

BIRCH HOUSING LIMITED

England & Wales · Charity number 1160249

Details

Other names	DEDICATED CARE HOUSING LIMITED, Dedicated Housing Limited
Status	Registered
Legal form	Charitable company
Company number	09053182
Registered	2015-01-30
Register	View on the Charity Commission register

Contact

Address	Regina House 124 Finchley Road London NW3 5JS
Phone	07392 022411
Email	info@birchhousing.co.uk
Website	birchhousing.co.uk

Activities

Objects: FOR THE RELIEF OF THOSE IN NEED, BY REASON OF YOUTH, AGE, ILL-HEALTH, DISABILITY, FINANCIAL HARDSHIP OR OTHER DISADVANTAGE

Activities: Accommodation for physical disabled.

Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** The Advancement Of Health Or Saving Of Lives, Disability, Accommodation/housing
- **Who:** People With Disabilities

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-05-31		-	-	-
2024-05-31	£1,757,730	£2,944,829	£-849,342	2
2023-05-31	£5,459,742	£5,332,724	£337,757	43
2022-05-31	£7,037,155	£6,974,704	£210,739	0
2021-05-31	£934,219	£861,655	£148,288	0
2020-05-31	£777,608	£711,678	£75,724	0
2019-05-31	£398,396	£389,130	-	-

Trustees

Name	Role	Appointed
Dominic John Lake		2024-05-23
JOHN CHRISTOPHER NICHOLAS		2018-07-05

BIRCH HOUSING LIMITED

England & Wales - Charity number 1160249

Accounts

REGISTERED COMPANY NUMBER: 09053182 (England and Wales)
REGISTERED CHARITY NUMBER: 1160249

Trustees' Report and
Audited Financial Statements for the Year Ended 31 May 2023
for
Birch Housing Limited
(A Company Limited by Guarantee)

Chris Pantazis Ltd
10A Aldermans Hill
Palmers Green
London
N13 4PJ

Birch Housing Limited

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for the Year Ended 31 May 2023

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Birch Housing Limited

Reference and Administrative Details
for the Year Ended 31 May 2023

TRUSTEES	Mr John Christopher Nicholas Mr David Alan Oakensen
COMPANY SECRETARY	Ms Lisa Marie Wise
REGISTERED OFFICE	34 High Street Westbury-On-Trym Bristol BS9 3DZ
REGISTERED COMPANY NUMBER	09053182 (England and Wales)
REGISTERED CHARITY NUMBER	1160249
AUDITORS	Chris Pantazis Ltd 10A Aldermans Hill Palmers Green London N13 4PJ

Trustees' Report
for the Year Ended 31 May 2023

The Trustees present their annual report and accounts for the year ended 31 May 2023.

The board of trustees are satisfied with the performance of the charity during the year and the position at 31 May 2023 and consider that the charity is in a strong position to continue its activities during the coming year, and that the charity's assets are adequate to fulfill its obligations.

Principal activities

The object of the charity is to provide relief for those in need by reason of youth, age, ill-health, disability, financial hardship, or other disadvantage. The principal activity is to provide suitable long term living accommodation to vulnerable adults. This is done within government supported living initiatives.

OBJECTIVES AND ACTIVITIES

Public benefit

The Trustees are aware of their obligation to provide public benefit and the charity complies with this duty by offering its services in a way that ensures that the public have full and unrestricted access to the advice and support it provides.

STRATEGIC REPORT

Achievement and performance

The charity is an established housing provider in East Anglia and has expanded its operation to North London, Birmingham and the South West. It continues to expand the numbers of beneficiaries and the geographical area of benefit. Close working relationships are maintained with care providers to ensure the possible home lives are available to residents.

Financial Position

The charity made an operational surplus of £127,018 (2022 - Surplus of £62,451)

The Year in Focus

The year commencing 1 June 2022 has been a year of transformation for Birch Housing. It started with the business, like all of the UK, emerging from the Covid-19 Pandemic and immediately facing massive inflationary pressure. In the previous year Birch had expanded into 'Supported Living' for homeless tenants through the acquisition of Birmingham portfolio of 59 properties (338 units). The 'Supported Living' business stream was exposed to inflationary pressure from wage increases and higher utility costs combined with void costs and increased challenge from Birmingham CC on HB applications. To mitigate the impact of inflationary pressure the business renegotiated the rent roll on Birmingham portfolio with a 12% reduction to base rent and a further 50% reduction for 12 months to May 23.

Forward Strategy

Following a strategic review of the business the board agreed to transfer the Birmingham 'Supported Living' (Homeless) portfolio of 59 properties (338 units) to another provider and focus future growth on 'specialist supported living'. The transfer of the Birmingham Supported Living portfolio was completed in March 23 and included the TUPE of approx. 40 staff.

Following the transfer of the Birmingham Supported Living portfolio Birch has 13 Specialist Supported Living properties (98 units) and will continue to work with Local Authorities, Care Providers, and investors to identify future opportunities and grow this business stream.

For the year ended May 2023, occupancy levels remained steady at 80% for Supported Living and over 90% for Specialist Supported Living.

Birch Housing Ltd continues to partner with Myshon to provide housing management and operational support. The partnership with Myshon allows Birch to provide quality accommodation and service provision for its tenants across geographically dispersed properties.

Financial review

Utility Costs

Inflationary pressure has resulted in significant increase in utility costs. To reduce impact, the business is working with energy consultant to transfer gas and electricity for all properties onto group contracts.

Management Fee

Birch partner with Myshon to provide operational support. This operates well where properties are geographically dispersed but where we have a large portfolio in a single region such as Birmingham portfolio there is an opportunity to set up a local 'directly employed' operational team and benefit from a reduction in Myshon management fee.

STRATEGIC REPORT

Financial review

Reserves policy

Reserve Policy As at 31/05/2023, the level of funds available for charity (ie unrestricted funds) was £1,289,658. These reserves are held to ensure that Birch Housing Ltd can fulfil its obligations in the provision of our services and operations and our employee obligations in the event of a reduction or absence of funds; and respond to some capital-intensive key services, e.g. more rental units.

Going concern

Existing contracts do not need to be terminated, so there is no cause for concern, therefore the Board of Trustees have no reason to believe that a material uncertainty exists which may cast significant doubt about the ability of Birch Housing Limited to continue as a going concern, or its ability to continue with the current banking arrangement.

Plans for future periods

Birch will continue to work with Local Authorities, Care Providers, and investors to identify future opportunities in the 'specialist supported living' and 'homeless supported living' markets. In addition, management will work with local authorities and explore new opportunities in temporary accommodation for families with the aim of reducing local authority expenditure on hotel costs for families.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee as set out in its memorandum and articles of association.

Organisational structure

Birch Housing Limited is a charitable company limited by guarantee and was incorporated in 2014. It is governed by a Memorandum and Articles of Association.

The registered office is 34 High Street, Westbury-On-Trym, Bristol, BS9 3DZ..

The principal activity is to provide suitable long term living accommodation to vulnerable adults.

Appointment of trustees

Trustees are appointed by the members in General Meeting following a selection process considering the needs of the charity and the skills of the applicants. Our recruitment of trustees includes external advertising to attract professionals with the expertise and time to support our strategy and ensure good governance. Prospective board members will meet with our trustee and CEO and attend a board meeting prior to the appointment. A detailed instruction contains information about the structure, management and financial statements of Birch Housing Limited. Once a Trustee is appointed, team meetings, site visits and ongoing training are also available.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Chris Pantazis Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30 April 2024 and signed on the board's behalf by:



Mr David Alan Oakensen - Trustee

Birch Housing Limited

Statement of Trustees' Responsibilities
for the Year Ended 31 May 2023

The trustees (who are also the directors of Birch Housing Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

Opinion

We have audited the financial statements of Birch Housing Limited (the 'charitable company') for the year ended 31 May 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2023 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report 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 Trustees' Report.

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.

Our responsibilities for the audit of the financial statements

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

As part of our planning process:

- We enquired of management the systems and controls the company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The company did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: FRS 102, the Companies Act 2006, the Charities Act 2011, the Charity SORP, and United Kingdom Generally Accepted Accounting Practice and relevant tax legislation as issued by the Financial Reporting Council.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance with the relevant laws and regulations, in particular those that are central to the entities ability to continue in operation, including legislation in respect of Houses in Multiple Occupation (HMO) and property health and safety compliance.
- Testing key revenue lines, in particular cut-off, for evidence of management bias.
- Performing a physical verification of key assets.
- Obtaining third-party confirmation of material bank and loan balances.
- Documenting and verifying all significant related party and consolidated balances and transactions.
- Reviewing documentation such as the company board minutes, correspondence with solicitors, for discussions of irregularities including fraud.
- Testing all material consolidation adjustments.

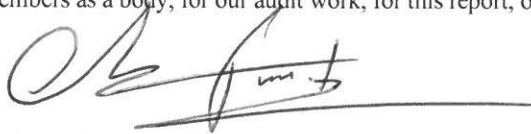
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the [directors/those charged with governance of the entity/management].

Report of the Independent Auditors to the Members of
Birch Housing Limited (Registered number: 09053182)

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.

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.

A handwritten signature in dark ink, appearing to read 'Chris Pantazis', is written over a horizontal line.

Chris Pantazis BA ACA (Senior Statutory Auditor)
for and on behalf of Chris Pantazis Ltd
10A Aldermans Hill
Palmers Green
London
N13 4PJ

30 April 2024

Birch Housing Limited

Statement of Financial Activities
for the Year Ended 31 May 2023

	Notes	Unrestricted fund £	Restricted fund £	31.5.23 Total funds £	31.5.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
	3				
Income from charitable activities		5,455,216	-	5,455,216	7,036,965
Other income		4,526	-	4,526	190
Total		5,459,742	-	5,459,742	7,037,155
EXPENDITURE ON					
Expenditure on charitable activities					
	4				
Expenditure on charitable activities		5,207,903	-	5,207,903	6,897,887
Other expenditure		124,821	-	124,821	76,817
Total		5,332,724	-	5,332,724	6,974,704
NET INCOME		127,018	-	127,018	62,451
RECONCILIATION OF FUNDS					
Total funds brought forward		210,739	-	210,739	148,288
TOTAL FUNDS CARRIED FORWARD		337,757	-	337,757	210,739

The notes form part of these financial statements

Statement of Financial Position
31 May 2023

	Notes	Unrestricted fund £	Restricted fund £	31.5.23 Total funds £	31.5.22 Total funds £
FIXED ASSETS					
Tangible assets	8	4,589	-	4,589	-
CURRENT ASSETS					
Debtors	9	634,644	-	634,644	1,415,460
Cash at bank		1,289,658	-	1,289,658	2,002,662
		1,924,302	-	1,924,302	3,418,122
CREDITORS					
Amounts falling due within one year	10	(1,591,134)	-	(1,591,134)	(2,413,242)
NET CURRENT ASSETS		333,168	-	333,168	1,004,880
TOTAL ASSETS LESS CURRENT LIABILITIES		337,757	-	337,757	1,004,880
CREDITORS					
Amounts falling due after more than one year	11	-	-	-	(794,141)
NET ASSETS/(LIABILITIES)		337,757	-	337,757	210,739
FUNDS	12				
Unrestricted funds				337,757	210,739
TOTAL FUNDS				337,757	210,739

The financial statements were approved by the Board of Trustees and authorised for issue on 30 April 2024 and were signed on its behalf by:



Mr David Alan Oakensen - Trustee

Birch Housing Limited

Statement of Cash Flows
for the Year Ended 31 May 2023

	Notes	31.5.23 £	31.5.22 £
Cash flows from operating activities			
Cash generated from operations	1	(707,164)	694,121
Net cash (used in)/provided by operating activities		(707,164)	694,121
Cash flows from investing activities			
Purchase of tangible fixed assets		(5,840)	-
Net cash (used in)/provided by investing activities		(5,840)	-
Change in cash and cash equivalents in the reporting period		(713,004)	694,121
Cash and cash equivalents at the beginning of the reporting period		2,002,662	1,308,541
Cash and cash equivalents at the end of the reporting period		1,289,658	2,002,662

The notes form part of these financial statements

Birch Housing Limited

Notes to the Statement of Cash Flows
for the Year Ended 31 May 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.5.23	31.5.22
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	127,018	62,451
Adjustments for:		
Depreciation charges	1,251	-
Decrease/(increase) in debtors	780,816	(1,281,724)
(Decrease)/increase in creditors	(1,616,249)	1,913,394
Net cash (used in)/provided by operations	<u>(707,164)</u>	<u>694,121</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.6.22	Cash flow	At 31.5.23
	£	£	£
Net cash			
Cash at bank	2,002,662	(713,004)	1,289,658
	<u>2,002,662</u>	<u>(713,004)</u>	<u>1,289,658</u>
Total	<u>2,002,662</u>	<u>(713,004)</u>	<u>1,289,658</u>

1. CHARITY STATUS

The charity is a charitable company limited-by guarantee and consequently does not have share capital. Each trustee is required to contribute an amount not exceeding £1 to the charity's assets in the event of liquidation. The registered office is 34 High Street, Westbury-On-Trym, Bristol, BS9 3DZ. Its principal activity is to provide suitable long term living accommodation to vulnerable adults. This is done within government supported living initiatives.

2. ACCOUNTING POLICIES

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) issued at current.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No significant judgements have had to be made in preparing these financial statements.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. All income is recognised on an accrual basis in the year in which the costs have been incurred.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Charity expenses include expenses incurred by the charity in providing activities and services to the beneficiaries. It includes both costs that can be directly attributed to these activities and indirect costs necessary to support them.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Funds

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure which meets these criteria is charged to the fund. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements. Birch Housing Ltd do not hold any restricted funds.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Debtors

Short term debtors are measured at transaction price, which is usually the invoice price, less any impairment losses for bad and doubtful debts.

2. ACCOUNTING POLICIES - continued

Debtors

Creditors

Short term creditors are measured at transaction price, which is usually the invoice price.

Government grants

Government grants are recognised based on an accrual model and measured at the fair value of the assets received or available. Government grants are classified as either revenue-related or asset-related. Revenue-related grants are recognised in revenue over the time period in which the associated costs are recognised. Asset-based grants are recognised over the time the asset is expected to be useful. If part of a grant relates to an asset, it is accounted for as deferred income.

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.5.23 £	31.5.22 £
Rents received	Income from charitable activities	2,958,487	5,874,341
Tenants service charges	Income from charitable activities	2,335,687	553,807
Void recharges	Income from charitable activities	143,722	312,971
Management fees	Income from charitable activities	-	288,843
Commercial lettings rent	Income from charitable activities	17,320	7,003
		<u>5,455,216</u>	<u>7,036,965</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Expenditure on charitable activities	<u>5,207,903</u>

5. NET INCOME/(EXPENDITURE)

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

	31.5.23 £	31.5.22 £
Depreciation - owned assets	1,251	-
Hire of plant and machinery	<u>11,854</u>	<u>12,159</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 May 2023 nor for the year ended 31 May 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 May 2023 nor for the year ended 31 May 2022.

7. STAFF COSTS

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

	31.5.23	31.5.22
Trustees	2	2
Employees	43	-
	<u>45</u>	<u>2</u>

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

8. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
Additions	<u>5,840</u>
DEPRECIATION	
Charge for year	<u>1,251</u>
NET BOOK VALUE	
At 31 May 2023	<u>4,589</u>
At 31 May 2022	<u>-</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.23 £	31.5.22 £
Trade debtors	476,036	988,875
Other debtors	45,854	45,361
Prepayments and accrued income	112,754	381,224
	<u>634,644</u>	<u>1,415,460</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.23 £	31.5.22 £
Trade creditors	1,407,888	2,081,059
Other creditors	-	2,000
Accrued expenses	183,246	330,183
	<u>1,591,134</u>	<u>2,413,242</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.5.23 £	31.5.22 £
Provision for future refurbishment	-	794,141

12. MOVEMENT IN FUNDS

	At 1.6.22 £	Net movement in funds £	At 31.5.23 £
Unrestricted funds			
General fund	210,739	127,018	337,757
TOTAL FUNDS	<u>210,739</u>	<u>127,018</u>	<u>337,757</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,459,742	(5,332,724)	127,018
TOTAL FUNDS	<u>5,459,742</u>	<u>(5,332,724)</u>	<u>127,018</u>

Comparatives for movement in funds

	At 1.6.21 £	Net movement in funds £	At 31.5.22 £
Unrestricted funds			
General fund	148,288	62,451	210,739
TOTAL FUNDS	<u>148,288</u>	<u>62,451</u>	<u>210,739</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	7,037,155	(6,974,704)	62,451
TOTAL FUNDS	<u>7,037,155</u>	<u>(6,974,704)</u>	<u>62,451</u>

12. MOVEMENT IN FUNDS - continued

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

	At 1.6.21 £	Net movement in funds £	At 31.5.23 £
Unrestricted funds			
General fund	148,288	189,469	337,757
TOTAL FUNDS	<u>148,288</u>	<u>189,469</u>	<u>337,757</u>

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	12,496,897	(12,307,428)	189,469
TOTAL FUNDS	<u>12,496,897</u>	<u>(12,307,428)</u>	<u>189,469</u>

13. CONTINGENT LIABILITIES

Insurance Claim by Funds

There is an Insurance claim for a potential void occupancy and subsistence at one property.

The property is and has been out of service since May 2021 and it is projected that the cost of repair will amount to £750,000.

Due to subsidence at the property and the risk of a litigation case by the local authority under section 77 of the Building's Act 1984, due to risk to health and safety of the public, which empowers local authorities (District Councils) to exert proceedings, when a building or structure is in a dangerous condition against the service provider being Birch Housing Ltd. Hence a decision was rendered appropriate by the freeholder of the property in consultation with Birch Housing Ltd, to raise an insurance claim for approximately £1,100,000 that will cover the costs of repairs including any rent arrears.

Legal case with Local Authority

A case tribunal will be decided for amounts owed by local authority that are in rent arrears where the case of one tenant that is supported by Birch Housing Ltd, this will set the precedent for the rest of what is being owed by local council. The financial impact of the legal case is £75,000, and it is included within the bad debt provision.

Birch Housing Limited

Notes to the Financial Statements - continued
for the Year Ended 31 May 2023

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 May 2023.

Birch Housing Limited

Detailed Statement of Financial Activities
for the Year Ended 31 May 2023

	31.5.23 £	31.5.22 £
INCOME AND ENDOWMENTS		
Charitable activities		
Rents received	2,958,487	5,874,341
Tenants service charges	2,335,687	553,807
Void recharges	143,722	312,971
Management fees	-	288,843
Commercial lettings rent	17,320	7,003
	5,455,216	7,036,965
Other income		
Deposit account interest	4,526	190
	5,459,742	7,037,155
Total incoming resources		
EXPENDITURE		
Expenditure on charitable activities		
Hire of white goods	11,854	12,159
Rates and water	171,071	182,633
Insurance	183,509	78,612
Light and heat	487,592	389,382
Property repairs	541,530	598,546
Cleaning and refuse	6,274	4,188
Office expenses	9,588	9,432
Equipment expensed	15,989	-
Motor & other travel expenses	136,269	136,488
Training and DBS checking	2,848	764
Rents paid	1,837,615	3,583,665
Telephone, TV and licences	63,277	55,737
Bad debts	308,125	174,273
Management costs & salaries	1,432,362	1,672,008
	5,207,903	6,897,887
Other expenditure		
Sundries	872	666
Professional fees	97,144	47,925
Accountancy fees	8,500	7,700
Auditors remuneration	16,000	20,000
Accreditations & subscriptions	760	113
Bank charges	294	413
Computer equipment	1,251	-
	124,821	76,817
Total resources expended	5,332,724	6,974,704
Net income	127,018	62,451

This page does not form part of the statutory financial statements

BIRCH HOUSING LIMITED

England & Wales - Charity number 1160249

Accounts

REGISTERED COMPANY NUMBER: 09053182 (England and Wales)
REGISTERED CHARITY NUMBER: 1160249

Trustees' Report and
Audited Financial Statements for the Year Ended 31 May 2022
for
Birch Housing Limited
(A Company Limited by Guarantee)

Chris Pantazis Ltd T/A CPS & Co
10A Aldermans Hill
Palmers Green
London
N13 4PJ

Birch Housing Limited

Contents of the Financial Statements
for the Year Ended 31 May 2022

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Birch Housing Limited

Reference and Administrative Details
for the Year Ended 31 May 2022

TRUSTEES	Mr John Christopher Nicholas Mr David Alan Oakensen
COMPANY SECRETARY	MS Lisa Marie Wise
REGISTERED OFFICE	34 High Street Westbury-On-Trym Bristol BS9 3DZ
REGISTERED COMPANY NUMBER	09053182 (England and Wales)
REGISTERED CHARITY NUMBER	1160249
AUDITORS	Chris Pantazis Ltd T/A CPS & Co 10A Aldermans Hill Palmers Green London N13 4PJ

Trustees' Report
for the Year Ended 31 May 2022

The Trustees present their annual report and accounts for the year ended 31 May 2022.

The board of trustees are satisfied with the performance of the charity during the year and the position at 31 May 2022 and consider that the charity is in a strong position to continue its activities during the coming year, and that the charity's assets are adequate to fulfill its obligations.

Principal activities

The object of the charity is to provide relief for those in need by reason of youth, age, ill-health, disability, financial hardship, or other disadvantage. The principal activity is to provide suitable long term living accommodation to vulnerable adults. This is done within government supported living initiatives.

OBJECTIVES AND ACTIVITIES

Public benefit

The Trustees are aware of their obligation to provide public benefit and the charity complies with this duty by offering its services in a way that ensures that the public have full and unrestricted access to the advice and support it provides.

STRATEGIC REPORT

Achievement and performance

The charity is an established housing provider in East Anglia and has expanded its operation to North London, Birmingham and the South West. It continues to expand the numbers of beneficiaries and the geographical area of benefit. Close working relationships are maintained with care providers to ensure the possible home lives are available to residents.

Financial Position

The charity made an operational surplus of £62,451 (2021 - Surplus of £72,564)

The Year in Focus

The year commencing 1 June 2022 has been a year of growth for Birch Housing. In May 2021 Birch completed the acquisition of 2 large portfolios; Birmingham portfolio and Encircle portfolio. The Encircle portfolio was transferred from Encircle Housing to Birch on 17th May 2021 and comprised 9 properties (74 units) with specialist supported living. The Birmingham portfolio was an amalgamation of a few smaller portfolios all based in Birmingham focusing on supported living for homeless tenants. The Birmingham portfolio comprised 59 properties (338 units) and expanded Birch Housing activities into direct care support for tenants. During the year Birch Housing continued to partner with Myshon to integrate the 2 portfolios into the existing Birch business.

Forward Strategy

The acquisition of the Birmingham and Encircle portfolios provides Birch with several opportunities.

Trustees' Report
for the Year Ended 31 May 2022

STRATEGIC REPORT

Financial review

Payroll Costs

As part of the Birmingham acquisition Birch expanded into direct care support activities and indirectly employ approx. 40 staff. The staff are employed by Myshon and recharged to Birch Housing with VAT. Birch are unable to reclaim the VAT so have agreed with Myshon that the staff should TUPE to Birch. The proposed VAT saving would be approx. £100,000 per annum.

Occupancy

For year ended May 22 the Birmingham portfolio is operating at 80% occupancy. The management are looking to increase investment in referral staff to increase the occupancy to 90%. This will reduce void impact and increase profitability.

Capital Expenditure programme

As part of the Birmingham and Encircle acquisitions Birch received a £1,500,000 capex budget. Management have agreed to expand the directly employed maintenance team to undertake property repairs and maintenance activities and capital expenditure refurbishments. This will result in savings from VAT and external contractor margins as well as improved quality.

Utility Costs

Inflationary pressure has resulted in significant increase in utility costs. To reduce impact, the business is working with energy consultant to transfer gas and electricity for all properties onto group contracts.

Management Fee

Birch partner with Myshon to provide operational support. This operates well where properties are geographically dispersed but where we have a large portfolio in a single region such as Birmingham portfolio there is an opportunity to set up a local 'directly employed' operational team and benefit from a reduction in Myshon management fee.

Reserves policy

Reserve Policy As at 31/05/2022, the level of funds available for charity (ie unrestricted funds) was £2,000,000. These reserves are held to ensure that Birch Housing Ltd can fulfil its obligations in the provision of our services and operations and our employee obligations in the event of a reduction or absence of funds; and respond to some capital-intensive key services, e.g. more rental units.

Support Plans and Notes

Birch has seen an increased challenge from Birmingham CC on HB applications on tenant support notes which has had an impact on the accounts receivable position. Birch will be investing in staff training to improve quality of support notes which should result in an improved accounts receivable position.

Going concern

Existing contracts do not need to be terminated, so there is no cause for concern., therefore the Board of Trustees have no reason to believe that a material uncertainty exists which may cast significant doubt about the ability of Birch Housing Limited to continue as a going concern, or its ability to continue with the current banking arrangement.

Plans for future periods

Growth

Birch will continue to work with Local Authorities, Care Providers, and investors to identify future opportunities in the 'specialist supported living' and 'homeless supported living' markets. In addition, management will work with local authorities and explore new opportunities in temporary accommodation for families with the aim of reducing local authority expenditure on hotel costs for families.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee as set out in its memorandum and articles of association.

Birch Housing Limited (Registered number: 09053182)

Trustees' Report
for the Year Ended 31 May 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Birch Housing Limited is a charitable company limited by guarantee and was incorporated in 2014.

It is governed by a Memorandum and Articles of Association.

The registered office is 34 High Street, Westbury-On-Trym, Bristol, BS9 3DZ..

The principal activity is to provide suitable long term living accommodation to vulnerable adults.

Appointment of trustees

Trustees are appointed by the members in General Meeting following a selection process considering the needs of the charity and the skills of the applicants. Our recruitment of trustees includes external advertising to attract professionals with the expertise and time to support our strategy and ensure good governance. Prospective board members will meet with our trustee and CEO and attend a board meeting prior to the appointment. A detailed instruction contains information about the structure, management and financial statements of Birch Housing Limited. Once a Trustee is appointed, team meetings, site visits and ongoing training are also available.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

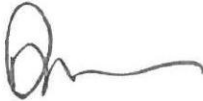
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Chris Pantazis Ltd T/A CPS & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 22 August 2023 and signed on the board's behalf by:



Mr David Alan Oakensen - Trustee

Birch Housing Limited

Statement of Trustees' Responsibilities for the Year Ended 31 May 2022

The trustees (who are also the directors of Birch Housing Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

Opinion

We have audited the financial statements of Birch Housing Limited (the 'charitable company') for the year ended 31 May 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report 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 Trustees' Report.

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.

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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:

As part of our planning process:

- We enquired of management the systems and controls the company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The company did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: FRS 102, the Companies Act 2006, the Charities Act 2011, the Charity SORP, and United Kingdom Generally Accepted Accounting Practice and relevant tax legislation as issued by the Financial Reporting Council.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations, in particular those that are central to the entities ability to continue in operation.
- Testing key revenue lines, in particular cut-off, for evidence of management bias.
- Performing a physical verification of key assets, including stock.
- Obtaining third-party confirmation of material bank and loan balances.
- Documenting and verifying all significant related party and consolidated balances and transactions.
- Reviewing documentation such as the company board minutes, correspondence with solicitors, for discussions of irregularities including fraud.
- Testing all material consolidation adjustments.

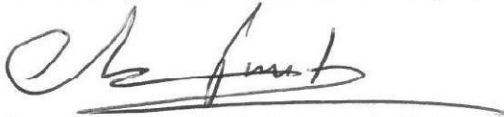
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the [directors/those charged with governance of the entity/management].

Report of the Independent Auditors to the Members of
Birch Housing Limited (Registered number: 09053182)

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.

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.

A handwritten signature in black ink, appearing to read 'Chris Pantazis', with a horizontal line drawn underneath it.

Chris Pantazis BA ACA (Senior Statutory Auditor)
for and on behalf of Chris Pantazis Ltd T/A CPS & Co
10A Aldermans Hill
Palmers Green
London
N13 4PJ

22 August 2023

Birch Housing Limited

Statement of Financial Activities
for the Year Ended 31 May 2022

	Notes	Unrestricted fund £	Restricted fund £	31.5.22 Total funds £	31.5.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
	3				
Income from charitable activities		7,036,965	-	7,036,965	934,189
Other income		190	-	190	30
Total		<u>7,037,155</u>	<u>-</u>	<u>7,037,155</u>	<u>934,219</u>
EXPENDITURE ON					
Expenditure on charitable activities					
	4				
Expenditure on charitable activities		6,897,886	-	6,897,886	820,865
Other expenditure		76,818	-	76,818	40,790
Total		<u>6,974,704</u>	<u>-</u>	<u>6,974,704</u>	<u>861,655</u>
NET INCOME		62,451	-	62,451	72,564
RECONCILIATION OF FUNDS					
Total funds brought forward		148,288	-	148,288	75,724
TOTAL FUNDS CARRIED FORWARD		<u><u>210,739</u></u>	<u><u>-</u></u>	<u><u>210,739</u></u>	<u><u>148,288</u></u>

Birch Housing Limited (Registered number: 09053182)

Statement of Financial Position
31 May 2022

	Notes	Unrestricted fund £	Restricted fund £	31.5.22 Total funds £	31.5.21 Total funds £
CURRENT ASSETS					
Debtors	7	1,415,460	-	1,415,460	133,736
Cash at bank		2,002,662	-	2,002,662	1,308,541
		<u>3,418,122</u>	<u>-</u>	<u>3,418,122</u>	<u>1,442,277</u>
CREDITORS					
Amounts falling due within one year	8	(2,413,242)	-	(2,413,242)	(213,596)
		<u>1,004,880</u>	<u>-</u>	<u>1,004,880</u>	<u>1,228,681</u>
NET CURRENT ASSETS					
		<u>1,004,880</u>	<u>-</u>	<u>1,004,880</u>	<u>1,228,681</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,004,880</u>	<u>-</u>	<u>1,004,880</u>	<u>1,228,681</u>
CREDITORS					
Amounts falling due after more than one year	9	(794,141)	-	(794,141)	(1,080,393)
		<u>210,739</u>	<u>-</u>	<u>210,739</u>	<u>148,288</u>
NET ASSETS					
		<u>210,739</u>	<u>-</u>	<u>210,739</u>	<u>148,288</u>
FUNDS	10				
Unrestricted funds				210,739	148,288
TOTAL FUNDS				<u>210,739</u>	<u>148,288</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 22 August 2023 and were signed on its behalf by:



Mr David Alan Oakensen - Trustee

Birch Housing Limited

Statement of Cash Flows
for the Year Ended 31 May 2022

	Notes	31.5.22 £	31.5.21 £
Cash flows from operating activities			
Cash generated from operations	1	694,121	1,257,400
Net cash provided by operating activities		694,121	1,257,400
Change in cash and cash equivalents in the reporting period		694,121	1,257,400
Cash and cash equivalents at the beginning of the reporting period		1,308,541	51,141
Cash and cash equivalents at the end of the reporting period		2,002,662	1,308,541

The notes form part of these financial statements

Birch Housing Limited

Notes to the Statement of Cash Flows
for the Year Ended 31 May 2022

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.5.22	31.5.21
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	62,451	72,564
Adjustments for:		
Increase in debtors	(1,281,724)	(105,438)
Increase in creditors	1,913,394	1,290,274
Net cash provided by operations	<u>694,121</u>	<u>1,257,400</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.6.21	Cash flow	At 31.5.22
	£	£	£
Net cash			
Cash at bank	1,308,541	694,121	2,002,662
	<u>1,308,541</u>	<u>694,121</u>	<u>2,002,662</u>
Total	<u>1,308,541</u>	<u>694,121</u>	<u>2,002,662</u>

1. CHARITY STATUS

The charity is a charitable company limited-by guarantee and consequently does not have share capital. Each trustee is required to contribute an amount not exceeding £1 to the charity's assets in the event of liquidation. The registered office is 34 High Street, Westbury-On-Trym, Bristol, BS9 3DZ. Its principal activity is to provide suitable long term living accommodation to vulnerable adults. This is done within government supported living initiatives.

2. ACCOUNTING POLICIES

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No significant judgements have had to be made in preparing these financial statements.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Charitable activities

Charity expenses include expenses incurred by the charity in providing activities and services to the beneficiaries. It includes both costs that can be directly attributed to these activities and indirect costs necessary to support them.

Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Funds

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure which meets these criteria is charged to the fund. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements. Birch Housing Ltd do not hold any restricted funds.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Debtors

Short term debtors are measured at transaction price, which is usually the invoice price, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price, which is usually the invoice price.

2. ACCOUNTING POLICIES - continued

Debtors

Government grants

Government grants are recognised based on an accrual model and measured at the fair value of the assets received or available. Government grants are classified as either revenue-related or asset-related. Revenue-related grants are recognised in revenue over the time period in which the associated costs are recognised. Asset-based grants are recognised over the time the asset is expected to be useful. If part of a grant relates to an asset, it is accounted for as deferred income.

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	31.5.22 £	31.5.21 £
Rents received	Income from charitable activities	5,874,341	744,380
Tenants service charges	Income from charitable activities	553,807	158,172
Void recharges	Income from charitable activities	312,971	12,364
Management fees	Income from charitable activities	288,843	19,273
Commercial lettings rent	Income from charitable activities	7,003	-
		<u>7,036,965</u>	<u>934,189</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Expenditure on charitable activities	<u>6,897,886</u>

5. NET INCOME/(EXPENDITURE)

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

	31.5.22 £	31.5.21 £
Hire of plant and machinery	<u>12,159</u>	<u>14,694</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 May 2022 nor for the year ended 31 May 2021.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.22	31.5.21
	£	£
Trade debtors	988,875	82,738
Other debtors	45,361	50,998
Prepayments and accrued income	381,224	-
	<u>1,415,460</u>	<u>133,736</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.22	31.5.21
	£	£
Trade creditors	2,081,059	149,565
Other creditors	2,000	4,400
Accrued expenses	330,183	59,631
	<u>2,413,242</u>	<u>213,596</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.5.22	31.5.21
	£	£
Provision for future refurbishment	<u>794,141</u>	<u>1,080,393</u>

10. MOVEMENT IN FUNDS

	At 1.6.21	Net movement in funds	At 31.5.22
	£	£	£
Unrestricted funds			
General fund	148,288	62,451	210,739
	<u>148,288</u>	<u>62,451</u>	<u>210,739</u>
TOTAL FUNDS			
	<u>148,288</u>	<u>62,451</u>	<u>210,739</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	7,037,155	(6,974,704)	62,451
	<u>7,037,155</u>	<u>(6,974,704)</u>	<u>62,451</u>
TOTAL FUNDS			
	<u>7,037,155</u>	<u>(6,974,704)</u>	<u>62,451</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2022

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.6.20 £	Net movement in funds £	At 31.5.21 £
Unrestricted funds			
General fund	75,724	72,564	148,288
TOTAL FUNDS	<u>75,724</u>	<u>72,564</u>	<u>148,288</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	934,219	(861,655)	72,564
TOTAL FUNDS	<u>934,219</u>	<u>(861,655)</u>	<u>72,564</u>

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

	At 1.6.20 £	Net movement in funds £	At 31.5.22 £
Unrestricted funds			
General fund	75,724	135,015	210,739
TOTAL FUNDS	<u>75,724</u>	<u>135,015</u>	<u>210,739</u>

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	7,971,374	(7,836,359)	135,015
TOTAL FUNDS	<u>7,971,374</u>	<u>(7,836,359)</u>	<u>135,015</u>

11. CONTINGENT LIABILITIES

Insurance Claim by Funds

There is an Insurance claim for a potential void occupancy and subsistence at one property.

The property is and has been out of service since May 2021 and it is projected that the cost of repair will amount to £750,000.

Due to subsidence at the property and the risk of a litigation case by the local authority under section 77 of the Building's Act 1984, due to risk to health and safety of the public, which empowers local authorities (District Councils) to exert proceedings, when a building or structure is in a dangerous condition against the service provider being Birch Housing Ltd. Hence a decision was rendered appropriate by the freeholder of the property in consultation with Birch Housing Ltd, to raise an insurance claim for approximately £1,100,000 that will cover the costs of repairs including any rent arrears.

Legal case with Local Authority

A case tribunal will be decided for amounts owed by local authority that are in rent arrears where the case of one tenant that is supported by Birch Housing Ltd, this will set the precedent for the rest of what is being owed by local council. The defined amount of what is being owed will be determined post 30th September 2023 after the decision is made by the Judge.

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 May 2022.

13. POST BALANCE SHEET EVENTS

Rent Free period

Discussions are being undertaken with both funds on deed variations being undertaken for a rent-free period of 12 Months @ 50% for further income to be received by Birch Housing Ltd.

Disposal of Birmingham Portfolio

In March 2023 Birch Housing Ltd came to an agreement to release the whole portfolio of 59 properties, with £430,000 still outstanding by the council in terms of rental income.

14. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee, not having a share capital. Every member of the company undertakes to contribute such amounts as may be required (not exceeding £1) to the assets of the company should it be wound up while he or she is a member, or within one year after he or she ceases to be a member, for payments of the company's debts and liabilities contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for adjustment of the rights of the contributories among themselves.

BIRCH HOUSING LIMITED

England & Wales - Charity number 1160249

Accounts

Company number
09053182

Charity number
1160249

Birch Housing Limited
(A company limited by guarantee)

Report and Accounts

For the Year ended

31 May 2021

Birch Housing Limited

(A company limited by guarantee)

Reference and administrative details

Charity number: 1160249
Company number: 09053182
Registered Office: 34 High Street, Westbury-On-Trym, Bristol, BS9 3DZ

Our Advisors

Examiners: PCP & Co Accountants, 393 Lordship Lane, London, N17 6AE
Bankers: Natwest Bank, 4 Tuesday Market Place, King's Lynn, PE30 1YY

Directors and trustees

Directors and trustees: J C Nicholas
D A Oakensen
A A Rodrigues - resigned 18 November 2020

Birch Housing Limited

(A company limited by guarantee)

Trustees Annual Report

The Trustees present their annual report and accounts for the year ended 31 May 2021.

The board of trustees are satisfied with the performance of the charity during the year and the position at 31 May 2021 and consider that the charity is in a strong position to continue its activities during the coming year, and that the charity's assets are adequate to fulfil its obligations.

OBJECTIVES AND ACTIVITIES

The object of the charity is to provide relief for those in need by reason of youth, age, ill-health, disability, financial hardship, or other disadvantage. The principal activity is to provide suitable long term living accommodation to vulnerable adults. This is done within government Supported Living initiatives.

ACHIEVEMENTS AND PERFORMANCE

The charity is an established housing provider in East Anglia and has expanded its operation to North London, Birmingham and the South West. It continues to expand the numbers of beneficiaries and the geographical area of benefit. Close working relationships are maintained with care providers to ensure the best possible home lives are available to residents.

PUBLIC BENEFIT

The Trustees are aware of their obligation to provide public benefit and the charity complies with this duty by offering its services in a way that ensures that the public have full and unrestricted access to the advice and support it provides.

FINANCIAL REVIEW

The charity made an operational surplus of £72,564 (2020 - £65,930).

RESERVES POLICY

The Trustees try to hold sufficient operating expenditure in reserve in order to meet any unforeseen day-to-day operational costs or short-term deficits in cash flow.

PLANS FOR FUTURE PERIODS

The Charity plans to expand its activities as funds permit.

Birch Housing Limited

(A company limited by guarantee)

Trustees Annual Report

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The charity is a company limited by guarantee as set out in its memorandum and articles of association.

Appointment of trustees

Trustees are appointed by the members in General Meeting following a selection process considering the needs of the charity and the skills of the applicants.

RESPONSIBILITIES OF THE TRUSTEES

The trustees 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).

The Trustees are to prepare financial statements for each financial year which 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 these financial statements, the trustees are required to:

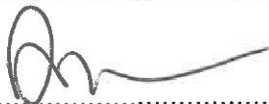
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT EXAMINER

The Board of trustees appointed P C Papapetrov of PCP & Co Accountants to be independent examiner to the charity for the year.

This report was approved by the board on 20/11/21



.....
D A Oakensen
Trustee

Birch Housing Limited

Independent examiner's report to the members of Dedicated Housing Limited

I report on my examination of the accounts of the charity for the year ended 31st May 2021, set out on pages 5 to 9.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of AAT, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



F C Papadimitriou MAAT

393 Lordship Lane
London
N17 6AE

20 NOVEMBER 2021

Birch Housing Limited

(A company limited by guarantee)

Statement of Financial Activities (including Income and Expenditure Account)**For the year ended 31 May 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
INCOME AND ENDOWMENTS FROM:					
Income from charitable activities	2	934,189	-	934,189	777,559
Income from investments		30	-	30	49
TOTAL INCOME AND ENDOWMENTS		934,219	-	934,219	777,608
EXPENDITURE ON:					
Expenditure on charitable activities	3	820,118	-	820,118	697,420
Other expenditure	4	41,537	-	41,537	14,258
TOTAL EXPENDITURE		861,655	-	861,655	711,678
Net income		72,564	-	72,564	65,930
Gross transfers between funds		-	-	-	-
		72,564	-	72,564	65,930
Reconciliation of funds:					
Total funds at 1 June 2020		75,724		75,724	9,794
Total funds at 31 May 2021		148,288	-	148,288	75,724

There were no recognised gains and losses other than those shown in the above Statement of Financial Activities.

Birch Housing Limited
(Company number 02567458)
(A company limited by guarantee)
Balance Sheet
As at 31 May 2021

	Notes	£	2021 £	£	2020 £
Current assets					
Debtors	6	133,736		28,298	
Cash at bank and in hand		<u>1,308,541</u>		<u>51,141</u>	
		1,442,277		79,439	
Creditors: amounts falling due within one year	7	(213,596)		(3,715)	
Net current assets			1,228,681		75,724
Creditors: amounts falling due after one year	8	(1,080,393)		-	
Net assets			<u>148,288</u>		<u>75,724</u>
Represented by:					
Unrestricted funds	9		148,288		75,724
			<u>148,288</u>		<u>75,724</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective July 2014).

Approved by the board on.....20/11/21



.....
D A Oakensen
Trustee

Birch Housing Limited
(A company limited by guarantee)
Notes to the Accounts
For the year ended 31 May 2021

1 Accounting policies

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Funds

Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure which meets these criteria is charged to the fund. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Debtors

Short term debtors are measured at transaction price, which is usually the invoice price, less any impairment losses for bad and doubtful debts

Creditors

Short term creditors are measured at transaction price, which is usually the invoice price.

Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

No significant judgements have had to be made in preparing these financial statements.

Birch Housing Limited
(A company limited by guarantee)
Notes to the Accounts
For the year ended 31 May 2021

2 Income from donations and legacies	Unrestricted	Restricted	2021	2020
	£	£	£	£
Donations	-	-	-	-
	-	-	-	-
3 Income from charitable activities	Unrestricted	Restricted	2021	2020
	£	£	£	£
Rents received	744,380	-	744,380	777,559
Tenants service charges	158,172	-	158,172	-
Void recharges	12,364	-	12,364	-
Management fees	19,273	-	19,273	-
	934,189	-	934,189	777,559
4 Expenditure on charitable activities	Unrestricted	Restricted	2021	2020
	£	£	£	£
Management costs	82,507	-	82,507	42,228
Bad debts	9,700	-	9,700	2,987
Rents paid	533,765	-	533,765	488,087
Rates and water	35,155	-	35,155	16,665
Light and heat	27,198	-	27,198	30,485
Property repairs	98,936	-	98,936	82,045
Insurance	13,151	-	13,151	6,541
Cleaning and refuse	1,249	-	1,249	-
Hire of white goods	14,694	-	14,694	14,244
Equipment expensed	469	-	469	-
Telephone, TV and licences	3,294	-	3,294	14,138
	820,118	-	820,118	697,420
5 Other expenditure	Unrestricted	Restricted	2021	2020
	£	£	£	£
Sundries	44	-	44	319
Professional fees	34,559	-	34,559	10,500
Accountancy	5,650	-	5,650	2,865
Office expenses	747	-	747	-
Bank charges	537	-	537	574
	41,537	-	41,537	14,258
6 Debtors			2021	2020
			£	£
Rent receivable			82,738	28,298
Other debtors			50,998	-
			133,736	28,298

Birch Housing Limited
(A company limited by guarantee)
Notes to the Accounts
For the year ended 31 May 2021

7 Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	149,565	-
Accruals and deferred income	59,631	-
Other creditors	4,400	3,715
	<u>213,596</u>	<u>3,715</u>
8 Creditors: amounts falling due after one year	2021	2020
	£	£
Provision for Voids	1,080,393	-
	<u>1,080,393</u>	<u>-</u>

9 Unrestricted funds

	Balance as at 1 June 2020	Income	Expenditure	Balance as at 31 May 2021
	£	£	£	£
Charitable funds	75,724	934,219	(861,655)	148,288
	<u>75,724</u>	<u>934,219</u>	<u>(861,655)</u>	<u>148,288</u>

10 Company limited by guarantee

The company is limited by guarantee, not having a share capital. Every member of the company undertakes to contribute such amounts as may be required (not exceeding £1) to the assets of the company should it be wound up while he or she is a member, or within one year after he or she ceases to be a member, for payments of the company's debts and liabilities contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for adjustment of the rights of the contributories among themselves.