasker, Chair

Name: Christopher Wheaton, Honorary Treasurer

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Opinion

We have audited the financial statements of the Society for the Protection of Ancient Buildings for the year ended 31 December 2020 which comprise the Statement of Financial Activities (including an income and expenditure account), 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 2020 and of the charitable company's income and expenditure, 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

In auditing the financial statements, we have concluded that the trustee's 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 charitable company'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 contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

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Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities Act 2011 and the Charities and Trustees Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for

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fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR) and employment and health and safety legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our 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 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 and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Julia Poulter
Senior Statutory Auditor

For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

14th September 2021

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020



| | Notes | Unrestricted Funds | Restricted Funds | Endowed Funds | 2020 Total Funds | 2019 Total Funds |
|--------------------------------------|-------|--------------------|------------------|----------------|------------------|------------------|
| | | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | |
| Donations and legacies | 2 | 558,208 | 22,230 | - | 580,438 | 723,994 |
| Charitable activities | 3 | 383,464 | 167,726 | - | 551,190 | 588,554 |
| Other trading activities | 4 | 111,584 | 2,849 | - | 114,433 | 118,455 |
| Investment Income | 5 | 33,345 | 38,583 | - | 71,928 | 93,950 |
| Other | | 23,499 | - | - | 23,499 | 11,909 |
| Total | | 1,110,100 | 231,388 | - | 1,341,488 | 1,536,862 |
| Expenditure on: | | | | | | |
| Raising funds | | 254,226 | 46,960 | - | 301,186 | 283,646 |
| Charitable activities | | 757,233 | 432,915 | - | 1,190,148 | 1,336,354 |
| Total | 6 | 1,011,459 | 479,874 | - | 1,491,334 | 1,620,000 |
| Operating surplus / (deficit) | | 98,641 | (248,486) | - | (149,846) | (83,138) |
| Net gains on investments | | 33,200 | 53,318 | 14,766 | 101,284 | 569,229 |
| Net income | | 131,841 | (195,168) | 14,766 | (48,562) | 486,091 |
| Transfer between funds | 14 | (185,261) | 185,261 | - | - | - |
| Net movement in funds | | (53,420) | (9,907) | 14,766 | (48,562) | 486,091 |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | 2,468,844 | 2,358,853 | 630,188 | 5,457,885 | 4,971,794 |
| Total funds carried forward | | 2,415,424 | 2,348,946 | 644,954 | 5,409,323 | 5,457,885 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
BALANCE SHEET
AS AT 31 DECEMBER 2020



Company Number 05743962

| | Notes | 2020 £ | £ | 2019 £ |
|--|-----------|------------------|---|------------------|
| FIXED ASSETS | | | | |
| Tangible assets | 9 | 270,255 | | 282,035 |
| Intangible assets | 10 | 76,375 | | 131,457 |
| Investments | 11 | 4,359,697 | | 4,534,590 |
| | | <u>4,706,327</u> | | <u>4,948,082</u> |
| CURRENT ASSETS | | | | |
| Stock | | - | | 7,337 |
| Debtors | 12 | 314,650 | | 194,132 |
| Cash at bank and in hand | | 623,359 | | 465,133 |
| | | <u>938,009</u> | | <u>666,602</u> |
| CURRENT LIABILITIES | | | | |
| Creditors: amounts falling due within one year | 13 | 114,964 | | 133,412 |
| NET CURRENT ASSETS | | | | |
| | | <u>823,043</u> | | <u>533,803</u> |
| Creditors: amounts falling due > than one year | 13 | 120,049 | | 23,387 |
| NET ASSETS | | | | |
| | | <u>5,409,323</u> | | <u>5,457,885</u> |
| THE FUNDS OF THE CHARITY | | | | |
| | 14 | | | |
| Unrestricted - General | | 2,077,459 | | 2,119,100 |
| - Designated | | 337,965 | | 349,744 |
| | | <u>2,415,424</u> | | <u>2,468,844</u> |
| Restricted - The Mills Section | | 1,153,423 | | 1,194,822 |
| - The William Morris Craft Fellowship | | 188,385 | | 189,655 |
| - Other | | 1,007,137 | | 974,376 |
| | 14A | <u>2,348,945</u> | | <u>2,358,853</u> |
| Endowed funds | 14B | 644,954 | | 630,188 |
| | | <u>5,409,323</u> | | <u>5,457,885</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:

and signed on its behalf by

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
CASH FLOW STATEMENT
AS AT 31 DECEMBER 2020



| | Note | 2020 £ | 2019 £ |
|--|------|----------------|----------------|
| Cash flows from operating activities: | | | |
| Net cash used in operating activities | a) | (282,306) | (124,455) |
| Cash flows from investing activities: | | | |
| Dividends and interest from investments | | 71,928 | 93,950 |
| Proceeds from sale of tangible and intangible fixed assets | | - | - |
| Purchase of tangible and intangible fixed assets | | (7,574) | (10,811) |
| Proceeds from sale of investments | | 1,240,323 | 1,875,354 |
| Purchase of investments | | (975,314) | (1,838,799) |
| Net cash provided by investing activities | | 329,364 | 119,694 |
| Cash flows from financing activities | | | |
| Net cash provided by financing activities | | 100,000 | - |
| Change in cash and cash equivalents in the reporting period | | 147,058 | (4,761) |
| Cash and cash equivalents at 1 January 2020 | b) | 599,573 | 604,334 |
| at 31 December 2020 | b) | 746,631 | 599,573 |

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 | (48,562) | 486,091 |
| Adjustments for: | | |
| Add back long-term loan amount | (100,000) | - |
| Depreciation and amortisation | 74,435 | 76,714 |
| (Gains) on investments | (101,284) | (569,229) |
| Dividends and interest from investments | (71,928) | (93,950) |
| Decrease in stock | 7,337 | - |
| (Increase) / decrease in debtors | (120,518) | 42,113 |
| Increase / (decrease) in creditors | 78,214 | (66,194) |
| Net cash provided by (used in) operating activities | (282,306) | (124,455) |

b) Analysis of cash and cash equivalents

| | | |
|------------------------------------|----------------|----------------|
| Cash at bank and in hand | 623,359 | 465,133 |
| Cash held as long-term investments | 123,272 | 134,440 |
| | 746,631 | 599,573 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



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 2020



2. 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 2020



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.

| | 2020 | 2019 |
|---|-------------|-------------|
| | £ | £ |
| Financial assets held at fair value (a) | 4,236,425 | 4,400,150 |

(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 2020



| 2. DONATIONS AND LEGACIES | 2020 | 2019 |
|----------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Donations | 117,612 | 194,795 |
| Trusts and legacies | 462,826 | 529,199 |
| | <u>580,438</u> | <u>723,994</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.

| 3. CHARITABLE ACTIVITIES | 2020 | 2019 |
|---|-----------------------|-----------------------|
| | £ | £ |
| Grants Receivable | | |
| Historic England | 94,818 | 86,774 |
| Carpenter's Trust | 5,000 | 10,000 |
| Historic Environment Scotland | - | 10,000 |
| WMCF Trust | 10,000 | 10,000 |
| Dance Scholarship Trust | - | 9,476 |
| Building Preservation and Restoration Trust | - | 7,500 |
| CADW | 7,283 | 7,140 |
| Delves Charitable Trust | 6,000 | 6,000 |
| Drake Trust | 7,500 | 6,000 |
| The Stuart Heath Charitable Settlement | 5,000 | 5,000 |
| National Heritage – Covid Emergency Funding | 45,400 | - |
| The Pilgrim Trust | 10,000 | - |
| Radcliffe Foundation | 6,666 | - |
| Roger & Sarah Bancroft Charitable Trust | 4,000 | - |
| Wheler Foundation | 1,500 | - |
| Other | 150 | 13,412 |
| | <u>203,317</u> | <u>171,302</u> |
| Total Grants Receivable | | |
| | 203,317 | 171,302 |
| Subscriptions | 277,593 | 266,851 |
| Literature Sales | 4,857 | 4,085 |
| General Events | 65,423 | 146,316 |
| | <u>551,190</u> | <u>588,554</u> |

| 4. OTHER TRADING ACTIVITIES | 2020 | 2019 |
|------------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Advertising | 88,020 | 94,494 |
| Rent receivable | 26,413 | 23,961 |
| | <u>114,433</u> | <u>118,455</u> |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



| 5. INVESTMENT INCOME | | 2020 | 2019 |
|--|---------------------------|--------------------------|---------------------|
| | | £ | £ |
| Portfolio Income | | 70,960 | 92,400 |
| Interest on cash deposits | | 968 | 1,550 |
| | | <u>71,928</u> | <u>93,950</u> |
| | | | |
| 6. EXPENDITURE | | 2020 | 2019 |
| | Unrestricted Fund £ | Restricted Funds £ | Total Total £ |
| Charitable Activities | | | |
| <i>Building Maintenance</i> | | | |
| Grants and donations | 4,571 | 7,921 | 12,492 |
| | <u>4,571</u> | <u>7,921</u> | <u>12,492</u> |
| | | | |
| <i>Educational costs</i> | | | |
| Scholarships and fellowships | - | 6,775 | 6,775 |
| General events | 69 | - | 69 |
| Courses, meetings, lectures and events | 19,642 | 1,654 | 21,296 |
| Wages and salaries | 199,527 | 106,293 | 305,820 |
| Newsletter | 57,299 | 11,288 | 68,587 |
| Annual Report costs | - | - | - |
| Literature | 2,162 | - | 2,162 |
| Travel | 4,548 | - | 4,548 |
| Other | 3,834 | - | 3,834 |
| Building Project | 23,272 | 1,722 | 24,994 |
| Support costs (note 7) | 190,798 | 85,753 | 276,551 |
| | <u>501,151</u> | <u>213,485</u> | <u>714,636</u> |
| | | | |
| <i>Advisory services</i> | | | |
| Technical and Casework direct costs | 13,718 | 5,439 | 19,157 |
| Wages and salaries | 92,209 | 140,695 | 232,904 |
| Travel | 278 | 68 | 346 |
| Support costs (note 7) | 145,306 | 65,307 | 210,613 |
| | <u>251,511</u> | <u>211,509</u> | <u>463,020</u> |
| Total Charitable Activities | <u>757,233</u> | <u>432,915</u> | <u>1,190,148</u> |
| | | | |
| Raising Funds | | | |
| Fundraising costs | 24,564 | 4,133 | 28,697 |
| Wages and salaries | 117,225 | - | 117,225 |
| Support costs (note 7) | 73,136 | 32,870 | 106,006 |
| Advertising Commission | 31,820 | - | 31,820 |
| Investment managers fees | 7,481 | 9,957 | 17,438 |
| | <u>254,226</u> | <u>46,960</u> | <u>301,186</u> |
| Total Raising Funds | <u>254,226</u> | <u>46,960</u> | <u>301,186</u> |
| TOTAL EXPENDITURE | <u>1,011,459</u> | <u>479,875</u> | <u>1,491,334</u> |

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 2020



7. SUPPORT COSTS

| | Unrestricted Funds £ | Restricted Funds £ | 2020 Total £ | <i>2019 Total £</i> |
|---|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Travel and volunteers' expenditure | 2,975 | 1,722 | 4,697 | 17,625 |
| Wages and salaries | 171,788 | 62,590 | 234,378 | 229,615 |
| Printing, stationery, postage and advertising | 6,111 | 5,249 | 11,360 | 20,785 |
| Establishment expenses | 75,925 | 41,249 | 117,174 | 103,968 |
| Legal and professional | 64,947 | 39,148 | 104,095 | 84,115 |
| Depreciation | 53,835 | 20,616 | 74,451 | 77,943 |
| Bank charges and interest | 9,039 | 3,843 | 12,882 | 9,003 |
| Other | 12,093 | 4,707 | 16,800 | 12,854 |
| Governance costs: | | | | |
| <i>Audit</i> | 12,359 | 4,741 | 17,100 | 16,250 |
| <i>Trustee meetings</i> | 168 | 65 | 233 | 4,665 |
| | 409,240 | 183,930 | 593,170 | 576,823 |

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 (2019: £Nil).

8. TRUSTEES AND EMPLOYEES

| | 2020 £ | <i>2019 £</i> |
|-----------------------|-------------------|-------------------|
| Staff costs: | | |
| Wages and salaries | 781,110 | 770,462 |
| Social security costs | 72,047 | 68,733 |
| Pension costs | 37,170 | 34,516 |
| | 890,327 | 873,711 |

The Trustees did not receive any remuneration during the year. Expenses relating to travel of £1,069 (2019: £1,646) were paid on behalf of four (2019: five) 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 £299,309 (2019: £291,801).

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

| | <i>Headcount</i> | | <i>Full time equivalent</i> | |
|-------------------|---------------------|---------------------|-----------------------------|---------------------|
| | 2020 No. | <i>2019 No.</i> | 2020 No. | <i>2019 No.</i> |
| Fundraising | 2 | 2 | 1.5 | 1.5 |
| Educational | 12 | 12 | 7.5 | 7.8 |
| Advisory services | 8 | 8 | 5.3 | 5.1 |
| Support | 9 | 9 | 6.5 | 7.2 |
| | 31 | 31 | 20.8 | 21.6 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



9. TANGIBLE FIXED ASSETS

| | Freehold Land & Buildings | Antique Furniture | Office Equipment | Computer Equipment | Total |
|-------------------------------|---------------------------------|----------------------|----------------------|-----------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| As at 1 January 2020 | 392,504 | 11,129 | 156,978 | 99,950 | 660,561 |
| Additions | - | - | - | 7,574 | 7,574 |
| Disposals | - | - | (136,300) | (34,882) | (171,182) |
| As at 31 December 2020 | <u>392,504</u> | <u>11,129</u> | <u>20,678</u> | <u>72,642</u> | <u>496,953</u> |
| Depreciation | | | | | |
| As at 1 January 2020 | 163,870 | - | 151,978 | 62,679 | 378,527 |
| Charge for the year | 4,429 | - | 1,995 | 12,929 | 19,353 |
| Disposals | - | - | (136,300) | (34,882) | (171,182) |
| As at 31 December 2020 | <u>168,299</u> | <u>-</u> | <u>17,673</u> | <u>40,726</u> | <u>226,698</u> |
| Net book value | | | | | |
| 31 December 2020 | <u>224,205</u> | <u>11,129</u> | <u>3,005</u> | <u>31,916</u> | <u>270,255</u> |
| <i>31 December 2019</i> | <u>228,634</u> | <u>11,129</u> | <u>5,000</u> | <u>37,271</u> | <u>282,034</u> |

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 2020 | 275,407 | 275,407 |
| Additions | - | - |
| Disposals | - | - |
| As at 31 December 2020 | <u>275,407</u> | <u>275,407</u> |
| Amortisation | | |
| As at 1 January 2020 | 143,951 | 143,951 |
| Disposals | - | - |
| Charge for year | 55,081 | 55,081 |
| As at 31 December 2020 | <u>199,032</u> | <u>199,032</u> |
| Net Book Value – 31 December 2020 | <u>76,375</u> | <u>76,375</u> |
| <i>– 31 December 2019</i> | <u>131,456</u> | <u>131,456</u> |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



| 11. FIXED ASSET INVESTMENTS | 2020 | 2019 |
|--|-------------------------|-------------------------|
| | £ | £ |
| Market value of quoted investments | 4,236,425 | 4,400,150 |
| Cash | <u>123,272</u> | <u>134,440</u> |
| | <u>4,359,697</u> | <u>4,534,590</u> |
| Listed investments | | |
| Market value at start of year | 4,400,150 | 3,867,476 |
| Additions | 975,314 | 1,838,799 |
| Disposals | (1,240,323) | (1,875,354) |
| Net gains on investments | <u>101,284</u> | <u>569,229</u> |
| Market value at end of year | <u>4,236,425</u> | <u>4,400,150</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 | 2020 | 2019 |
| | £ | £ |
| Trade debtors | 31,959 | 8,566 |
| Prepayments and accrued income | <u>282,691</u> | <u>185,566</u> |
| | <u>314,650</u> | <u>194,132</u> |
| 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | 2020 | 2019 |
| | £ | £ |
| Trade creditors | 29,619 | 62,183 |
| Other creditors | 3,626 | 2,277 |
| Taxation and social security | 17,497 | 8,529 |
| Accruals and deferred income | <u>64,222</u> | <u>60,423</u> |
| | <u>114,964</u> | <u>133,412</u> |
| CREDITORS: AMOUNTS FALLING DUE > 1YEAR | 2020 | 2019 |
| | £ | £ |
| Bank loans and overdrafts | 100,133 | - |
| Deferred Income | 19,916 | 23,387 |
| Total Creditors | <u>235,013</u> | <u>156,799</u> |

The loan for £100,133 is part of a £500,000 loan facility provided by the Architectural Heritage Fund. £100,000 of this loan facility has been drawn down at 31/12/20. The loan is available for a period of 60 months from the first date upon which the loan is drawn down. No capital and interest repayments are due for a period of 36 months after the date of the initial drawdown. After this initial period only interest payments are required to be paid up to month 60, upon which full capital repayment must be made.

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13. CREDITORS (Continued)

Deferred income of £48,743 (2019: £45,899) 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 2020 were £27,056 (2019: £31,048) of which £3,570 was released in 2020 (2019: £3,991). Life membership subscriptions received in the current period amounted to £nil.

14. MOVEMENT IN FUNDS

| | <i>Balance 1 January 2020 £</i> | Income £ | Expenditure £ | Transfers £ | Net Investment Gains £ | Balance 31 December 2020 £ |
|-------------------------------------|---|---------------------|--------------------------|------------------------|---|---|
| Restricted Funds: | | | | | | |
| The Mills Section | 1,194,822 | 51,654 | (130,825) | - | 37,772 | 1,153,423 |
| R&M of ancient buildings | 401,993 | 8,330 | (4,166) | - | 7,990 | 414,147 |
| Scholarship for architects | 286,858 | 31,736 | (37,157) | - | 7,556 | 288,993 |
| The William Morris Craft Fellowship | 189,655 | 42,903 | (44,173) | - | - | 188,385 |
| Historic England | - | 77,949 | (263,210) | 185,261 | - | - |
| Gloria e Marco Award | 83,463 | 250 | - | - | - | 83,713 |
| D&P Marsh Trust | 100,000 | - | - | - | - | 100,000 |
| Restricted (Other) | 102,062 | 18,566 | (344) | - | - | 120,284 |
| Total Restricted Funds | 2,358,853 | 231,388 | (479,875) | 185,261 | 53,318 | 2,348,945 |
| Endowed Funds | 630,188 | - | - | - | 14,766 | 644,954 |
| Designated Funds: | | | | | | |
| Fixed Asset Reserve | 282,033 | - | (19,353) | 7,574 | - | 270,254 |
| IT Fund | 46,270 | - | - | - | - | 46,270 |
| Kibworth Harcourt Repair | 7,000 | - | - | - | - | 7,000 |
| Spital Square Repair | 14,441 | - | - | - | - | 14,441 |
| | 349,744 | - | (19,353) | 7,574 | - | 337,965 |
| General Fund | 2,119,100 | 1,110,100 | (992,106) | (192,835) | 33,200 | 2,077,459 |
| Total Unrestricted Funds | 2,468,844 | 1,110,100 | (1,011,459) | (185,261) | 33,200 | 2,415,424 |
| Total Funds | 5,457,885 | 1,341,488 | (1,491,334) | - | 101,284 | 5,409,323 |

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 & Lilibourne 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

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14. MOVEMENT IN FUNDS (continued)

Restricted Funds (continued):

The William Morris Craft Fellowship

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

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 £179,758 was made from the restricted to the unrestricted fund during the year. The transfer was made to reimburse the general fund for the restricted funds proportion of general running costs incurred by the general fund on its behalf.

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15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Tangible Fixed Assets £ | Intangible Fixed Assets £ | Net Investments £ | Net Current Assets £ | Total 2020 £ |
|-------------------------------------|--|--|----------------------------------|-------------------------------------|-----------------------------|
| Restricted | | | | | |
| The Mills Section | - | - | 1,153,423 | - | 1,153,423 |
| R&M of ancient buildings | - | - | 321,560 | 92,587 | 414,147 |
| Scholarship for architects | - | - | 297,658 | (8,665) | 288,993 |
| The William Morris Craft Fellowship | - | - | - | 188,385 | 188,385 |
| Gloria e Marco Award | - | - | - | 83,713 | 83,713 |
| D&P Marsh Trust | - | - | - | 100,000 | 100,000 |
| Restricted (Other) | - | - | - | 120,284 | 120,284 |
| Endowed Funds | - | - | 630,709 | 14,245 | 644,954 |
| Unrestricted Funds | 270,254 | 76,375 | 1,956,348 | 112,447 | 2,415,424 |
| Total | 270,254 | 76,375 | 4,359,698 | 702,996 | 5,409,323 |

16. PENSION

The Society participates in The Pensions Trust's Growth Plan ("the Plan") for 25 staff (2019: 22). 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 2021 of £1,111 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 £33,117. At the year-end £4,692 (2019: £5,626) 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 | 2020 | 2019 |
| | £ | £ |
| Within one year | 26,000 | 16,667 |
| Between one and five years | 21,667 | - |
| | <u>21,667</u> | <u>-</u> |

18. RELATED PARTY TRANSACTIONS

Donations totalling £125 (2019: £Nil) were received from Trustees during the 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 (2019: £Nil)

20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

| | Notes | Unrestricted Funds | Restricted Funds | Endowed Funds | 2019 Total Funds |
|--|-------|-----------------------|---------------------|------------------|------------------------|
| | | £ | £ | £ | £ |
| Income and Endowments from: | | | | | |
| Donations and legacies | 2 | 579,839 | 144,155 | - | 723,994 |
| Charitable activities | 3 | 432,340 | 156,214 | - | 588,554 |
| Other trading activities | 4 | 116,172 | 2,283 | - | 118,455 |
| Investment Income | 5 | 45,820 | 48,130 | - | 93,950 |
| Other | | 11,903 | 6 | - | 11,909 |
| Total | | 1,186,074 | 350,788 | - | 1,536,862 |
| Expenditure on: | | | | | |
| Raising funds | | 227,678 | 55,968 | - | 283,646 |
| Charitable activities | | 783,805 | 552,549 | - | 1,336,354 |
| Total | 6 | 1,011,483 | 608,517 | - | 1,620,000 |
| Operating surplus / (deficit) | | 174,591 | (257,729) | - | (83,138) |
| Net gains/(losses) on investments | | 241,812 | 251,824 | 75,593 | 569,229 |
| Net income/(expenditure) | | 416,403 | (5,905) | 75,593 | 486,091 |
| Transfer between funds | 9 | (184,103) | 184,103 | - | - |
| Net movement in funds | | 232,300 | 178,198 | 75,593 | 486,091 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 2,236,544 | 2,180,655 | 554,595 | 4,971,794 |
| Total funds carried forward | | 2,468,844 | 2,358,853 | 630,188 | 5,457,885 |

THE SOCIETY FOR THE PROTECTION OF ANCIENT BUILDINGS
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21. COMPARATIVE FUNDS

| MOVEMENT IN FUNDS | <i>Balance 1 January 2019 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers £</i> | <i>Net Investment Gains £</i> | <i>Balance 31 December 2019 £</i> |
|-------------------------------------|---|---------------------|--------------------------|------------------------|---|---|
| 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 | - | - |
| D&P Marsh Charitable Trust | - | 100,000 | - | - | - | 100,000 |
| Gloria e Marco Award | 79,087 | 15,756 | (11,380) | - | - | 83,463 |
| 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 |

22. COMPARATIVE 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 | - | - | 291,312 | -4,454 | 286,858 |
| The William Morris Craft Fellowship | - | - | - | 189,655 | 189,655 |
| Gloria e Marco Award | - | - | - | 83,463 | 83,463 |
| D&P Marsh Charitable 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 | 5,457,885 |