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J W Hinks LLP

REGISTERED COMPANY NUMBER: 04428382 (England and Wales)
REGISTERED CHARITY NUMBER: 1095730

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 AUGUST 2022
FOR
BIRMINGHAM INTERNATIONAL STUDENT HOMES
(A COMPANY LIMITED BY GUARANTEE)**

BIRMINGHAM INTERNATIONAL STUDENT HOMES

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FOR THE YEAR ENDED 31 AUGUST 2022**

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BIRMINGHAM INTERNATIONAL STUDENT HOMES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees, who are also Directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31 August 2022. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective from 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Purposes and aims

Birmingham International Student Homes' objectives and aims can be summarised as follows.

1. To promote and provide for the advancement of education and training of students from the United Kingdom and overseas.
2. To promote or assist in the provision of facilities for recreation and other leisure time occupation.
3. To promote the advancement of the Christian faith in the United Kingdom and overseas in connection therewith to provide residential accommodation.

In order to fulfil its objectives and aims Birmingham International Student Homes provides and manages accommodation at two properties located within the City of Birmingham - Wesley International House and Asbury Overseas House.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us to ensure that our aim, objectives and activities remain focused on our stated purposes.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our work

The focus of the Charity's work continues primarily to be the provision and management of accommodation in order to provide and advance the education and training of students from the United Kingdom and overseas.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

How our activities deliver public benefit

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit, including the guidance on public benefit and fee charging.

Our main activities and who we try to help are described below. The Charity's activities continue to focus on our ability to provide and advance the education and training of students from the United Kingdom and overseas through the use of the facilities available to the Charity.

A Home Away from Home

In common with many other charities and companies, this year has been challenging as we recovered from the significant adverse impacts of the Coronavirus pandemic during the last two years. Healthy reserves built over years of prudent management ensured that the Charity had sufficient financial resources during this difficult period to continue our care and support of students and other people from overseas to develop their skills.

The Board is satisfied that the objectives and aims of the Charity in providing accommodation with appropriate pastoral support for overseas students in Birmingham have been fully met.

The easing of UK Coronavirus restrictions allowed universities to resume face to face teaching at the start of the 2021/22 academic year. Overseas students returned to resume their studies and consequently we saw a steady and strong improvement in our occupancy levels throughout the year. We are delighted that we now find that since the summer of 2022, our accommodation is almost fully booked for the current year.

The Board has continued to meet on a monthly basis to monitor developments in order to respond to the changing situation. Now that operations have returned to a more normal basis, face to face Board meetings have resumed on a quarterly basis.

The demographics of our student population has changed somewhat because Coronavirus travel restrictions still apply in some parts of the world, most notably China. The lack of returning Chinese students has been more than offset by the arrival of new students from India and other Far Eastern countries.

Throughout the year, around 200 people were in residence at any one time, all coming from overseas to learn particular knowledge and skills that are much needed in their home countries. The spread of cultures and faiths was remarkable with over 219 people in residence from 41 countries. The total number of people staying with us has increased significantly this year, with longer courses and tenancies leading to higher occupancy levels.

For this wide variety of residents, our emphasis remains firmly on our charitable purpose of providing a supportive *"Home Away from Home"* for people who are away from their own country and culture for the first time, often with limited English skills, and we look forward with confidence to continue to serve them in the future.

Personal recommendation of our accommodation by previous residents remains the most significant way in which current residents come to us. Once settled and living in our houses, it is pleasing to see how quickly residents absorb our ways of life. We jointly celebrate such diverse cultures and languages living in harmony together as they organise themselves socially for a more satisfying life.

The Board is pleased that it was able to appoint a new General Manager, Gemma Harris, who took up this role from 1st May 2022. Gemma has worked for BISH for over twelve years having joined us initially as a domestic cleaner before being promoted to team-leader. In addition to her extensive experience, she brings to the role an engaging personality and an enthusiasm for hard work. Under her leadership, we have recruited additional staff to replace those that left us during the Coronavirus pandemic. We now have a strong team in place to allow us to continue to deliver our ethos of *"A Home Away from Home"*.

BIRMINGHAM INTERNATIONAL STUDENT HOMES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities - continued

During the year we carried out a detailed and extensive review of our Health and Safety policies and procedures and are currently updating our letting agreements to align with the latest legal regulations. On 17th August 2022 there was a serious fire in one of the student bedrooms at Asbury Overseas House that completely gutted the room. Thankfully, no one was injured as our fire alarm and evacuation procedures worked well and the Fire Brigade was on site to contain the fire within minutes. The damage has now been repaired and the costs were fully covered by our insurance.

We are optimistic that we have weathered the worst of the Coronavirus pandemic and that we have now returned to a "new normal" way of living with the virus. It is expected that the current financial year will achieve good occupancy levels but we now face significant new challenges due to inflation and higher energy costs.

Our success is in no short measure due to our dedicated staff, many with long experience, who are the key ingredient in creating and maintaining such a "Home Away from Home" environment to support our guests. In the very difficult two years that we have been through with the pandemic, the staff have continued to support our operations with their positive attitude, hard work and resilience in the face of the many difficulties that they have had to face. The Directors/Trustees wish to record their appreciation to all the staff and supporters of the Birmingham International Student Homes for their continuing hard work and dedication to our purpose and we look forward with confidence to the future.

FINANCIAL REVIEW

Financial position

The Statement of Financial Activities shows total income for the year ended 31 August 2022 of £586,462 (2021 - £384,514) and total expenditure of £478,172 (2021 - £449,641), thereby increasing by £108,290 (2021 - reducing by £65,127) the Charity's total funds as at 31 August 2022 to £535,762 (2021 - £427,472).

During the year ended 31 August 2022 there was an overall surplus of income over expenditure before property costs of £126,045 (2021 - deficit £33,432). Expenditure on property costs during the year ended 31 August 2022 totalled £21,716 (2021 - £31,695) of which £3,961 (2021 - £nil) of property improvements were capitalised as fixed assets with the balance of £17,755 (2021 - £31,695) expensed as property repairs and maintenance.

There has been a net cash inflow during the year ended 31 August 2022 of £112,789 (2021 - net cash outflow totalling £24,068) and at the year end the Charity had £432,914 (2021 - £320,125) of cash balances available to meet its day-to-day operational requirements.

The total funds retained in the balance sheet as at 31 August 2022 amounted to £535,762 (2021 - £427,472).

His Majesty's Revenue and Customs carried out a review of our operations and concluded that the nature of our supplies were deemed to be exempt under current Value Added Tax Regulations. Accordingly, the Company deregistered from Value Added Tax with effect from 1 June 2022.

BIRMINGHAM INTERNATIONAL STUDENT HOMES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

FINANCIAL REVIEW - continued

Reserves policy

The reserves policy of the Charity is to maintain unrestricted funds, not committed or invested in tangible fixed assets which are the free reserves of the Charity, at a level which equates to approximately three months unrestricted expenditure.

This level of unrestricted funds should provide sufficient funds to cover management and administration costs in addition to protecting the Charity against fluctuations in incoming resources caused by unforeseen vacancies in the residential houses managed by the Charity, thereby enabling the Charity to continue to develop all aspects of its activities.

Going concern

Following the abatement of the Coronavirus pandemic and the subsequent lifting of UK restrictions, no matters have come to the attention of the Trustees which might suggest that the Charity will not be able to maintain its current activities for the foreseeable future. The Trustees have therefore considered that it is appropriate for the financial statements to be prepared on the going concern basis.

Future plans

Our challenges in the future are significant but remain little changed. Our prime purpose is to support people from overseas who are here to develop themselves and gain vital knowledge to take back to their own countries. These people, of all cultures and faiths, come together in friendship to live and work together whilst they are here in Birmingham. Their support of each other is vital to our purpose.

We will continue to invest in our accommodation in keeping with the demand for rising standards and to reduce our environmental footprint. Our attitude to reserves reflects that we are conscious that our infrastructure is aging and may need significant work in the future.

The Trustees will continue to seek to broaden our client base of students and trainees within our prime purpose of caring for the stranger in our midst.

We will continue to invest in staff development to strengthen the work that we undertake to support our guests and equip ourselves for a new future. In short we will do all we can to continue to offer a *"Home Away from Home"* for all nations, all cultures and all creeds who seek to come to the Midlands to improve themselves and the lot of others back in their home countries.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Birmingham International Student Homes is a company limited by guarantee (registered number 04428382) which was incorporated on 30 April 2002 and achieved charitable status on 31 January 2003 (registered number 1095730).

The Company was established under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed under its Articles of Association.

All Directors of the Company are also Trustees of the Company and there are no other Trustees.

One-third of the Trustees shall retire and seek re-election at every Annual General Meeting.

No Member has any beneficial interest in the Charitable Company and Members are required to contribute an amount not exceeding £10 in the event of the Company being wound up or within one year after they have ceased to be a Member.

STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

Recruitment and appointment of new Trustees

As set out in the Charity's Articles of Association, at every subsequent Annual General Meeting following the Charity's first Annual General Meeting one-third of the Trustees are subject to retirement by rotation.

If the Charity does not fill the vacancy at the meeting at which the Trustee retires by rotation, the retiring Trustee shall, if willing to act, be deemed to have been re-appointed.

All Trustees give their time voluntarily and receive no benefits from the Charity. Any expenses reclaimed from the Charity are set out in the notes to the financial statements.

Organisational structure

The Charity is organised so that its Board of Trustees meet regularly to manage its affairs and formulate policy.

The Chairman, Honorary Treasurer and Managers are responsible for the day-to-day running and financial management of the Charity.

During the year ended 31 August 2022 the Charity has continued to adhere to the Charity Governance Code for Smaller Charities using the Code's seven key principles as a tool to support the continuous improvement of good governance.

Induction and training of new Trustees

New Trustees undergo an orientation day to brief them on legal obligations under charity law, the Charity's decision-making processes and the recent financial performance of the Charity. During the induction day new Trustees meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the understanding of their role.

Key management information

In the Trustees' opinion, the key management personnel of the Charity responsible for the direction, control, running and operation of the Charity on a day-to-day basis consists of the Board of Trustees and the Managers.

Key management personnel - Trustees

All Trustees give of their time freely and no Trustee received remuneration during the year.

Details of Trustees' expenses and related party transactions are disclosed in notes 10 and 18 to the financial statements.

Key management personnel - Managers

The pay of the Charity's senior staff is reviewed annually and normally increased based upon the position of the Charity's finances and the cost of living in general.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees have examined the major strategic, business and operational risks that the Charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks.

BIRMINGHAM INTERNATIONAL STUDENT HOMES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04428382 (England and Wales)

Registered Charity number

1095730

Registered office

52 Oakfield Road
Selly Oak
Birmingham
B29 7EQ

Trustees

Andrew J Steel	Chair
Peter J S Johansen MBE	Honorary Treasurer
Rev Stuart J Burgess CBE	
Robert O Dauncey	
Malcolm Evans	
Carolyn M Humpherson	

General Manager

Gemma Harris (appointed 1 May 2022)

Company Secretary

Carolyn M Humpherson

Senior Statutory Auditor

James Cruse ACA, FCCA, BSc (Econ) Hons

Auditors

J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

Bankers

Lloyds Bank plc
University of Birmingham Branch
142 Edgbaston Park Road
Birmingham
B15 2TY

Central Finance Board of the Methodist Church
9 Bonhill Street
London
EC2A 4PE

BIRMINGHAM INTERNATIONAL STUDENT HOMES

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the Directors of Birmingham International Student Homes for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements 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 application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The Trustees are responsible for keeping proper accounting records that 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. 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, J W Hinks LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

Report of the Trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 17 January 2023 and signed on the Board's behalf by:



.....
Andrew J Steel - Trustee

Opinion

We have audited the financial statements of Birmingham International Student Homes (the 'Charitable Company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 '*The Financial Reporting Standard applicable in the UK and Republic of Ireland*' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its 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.

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 Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the Report of the Trustees, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Report of the Trustees. 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 course of 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BIRMINGHAM INTERNATIONAL STUDENT HOMES
(REGISTERED NUMBER: 04428382)**

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; 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, 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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:

- Enquiring with management and others to gain an understanding of the organisation itself including operations, financial reporting and known fraud or error;
- Evaluating and understanding the internal control system;
- Performing analytical procedures as expected or unexpected variances in account balances or classes of transactions appear;
- Testing documentation supporting account balances or classes of transactions; and
- Confirming accounts receivable and other accounts with a third party.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BIRMINGHAM INTERNATIONAL STUDENT HOMES
(REGISTERED NUMBER: 04428382)**

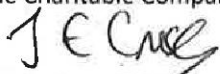
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Report of the Independent Auditors.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.



James Cruse ACA, FCCA, BSc (Econ) Hons - (Senior Statutory Auditor)
for and on behalf of J W Hinks LLP
Chartered Accountants
and Statutory Auditors
19 Highfield Road
Edgbaston
Birmingham
West Midlands
B15 3BH

Date: 17 January 2023

BIRMINGHAM INTERNATIONAL STUDENT HOMES

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
	Note				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,100	-	1,100	-
Charitable activities					
Accommodation charges	4	577,231	-	577,231	322,634
Investment income	3	1,310	-	1,310	384
Other income	5	6,821	-	6,821	61,496
Total		586,462	-	586,462	384,514
EXPENDITURE ON					
Charitable activities					
Accommodation expenditure	6	478,172	-	478,172	449,641
NET INCOME / (EXPENDITURE)		108,290	-	108,290	(65,127)
RECONCILIATION OF FUNDS					
Total funds brought forward		427,472	-	427,472	492,599
TOTAL FUNDS CARRIED FORWARD		535,762	-	537,762	427,472

BIRMINGHAM INTERNATIONAL STUDENT HOMES (REGISTERED NUMBER: 04428382)

**BALANCE SHEET
AT 31 AUGUST 2022**

		Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
	Note				
FIXED ASSETS					
Tangible assets	13	<u>91,036</u>	-	<u>91,036</u>	<u>113,583</u>
CURRENT ASSETS					
Debtors	14	<u>40,219</u>	-	<u>40,219</u>	18,754
Cash at bank and in hand		<u>432,914</u>	-	<u>432,914</u>	<u>320,125</u>
		473,133	-	473,133	338,879
CREDITORS					
Amounts falling due within one year	15	<u>(28,407)</u>	-	<u>(28,407)</u>	<u>(24,990)</u>
NET CURRENT ASSETS		<u>444,726</u>	-	<u>444,726</u>	<u>313,889</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>535,762</u>	-	<u>535,762</u>	427,572
NET ASSETS		<u><u>535,762</u></u>	-	<u><u>535,762</u></u>	<u><u>427,472</u></u>
FUNDS	16				
Unrestricted funds				535,762	427,472
Restricted funds				-	-
TOTAL FUNDS				<u><u>535,762</u></u>	<u><u>427,472</u></u>

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

The financial statements were approved by the Board of Trustees on 17 January 2023 and were signed on its behalf by:

.....
Andrew J Steel - Trustee

.....
Peter J S Johansen MBE - Trustee

BIRMINGHAM INTERNATIONAL STUDENT HOMES**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Cash generated from / (used by) operations	1	<u>115,440</u>	<u>(24,452)</u>
Net cash provided by / (used in) by operating activities		<u>115,440</u>	<u>(24,452)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(3,961)	-
Interest received		<u>1,310</u>	<u>384</u>
Net cash (used in) /provided by investing activities		<u>(2,651)</u>	<u>384</u>
Change in cash and cash equivalents in the reporting period		112,789	(24,068)
Cash and cash equivalents at the beginning of the reporting period		<u>320,125</u>	<u>344,193</u>
Cash and cash equivalents at the end of the reporting period		<u><u>432,914</u></u>	<u><u>320,125</u></u>

BIRMINGHAM INTERNATIONAL STUDENT HOMES

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022	2021
	£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	108,290	(65,127)
Adjustments for:		
Depreciation charges	26,508	26,248
Interest received	(1,310)	(384)
(Increase) / Decrease in debtors	(21,465)	17,019
Increase / (Decrease) in creditors	<u>3,417</u>	<u>(2,208)</u>
Net cash provided by / (used in) operating activities	<u>115,440</u>	<u>(24,452)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21	Cash flow	At 31.8.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>320,125</u>	<u>112,789</u>	<u>432,914</u>
Total	<u>320,125</u>	<u>112,789</u>	<u>432,914</u>

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

General information

Birmingham International Student Homes is a Charity incorporated in England and Wales. The address of the Charity's registered office is 52 Oakfield Road, Selly Oak, Birmingham, B29 7EQ.

Accounting convention

The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Companies Act 2006 and the Charities Act 2011.

The financial statements have been prepared using the historic cost convention and are presented in sterling which is the functional currency of the Charity, rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

COMPANY STATUS

The Charity is a company limited by guarantee. The members of the Charity are the Trustees named in the Report of the Trustees. In the event of the Charity being wound up the liability in respect of the guarantee is limited to £10 per member of the Charity.

GOING CONCERN

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The expected level of income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

INCOME

All income is recognised in the Statement of Financial Activities once the Charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Fees charged for services provided by the Charity such as accommodation charges and service charges are recognised as the services are being performed. Income received in advance of the service being performed is deferred.

Investment income is earned through holding assets such as cash on deposit. It includes interest receivable. Interest income is recognised using the effective interest rate method and is recognised as the Charity's right to receive payment is established.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

1. ACCOUNTING POLICIES - continued

EXPENDITURE

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

It is categorised under the following headings.

- o Expenditure on charitable activities.
- o Other expenditure representing those items not falling into the above categories.

Support costs are those that assist with the work of the Charity but do not directly represent charitable activities and include office costs, governance costs and other administrative costs.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at cost less depreciation or in cases where fixed assets have been donated at valuation at the time of acquisition.

Depreciation has been provided on tangible fixed assets at annual rates calculated to write off the cost, less the estimated residual value, of each asset over its estimated useful life at the following rates.

Improvements to property	- 10% on cost
Fixtures and fittings	- 20% on cost

Depreciation on tangible fixed assets is not charged in the year of acquisition but in the subsequent year.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income / (expenditure) for the year.

TAXATION

The Charity is exempt from corporation tax on its charitable activities.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand and deposits held at call with banks. Bank overdrafts are shown within borrowings in current liabilities.

OPERATING LEASES

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

EMPLOYEE BENEFITS

When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. ACCOUNTING POLICIES - continued

PENSION COSTS AND OTHER POST-RETIREMENT BENEFITS

Contributions to the personal pension schemes of certain employees are charged to the Statement of Financial Activities in the period in which they relate. The assets of these personal pension schemes are held separately from those of the Charity in independently administered funds.

FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

FINANCIAL INSTRUMENTS

The Charity only 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.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period or in the period of the revision and future periods where the revision affects both current and future periods.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	<u>1,100</u>	<u> </u>

3. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>1,310</u>	<u>384</u>

BIRMINGHAM INTERNATIONAL STUDENT HOMES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

4. INCOME FROM CHARITABLE ACTIVITIES

	2022 Charitable activities £	2021 Charitable activities £
Accommodation charges	560,979	312,135
Service charges	16,252	10,499
	<u>577,231</u>	<u>322,634</u>

5. OTHER INCOME

	2022 Charitable activities £	2021 Charitable activities £
Job Retention Grant	1,760	57,496
Employment Allowance	5,000	4,000
National Insurance on maternity pay recovered	61	
	<u>6,821</u>	<u>61,496</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 7) £	Support costs (See note 8) £	Totals £
Accommodation expenditure	<u>354,356</u>	<u>123,816</u>	<u>478,172</u>

7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Staff wages	119,165	127,209
Social security	6,558	7,626
Pensions	9,365	9,912
Rates and water	32,322	29,182
Insurance	21,273	20,919
Light and heat	63,374	50,763
Newspapers and sundries	2,260	1,105
Laundry	10,255	5,496
Cleaning	6,430	4,364
Equipment replacements and repairs	13,776	3,025
Property maintenance and repairs	17,755	31,696
Health and safety	6,632	792
Wi-Fi network charges	18,683	15,480
Depreciation	26,508	26,248
	<u>354,356</u>	<u>333,817</u>

BIRMINGHAM INTERNATIONAL STUDENT HOMES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

8. SUPPORT COSTS

	Support costs £	Governance costs £	Totals £
Accommodation expenditure	<u>104,458</u>	<u>19,358</u>	<u>123,816</u>

Support costs, included in the above, are as follows:

Support costs

	2022 £	2021 £
Salary costs	69,808	78,002
Social security	6,915	7,214
Pensions and life assurance	7,860	7,882
Computer, postage, telephone, courses, stationery and advertising	<u>19,875</u>	<u>16,276</u>
	<u>104,458</u>	<u>109,374</u>

Governance costs

	2022 £	2021 £
Auditors' remuneration	4,250	4,250
Auditors' remuneration for non-audit work	1,268	2,200
Legal and professional fees	<u>13,840</u>	<u>—</u>
	<u>19,358</u>	<u>6,450</u>

9. NET INCOME / (EXPENDITURE)

Net income / (expenditure) is stated after charging / (crediting):

	2022 £	2021 £
Audit fee	4,250	4,250
Accountancy charges	1,268	2,200
Depreciation - owned assets	<u>26,508</u>	<u>26,248</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 August 2022 nor for the year ended 31 August 2021.

TRUSTEES' EXPENSES

There were no Trustees' expenses paid for the year ended 31 August 2022 nor for the year ended 31 August 2021.

BIRMINGHAM INTERNATIONAL STUDENT HOMES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

11. STAFF COSTS

	2022 £	2021 £
Wages and salaries	188,973	178,245
Redundancy payments	-	26,965
Social security costs	13,473	14,841
Other pension costs and life assurance	17,225	17,794
	<u>219,671</u>	<u>237,845</u>

The average monthly number of employees during the year was as follows:

	2022 15	2021 13
Wardens and staff		

No employees received emoluments in excess of £60,000.

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	-	-
Charitable activities			
Accommodation charges	322,634	-	322,634
Investment income	384	-	384
Other Income	61,496	-	61,496
Total	384,514	-	384,514
EXPENDITURE ON			
Charitable activities			
Accommodation expenditure	449,641	-	449,641
NET INCOME/(EXPENDITURE)	(65,127)	-	(65,127)
RECONCILIATION OF FUNDS			
Total funds brought forward	492,599	-	492,599
TOTAL FUNDS CARRIED FORWARD	<u>427,472</u>	<u>-</u>	<u>427,472</u>

BIRMINGHAM INTERNATIONAL STUDENT HOMES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

13. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Totals £
COST			
At 1 September 2021	454,764	50,880	505,644
Additions	<u>2,307</u>	<u>1,654</u>	<u>3,961</u>
At 31 August 2022	<u>457,071</u>	<u>52,534</u>	<u>509,605</u>
DEPRECIATION			
At 1 September 2021	341,236	50,825	392,061
Charge for year	<u>26,343</u>	<u>165</u>	<u>26,508</u>
At 31 August 2022	<u>367,579</u>	<u>50,990</u>	<u>418,569</u>
NET BOOK VALUE			
At 31 August 2022	<u>89,492</u>	<u>1,544</u>	<u>91,036</u>
At 31 August 2021	<u>113,528</u>	<u>55</u>	<u>113,583</u>

The Birmingham Methodist District Trustees for Wesley International House and the Methodist Council for Asbury Overseas House have ratified management agreements authorising Birmingham International Student Homes to be responsible for all aspects of the upkeep and maintenance of both properties managed by the Charity except final ownership.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	7,957	3,578
Prepayments	32,262	8,877
Other debtors	<u>-</u>	<u>6,299</u>
	<u>40,219</u>	<u>18,754</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	3,200	2,628
Social security and other taxes	-	573
Deferred income	9,874	9,069
Accrued expenses	<u>15,333</u>	<u>12,720</u>
	<u>28,407</u>	<u>24,990</u>

BIRMINGHAM INTERNATIONAL STUDENT HOMES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Deferred income included above consists of the following:

	2022 £	2021 £
Deferred accommodation charges as at 31 August 2021	9,069	7,494
Accommodation charges deferred during the year	94,034	62,668
Accommodation charges released during the year	(93,229)	(61,093)
Deferred accommodation charges as at 31 August 2022	<u>9,874</u>	<u>9,069</u>

16. MOVEMENT IN FUNDS

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General Fund - Asbury Overseas House	183,773	92,647	276,420
General Fund - Wesley International House	113,699	15,643	129,342
Designated Fund - Asbury Overseas House Maintenance Reserve Fund	60,000	-	60,000
Designated Fund - Wesley International House Maintenance Reserve Fund	70,000	-	70,000
TOTAL FUNDS	<u>427,472</u>	<u>108,290</u>	<u>535,762</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund - Asbury Overseas House	352,377	(259,730)	92,647
General Fund - Wesley International House	234,085	(218,442)	15,643
TOTAL FUNDS	<u>586,462</u>	<u>(478,172)</u>	<u>108,290</u>

BIRMINGHAM INTERNATIONAL STUDENT HOMES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted Funds			
General Fund - Asbury Overseas House	221,938	(38,165)	183,773
General Fund - Wesley International House	140,661	(26,962)	113,699
Designated Fund - Asbury Overseas House Maintenance Reserve Fund	60,000	-	60,000
Designated Fund - Wesley International House Maintenance Reserve Fund	70,000	-	70,000
TOTAL FUNDS	492,599	(65,127)	427,472

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund - Asbury Overseas House	228,056	(266,221)	(38,165)
General Fund - Wesley International House	156,458	(183,420)	(26,962)
TOTAL FUNDS	384,514	(449,641)	(65,127)

BIRMINGHAM INTERNATIONAL STUDENT HOMES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.20 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General Fund - Asbury Overseas House	221,938	54,482	276,420
General Fund - Wesley International House	140,661	(11,319)	129,342
Designated Fund - Asbury Overseas House Maintenance Reserve Fund	60,000	-	60,000
Designated Fund - Wesley International House Maintenance Reserve Fund	70,000	-	70,000
TOTAL FUNDS	492,599	43,163	535,762

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General Fund - Asbury Overseas House	580,433	(525,951)	54,482
General Fund - Wesley International House	390,543	(401,862)	(11,319)
TOTAL FUNDS	970,976	(927,813)	43,163

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. MOVEMENT IN FUNDS - continued

Purpose of funds

Unrestricted - General Fund

The General Fund represents the free funds of the Charity that are not designated for particular purposes.

Designated - Asbury Overseas House Maintenance Reserve Fund

This fund represents an amount set aside as a contingency to cover the costs of property maintenance and repairs charges incurred by the Charity concerning Asbury Overseas House.

Designated - Wesley International House Maintenance Reserve Fund

This fund represents an amount set aside as a contingency to cover the costs of property maintenance and repairs charges incurred by the Charity concerning Wesley International House.

Restricted -

There are no restricted funds.

17. PENSION COMMITMENTS

The Charity contributes to the individual pension plans of certain employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund. If the Charity were to withdraw from this fund then it could become liable for its share of any deficit in the fund calculated on a statutory buy-out basis. This contingent liability is currently estimated to be up to a maximum of £19,851 (2021 - £30,552).

The total contributions for the year amounted to £17,225 (2021 - £17,794).

18. RELATED PARTY DISCLOSURES

During the year £9,980 (2021- £7,729) was paid to Savekers Solutions Limited for marketing and other services. Andrew Steel, who is the Chairman of Birmingham International Student Homes, is a director and shareholder of Savekers Solutions Limited.

19. EVENTS AFTER THE REPORTING PERIOD

These financial statements have been prepared on a going concern basis, the validity of which is dependent upon Birmingham International Student Homes being able to continue to operate profitably. The impact of the Coronavirus pandemic has abated and, at the present time, occupancy levels have returned to their pre-pandemic levels. Consequently no further disruptions to operations are anticipated in the foreseeable future.

BIRMINGHAM INTERNATIONAL STUDENT HOMES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

20. OPERATING LEASE COMMITMENTS

At 31 August 2022 the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows.

	2022	2021
	£	£
Within one year	3,796	22,775
Between two and five years	-	3,796
In more than five years	-	-
	<u>3,796</u>	<u>26,571</u>

21. ULTIMATE CONTROLLING PARTY

The Charity is controlled by the Board of Trustees.

BIRMINGHAM INTERNATIONAL STUDENT HOMES**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,100	-
Investment income		
Deposit account interest	1,310	384
Charitable activities		
Accommodation charges	560,979	312,135
Service charges	16,752	10,499
	<u>577,231</u>	<u>322,634</u>
Other Income		
Job Retention Grant	1,760	57,496
Employment Allowance	5,000	4,000
National insurance on maternity pay recovered	61	-
	<u>6,821</u>	<u>61,496</u>
Total incoming resources	<u>586,462</u>	<u>384,514</u>
EXPENDITURE		
Charitable activities		
Staff wages	119,165	127,209
Social security	6,558	7,626
Pensions	9,365	9,912
Rates and water	32,322	29,182
Insurance	21,273	20,919
Light and heat	63,374	50,763
Newspapers and sundries	2,260	1,106
Laundry	10,255	5,496
Cleaning	6,430	4,364
Equipment replacements and repairs	13,776	3,025
Property maintenance and repairs	17,755	31,696
Health and safety	6,632	792
Wi-Fi network charges	18,683	15,480
Depreciation of tangible fixed assets	26,508	26,247
	<u>354,356</u>	<u>333,817</u>

This page does not form part of the statutory financial statements

BIRMINGHAM INTERNATIONAL STUDENT HOMES**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2022****EXPENTITURE – continued**

	2022	2021
	£	£
Support costs		
Salary costs	69,808	78,002
Social security	6,915	7,214
Pensions and life assurance	7,860	7,882
Computer, postage, telephone, courses, stationery and advertising	19,875	16,276
	<u>104,458</u>	<u>109,374</u>
Governance costs		
Auditors' remuneration	4,250	4,250
Auditors' remuneration for non-audit work	1,268	2,200
Legal and professional fees	13,840	-
	<u>19,358</u>	<u>6,450</u>
Total resources expended	<u>478,172</u>	<u>449,641</u>
Net Income / (Expenditure)	<u>108,290</u>	<u>(65,127)</u>

This page does not form part of the statutory financial statement