

INTERNATIONAL STUDENTS HOUSE

England & Wales · Charity number 313512

Details

Other names INTERNATIONAL STUDENTS TRUST

Status Registered

Legal form Charitable company

Company number [00724811](#)

Registered 1962-10-11

Register [View on the Charity Commission register](#)

Contact

Address 1 Park Crescent
Regents Park
London
W1B 1SH

Phone 02076318301

Email info@ish.org.uk

Website <http://www.ish.org.uk>

Activities

Objects: 4.1 TO PROVIDE AND MAINTAIN PREMISES IN THE UNITED KINGDOM WITH A VIEW TO ASSISTING STUDENTS (INCLUDING POSTGRADUATE STUDENTS AND PERSONS ENGAGED IN RESEARCH) (HEREINAFTER CALLED "THE BENEFICIARIES") TO OBTAIN AND BENEFIT FROM EDUCATION OR TO PURSUE RESEARCH AT UNIVERSITIES, COLLEGES, AND OTHER INSTITUTIONS OF FURTHER OR HIGHER EDUCATION, BY AFFORDING THEM HOSTEL ACCOMMODATION AND FACILITIES FOR REST, RECREATION, STUDY, LECTURES AND MEETINGS; 4.2 TO FOSTER RACIAL HARMONY BETWEEN THE BENEFICIARIES AND THE COUNTRIES THEY REPRESENT, AND/OR ETHNIC OR RACIAL GROUPS THEY REPRESENT.

Activities: Provision of accommodation for students largely from Overseas. Provision of social facilities, welfare services and scholarship for students. We are actively involved in organisation such as UKCISA promoting the better experience for students. We play a global role with other International Houses in communicating international friendship and understanding between overseas and British students.

Classification

- **How:** Makes Grants To Individuals, Provides Buildings/facilities/open Space, Provides Advocacy/advice/information
- **What:** Overseas Aid/famine Relief, Accommodation/housing, Amateur Sport
- **Who:** Children/young People

Geography

- **Area of benefit:** THE UNITED KINGDOM
- City Of Westminster

Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£7,367,000	£6,967,000	£89,946,000	54
2023-09-30	£7,250,000	£6,913,000	£85,890,000	56
2022-09-30	£5,986,000	£6,621,000	£86,204,000	53
2021-09-30	£5,087,000	£6,068,000	£92,225,000	60
2020-09-30	£9,773,000	£7,570,000	£83,215,000	77

Trustees

Name	Role	Appointed
Andrea Christin Williams		2023-06-15
Azlinda Ezrina binti Ariffin		2018-09-13
Diane Flynn		2023-06-15
Donal Anand-Shaw		2022-09-22
John Kirkland		2024-06-13
Julie Alexis Yang		2023-06-15
Kalyan Das		2021-09-23
Karan Mithu Daswani		2022-06-23
Lord Nicholas Henry Bourne		2017-05-04
Richard Henry McDonald		2022-09-22

Linked charities

- THE INTERNATIONAL STUDENTS HOUSE AFRICAN STUDENTS BURSARY (313512-1)

INTERNATIONAL STUDENTS HOUSE

England & Wales - Charity number 313512

Accounts



Annual Report

2023-24



International
Students House

Cover: Adityakumar Shrimali,
Tara Nirula (ISH and UAL) scholar 2023-24 from India

International Students House
229 Great Portland Street

London W1W 5PN
A Registered Charity and Company
Limited by Guarantee No. 724811

Contents

Governors' annual report	
Objectives	04
Principal activities	06
Public benefit test	07
Measuring success	09
Strategic report	12
Performance and achievements	14
Financial and investment report	20
Structure, governance and management	26
Organisational structure	29
Statement of governors' responsibilities	30
Independent auditor's report	31
Consolidated statement of financial activities	35
Consolidated balance sheet	36
Consolidated cash flow statement	37
Notes to the accounts	39

Governors' annual report

Objectives

The origins of International Students House (the House; ISH; the Charity) date back to 1917 with the founding of Student Movement House in Bloomsbury. This social centre for some of the many overseas students who came to London each year, was established to increase international understanding and friendship.

Mary Trevelyan, founder and first Director of International Students Trust which subsequently became the House, was Warden at Student Movement House in the 1930s.

ISH officially opened as a residence for students on 4 May 1965 and continues to provide an environment that facilitates the growth and development of today's young people from all over the world.

It gives them the opportunity to live in a supportive community in central London and experience a wealth of cultures; not only British, but also the many nationalities of their peers at International Students House.

The ISH Board of Governors approved the updated Memorandum and Articles of Association of International Students House on 11 October 2023 and the Charity's vision and mission statement was updated in June 2021. The objects of the House, as restated in the updated Memorandum and Articles of Association, are as follows:



To provide and maintain premises in the United Kingdom with a view to assisting students (including postgraduate students and persons engaged in research) (hereinafter called "the beneficiaries") to pursue research at universities, colleges, and other institutions of further education, by affording them hostel accommodation and facilities for rest, recreation, study, lectures and meetings.



To foster harmony between the beneficiaries and the countries, and/or ethnic or racial groups they represent.

Vision

To transform the futures of students from around the globe by providing a safe community in London that fosters international friendship and positive change.

Mission

To provide an affordable home away from home for students of different nationalities and diverse cultures, supported by a substantial scholarship programme, with the opportunity to live and learn together in a safe and secure community of mutual respect, understanding and international friendship.

“Having the opportunity to live together with other people helped me to feel less lonely. I also find it very nice to be able to share moments of my day together with other residents, such as the brunch or the various events organized by ISH. Here I feel a bit like family; a home away from home.”

- UCL scholar



Principal activities

Affordable accommodation

The principal activity of the House is the provision of affordable accommodation for overseas and UK students. In 2023-24 ISH was 'home away from home' for more than 250 residents from over 63 different countries, including UK nationals.

The students typically study at one of the nearby universities, either at undergraduate or postgraduate level, during their stay. ISH also provides a small number of flats for students with partners or dependents.

Scholarship programme

ISH runs a scholarship programme in partnership with local universities and scholarship providers. In this programme, the House provides free or discounted accommodation and the academic partner waives or reduces their tuition fees. In 2023-24, 34 scholars of 25 different nationalities benefited from this provision.

Events and Travel Club

The House is also a social hub for students, with weekly events and outings delivered free of charge or at a subsidised cost to residents and members. The Events team and the ISH Travel Club organise a varied programme of activities such as themed suppers, fitness classes, art workshops and culture nights, as well as supporting student-led initiatives like concerts and movie nights.

Promotion of international friendship

The House has an active alumni association called Goats International. ISH is proud that so many students make lifelong friendships during their stay in the House, as well as subsequently when they became alumni.

Many Goats stay in touch with ISH, dropping in to visit or renting a room when in London, and sending us news and updates from their lives and careers. ISH communicates with alumni through a quarterly e-newsletter and an annual magazine.

There are also monthly Goats Bar Nights throughout the year, a London reunion every three to four years and we encourage local activities around the world.

Mental health support

In 2023-24, the House continued to offer access to professional, external counselling free of charge for any resident in need of mental health support.

This provides an alternative pathway for those who cannot readily access over-subscribed services on campus or via their GP surgery. Four residents were referred to counsellors over the course of the year for support with issues such as stress, anxiety and homesickness.

Public benefit test

The Governors have paid due regard to the provisions of the 2011 Charities Act that require charities to prove that they deliver public benefits. ISH, through the fulfilment of its objectives, provides a wide public benefit.

Residents return to their home nations with a broadened perspective of the world and are equipped with skills which benefit their home countries and communities.

In partnership with 13 London universities and academic partners, the House's scholarship programme provides accommodation and tuition fee grants to overseas students, who would not otherwise have the opportunity to gain a UK qualification. ISH's contribution to this provision in 2023-24 amounted to approximately £403k (2022-23: £466k).

In addition to the ISH-funded scholars, four academic partners chose to place a total of nine scholars in the House, using their own funding to cover ISH accommodation fees.

Social events, trips and welfare support are subsidised or delivered free of charge to residents and members to ensure that cost is not a barrier to participation. These activities enable overseas students to settle in quickly, adapt to life in the UK and make new friends.

International students are a key component of the London and UK economy. ISH offers them a warm welcome, a supportive community and affordable accommodation. The House also provides opportunities for the integration of overseas students with UK students and the chance to learn about other cultures.

In addition to supporting students from all over the world, the House also contributes to the local community by hosting an annual Christmas lunch for around 100 senior citizens who use day centres or are in sheltered housing in the neighbourhood.

Scholars and residents volunteer to serve the food and provide entertainment, giving them an opportunity to experience British Christmas traditions and engage with our neighbours. The meal is held on a Saturday in December and is free of charge to attendees.



Increasing access to UK education.



Creating space for life-long friendships.



Building international understanding.



Supporting vulnerable people in the local community.



Supporting integration into British life.



Offering new skills and experiences.

Davis Projects for Peace

Another way in which our residents make a real difference in our world is by winning Davis Projects for Peace grants and delivering enriching projects around the world.

In 2023-24, one ISH resident was awarded \$10,000 to deliver a grassroots project in Nepal: Digital Kala - Empowering Underprivileged Young Women through Digital Literacy

The aim of this project was to empower young women in Nepal to step into the tech field and help build their skills and confidence to venture into new spaces.



Above: Digital Kala co-founder, Labbi Karmacharya, and project lead, Aminesh Singh Basnet, with participants from Mary Ward school

Below: Project lead, Aminesh Singh Basnet, conducting a session on the basics of Python programming



Measuring Success

Student experience

International Students House participates in the Global Student Living Index, which measures residents' satisfaction with the accommodation, services and the variety of social activities provided by the House.

Attendance at social events is monitored throughout the year and regular feedback on ISH events and services in general is sought via resident advisors (RAs) at fortnightly RA meetings and Student Management Committee meetings each term.

Also attending the Student Management Committee and the Board of Governors meetings is the Student President, acting as an independent representative for residents. Elections are held in November. Nic Thakkar from India was elected in 2023 and served until June 2024, while Bachar Chhadeh from Lebanon took up the position in November 2024.

Affordability

The House's affordability is measured each year when setting accommodation fees, through market research on competitor London providers. Students are also asked about their perception of value for money in the Global Student Living Survey.

Scholarships

The success of the scholarship programme is measured in terms of: the number of scholars in the House; the number of scholarship partners who assist with tuition fee support; and through an annual monitoring exercise led by the Dean of Student Life, where an academic report is received from each scholar's tutor.

Alumni engagement

Success in alumni relations is measured by: the quality of information held on the alumni database against each individual record; attendance at alumni events; the rate of engagement with digital communications; fundraising income; and gifts in kind.

“The facilities in the building, the opportunity to buy food at affordable prices at different times of the day, being able to print inside the building, being able to do laundry, free brunch on weekends, location and most important of all: the quality of the staff”

- 2024 Global Student Living survey comment in response to the question “What makes ISH different?”

International Students House in figures

2023-24



13

Academic partners
waiving and reducing tuition
fees for our scholars



63

Countries represented



403k

in residential scholarships



250

residents

34

scholars

“Being an ISH scholar has been an incredibly positive journey for me. The atmosphere is not only friendly but also remarkably calm, fostering a sense of community and collaboration. What stands out is the genuine commitment from everyone to offer immediate support, care, and swift solutions to any challenges that may come up. This nurturing environment has truly enhanced my experience as a scholar.”

- Birkbeck, University of London scholar



Strategic Report

International Students House's business strategy is summarised in our mission statement:

“To provide an affordable home from home for students of different nationalities and diverse cultures, supported by a substantial scholarship programme, with the opportunity to live and learn together in a safe and secure community of mutual respect, understanding and international friendship.”

ISH's medium term business strategy was updated in March 2023 to reflect the challenging financial climate and the revised property strategy.

The priority of ISH is to maintain a financially sustainable position over the next one to two years until the new student accommodation building is up and running.

The revised plan maintains the objective of increasing the number of scholarships sustainably over a five-year period, in line with increased accommodation provision.

The property strategy was also revised in March 2023 due to the competitive real estate market in central London. The search area was expanded beyond Westminster and Camden with the aim to remain within Zone 1.

The expansion of the property strategy allowed ISH to identify new property opportunities, all of which were assessed and appraised by the Board. The most appealing and feasible prospect was a site in Kennington Lane. 238 Kennington Lane was purchased in September 2023. The property was acquired with planning permission to build a 187-bed Purpose-Built Student Accommodation (PBSA) building on the site.

This acquisition is in line with both the property and business strategies as it will enable the House to get to a more financially sustainable position as well as replace some of the lost bed spaces when the building at York Terrace East (YTE) was sold in 2020. A second freehold property, adjacent to 238 Kennington Lane was identified and ISH secured a purchase agreement for the freehold acquisition of the second property at 250 Kennington Lane. The purchase agreement is subject to planning and will be completed when planning permission to construct a PBSA building is received from the Council.

These two properties will enable the House to welcome over 370 more students. The Board continue to ensure that the operations are run and property investments are made sustainably and in line with its strategic plan.

The Board approved a new Fundraising Strategy for the House in March 2024. A Working Party was set up to drive this new initiative, led by consultants Red Pencil. The long-term aim is to establish a culture supportive of fundraising and philanthropy. This new strategy will support the capital growth the Charity has embarked on as well as grow our charitable giving in the form of scholarships and hardship fund grants. The key aims relating to the House's charitable mission are:

- (i) To develop the residential scholarship programme to assist students from financially challenged backgrounds. In 2024-25, 36 scholarships have been awarded in line with the charitable objectives.
- (ii) To ensure a geographically and academically diverse and well-balanced residential student community with the aim of having up to 20% of the total student numbers from the UK.
- (iii) To ensure the House's residential fees are competitive with central London student halls.
- (iv) To increase the diversity and variety of events and activities to meet the changing needs of ISH's residential and non-residential community and facilitate integration of different nationalities.

(v) To support our residents' mental health and wellbeing during their time at ISH.

(vi) To continue to provide services to former students through the alumni association and keep them engaged with the House.

The directors have had regard to the matters set out in Companies Act 2006, section 172(1) (a) to (f) when performing their duties under section 172, which is to promote the success of the Charity.

Performance and achievements

Student experience

The Global Student Living Survey, which benchmarks ISH against local university halls and local private halls, provides useful data on the student experience and the impact life at ISH has on its residents.

In 2023-24, the House received an overall approval rating of 99%, where 99% of respondents said that their level of satisfaction with ISH was “very good”, “good” or “OK”.

This is higher than the score given to private halls in London (89%) and to university halls in London, which have just 80% satisfaction.

When asked about individual aspects of their accommodation, resident responses show that ISH outperforms other providers surveyed in the following criteria: care and support, communal spaces, condition and quality, communications, environmental impact, internet, local amenities, location, mail handling, opportunities for social interaction, overall management, personal safety, relationships with other residents, safety and security, study environment, value for money.

In addition, 91% of ISH residents said their accommodation had a positive impact on their wellbeing, whereas London private halls scored just 65%.

Global student living score

International Students House achieved a score of 81 for 2023-24 and was awarded Gold Certification, for the second consecutive year.



Affordability

In the 2024 Global Student Living Survey, 78% of survey respondents said ISH's value for money is “good” or “very good”, compared to just 55% in London private halls and 41% in London university halls. This is a key method through which the House monitors its affordability, alongside market research on competitor London providers.

Events and travel club

Events organised by the House were viewed extremely positively by survey respondents, 96% of whom gave the ISH social programme a positive rating.

As well as 195 social events during the year, there were also 19 daytrips and weekend excursions organised by the ISH Travel Club. These achieved a 96% satisfaction in the 2024 survey.

Awards

The House was awarded Best Specialist Housing, UK & Ireland at the 2024 Global Student Living Awards.



ISH was awarded the Gold ECOSMART accreditation in both 2023 and 2024, reflecting our dedication to environmental responsibility and continuous improvement in energy and water conservation.

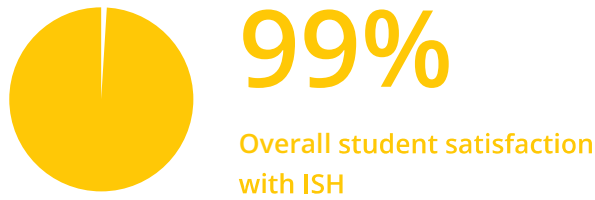


Our music venue, 229, received the Music Venue Trust's Outstanding Contribution to Grassroots Music Award in 2024.



Above: Ben Sutherland, Laurie Young and Stuart Ellerker presented with MVT's Outstanding Contribution to Grassroots Music Award 2024

2024 Global Student Living survey results



Measuring the impact of scholarships

Current scholars

Every year, the Dean of Student Life conducts a mid-year monitoring exercise with current scholars to assess their general progress both academically and socially. A report from their place of study is also received at this time.

One common theme that emerged in 2023- 24, was the importance of the International Students House community as a source of peer support and learning:

“Surrounded by students from diverse backgrounds facilitates cultural exchange, friendship, and a support network that is invaluable in adjusting to a new country and academic environment.”

- Chevening scholar, City University

Scholars also reported that in addition to the financial support provided, they value the opportunity to develop personal and professional friendships.

Alumni

The monthly **Goats Bar Night**, held in the House's onsite bar, The Thirsty Scholar, continued throughout 2023-24 and was well attended by ISH alumni. ISH's digital engagement also grew, with an average communication open rate of over 39%.

In Spring 2024, our alumni shared their professional experiences and career tips with current residents through **Coffee Connect**.



Coffee Connect was launched with the aim of creating meaningful connections between current ISH residents and the broader alumni network. The intention was to offer current residents valuable insights and support from those who have walked a similar or completely different path, whether that be in their chosen field, further studies, or transitioning into new careers. The response was enthusiastic, with 25 alumni and 36 residents

engaged—some through virtual meetings, others in person in the Thirsty Scholar.

International Students House alumna and former scholar Oteri Okolo (at ISH 2021-22) was Highly commended in the **International Alumni of the Year** category at the 2024 PIONEER awards. This is the 4th consecutive year in which our alumni featured in the awards.



Above: Oteri Okolo



Above: 2023-24 scholars

Acknowledgments

The House gratefully acknowledges the support of the following partners, without whom the scholarship programme would not have been so successful:

ISH's catering contractors BaxterStorey, who provided a free breakfast for 20 of the 34 scholars.

The following academic partners, who waived or reduced their tuition fees for the following number of scholars:

3 scholars	UCL, Institute of Education
3 scholars	Royal Academy of Music
3 scholars	Royal College of Music
3 scholars	The School of Oriental & African Studies
3 scholars	Council for At-Risk Academics (cara)
3 scholars	UCL, United World Colleges
2 scholars	Birkbeck, University of London
2 scholars	London Institute of Banking and Finance
2 scholars	London School of Economics and Political Science
2 scholars	London School of Hygiene & Tropical Medicine
2 scholars	UCL, Institute of Global Health
2 scholars	Chevening
2 scholars	London Metropolitan University
1 scholar	University of the Arts
1 scholar	ISH Scindia Scholarship*

*Both academic and accommodation scholarship sponsored by International Students House.

“ISH is a melting pot for fellow scholars from all around the world to bring in, share and live their different cultures. In addition to its vibrant atmosphere, has facilities that I have always been impressed with - and this is provided by ISH constantly being on top of things with maintenance. The staff have always offered me a helping hand, not only whenever I needed it but also when I needed but was not able to ask for support - I have always been aided, and I am very grateful for that.”

- Royal Academy of Music scholar



Financial and investment review

Financially significant events

Acquisition of new properties

Following the purchase of the freehold property at 238 Kennington Lane for £19.25m on 26 September 2023, ISH entered into an agreement to acquire another freehold property for 250 Kennington Lane, subject to a successful planning permission. The purchase price for 250 Kennington Lane will be dependent on the number of bedrooms in the property. The minimum price for the property is £13.95m.

ISH entered into a Development Funding Agreement with the property developer, HG Living, to develop 187-bed, purpose-built student accommodation at 238 Kennington Lane. Practical completion of the building is currently planned for 31 March 2026 ahead of the 2026-27 academic year. The total construction cost for the property is expected to be £36m and the project is currently on track with budget. The funds received from the sale of the property at York Terrace East (YTE), which was sold in February 2020 for £58m, will be utilised to secure both freehold properties. The development of 238 Kennington Lane is being debt funded through a combination of a Lombard Loan from HSBC UK and an additional loan from CAF Bank.

There are currently discussions ongoing with financial institutions and banks to identify the most cost-effective solution to fund the construction cost for 250 Kennington Lane.

Financial market growth and Investment portfolio management

During 2023-24, financial markets were very positive, especially the US market. The market experienced strong equity gains, led by a resilient economy and easing inflation.

As a result, ISH's investments achieved a net 3.3%

growth for the year with 6.6% capital gains. Dividend pay-out was marginally higher than expectations and the dividend income as well as the returns received on fixed interest equities supported the charitable activities of the House for the year.

Furthermore, ISH adjusted its investment risk profile to a low to medium from medium to high. The revised strategy was implemented to reduce the volatility of the investment portfolio and be more resilient to market fluctuations.

The Lombard facility received from HSBC UK is secured against the investment portfolio and the revised strategy will ensure that the portfolio valuation will remain above the required threshold in order not to breach the HSBC covenant.

General financial performance

The Net Operating Income for 2023-24 was £400k (2022-23: £337k). The net gain on investment assets was £3,656k (2022-23: loss of £651k). This gave rise to an overall net income position for the year of £4,056k (2022-23: net expenditure of £314k).

As a result, the total value of unrestricted funds (including designated funds) increased to £85,548k (2022-23: £80,728k). The total value of restricted funds increased by £236k to £5,398k (2022-23: £5,162k) giving ISH a total reserve level of £89,946k (2022-23: £85,890k).

Improvement in performance

ISH ended the 2023-24 financial year with an improvement on the previous year.

Whilst investment income experienced a reduction during the year due to a £20m draw down to fund the freehold acquisition of 238 Kennington Lane, income from both trading and charitable activities showed an increase in turnover from 2022-23. Conference income, together with revenue from venues improved by 12% to £2,352k while accommodation income increased by 8% to £2,943k during the year. Room bookings have consistently remained above 98.5% over the year, reflecting the

high demand for bed spaces at ISH. The second and final tranche of £66k for a legacy donation, totaling £216k, received this year will support the Mary Trevelyan Hardship Fund for many years to come.

Total Income increased by 1.6% year on year whereas expenditure increased by 0.8% to £6,967k. This has resulted in an increase in the Net Operating surplus to £400k for the year, which is 18.7% better than the previous year.

The tangible assets increased by £8.3m mainly due to the construction costs of the new property. The current assets increased by £1.8m for the year due to the deposit paid for the freehold property acquisition of 250 Kennington Lane and the work completed for the planning application.

The significant increase in the creditors falling due within one year mainly relates to the funds drawn down from the Lombard Loan to cover the construction costs of the property at 238 Kennington Lane.

In addition to the property acquisition, £741k (2022-23: £428k) was spent on capital expenditure. The bulk of this was for an ongoing ventilation project and property maintenance work of the Grade 1 listed building at Great Portland Street (GPS). The work completed is in line with the ongoing maintenance plan developed following the 2021-22 property survey.

Pension liability

The House is required to provide for and disclose their share of any deficit reduction scheme for schemes of which they are a member.

The House is a contributing employer of the University Superannuation Scheme (USS), for which the House's estimated liability for the pension reduction plan is £67,493.

The House is also a contributing employer of the Superannuation Arrangements of the University of London (SAUL) scheme, for which the House's estimated liability for the pension reduction plan is £106,114. Refer to note 20 below for further detail.

Investments

The House's Investment Committee has delegated authority from the ISH Board of Governors to oversee the investment portfolio with Quilter Cheviot (QC), who have been the discretionary investment managers of the House since October 2017.

The investment portfolio's market value at the end of 2023-24 was £57.1m (2022-23: £55.3m). The increase in the portfolio reduction was mainly due to the strong performance of the market and easing of inflation. Investment Income and interest received during the year was marginally ahead of expectations at £2,000k (2022-23: £2,252k).

58% of the investment portfolio was invested in fixed interest securities during the year. The remainder of the investments are in a range of asset classes including UK equities, overseas equities, commercial property and infrastructure funds and private equity.

Scholarship funds

The value of the scholarship funds (both restricted and designated funds) increased from £8,045k to £8,499k during the year as a direct result of the performance of the investment portfolio.

Environmental, social and corporate governance policy

The House's Environmental, Social and Governance (ESG) policy sets out a fundamental guiding principle that Quilter Cheviot must apply investment criteria based on ESG Standards. During the regular review meetings with the investment manager, the application of ESG policies in making investment decisions is considered. ISH is committed to being a responsible investor.

Ethical investment policy statement

The House does not apply an overall ethical exclusionary policy to its dealings with its stakeholders. There is therefore no existing ethical framework for an exclusionary (or positively screened) investment policy. Should ISH develop such a stance in the future, an investment policy will be developed to dovetail with this, as part of a more holistic approach.

Responsible investment

ISH's investment manager, Quilter Cheviot (QC), provide annual reporting, as well as quarterly updates on its responsible investment activity. This includes a breakdown of voting, including votes against management over the twelve months as well as engagement activity with the underlying holdings within the portfolio. On an annual basis, the Investment Committee have a responsible investment focused session with QC and its Responsible Investment team.

As of 30 September 2024, ISH's portfolio had a Weighted Average Carbon Intensity (WACI) of 69 tCO₂e/\$m revenue for its Scope 1 and 2 corporate constituents, significantly lower than that of the benchmark (90 tCO₂e/\$m revenue). The portfolio's financed emissions highlight its exposure to heavy-emitting sectors, and how concentrated this can be; just 5% of issuers account for over three-quarters (84%) of financed emissions. Holdings within the Energy sector account for nearly half (48%) of the portfolio's emissions, compared to only 17% of the benchmark's emissions. Holdings in the Materials industry group contributes 35% compared to only 16% for the benchmark.

QC are in the process of modifying their reporting methodology, so there may be changes to reported metrics in future years that are not linked to performance changes in the underlying holdings. Any methodological changes implemented will be clearly explained in future annual reports.

Reserves policy

As at 30 September 2024, the value of the restricted funds stood at £5,398k and the value of the designated funds was £37,472k.

The various designated and restricted reserves of the House are as follows:

Designated reserves for property acquisition and development

The first designated reserve is the funds set aside for property acquisitions and developments. The sale of YTE was agreed in September 2016 with the sale completed on 12 February 2020. All the proceeds of the sale have been set aside for future acquisitions.

The objective of the Board is to increase the number of bed spaces and setting the funds aside clearly identifies the purpose of the funds generated from the sale of YTE. The acquisition of the freehold land and the building construction costs at 238 Kennington Lane is funded from this designated reserve.

Designated reserves for major repairs

As ISH has completed a full refurbishment programme of its accommodation at GPS in 2021, setting aside a designated fund will prevent new major repair and renovation projects from impacting the free reserves of the Charity.

This designated reserve has been in place for six years and enables the House to have a long-term repair and renovation plan without jeopardising its charitable objectives.

Designated reserves for the scholarship programme

The ISH Scholarship Fund is used each year to provide bursaries to overseas students. The intention is to grow the scholarship funds so that they are self-sufficient, to ensure the perpetuity of scholarships.

Restricted reserves

The restricted scholarship reserves relate to donations and contributions made to ISH to support ISH's scholarship programme. The allocation is based on specific criteria agreed with the respective donors.

The restrictions imposed on the charitable donation from the International Students Trust (IST) to ISH are as follows:

- IST Scholarships – For student accommodation in collaboration with higher education (HE) partners.
- IST Travel Bursaries – For use by ISH Travel Club, to support ISH's mission to promote global friendship and cultural understanding.
- The Mary Trevelyan Hardship Fund – To support students in hardship during their studies.

General reserves

Out of the £47,076k of general reserves, £38,934k is tied up in the Charity's fixed assets and not freely available. This leaves the level of free reserves as at 30 September 2024 at £8,142k (2022-23: £6,011k).

The free reserves are sufficient to cover over 14 months' worth of operating expenditure, in line with the reserves policy. Guidance from Charity Commission is that charities could consider undesignating reserves to increase their free reserves should there be a need to do so. ISH currently has designated reserves of £37,472k, which can be utilised should the need arise.

The Governors' view is that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future and financial statements have therefore been prepared on a going concern basis.

Reserves	FY24 Position (£'000)	FY23 Position (£'000)	Further Information
Funds represented by property, plant and equipment	38,934	30,644	The funds invested in tangible fixed assets are not freely available to the Charity and therefore excluded from the free reserves.
Restricted scholarship reserves	5,398	5,162	Funds restricted to scholarship funding based on donors' specification for the use of their donation. These funds are not freely available. The restricted funds now include funds donated from IST.
Designated ISH scholarship fund	3,101	2,883	The fund is designated to ensure that ISH can satisfy its obligations towards scholars during the course of their scholarships
Designated funds for major repairs	1,800	1,500	Following the significant refurbishment programme which started - in 2018, funds are being set aside to cover for future repairs on the works recently completed.
Designated funds for property acquisition and developments	32,571	39,690	Following the sale agreement of the YTE Building, funds for property acquisition and developments have been designated to either acquire new accommodation properties or develop existing properties to increase accommodation provision.
Free reserves	8,142	6,011	The free reserves level target is to cover 10 - 18 months of expenditure level. The current position covers more than 14 months of operating expenditure.
Total reserves	89,946	85,890	

Principal risks and uncertainties

The Governors confirm that the major risks to which the House is exposed as identified by the Governors are regularly reviewed, and systems have been established to mitigate those risks.

The Governors review the Risk Register on a quarterly basis to ensure mitigating actions are in place for all the risks identified.

The key risks along with the strategies the Board have identified to mitigate these risks are as follows:

Growth strategy - Finding alternative accommodation, following the sale of the property at YTE and renewal of the property lease at GPS, is the key risk for the Charity. The sale of YTE led to a reduction of 275 bed spaces. The GPS lease has 38 years left and with the renewal discussions still ongoing with The Crown Estate, there is a risk that the negotiations are not successful. The acquisition of new properties helps mitigate this risk and secures the future of the House.

Business continuity - The risk revolves around incidents and events that limit ISH's ability to operate normally. Regularly reviewing the emergency response procedures and the business continuity plan, as well as having a procedure for rapid restoration of business activities, are part of the risk mitigation.

Safeguarding - This risk is about failures to safeguard the Charity's beneficiaries or associated vulnerable persons from abuse and harm. The main mitigating actions are: having robust policies in place with ongoing training for key personnel and embedding a community spirit in ISH's culture. This helps provide a safe environment for all.

Financial sustainability and reserves level - The risk revolves around having insufficient income and reserves for ISH to achieve strategic objectives and maintain its operations. The key mitigating actions are: the constant review of the financials, costs monitoring, forward planning on an annual and three year cycle as well as remaining within the free

reserves level to ensure that operations are not disrupted for financial reasons.

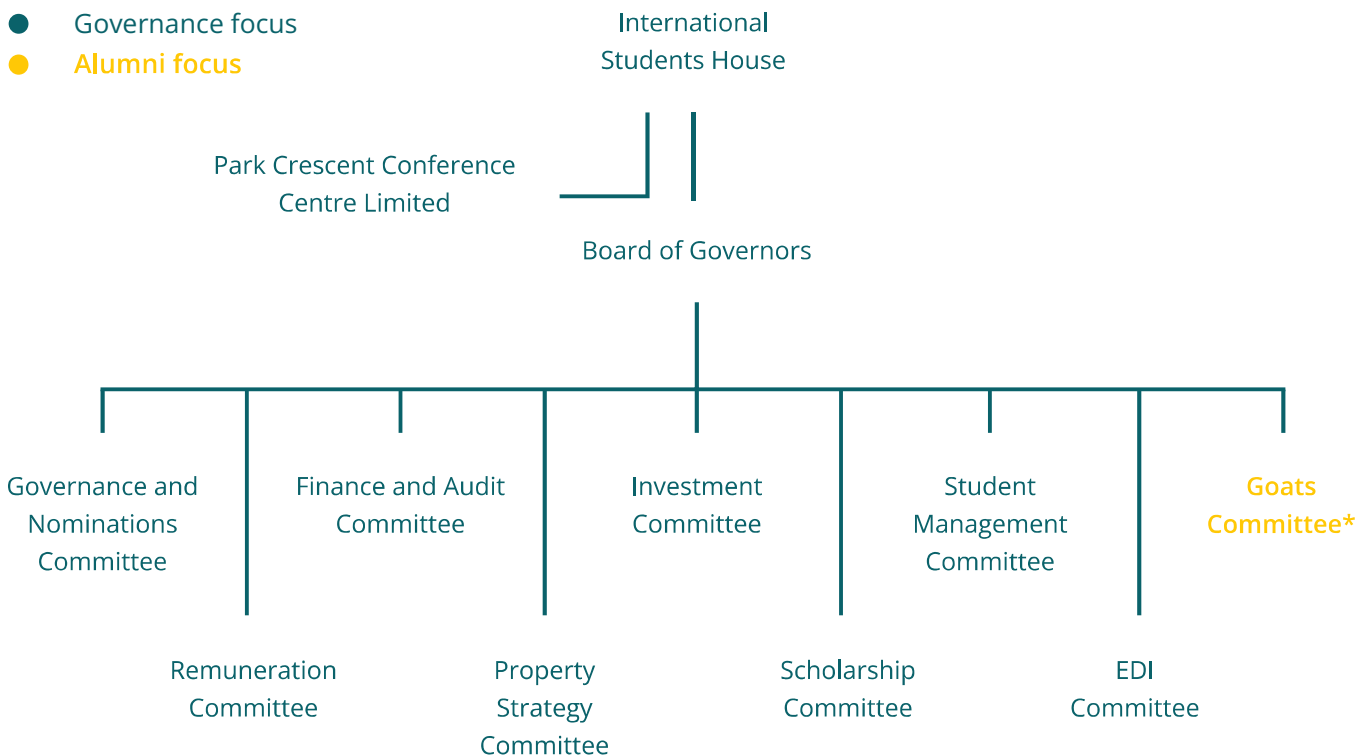
Plans for future periods – operational

The House has a five-year, medium-term strategy from 2023 to 2028, which was reviewed by the Board of Governors in March 2023.

The operational key points are outlined below:

- To increase the capacity of the Charity, to acquire major freehold or long-lease residential accommodation.
- To maintain and provide new student facilities to improve the student experience.
- To continue to provide scholarships to students from disadvantaged backgrounds.
- To promote student welfare in other ways, such as the provision of free or subsidised meals.
- To balance the charitable and commercial needs by ensuring the commercial activities complement and support ISH's charitable aims.
- To maintain close institutional links with colleges and universities in London and other key stakeholders.
- With the acquisition of the two new properties, the Board of Governors plans to undertake a strategic review in May 2025 to assess the Charity's performance against the five-year business plan.

Structure, governance and management



* The Goats Committee represents the Alumni Association of International Students House.

Charity details

International Students House is a Registered Charity (registration number 313512) and a Company Limited by Guarantee (registration number 724811).

The Charity is governed in line with the Memorandum and Articles of Association, which was updated in October 2023.

Board of Governors

The Board of Governors is responsible for the management of the House. The Governors meet at least four times a year. There are up to 15 Governors who are elected for a three-year period as approved by the existing Governors. These Governors are directors for the purposes of the Companies Act 2006.

The structure of the Board of Governors and its sub-committees is shown above.

Board and committees

Each committee has specific terms of reference and functions delegated by the Board and has a chair, also appointed by the Board. Formal attendance monitoring arrangements for the Governors are in place and are monitored regularly by the Governance and Nominations Committee and the Board.

In June 2024, the House set up an Equality, Diversity and Inclusion Committee to drive its EDI initiatives. The aim of the Committee is to promote, encourage and champion EDI related issues to bring about positive change and make recommendations on the direction of the strategy.

All the Governors are directors of the company and guarantee to contribute £1 in the event of the company winding up.

Charity governance code

In order to ensure that the Charity has the correct structure to achieve its ambitions and aims, ISH continues to follow the Charity Governance Code. This code is designed as a tool to support continuous improvement and sets out principles and recommended practices. A Code of Conduct for ISH Governors is also in place and is regularly reviewed to ensure the Charity is adhering to recommended governance practices.

The Governors have had due regard to the need to foster the Charity's business relationships with suppliers, students, customers and others, which is considered when making principal decisions.

Appointments and resignations

John Garbutt stepped down as an ISH Governor in June 2024 after 31 years as the Chair of the sister charity, International Students Trust and six years on the Board of ISH. John Kirkland was appointed on 13 June 2024 as a replacement.

The Governors wish to record their appreciation and gratitude to John Garbutt for his great contribution during his tenure.

There are currently ten Governors on the Board and there is no immediate intention to appoint additional Governors to the Board. However, there is the potential to increase to 15 if so required.

Philip Boafo was appointed as the ISH internal auditor of the House on 13 June 2024.

Auditors

Moore Kingston Smith LLP was re-appointed as the House's auditor during the year. A benchmarking exercise was undertaken in July 2023 and following the review, Moor Kingston Smith LLP was re-appointed for a further three years.

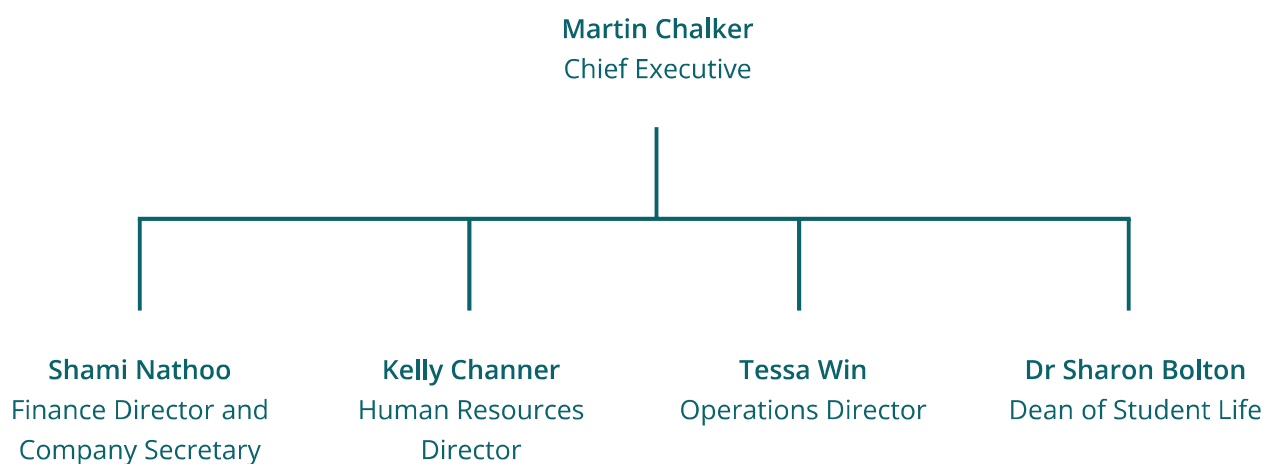
The next review of the external auditors will be undertaken in 2025-26.

Organisation details

The reference and administrative details of the House, its governors and advisers are as follows:

Chair	Lord Nicholas Bourne		
Governors	Azlinda Ariffin-Boromand (Vice Chair)	Diane Flynn	
	Donal Anand-Shaw	Julie Yang	
	Kalyan Das	Andrea Williams	
	Richard McDonald	John Garbutt (Retired 13/06/2024)	
	Karan Daswani	John Kirkland (Appointed 13/06/2024)	
Patron	HRH The Princess Royal		
President	Lord Charles Fitzroy		
Vice Presidents	Dr Geoffrey Copland CBE	Gill Hammond	
	Baroness Diana Warwick of Undercliffe	Toshihiko Ota	
	Rosamund Horwood-Smart QC	Sir John Ritblat	
	John Garbutt		
Chief Executive	Martin Chalker		
Company Secretary	Shami Nathoo		
Honorary Fellows	Teresa Akpeki	Peter Anwyl	Dato Yeoh Soo Min
	Lord Amir Bhatia	Sir Nigel Carrington	Ian Barry
	Jonathan Day	Ipek De Vilder	Dorothy Dalton
	Mary Mackie	Judge David Owen Jones	Lord Khalid Hameed CBE
	Michael Pitts	Richard Porter	Russell Peters
	Neville Surti	Margret Swinley OBE	Roy Rohatgi
	Major John Vaughan	Albert McKendry	Andrew Tennant
	Colin Matheson	Jamie Hambro	Vikram Mathur
	David Anderson-Evans	George Egerton	Jeremy Connor
	Sikander Khan	Julie Costley-White	John Wolfe
	Kevin Coyne	Carol Sutcliffe	David O'Brien
	Zenobia Nadirshaw MBE	Fethi Thabet	Jerry Vincent
	Aziz Wahied	Anirbed Baruah	Rajarshi Sahai
	Hanna Fleck	Sara Kironde-Strain	Dawn Evans
	Darshak Shah	Brent Sobol	Ashok Khanna
	Tracey Aquino	Rajiv Bendre	
Registered Office	1 Park Crescent, Regents Park, London, W1B 1SH		
Company Limited by Guarantee in England	724811		
Charity Number	313512		
Solicitors	Bircham Dyson Bell, 50 Broadway, Westminster, London SW1H 0BL Shakespeare Martineau LLP, Exchange Square, 21 North Fourth Street, Milton Keynes, MK91 1HL		
Bankers	Handelsbanken, 3rd Floor, 86 Jermyn Street, London SW1Y 6JD		
Investment Managers	Quilter Cheviot Investment Management, Senator House, 85 Queen Victoria Street, London, EC4V 4AB		
Auditor	Moore Kingston Smith LLP, 9 Appold Street, London, EC2A 2AP		

Organisational structure



Remuneration

The remuneration bands for the five senior managers earning over £60k per annum are disclosed in note 9 below.

Pay policy for senior staff

The Remuneration Committee is formed of Governors. The committee meets in November each year and approves the pay for senior staff.

The committee also approves the application of any annual bonuses to staff, from a capped bonus pool via a performance-related assessment. In 2023-24 a pay award and an annual bonus was approved for all staff of as a result of the positive operational performance of the Charity.

Remuneration is assessed after looking at market rates and industry benchmarks.

Related entities

Toyota-Shi Trevelyan Trust

The House has a close association with the charity Toyota-Shi Trevelyan Trust (TSTT) which provides grant income for UK students studying in Japan, and Japanese students studying in the UK.

ISH and the Trust appoint 50% of the Trustees of this charity. The Chief Executive of ISH is also Chief Executive of all the related entities and Shami Nathoo, is the Company Secretary of the House and all the related entities.

Park Crescent Conference Centre Limited

ISH has a wholly owned subsidiary – Park Crescent Conference Centre Limited (PCCC). PCCC reported a profit of £337,486 (2022-23 £268,560) in the year ending 30 September 2024. This amount will be paid as a distribution to ISH in 2025.

Statement of Governors' responsibilities

Governors' report

The Governors (the Directors of International Students House for the purposes of company law and Trustees of International Students House for the purposes of charity law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Financial statements

Company law requires Governors to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the Governors 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 a going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Accounting records

The Governors 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.

Safeguarding assets

They are also responsible for safeguarding the assets of the charitable company and the group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


Disclosure of information to auditors

In the case of each of the persons who are Governors of the company at the date when this report was approved:

- So far as each of the Governors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditors are unaware; and
- Each Governor has taken all the necessary steps to make themselves aware of any information relevant to the audit and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 2006.

This report was approved by the Board of Governors and signed on behalf of the Board on 24 April 2025.


[Nicholas Bourne \(May 12, 2025 14:31 GMT+1\)](#)
Lord Nicholas Bourne (Chair)

Independent auditor's report

Independent auditor's report to the members of International Students House (a registered Charity and Company Limited by Guarantee).

Opinion

We have audited the financial statements of International Students House (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 September 2024 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 September 2024 and of the group's 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 Auditor's Responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other

information contained in the annual report. 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 there is 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual 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:

- The parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 group and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in

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

The objectives of our audit in respect of fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of

management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith Up

Moore Kingston Smith llp (May 19, 2025 15:58 GMT+1)

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP,

Statutory Auditor
9 Appold Street London
EC2A 2AP

Consolidated statement of financial activities

Incorporating an income and expenditure account for the year ended 30 September 2024.

	Note	Unrestricted funds	Designated funds	Restricted funds	Total 2024 funds	Total 2023 funds
		£'000	£'000	£'000	£'000	£'000
Income and endowments						
Charitable activities	3	2,943	-	-	2,943	2,726
Other trading activities	4	2,319	31	2	2,352	2,103
Donations and legacies	5	5	-	66	71	168
Investment income	6	1,762	100	139	2,001	2,253
Total incoming resources		7,029	131	207	7,367	7,250
Expenditure on						
Raising funds	7	(2,400)	(21)	(14)	(2,435)	(2,233)
Charitable activities	8	(4,390)	(15)	(127)	(4,532)	(4,680)
Total resources expended		(6,790)	(36)	(141)	(6,967)	(6,913)
Net operating income		239	95	66	400	337
Net gain/(loss) on investment assets	12	1,674	1,812	170	3,656	(651)
Net income/(expenditure)		1,913	1,907	236	4,056	(314)
Transferring between funds in the year		8,508	(8,508)	-	-	-
Net movements in funds		10,421	(6,601)	236	4,056	(314)
Fund balances						
At 1 October 2023		36,655	44,073	5,162	85,890	86,204
At 30 September 2024		47,076	37,472	5,398	89,946	85,890

Consolidated balance sheet as at 30 September 2024

Company registration no. 724811

	Note	Consolidated		Charity	
		2024	2023	2024	2023
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	11	38,934	30,644	38,934	30,644
Investments	12	49,336	55,111	49,336	55,111
		<u>88,270</u>	<u>85,755</u>	<u>88,270</u>	<u>85,755</u>
Current assets					
Stocks		17	20	17	20
Debtors	14	1,736	343	1,682	329
Short term deposits		8,683	1,110	8,683	1,110
Cash at bank and in hand		1,026	591	602	555
		<u>11,462</u>	<u>2,064</u>	<u>10,984</u>	<u>2,014</u>
Creditors					
Amount falling due within one year	15	(9,618)	(1,810)	(9,476)	(2,028)
Net current assets/(liabilities)		<u>1,844</u>	<u>254</u>	<u>1,508</u>	<u>(14)</u>
Total assets less current liabilities		<u>90,114</u>	<u>86,009</u>	<u>89,778</u>	<u>85,741</u>
Creditors - amounts falling due after more than one year		-	-	-	-
Provisions for liabilities and charges	16	(168)	(119)	(168)	(119)
Net assets		<u>89,946</u>	<u>85,890</u>	<u>89,610</u>	<u>85,622</u>
Unrestricted funds					
General fund	18	47,076	36,655	46,740	36,387
Funds for major repairs (designated)	18	1,800	1,500	1,800	1,500
Reserve for future repairs (designated)	18	32,571	39,690	32,571	39,690
ISH scholarship fund (designated)	18	3,101	2,883	3,101	2,883
Restricted funds					
Total restricted funds	18	<u>5,398</u>	<u>5,162</u>	<u>5,398</u>	<u>5,162</u>
		<u>89,946</u>	<u>85,890</u>	<u>89,610</u>	<u>85,622</u>

These financial statements were approved and authorised for issue by the Governors on 24 April 2025. The accompanying notes form part of the financial statements. No separate SOFA has been presented for the Charity alone, as permitted by section 408 of the Companies Act 2006. The Charity's income for 2023-24 was £5,203k (2022-23: £5,181K) and it made a surplus of £3,987k (2022-23: £507k deficit).

Signed on behalf of the Governors by:



Nicholas Bourne (May 12, 2025 14:31 GMT+1)

Lord Nicholas Bourne (Chair)



Azlinda Ariffin-Boromand (May 12, 2025 14:52 GMT+1)

Azlinda Ariffin-Boromand (Vice Chair)

Consolidated cash flow statement: year ended 30 September 2024

	Note	2024	2023
		£'000	£'000
Cash outflows for operating activities	A	(805)	(734)
Cash (outflows)/inflows from investing activities	B	(7,840)	2,533
Cash inflows from financing activities	C	6,582	-
Change in cash and cash equivalents in the reporting period		(2,063)	1,799
Cash and cash equivalents at 1 October		5,890	4,091
Cash and cash equivalents at 30 September	C	3,827	5,890

Cash and cash equivalents at 30th September consists of		2024	2023
		£'000	£'000
Cash component of fixed assets investments	12	2,801	5,299
Cash at bank and in hand		1,026	591
Total		3,827	5,890

A. Reconciliation to changes in resources		2024	2024
		£'000	£'000
Net income for the year		400	337
Investment income receivable		(2,000)	(2,252)
Increase in loans received		(6,582)	-
Interest receivable and sundry income		(1)	(1)
Profit on disposal of fixed assets		(4)	-
Net provisions charges (see note 16)		49	44
Depreciation of tangible fixed assets		915	906
Decrease in stocks		3	1
(Increase)/decrease in debtors		(1,393)	33
Increase in creditors		7,808	198
Net cash used in operating activities		(805)	(734)

Notes to the cash flow statement: year ended 30 September 2024

B. Cash flows from investing activities	2024	2023
	£'000	£'000
Investment income receivable	2,000	2,252
Interest receivable and sundry income	1	1
Profit on disposal of fixed assets	4	-
Purchases of tangible fixed assets	(9,205)	(20,487)
Purchases of investment assets	(38,371)	(9,845)
Less: Sales of investment assets	37,731	30,612
Net cash (used in)/provided by investing activities	(7,840)	2,533

C. Cash flows from financing activities	2024	2023
	£'000	£'000
Increase in bank loan	6,582	-
Net cash provided by financing activities	6,582	-

D. Analysis of cash and cash equivalents	2024	2023
	£'000	£'000
Cash component of fixed asset investments	2,801	5,299
Cash in hand and at bank	1,026	591
Total cash and cash equivalents	3,827	5,890

	Opening balance	Cash flows	Closing balance
	£'000	£'000	£'000
D.i. Analysis of changes in net debt for the year			
Cash and cash equivalents	5,890	(2,063)	3,827
Loan falling due within one year		(6,582)	(6,582)
Total	5,890	(8,645)	(2,755)

Notes to the Accounts

1. Company information

International Students House (ISH) is a registered charity (registration number 313512) and a company limited by guarantee (company registration number 724811) incorporated in England and Wales.

The registered office is: 1 Park Crescent, Regents Park, London, W1B 1SH.

Basis of preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006.

The Charitable Company is a public benefit company as defined by FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going concern

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions, including assessing the current economic climate, that might cast significant doubt on the ability of the Charity one year from the date of approval of the financial statements. In particular, the Governors have considered the Charity's forecasts and projections and have taken account of pressures on accommodation income and other trading activities. After making enquiries the Governors have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Group accounts

The income and expenditure account of the consolidated operation only has been presented, as permitted by Section 408 of the Companies Act 2006.

Incoming resources

Charitable income represents income received and receivable from the provision of accommodation and associated services.

Income is recognised in the accounting period when the person enjoying the accommodation was in residence.

Other trading income reflects the revenue received in the year from the following activities; hiring out of the function venues, income from conference activities, and rent received from the lease of car park and garages spaces.

Investment income represents the income from the investment portfolio.

All income originates from within the United Kingdom.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of occupancy rates between the Charity and its subsidiary, and the proportion of time spent by staff on those activities.

Investments

Investments are stated at market value. It is the Charity's policy to keep valuations up to date such that when investments are sold there is no realised gain or loss arising.

As a result, the Statement of Financial Activities does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings as they are together treated as changes in the investment portfolio throughout the year.

Investments that mature within 12 months of the year-end date are classified as short term deposits.

Stocks

Stocks are valued at the lower of cost and net realisable value and represent goods for resale.

Depreciation

Depreciation policy was reviewed during the year, and is calculated to write down the cost of tangible fixed assets in equal annual instalments to their estimated residual values over the period of their estimated useful economic lives, which are considered to be:

Leasehold lease extension: over the duration of the lease, for up to 150 years

Freehold & long leasehold property: 50 years

Freehold & leasehold improvements: 10 or 20 years

Furniture fittings & equipment: 5, 8 or 10 years

Computers & equipment: 3 or 10 years

An impairment review of all tangible fixed assets of significant value is undertaken annually. Items below £1,000 each are not treated as capital items. Depreciation of Work in Progress (WIP) commence once the asset is placed in service. Costs are accumulated in the construction work in progress in the interim.

Financial assets

The Charity has elected to apply the provisions of section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets are initially measured at fair value plus transaction costs, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through profit or loss are measured at fair value.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Impairment of tangible and intangible assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss

subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Loan and receivables

Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Pensions

Pension payments represent payments made to the University Superannuation Scheme Limited (USS Scheme) for senior staff and the Superannuation Arrangements of the University of London (SAUL Scheme) for other staff.

These payments are charged to the income and expenditure account in the year in which they fall due.

The schemes are contracted out of the State Earnings Related Pension Scheme. The schemes are valued formally every three years by professionally qualified and independent actuaries using the projected unit method. Reviews of the schemes' positions are carried out in the period between valuations.

Provisions

The movement on the provision for the exterior redecoration of the property is charged annually to the Income & Expenditure statement.

Foreign currency accounting

The accounting records show foreign currency bank account balances at the sterling equivalent at the balance sheet date.

Operating lease

Rentals payable with regard to operating leases are charged against income on a straight-line basis over the period of the lease.

Fund accounting

Funds held by the Charity are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Governors.

Restricted funds – these are funds that can only be used for particular purposes specified by the donor or when funds are raised for particular purposes within the objects of the Charity.

Unrestricted designated funds – these funds represent funds which have been separately designated by the Trustees of the Charity, as part of unrestricted funds.

Rounding

Amounts shown on the financial statements are rounded to the nearest thousand-pound sterling unless stated otherwise in the header.

Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Governors in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2. The operating surplus is arrived at after charging

	2024	2023
	£'000	£'000
Auditor's remuneration	32	31
Repairs and maintenance	481	491
Fuel and power	329	273
Insurances	89	85
Depreciation – owned assets	915	906
Provision for exterior redecoration	49	48
Other professional fees	532	547

3. Analysis of charitable income

	2024	2023
	£'000	£'000
Income from accommodation	£'000	£'000
Gross income	3,309	3,104
Less: Bursaries and scholarships funded by ISH	(366)	(378)
	<u>2,943</u>	<u>2,726</u>

4. Analysis of other trading income

	2024	2023
	£'000	£'000
Public entertainment license and bar revenue	1,157	1,091
Conference revenue	738	542
Contract revenue	80	67
Membership income	49	43
Travel club revenue	14	17
Cafe income	260	301
Miscellaneous	54	42
	<u>2,352</u>	<u>2,103</u>

5. Analysis of donations and legacies

	2024	2023
	£'000	£'000
Donations	5	18
Legacies	66	150
	<u>71</u>	<u>168</u>

6. Analysis of investment income

	2024	2023
	£'000	£'000
Dividends from investments	2,000	2,252
Interest receivable	1	1
	<u>2,001</u>	<u>2,253</u>

7. Expenditure on raising funds

	2024	2023
	£'000	£'000
Conference, bar and other expenses	2,014	1,862
Investment expenses	421	371
	<u>2,435</u>	<u>2,233</u>

8. Expenditure on charitable activities

	2024	2023
	£'000	£'000
Bursaries and grants payable	105	137
Other charitable purposes expenses	4,386	4,503
Governance expenses	41	40
	<u>4,532</u>	<u>4,680</u>

9. Employees

	2024	2023
Average number of persons employed by the Charity and its subsidiary:	No.	No.
Administration	27	26
Student services	12	14
Maintenance and housekeeping	15	16
	<u>54</u>	<u>56</u>
Employees' costs during the year for the Charity and its subsidiary:	£'000	£'000
Wages and salaries	2,498	2,498
Social security costs	244	244
Other pension costs (note 20)	405	405
	<u>3,147</u>	<u>3,147</u>
Remuneration of higher paid staff (senior management), excluding pension contribution but including benefits in kind:	No.	No.
£60,001 - £70,000	2	2
£70,001 - £80,000	2	1
£90,001 - £100,000	1	1
£100,001 - £110,000	1	1
£130,001 - £140,000	1	1
	<u>7</u>	<u>6</u>

The above seven staff members (2023: six) received a total of £116k in employer's pension contributions in the year (2022-23: £111k). The total employee benefits of the Charity's key management personnel were £634k (2022-23: £629k).

10. Governors' emoluments

No Governor received emoluments during the year (2022-23: £nil). Two Governors claimed a total of £92 for travel expenses during the year (2022-23: £393).

11. Tangible fixed assets - consolidated and charity

	Freehold properties	Long leasehold properties	Freehold & leasehold improvements	Equipment furniture & fittings	Computers & equipment	Total
Costs:	£'000	£'000	£'000	£'000	£'000	£'000
At 30 September 2023	21,014	5,392	10,249	2,885	282	39,822
Additions	8,808	-	563	159	19	9,549
Disposals	-	-	(549)	(24)	(49)	(622)
At 30 September 2024	29,822	5,392	10,263	3,020	252	48,749
Depreciation:						
At 30 September 2023	336	2,315	4,365	1,887	275	9,178
Charge for the year	19	45	589	253	9	915
Disposals	-	-	(206)	(23)	(49)	(278)
At 30 September 2024	355	2,360	4,748	2,117	235	9,815
Net book value:						
At 30 September 2023	20,678	3,077	5,884	998	7	30,644
At 30 September 2024	29,467	3,032	5,515	903	17	38,934

Work in progress (WIP) balance as at 30 September 2024, included in the tangible fixed assets, is £28,914k (2022-23: £20,109k). This balance has not been depreciated in the year. £28,867k of this balance relates to the property acquisition and construction costs at 238 Kennington Lane and depreciation of this asset will commence after completion of the building works in 2026.

12. Investments – consolidated and charity

	2024 Listed	2024 Other	2024 Total	2023 Total
	£'000	£'000	£'000	£'000
Non-cash investments:				
Market value at 1 October	50,039	883	50,922	72,340
Purchases	38,371	-	38,371	9,845
Disposals	(37,731)	-	(37,731)	(30,612)
Net investment gains/(losses)	3,653	3	3,656	(651)
Market values at 30 September	54,332	886	55,218	50,922
Cash held for investments	2,801	-	2,801	5,299
Total investments	57,133	886	58,019	56,221
Breakdown of investments:				
Long term investments	48,450	886	49,336	55,111
Short term deposits	8,683	-	8,683	1,110
	57,133	886	58,019	56,221

	2024	2023
	£'000	£'000
The portfolio of the listed investments at 30 September are as follows:		
Investments categories		
Fixed interest – Long term investment UK	22,786	3,989
Fixed interest - Short term deposits UK	8,683	1,110
Equities – United Kingdom	6,802	4,123
Equities – North America	6,960	19,065
Equities – Europe (Ex. U.K)	1,666	4,830
Equities – Japan	1,060	1,225
Equities – Asia Pacific (Ex. Japan)	1,261	1,633
Equities - Emerging markets	759	1,318
Equities – global	-	1,014
Infrastructure	-	3,523
Commercial Property	4,174	6,558
Commodities	-	1,024
Private Equity	181	627
Investments total	54,332	50,039
Cash products	2,801	5,299
Total at 30 September	57,133	55,338

	Listed	Other	Total
	£'000	£'000	£'000
Book costs of investments			
Cost at 30 September 2024	54,870	14	54,884
Cost at 30 September 2023	52,482	14	52,496

13. Investment in subsidiary

The Charity holds an investment of £1 in Park Crescent Conference Centre Limited, which is a trading company registered in England and Wales with company number 04096563. This £1 investment represents 100% of the ordinary share capital of Park Crescent Conference Centre Limited.

14. Debtors

	Consolidated		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade debtors	150	60	96	46
Amounts owed by connected trusts				
- Toyota-Shi Trevelyan Trust	6	2	6	2
Other debtors	154	84	154	84
Prepayments and accrued income	1,426	197	1,426	197
Closing balance at 30 September	1,736	343	1,682	329
Provision for doubtful debts				
Opening balance	4	6	4	6
Write-offs from provision	(1)	(2)	(1)	(2)
Additions to provision	2	-	2	-
Closing balance at 30 September	5	4	5	4

As at 30 September 2024, there was a debt of £6k (2022-23: £2k) owed by ISH by the Toyota-Shi Trevelyan Trust. This debt will be settled by a transfer of investment assets to the value of £6k in April 2025.

Park Crescent Conference Centre Limited (PCCC Ltd.) is a trading subsidiary of ISH. PCCC Ltd ended the financial year with a surplus of £337k (2022-23: £269k) and the profit will be paid as a distribution to ISH in 2024-25.

15. Creditors: amounts falling due within one year

	Consolidated		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade creditors	581	619	515	582
Bank Loan – Lombard facility	6,582	-	6,582	-
Amount owed to subsidiary	-	-	11	340
Other taxation and social security	56	56	56	55
Other creditors	308	393	309	388
Accruals and deferred income	2,091	742	2,003	663
Closing balance at 30 September	9,618	1,810	9,476	2,028

ISH secured a Lombard facility from HSBC in January 2024 to finance the construction project at 238 Kennington Lane. ISH's investment portfolio have been used as collateral against facility. To mitigate the risk of volatility of the portfolio, ISH has transferred £31m in Fixed Interest securities (note 12) to cover for the loan.

16. Provisions for liabilities and charges - consolidated and charity

	2024	2023
	£'000	£'000
Opening balance at 1 October	119	75
Provided during the year	49	48
Expenditure incurred during the year	-	(4)
Closing balance at 30 September	168	119

Under the terms of its lease with the Crown Estate, International Students House is obliged to maintain the external fabric of the Great Portland Street site. The Governors decided to increase the provision for external redecoration in 2017-18 following the extension of the lease at Wills House in order to cover the redecoration costs of both properties.

17. Movement in accruals and deferred income in the year

	Consolidated		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Opening balance at 1 October	742	845	663	773
Deferred income brought to account	(692)	(746)	(613)	(674)
Accrued expenditure paid out	(50)	(99)	(50)	(99)
Income received in year and deferred	678	692	590	613
Expenditure accrued at year end	1,413	50	1,413	50
Closing balance at 30 September	2,091	742	2,003	663

Deferred income principally consists of prepayments of accommodation income.

18. (Section 1) Analysis of net assets between funds – consolidated

	General fund (unrestricted)	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Fund balances as at 30th September 2024 are represented by:				
Consolidated assets				
Tangible fixed assets	38,934	-	-	38,934
Current assets and investments	18,226	37,172	5,398	60,796
Current liabilities	(3,034)	-	-	(3,034)
Long term liabilities	(6,582)	-	-	(6,582)
Provision for liabilities and charges	(168)	-	-	(168)
Movement in reserves	(300)	300	-	-
Total net assets	47,076	47,076	5,398	89,946

	Balance 1 Oct 2023	Income	Expenditure	Gains and losses	Transfers between funds	Balance 30 Sep 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Consolidated funds						
General fund (unrestricted)	36,655	7,029	(6,790)	1,674	8,508	47,076
Funds for major repairs (designated)	1,500	-	-	-	300	1,800
Reserve for future purposes (designated)	39,690	-	-	1,690	(8,808)	32,572
ISH Scholarship Fund (designated)	2,883	131	(36)	122	-	3,100
International Students Trust Fund (restricted)	4,202	116	(60)	136	-	4,394
Mary Trevelyan Fund (restricted)	422	76	(28)	11	-	481
William Ross Murray Scholarship (restricted)	89	2	-	4	-	95
ISH African Students Bursary (restricted)	297	10	(29)	13	-	291
Tara Nirula Arts Scholarship (restricted)	75	3	(13)	3	-	68
Ellenor Mary Anwyl Scholarship (restricted)	53	-	(11)	2	-	44
Wahid Butt Donation (restricted)	15	-	-	1	-	16
Goats Indian Scholarship Fund (restricted)	9	-	-	-	-	9
Total funds	85,890	7,367	(6,967)	3,656	-	89,946

The International Students House Scholarship Fund

The ISH Scholarship Fund is a designated fund which was established in 1996 to fund scholarships for students from the developing world. During 2023-24 this fund received £52k from International Students Trust restricted fund and expended an additional £105k on academic scholarships for students from developing countries.

The International Students Trust Fund

The IST Fund is a restricted fund which provides accommodation scholarships attributed in collaboration with higher education partners. The fund is also used by the ISH Travel Club.

The Mary Trevelyan Hardship Fund

The Mary Trevelyan Hardship Fund is used to support students in unexpected hardship during their studies at ISH.

The William Ross Murray Scholarship

The William Ross Murray Scholarship was established in 1998 to fund scholarships for students from the developing world.

The International Students House African Students Bursary

The International Students House African Students Bursary was established in 2000 and provides scholarships to students born and resident in Africa who wish to study in London.

The Tara Nirula University of the Arts Scholarship

The Tara Nirula University of the Arts Scholarship was established in 2008 and provides tuition fees, accommodation and food for a student from India with a place on a master's course at the London College of Fashion, University of the Arts.

The Ellenor Mary Anwyl Scholarship

The Ellenor Mary Anwyl Scholarship was established in 2014. It has provided a master's scholarship since 2016 for a female student from South Asia, jointly

awarded and funded with the School of Oriental and African Studies.

Wahid Butt donation

In 2018 Wahid Butt donated funds to be used towards accommodation for an ISH scholar from Palestine or Pakistan, studying science or medicine. We have allocated the funds to support a scholar with Imperial College London and the Bseisu Foundation in 2024-25.

The Goats Indian Scholarship Fund

The Goats Indian Scholarship Fund was established in 2013 to fund scholarships for students from India.

18. (Section 2) Analysis of net assets between funds – charity

	General fund (unrestricted)	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Fund balances as at 30th September 2024 are represented by:				
Charity assets				
Tangible fixed assets	38,934	-	-	38,934
Current assets and investments	17,751	37,171	5,398	60,796
Current liabilities	(2,894)	-	-	(3,034)
Long term liabilities	(6,582)	-	-	(6,582)
Provision for liabilities and charges	(168)	-	-	(168)
Movement in reserves	(300)	300	-	-
Total net assets	46,741	37,471	5,398	89,610

	Balance 1 Oct 2023	Income	Expenditure	Gains and losses	Transfers between funds	Balance 30 Sep 2024
	£'000	£'000	£'000	£'000	£'000	£'000
Consolidated funds						
General fund (unrestricted)	36,387	5,135	(4,964)	1,675	8,508	46,741
Funds for major repairs (designated)	1,500	-	-	-	300	1,800
Reserve for future purposes (designated)	39,690	-	-	1,692	(8,808)	32,574
ISH Scholarship Fund (designated)	2,883	131	(36)	119	-	3,097
International Students Trust Fund (restricted)	4,202	117	(61)	136	-	4,394
Mary Trevelyan Fund (restricted)	423	76	(28)	11	-	482
William Ross Murray Scholarship (restricted)	89	2	-	4	-	95
ISH African Students Bursary (restricted)	296	10	(29)	13	-	290
Tara Nirula Arts Scholarship (restricted)	75	3	(13)	3	-	68
Ellenor Mary Anwyl Scholarship (restricted)	53	-	(11)	2	-	44
Wahid Butt Donation (restricted)	15	-	-	1	-	16
Goats Indian Scholarship Fund (restricted)	9	-	-	-	-	9
Total funds	85,622	5,474	(5,142)	3,656	-	89,610

A description of each of the Charity's restricted funds is provided on page 50.

19. Total resources expanded

	Grants	Other direct costs	Support costs	Total 2024
	£'000	£'000	£'000	£'000
2024				
Raising funds	-	1,444	991	2,435
Charitable resources	24	1,893	2,615	4,532
Total resources expended	24	3,337	3,606	6,967
2023				
Raising funds	-	1,321	912	2,233
Charitable activities	60	1,774	2,846	4,680
Total resources expended	60	3,095	3,758	6,913

Bursaries and grants paid are allocated on the basis of need and merit, after careful consideration of applications received with reference to the allocation terms of the various funds.

Cost allocation includes an area of judgment, and the Charity has had to consider the cost benefit of detailed calculations and record keeping. Direct overheads including payroll are allocated within other costs above. Indirect costs have been allocated on the basis of the table below.

Support costs and basis of allocation:		2024	2023
		£'000	£'000
Nature of cost	Allocation basis		
Staff payroll and on costs	Estimated time spent	1,403	1,286
Premises and utilities	Floor area	1,440	1,574
Administration and other overheads	Sales income	763	898
Total support costs		3,606	3,758

20. Pension schemes

Pension arrangements for staff of International Students House are based on final salary benefit schemes with the University Superannuation Scheme (USS) Ltd for two senior members of staff and the Superannuation Arrangements of the University of London (SAUL) for other staff.

Universities Superannuation Scheme (USS)

Significant accounting policies

The Charity participates in the USS scheme. The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set.

The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme and the deficit recovery contributions payable under the scheme's Recovery Plan.

Where a scheme valuation determines that the scheme is in deficit on a technical provision's basis (as was the case following the 2020 valuation), the trustee of the scheme must agree a Recovery Plan that determines how each employer within the scheme will fund an overall deficit.

The institution recognises a liability for the contributions payable that arise from such an agreement (to the extent that they relate to a deficit) with related expenses being recognised through the income statement. Further disclosures relating to the deficit recovery liability can be found in this note.

Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer.

A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as UAS.

The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the Income and Expenditure Statement in accordance with section 28 of FRS 102.

Key sources of estimation uncertainty

At 30 September 2024, ISH's balance sheet included a liability of £67,493 for future contributions payable under the deficit recovery agreement which was concluded on 30 September 2021, following the 2020 valuation when the scheme was in deficit.

No deficit recovery plan was required from the 2023 valuation, because the scheme was in surplus. Changes to contribution rates were implemented from 1 January 2024 and from that date the institution was no longer required to make deficit recovery contributions. Further disclosures relating to the deficit recovery liability can be found in the next section of this note.

Deficit recovery liability

The total cost charged to the Income and Expenditure statement for the year ending 30 September 2024 was £49,904 (2022-23: £65,691). The deficit recovery contributions due within one year for the institution is £67,493 (2022-23: £64,076). This amount has been reflected in the financial statements above under other creditors. A deficit recovery plan was put in place as part of the 2020 valuation, which required payment of 6.2% of salaries over the period 1 April 2022 until

31 March 2024, at which point the rate would increase to 6.3%. As set out in this Note, no deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provision's basis. The institution was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the Income and Expenditure statement.

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the valuation date), which was carried out using the projected unit method. Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are described below. More detail is set out in the Statement of Funding Principles (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

CPI assumption

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030.

Pension increases (subject to a floor of 0%)

Benefits with no cap: CPI assumption plus 3bps
Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5% and half of any excess inflation over 5% up to a maximum of 10%):

CPI assumption minus 3bps.

Discount rate (forward rates)

Fixed interest gilt yield curve plus:

Pre-retirement: 2.75% p.a.

Post-retirement: 0.9% p.a..

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions used in these figures are as follows:

Mortality base table

101% of S2PMA "light" for males and 95% of S3PFA for females.

Future improvements to mortality

CMI 2021 with a smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters, and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

The current life expectancies on retirement at age 65 are:

	2024	2023
Males currently aged 65 (years)	23.7	24.0
Females currently aged 65 (years)	25.6	25.6
Males currently aged 45 (years)	25.4	26.0
Females currently aged 45 (years)	27.2	27.4

Superannuation Arrangements of the University of London (SAUL)

ISH participates in the SAUL, which is a centralised defined benefit scheme within the United Kingdom and was contracted out of the Second State Pension (prior to April 2016).

SAUL is an independently managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education. Pension benefits accrued within SAUL currently build up on a Career Average Revalued Earnings (CARE) basis.

ISH is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Funding policy

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due ("Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility that events turn out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2023. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed by the Trustee and employers in June 2024 and will be reviewed again at SAUL's next formal valuation in 2026. At the 31 March 2023 valuation, SAUL was 105% funded on its Technical Provisions basis. As SAUL was in surplus on its Technical Provision basis, no deficit contributions were required. The Trustee and the Employers agreed that the ongoing Employers' contributions will fall from a rate of 21% of CARE

Salaries to 19% of CARE Salaries from 1 September 2024.

Accounting policy

ISH is a Participating Employer in SAUL. The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets at 31 March 2023 was £3,096 million representing 105% of the liabilities.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. ISH accounts for its participation as if it were a defined contribution scheme. Pension costs are based on the amounts actually paid (cash amounts) in accordance with paragraphs 28.11 of FRS 102.

As there was a Technical Provisions surplus at 31 March 2023, no deficit contributions were required following the 2023 valuation and there is no defined benefit liability (the present value of any deficit contributions due to SAUL) to be recognised by ISH.

21. Subsidiaries

The Charity's trading subsidiary, Park Crescent Conference Limited, which is wholly owned and registered in England and Wales, was activated during 2005-06. The Charity holds 100% of the ordinary share capital of the company which is £1.

Its principal activity is the supply of conference, bar and related facilities and services to residents, clients and patrons.

Results for the year ended 30 September 2024 were as follows:

	2024	2023
	£	£
Profit and loss account		
Turnover	2,456,304	2,143,164
Costs of sales	(308,180)	(302,938)
Gross profit	<u>2,148,124</u>	<u>1,840,226</u>
Other expenses	(1,810,638)	(1,571,666)
Profit for the year	<u>337,486</u>	<u>268,560</u>
Balance sheet		
Net assets	<u>337,487</u>	<u>268,561</u>
Share capital	1	1
Retained profit	<u>337,486</u>	<u>268,560</u>
Total shareholders' funds	<u>337,487</u>	<u>268,561</u>

During the year Park Crescent Conference Limited made a surplus of £337,486 (2022-23: £268,560); this amount will be paid as a distribution in 2024-25 to ISH.

22. Related parties

ISH is connected with two other charities; the Toyota-Shi Trevelyan Trust of which Lord Nicholas Bourne is the Chair; and International Students Trust, a dormant charity of which John Garbutt is the Chair. Shami Nathoo is the Company Secretary of both these charities.

There were no transactions with these parties during the year (2022-23: nil).

Amounts owed by connected trusts at the year-end are disclosed in note 14.

23. Operating lease commitments

At 30 September 2024, ISH had outstanding commitments for future minimum lease payments under non-cancellable operating lease.

	2024	2023
	£	£
Office equipment		
Due within one year	54,883	54,883
Due between two to five years	80,107	134,990
	<u>134,990</u>	<u>186,044</u>

24. Capital commitments

At 30 September 2024, the group had capital commitments for fixtures and fittings and equipment (Ventilation upgrade) of £438k (2022-23: £421k).

25. Taxation

ISH is a registered charity and as such its income and gains falling within s505 ICTA 88 or s256 TCGA 92 are exempt from corporation tax to the extent that they are applied to its charitable objectives. Its subsidiary Park Crescent Conference Limited has not incurred a tax charge, as it has donated the surpluses it has achieved in the last few financial years to ISH.

26. Future commitments

ISH entered into a Development Funding Agreement with HGL Kennington Limited (Company Registration no. 15003450) in relation to the development of a student accommodation property at 238 Kennington Lane, London with a maximum commitment of £34m for the project. The target completion date of the property is June 2026. A charge on the Charity's investment portfolio was taken by HSBC UK on 22 January 2024 for the provision of a Lombard Loan to fund the development of the property.











ISH Annual Report 2023-24_FINAL_24.04.25 Approved by Board


Final Audit Report


2025-05-19


Created:	2025-05-12
By:	Shami Nathoo (s.nathoo@ish.org.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAAdQ8veJ_08w3_p8LHNjEV9j4RHigTPs0Z


"ISH Annual Report 2023-24_FINAL_24.04.25 Approved by Board" History


-  Document created by Shami Nathoo (s.nathoo@ish.org.uk)
2025-05-12 - 1:16:11 PM GMT
-  Document emailed to nickbourne1@hotmail.co.uk for signature
2025-05-12 - 1:16:23 PM GMT
-  Email viewed by nickbourne1@hotmail.co.uk
2025-05-12 - 1:30:05 PM GMT
-  Signer nickbourne1@hotmail.co.uk entered name at signing as Nicholas Bourne
2025-05-12 - 1:31:37 PM GMT
-  Document e-signed by Nicholas Bourne (nickbourne1@hotmail.co.uk)
Signature Date: 2025-05-12 - 1:31:39 PM GMT - Time Source: server
-  Document emailed to aeariffin@gmail.com for signature
2025-05-12 - 1:31:43 PM GMT
-  Email viewed by aeariffin@gmail.com
2025-05-12 - 1:51:03 PM GMT
-  Signer aeariffin@gmail.com entered name at signing as Azlinda Ariffin-Boromand
2025-05-12 - 1:52:01 PM GMT
-  Document e-signed by Azlinda Ariffin-Boromand (aeariffin@gmail.com)
Signature Date: 2025-05-12 - 1:52:03 PM GMT - Time Source: server
-  Document emailed to nfinlayson@mks.co.uk for signature
2025-05-12 - 1:52:06 PM GMT

 Email viewed by nfinlayson@mks.co.uk
2025-05-12 - 1:52:41 PM GMT


 Email viewed by nfinlayson@mks.co.uk
2025-05-14 - 1:56:53 PM GMT

 Email viewed by nfinlayson@mks.co.uk
2025-05-16 - 1:56:43 PM GMT

 Email viewed by nfinlayson@mks.co.uk
2025-05-18 - 1:56:21 PM GMT

 Signer nfinlayson@mks.co.uk entered name at signing as Moore Kingston Smith llp
2025-05-19 - 2:58:35 PM GMT

 Document e-signed by Moore Kingston Smith llp (nfinlayson@mks.co.uk)
Signature Date: 2025-05-19 - 2:58:37 PM GMT - Time Source: server

 Agreement completed.
2025-05-19 - 2:58:37 PM GMT

INTERNATIONAL STUDENTS HOUSE

England & Wales - Charity number 313512

Accounts



International.
Students House

International Students House

ANNUAL REPORT 2023



International Students House
229 Great Portland Street
London W1W 5PN

A Registered Charity and Company
Limited by Guarantee No. 724811

Contents

Governors' annual report	04
Statement of governors' responsibilities	28
Independent auditor's report	30
Consolidated statement of financial activities for the year ended 30 September 2023	34
Consolidated balance sheet	35
Consolidated cash flow statement.	36
Notes to the cash flow statement	37
Notes to the accounts	38

Objectives

The origins of International Students House (the House; ISH; the Charity) date back to 1917 with the founding of Student Movement House in Bloomsbury. This social centre for some of the many overseas students who came to London each year, was established to increase international understanding and friendship.

Mary Trevelyan, founder and first Director of International Students House, was Warden at Student Movement House in the 1930s.

ISH officially opened as a residence for students on 4 May 1965 and continues to provide an environment that facilitates the growth and development of today's young people from all over the world.

It gives them the opportunity to live in a supportive community in central London and experience a wealth of cultures; not only British, but also the many nationalities of their peers at International Students House.

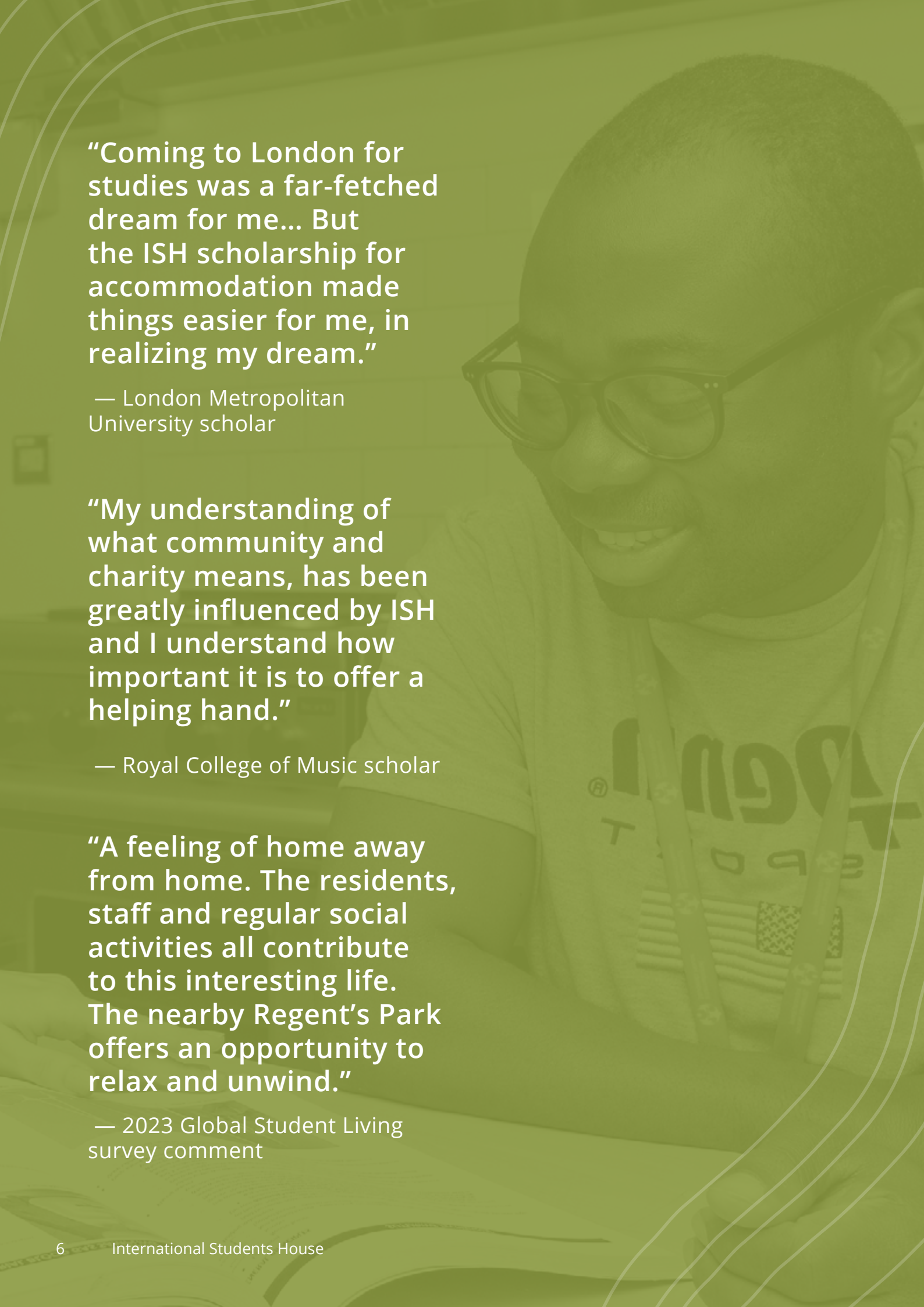
The ISH Board of Governors approved the updated Memorandum and Articles of Association of International Students House on 11 October 2023 and the Charity's vision and mission statement was updated in June 2021. The objects of the House, as restated in the updated Memorandum and Articles of Association, are as follows:



To provide and maintain premises in the United Kingdom with a view to assisting students (including postgraduate students and persons engaged in research) (hereinafter called "the beneficiaries") to pursue research at universities, colleges, and other institutions of further education, by affording them hostel accommodation and facilities for rest, recreation, study, lectures and meetings.



To foster harmony between the beneficiaries and the countries, and/or ethnic or racial groups they represent.



“Coming to London for studies was a far-fetched dream for me... But the ISH scholarship for accommodation made things easier for me, in realizing my dream.”

— London Metropolitan University scholar

“My understanding of what community and charity means, has been greatly influenced by ISH and I understand how important it is to offer a helping hand.”

— Royal College of Music scholar

“A feeling of home away from home. The residents, staff and regular social activities all contribute to this interesting life. The nearby Regent’s Park offers an opportunity to relax and unwind.”

— 2023 Global Student Living survey comment

Principal activities

Affordable accommodation

The principal activity of the House is the provision of affordable accommodation for overseas and UK students. In 2022-23 ISH was 'home away from home' for over 230 residents from around 60 different countries, including UK nationals.

The students typically study at one of the nearby universities, either at undergraduate or postgraduate level, during their stay. ISH also provides a small number of flats for students with partners or dependants.

Scholarship programme

ISH runs a scholarship programme in partnership with local universities. In this programme, the House provides free or discounted accommodation and the university partner waives or reduces their tuition fees. In 2022-23, 38 scholars of 21 different nationalities benefited from this provision.

Events and Travel Club

The House is also a social hub for students, with weekly events delivered free or at a subsidised cost to residents and members. The Events team runs the ISH Travel Club and organises a varied programme of activities such as themed suppers, fitness classes, art workshops and culture nights, as well as supporting student-led initiatives like concerts and movie nights.

Promotion of international friendship

The House has an active alumni association called Goats International. ISH is proud that so many students make lifelong friendships during their stay in the House, as well as subsequently when they became alumni.

Many Goats stay in touch with ISH, dropping in to visit or renting a room when in London, and sending us news and updates from their lives and careers. ISH communicates with alumni through a quarterly e-newsletter and an annual magazine.

There are also monthly Goats Bar Nights throughout the year, a London reunion every three to four years and we encourage local activities around the world.

Mental health support

In 2022-23, the House introduced a new referral service to offer access to professional, external counselling free of charge for any resident in need of mental health support.

This provides an alternative pathway for those who cannot readily access over-subscribed services on campus or via their GP surgery. Seven residents in total used the service and most expressed gratitude for the support, saying they had found it helpful.

This provision is now a key element of our services for residents and will continue in the coming year.

Public benefit test

The Governors have taken due regard to the provisions of the 2011 Charities Act that require charities to prove that they deliver public benefits. ISH, through the fulfilment of its objectives, provides a wide public benefit.

Residents return to their home nations with a broadened perspective of the world and are equipped with skills which benefit their home countries and communities.

In partnership with 13 London universities and academic partners, the House's scholarship programme provides accommodation and tuition fee grants to overseas students, who would not otherwise have the opportunity to gain a UK qualification. ISH's contribution to this provision in 2022-23 amounted to approximately £466k (2021-22: £700k).

In addition to the ISH-funded scholars, four university partners chose to place a total of ten scholars in the House, using their own funding to cover ISH accommodation fees.

Social events and welfare support are subsidised or delivered free of charge to residents and members to ensure that cost is not a barrier to participation.

These activities enable overseas students to settle in quickly, adapt to life in the UK and make new friends.

International students are a key component of the London and UK economy. ISH offers them a warm welcome, a supportive community and affordable accommodation. The House also provides opportunities for the integration of overseas students with UK students and the chance to learn about other cultures.

In addition to supporting students from all over the world, the House also contributes to the local community by hosting an annual Christmas lunch for around 100 senior citizens who use day centres or are in sheltered housing in the neighbourhood.

Scholars and residents volunteer to serve the food and provide entertainment, giving them an opportunity to experience British Christmas traditions and engage with our neighbours. The meal is held on a Saturday in December and is free of charge to attendees.

In December 2022, a total of 80 local elderly neighbours attended the lunch and ten residents volunteered on the day.



increasing access to UK education



creating space for life-long friendships



building international understanding



supporting integration into British life



offering new skills and experiences



supporting vulnerable people in the local community

Davis Projects for Peace

Another way in which our residents make a real difference in our world is by winning Davis Projects for Peace grants and delivering enriching projects around the world.

In 2022-23, four ISH residents were awarded a total of \$30,000 to deliver the following three grassroots projects of their own design:

Tertulias: a place to grow, share and transform your challenges into the best story

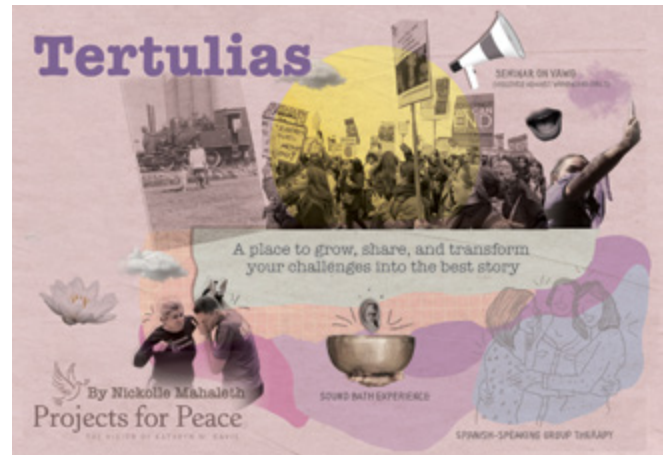
A project to support and empower Latin American women living in London, through Spanish language therapy, seminars on violence against women and girls, self-defence classes, and yoga and mindfulness sessions.

Zine-making in Tokyo's book club community

People of all backgrounds came together to participate in zine-making, which allowed them the freedom and safe space to openly share and discuss current social issues in Japan.

Digital environment as a medium for national and international peace

In Constanta, Romania, two ISH residents and siblings organised IT workshops for Romanian and ethnic minority children. This work opened a world of opportunities to them, providing lifelong skills and fostering a community that values diversity.



A graphic inviting women to join the Tertulias project's activities



Final printed copies of a zine exploring social issues in Japan



IT workshop with underserved young people in Romania

Measuring success

Student experience

International Students House participates in the Global Student Living Index, which measures residents' satisfaction with the accommodation, services and the variety of social activities provided by the House.

Attendance at social events is monitored throughout the year and regular feedback on ISH events and services in general is sought via resident advisors (RAs) at fortnightly RA meetings and Student Management Committee meetings each term.

Affordability

The House's affordability is measured each year when setting accommodation fees, through market research on competitor London providers. Students are also asked about their perception of value for money in the Global Student Living Survey.

Scholarships

The success of the scholarship programme is measured in terms of: the number of scholars resident in the House; the number of scholarship partners who assist with tuition fee support; and through an annual monitoring exercise led by the Dean of Student Life, where an academic report is received from each scholar's tutor.

Alumni engagement

Success in alumni relations is measured by: the quality of information held on the alumni database against each individual record; attendance at alumni events; the rate of engagement with digital communications; fundraising income; and gifts in kind.

“ISH feels like a world in which all the world belongs, and the warmth of students, staff members, cleaners, helpers and cooks makes living and studying in London worthwhile.”

— UCL Centenary scholar

“ISH was my home when I needed a safe and peaceful home during my studies. I met different beautiful people, some of whom I am in communication with to date.”

— Windle Trust International scholar

International Students House in figures

2022-23



466k
in scholarships
distributed to students



13
academic
partners
waiving/ reducing
tuition fees




230
residents
at International
Students House



60
countries
represented
at the House





“I don’t know where I would have been without the support I received from ISH. Today, I can confidently say that I am living my best life due to the opportunity given me.”

— Westminster University scholar

“I am beyond thankful that I live in this accommodation, and I commend the team on every level of management for their work and for their efforts.”

— 2023 Global Student Living survey comment

“I made meaningful friendships, met people from different cultures, had great support throughout my stay and overall. ISH scholarship has allowed me to grow in all aspects of life.”

— Queen Mary University of London Scindia scholar

Strategic report

International Students House's business strategy is summarised as:

'To provide an affordable home from home for students of different nationalities and diverse cultures, supported by a substantial scholarship programme, with the opportunity to live and learn together in a safe and secure community of mutual respect, understanding and international friendship.'

ISH's medium term business strategy was updated in March 2023 to reflect the challenging financial climate post-pandemic and the revised property strategy.

The priority of ISH is to maintain a financially sustainable position over the next two to three years until the new student accommodation building is up and running.

The revised plan maintains the objective of increasing the number of scholarships sustainably over a five-year period, in line with increased accommodation provision.

The property strategy was also revised in March 2023 due to the competitive real estate market in central London. The search area was expanded beyond Westminster and Camden with the aim to remain within Zone 1.

This expansion allowed ISH to identify new property opportunities, all of which were assessed and appraised by the Board. The most appealing and feasible prospect was a site in Kennington Lane. This property was acquired in September 2023, an acquisition that is in line with both the property and business strategies.

ISH continues to actively look to acquire a new property or properties, in addition to the one recently acquired, to support its strategic plan.

The key aims relating to the House's charitable mission are:

- (i) To develop the residential scholarship programme to assist students from financially challenged backgrounds. In 2023-24, 35 scholarships will be awarded in line with the charitable objectives.
- (ii) To ensure a geographically and academically diverse and well-balanced residential student community with the aim of having up to 20% of the total student numbers from the UK.
- (iii) To ensure the House's residential fees are competitive with central London student halls.
- (iv) To increase the diversity and variety of events and activities to meet the changing needs of ISH's residential and non-residential community, and facilitate integration of different nationalities.
- (v) To support our residents' mental health and wellbeing during their time at ISH.
- (vi) To continue to provide services to former students through the alumni association and keep them engaged with the House.

The directors have had regard to the matters set out in Companies Act 2006, section 172(1) (a) to (f) when performing their duties under section 172, which is to promote the success of the Charity.

Performance and achievements

Student experience

The Global Student Living Survey, which benchmarks ISH against local university halls and local private halls, provides useful data on the student experience and the impact life at ISH has on its residents.

In 2022-23, the House received an overall approval rating of 98%, where 98% of respondents said that their level of satisfaction with ISH was “very good”, “good” or “OK”.

This is higher than the score given to private halls in London (87%) and to university halls in London, which have just 78% satisfaction.

When asked about individual aspects of their accommodation, resident responses show that ISH outperforms other providers surveyed in the following criteria: building security, care and support, condition and quality, communication, design and visual appeal, mail handling, opportunities for social interaction, overall management, personal safety, relationships with other residents, travel time to local amenities, and value for money.

In addition, 80% of ISH residents said their accommodation had a positive impact on their wellbeing, whereas London private halls scored just 59%.

“Overall a great place to live, close by to major universities, transport, places of interest and shops. Great facilities and a really vibrant atmosphere where lasting friendships can be made.”

– 2023 Global Student Living survey comments

Global Student Living Index

In 2023, Global Student Living developed a profile for each provider, with an index score and corresponding Platinum, Gold or Silver Certification.

International Students House achieved a score of 76.7 for 2022-23 and was awarded Gold Certification, an honour shared with just four universities and 13 other private providers across the UK and Ireland.



Awards

The House was short-listed for Best Specialist Housing, UK & Ireland at the 2023 Global Student Living Awards, along with four other accommodation providers.



“They care a lot for everyone here, and ISH has become my home away from home. I feel safe here and that comforts me a lot while I am away from my home country.”

Affordability

In the 2023 Global Student Living Survey, 72% of survey respondents said ISH's value for money is "good" or "very good", compared to just 53% in London private halls and 38% in London university halls.

This is a key method through which the House monitors its affordability, alongside market research on competitor London providers.

Events and travel club

Events organised by the House were viewed extremely positively by survey respondents, 99% of whom gave the ISH social programme a positive rating.

As well as over 200 social events during the year, there were also 24 trips and excursions organised by the ISH Travel Club. These achieved a 98% satisfaction in the 2023 survey.

One participant said:

"ISH team does an excellent job at creating events where we can build community and socialise together. This has definitely been a highlight during my stay."

– 2023 Global Student Living survey comment

98%
overall
student
satisfaction
with ISH

72%
say ISH is
"good" or "very
good" **value**
for money

99%
satisfaction
with **social**
activities

204
social
events
organised

98%
satisfaction
with **the ISH**
Travel Club

24
daytrips &
weekends
away organised



Residents dressed up for a Halloween Party in ISH's onsite bar, The Thirsty Scholar.

Performance and achievements cont.

Measuring the impact of scholarships

Current scholars

Every year, the Dean of Student Life conducts a mid-year monitoring exercise with current scholars to assess their general progress both academically and socially. A report from their place of study is also received at this time.

One common theme that emerged in 2022-23, was the importance of the International Students House community as a vital source of peer support:

"I made so many great friends that helped me go through my moments of hardship, the community helped me not feel alone in the country. The life of an international student is difficult but being part of such a great community is what made all the difference for me."

– Royal Academy of Music scholar

Scholars also reported that the House provides a caring and safe environment, contributing to their personal development:

"ISH has given me a safe place to be in London where I feel at home and well cared for. This of course helps me in doing better in my studies since I feel secure while in London."

– UCL Centenary Masters scholar

Former scholars

A questionnaire is also sent to former scholars. This survey was circulated in summer 2023 and asked participants to reflect on their ISH experience now that they had completed their studies and left the House.

The most frequently mentioned theme in survey comments was how ISH was a life-changing opportunity and a great benefit:

"This scholarship changed my life and allowed me to feel supported, protected and secure while studying considering that I didn't have the resources to support myself in a city like London."

– Royal Academy of Music scholar

The second most mentioned theme was the diversity of the ISH community and the enriching experience of being exposed to many other cultures:

"Living alongside individuals from all over the world exposed me to a rich tapestry of cultures, customs, and perspectives. Daily interactions, shared meals, and engaging in various activities organized by ISH deepened my appreciation and understanding of different cultures."

– London Metropolitan University scholar

"It broadened my horizons, made me comfortable moving through the world, and gave me a global mindset."

– SOAS Margaret Busby scholar

From almost 70 respondents, 73% reported that they were in a new job following their studies, with 74% confirming they now earned a higher salary than before being awarded the scholarship.

Alumni

The monthly Goats Bar Night, held in the House's onsite bar, The Thirsty Scholar, continued throughout 2022-23 and was well attended by ISH alumni. ISH's digital engagement also grew, with an average communications open rate of over 37%.

In April 2023, our alumni shared their professional experiences and career tips with current residents at a series of events.

An alumna from Belgium facilitated two workshops which focused on interviews and CV writing. This was followed by a panel session, chaired by Goats President Karan Daswani, where other alumni shared their experience and expertise. We are grateful to all who freely gave of their time and talent to support these events.

International Students House was once again shortlisted in the International Alumni of the Year category at the 2023 PIEoneer awards. The nominated alum was Astitva Jindal, former ISH scholar (2018-22) and 2022 Davis Peace Prize recipient.



Alumna Nahyd Meskini presenting at the career workshop



Alumni answer questions at a panel session



A lively evening at The Thirsty Scholar's monthly Goats Bar Night


Acknowledgments

The House gratefully acknowledges the support of the following partners, without whom the scholarship programme would not have been so successful:

- ISH's catering contractors BaxterStorey, who provided a free breakfast for 20 of the 38 scholars.
- The following academic partners, who waived or reduced their tuition fees for the following number of scholars:

UCL, Institute of Education	5 scholars
Royal Academy of Music	5 scholars
Council for At-Risk Academics (cara)	4 scholars
UCL, United World Colleges	4 scholars
ISH Scindia / SKV Scholarships*	3 scholars
London Institute of Banking and Finance	3 scholars
Royal College of Music	3 scholars
London School of Hygiene & Tropical Medicine	2 scholars
UCL, Institute of Global Health	2 scholars
The School of Oriental & African Studies	2 scholar
Karta Initiative	1 scholar
Chevening	1 scholar
Imperial College London	1 scholar
London Metropolitan University	1 scholar
University of the Arts	1 scholar

* Both academic and accommodation scholarships sponsored by International Students House.



“I am very happy to have lived at ISH. It is an amazing place to make meaningful connections with other students and the location could not be better.”

— 2023 Global Student Living survey comment

“I am most grateful for the security that ISH provides us: comfortable housing, nourishing meals, kind staff and caring friends.”

– SOAS Ellenor Mary Anwyl scholar

“The amount of people I met doing different things and having different cultures really expanded my understanding of people in general and opened my mind to completely different points of view.”

– Royal Academy of Music scholar

Financial and investment review

Financially significant events

Acquisition of new property

Following the completion of the sale of properties on York Terrace East (YTE) in February 2020, all efforts were focused on securing a new property to replace the bed spaces and flats lost with the sale. The freehold land at 238 Kennington Lane was purchased for £19.25m on 26 September 2023.

ISH has since entered into a Development Funding Agreement with the property developer, HG Living, to develop 185-bed, purpose-built student accommodation on the site. Practical completion of the building is currently planned for 31 March 2026 ahead of the 2026-27 academic year.

The funds received from the sale of YTE were utilised to secure the freehold property. The development of the building will be debt funded through a combination of a Lombard Loan from HSBC UK and an additional loan, which is expected to be confirmed by June 2024.

There are currently further discussions ongoing with other landowners that would enable the House to further increase its student accommodation provision in future years.

Financial market instability

During 2022-23, financial markets have faced several disruptions to stability. The key factors were rising inflation, higher interest rates and geopolitical factors.

As a result, ISH's investments experienced a marginal reduction of 0.8% for the year. Dividend pay-out was however in line with expectations, and the dividend income supported the charitable activities of the House for the year.

General financial performance

The Net Operating Income for 2022-23 was £337k (2021-22: Net Operating Expenditure of £635k). The Net Loss on investment assets was £651k (2021-22: £5,386k). This gave rise to an overall net expenditure position for the year of £314k (2021-22: £6,021k).

As a result, the total value of unrestricted funds (including designated funds) fell to £80,728k (2021-22: £81,124k). The total value of restricted funds increased by £82k to £5,162k (2021-22: £5,080k) giving ISH a total reserve level of £85,890K (2021-22: £86,204k).

Improvement in performance

ISH ended the 2022-23 financial year with significant improvement on the previous year.

Income from both trading and charitable activities showed an increase in turnover from 2021-22. Conference income, together with sales and revenue from venues improved by 27% to £2,103k whilst accommodation income increased by 18% to £2,726k during the year. Room bookings have consistently remained above 98.8% over the year reflecting the high demand for bed spaces at ISH. A legacy donation of £150k received this year will support the Mary Trevelyan Hardship Fund for many years to come.

Total Income increased by 21% year on year whereas expenditure increased only by 4% to £6,913k. This has resulted in a Net Operating surplus of £337k for the year, which is 153% better than the previous year. The tangible assets increased by £19.6m mainly due to the acquisition of the new property and the current assets was £0.6m lower as a result of holding less cash at bank.

In addition to the property acquisition, £428k (2021-22: £707k) was spent on capital expenditure. The bulk of this was for an ongoing ventilation project, to upgrade electrical distribution boards and to change the boiler room pumps. This work is in line with the ongoing maintenance plan developed following the 2021-22 property survey.

These investments will enhance ISH's provision to residents in future years.

Investments

The House's Investment Committee has delegated authority from the ISH Board of Governors to oversee the investment portfolio with Quilter Cheviot (QC), who have been the discretionary investment managers of the House since October 2017.

The investment portfolio's market value at the end of 2022-23 was £55.3m (2021-22: £74.4m). The portfolio reduction was mainly due to the draw down to fund the freehold acquisition. Investment Income received during the year was in line with expectations at £2,252k (2021-22: £2,014k).

The investments are strongly diversified, with investments in a range of asset classes including UK equities, overseas equities, commercial property and infrastructure funds, private equity and bonds.

Scholarship funds

The value of the scholarship funds (both restricted and designated funds) increased from £7,870k to £8,045k during the year as a direct result of the performance of the investment portfolio.

Environmental, social and corporate governance policy

The House's Environmental, Social and Governance (ESG) policy sets out a fundamental guiding principle that Quilter Cheviot must apply investment criteria based on ESG Standards. During the regular review meetings with the investment manager, the application of ESG policies in making investment decisions is considered. ISH is committed to being a responsible investor.

Ethical investment policy statement

The House does not apply an overall ethical exclusionary policy to its dealings with its stakeholders. There is therefore no existing ethical framework for an exclusionary (or positively screened) investment policy. Should ISH develop such a stance in the future, an investment policy will be developed to dovetail with this, as part of a more holistic approach.

Responsible investment

ISH's investment manager, QC, provides annual reporting, as well as quarterly updates on its responsible investment activity. This includes a breakdown of voting, including votes against management over the twelve months as well as engagement activity with the underlying holdings within the portfolio. The Investment Committee discuss this in a responsible investment focused session with QC and the responsible investment team on an annual basis.

As at 30 September 2023, ISH's portfolio had a Weighted Average Carbon Intensity (WACI) of 128 tCO₂e/\$m revenue, significantly lower than that of the benchmark of 192. Holdings within the Energy industry group account for over half (52%) of the portfolio's emissions, compared to only a quarter of the benchmark's emissions.

The portfolio has lower than industry benchmark holdings in utilities (12% vs. 24%) and materials (14% vs. 35%). Within the 63% of the portfolio analysed, a relatively small proportion of the portfolio's holdings (10.6%) account for nearly three-quarters (72%) of its emissions.

Financial and investment review cont.

Reserves policy

As at 30 September 2023, the value of the restricted funds stood at £5,162k and the value of the designated funds was £44,073k.

The various designated and restricted reserves of the House are as follows:

Designated reserves for property acquisition and development

The first designated reserve is the funds set aside for property acquisitions and developments. The sale of YTE was agreed in September 2016 with the sale completed on 12 February 2020. All the proceeds of the sale have been set aside for future acquisitions.

The objective of the Board is to increase the number of bed spaces and setting the funds aside clearly identifies the purpose of the funds generated from the sale of YTE. The acquisition of the freehold land at 238 Kennington Lane was funded from this designated reserve.

Designated reserves for major repairs

As ISH has completed a full refurbishment programme of its accommodation in 2021, setting aside a designated fund will prevent new major repair and renovation projects from impacting the free reserves of the Charity.

This enables the House to have a long-term repair and renovation plan without jeopardising its charitable objectives.

Designated reserves for the scholarship programme

The ISH Scholarship Fund is used each year to provide bursaries to overseas students. The intention is to grow the scholarship funds so that they are self-sufficient, to ensure the perpetuity of scholarships.

Restricted reserves

The restricted scholarship reserves relate to donations and contributions made to ISH to support ISH's scholarship programme. The allocation is based on specific criteria agreed with the respective donors.

The restrictions imposed on the charitable donation from the International Students Trust (IST) to ISH are as follows:

- IST Scholarships – For student accommodation in collaboration with higher education (HE) partners.
- IST Travel Bursaries – For use by ISH Travel Club, to support ISH's mission to promote global friendship and cultural understanding.
- The Mary Trevelyan Hardship Fund – To support students in hardship during their study period at the House.

General reserves

Out of the £36,655k of general reserves, £30,644k is tied up in the Charity's fixed assets and not freely available. This leaves the level of free reserves as at 30 September 2023 at £6,011k.

The free reserves are sufficient to cover over 11 months' worth of operating expenditure, in line with the reserves policy. Guidance from Charity Commission is that charities could consider un-designating reserves to increase their free reserves should there be a need to do so. ISH currently has designated reserves of £44,073k, which can be utilised should the need arise.

The Governors' view is that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future and financial statements have therefore been prepared on a going concern basis.

Reserves	FY23 Position £'000	FY22 Position £'000	Further Information
Funds represented by property, plant and equipment	30,644	11,063	The funds invested in tangible fixed assets are not freely available to the Charity and therefore excluded from the free reserves
Restricted scholarship reserves	5,162	5,080	Funds restricted to scholarship funding based on donors' specification for the use of their donation. These funds are not freely available. The restricted funds now include funds donated from IST.
Designated ISH scholarship fund	2,883	2,790	The fund is designated to ensure that ISH can satisfy its obligations towards scholars during the course of their scholarships
Designated funds for major repairs	1,500	1,200	Following the significant refurbishment programme which started - in 2018, funds are being set aside to cover for future repairs on the works recently completed.
Designated funds for property acquisition and developments	39,690	60,204	Following the sale agreement of the YTE Building, funds for property acquisition and developments have been designated to either acquire new accommodation properties or develop existing properties to increase accommodation provision.
Free reserves	6,011	5,867	The free reserves level target is to cover 10 - 18 months of expenditure level. The current position covers more than 10 months of operating expenditure.
Total reserves	85,890	86,204	

Financial and investment review cont.

Principal risks and uncertainties

The Governors confirm that the major risks to which the House is exposed as identified by the Governors are regularly reviewed, and systems have been established to mitigate those risks.

The Governors review the Risk Register on a quarterly basis to ensure mitigating actions are in place for all the risks identified.

The key risks along with the strategies the Board have identified to mitigate these risks are as follows:

- **Growth strategy** - Finding alternative accommodation, following the sale of the property at York Terrace East and renewal of the property lease at Great Portland Street (GPS), is the key risk for the Charity. The acquisition of the new property helps mitigate this risk and secures the future of the House.
- **Business continuity** - The risk revolves around incidents and events that limit ISH's ability to operate normally. Regularly reviewing the emergency response procedures and the business continuity plan, as well as having a procedure for rapid restoration of business activities, are part of the risk mitigation.
- **Safeguarding** - This risk is about failures to safeguard the Charity's beneficiaries or associated vulnerable persons from abuse and harm. The main mitigating actions are: having robust policies in place with ongoing training for key personnel and embedding a community spirit in ISH's culture. This helps provide a safe environment for all.
- **Financial sustainability and reserves level** - The risk revolves around having insufficient income and reserves for ISH to achieve strategic objectives and maintain its operations. The key mitigating actions are: the constant review of the financials, costs monitoring, forward planning on an annual and three-year cycle as well as remaining within the free reserves level to ensure that operations are not disrupted for financial reasons.

Pension liability

The House is required to provide for and disclose their share of any deficit reduction scheme for schemes of which they are a member.

The House is a contributing employer of the University Superannuation Scheme (USS), for which the House's estimated liability for the pension reduction plan is £64,076.

The House is also a contributing employer of the Superannuation Arrangements of the University of London (SAUL) scheme, for which the House's estimated liability for the pension reduction plan is £93,504. Refer to note 21 below for further detail.

Plans for future periods – operational

The House has a five-year, medium-term strategy from 2023 to 2028, which was reviewed by the Board of Governors in March 2023, considering the implications of the pandemic.

The operational key points are outlined below:

- To increase the capacity of the Charity, to acquire major freehold or long-lease residential accommodation.
- To upgrade the student facilities and improve the student experience.
- To continue to provide scholarships to students from disadvantaged backgrounds.
- To promote student welfare in other ways, such as the provision of free or subsidised meals.
- To balance the charitable and commercial needs by ensuring the commercial activities complement and support ISH's charitable aims.
- To maintain close institutional links with colleges and universities in London and other key stakeholders.

With the acquisition of the new property, the Board of Governors plans to undertake a strategic review in March 2024 to assess the Charity's performance against the five-year business plan.

Structure, governance and management

Charity details

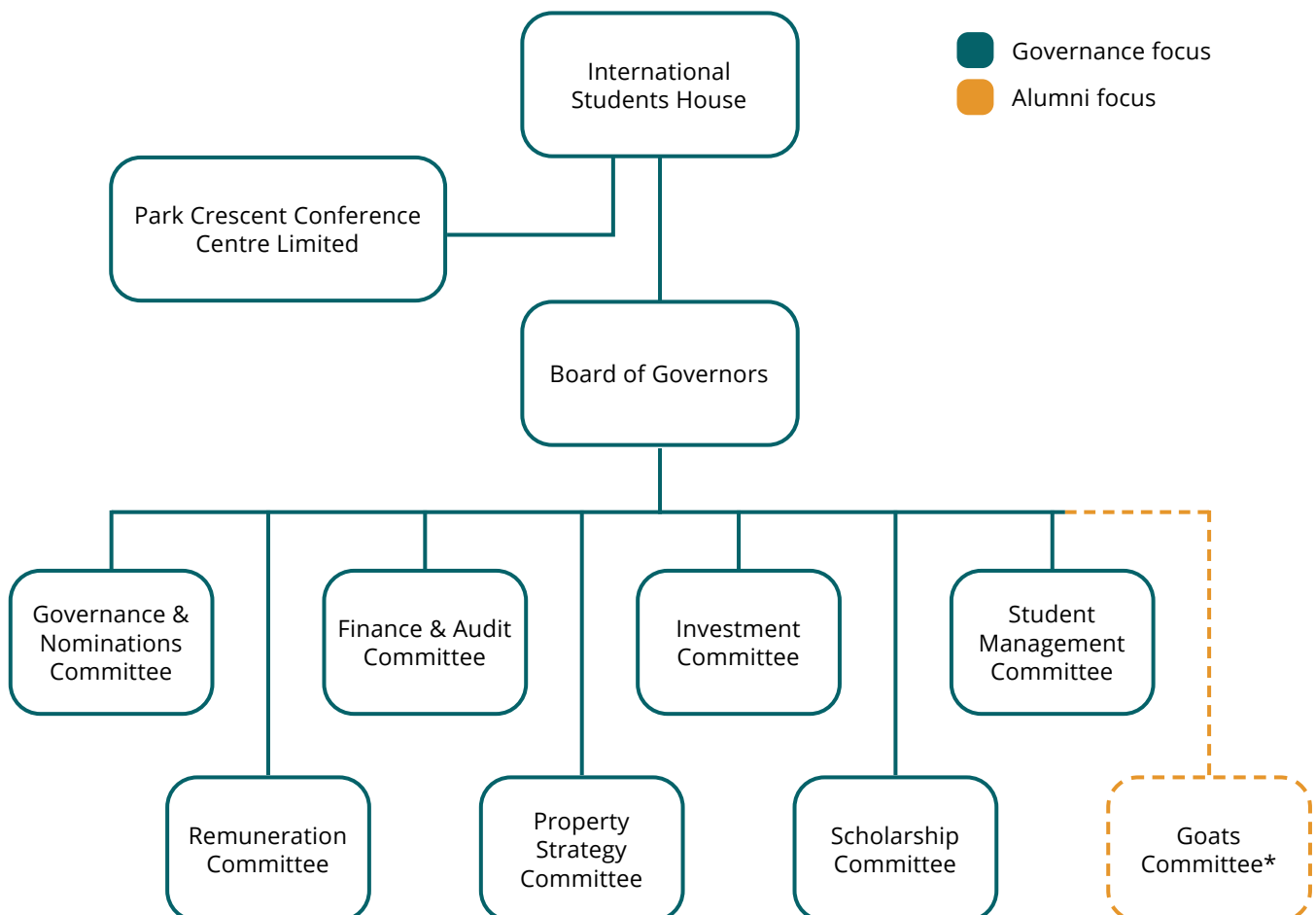
International Students House is a Registered Charity (registration number 313512) and a Company Limited by Guarantee (registration number 724811).

The Charity is governed in line with the Memorandum and Articles of Association, which was updated in October 2023.

Board of Governors

The Board of Governors is responsible for the management of the House. The Governors meet at least four times a year. There are up to 15 Governors who are elected for a three-year period as approved by the existing Governors. These Governors are directors for the purposes of the Companies Act 2006.

The structure of the Board of Governors and its sub-committees is shown below.



* The Goats Committee represents the Alumni Association of International Students House.

Structure, governance and management cont.

Board and committees

Each committee has specific terms of reference and functions delegated by the Board and has a chair, also appointed by the Board. Formal attendance monitoring arrangements for the Governors are in place and are monitored regularly by the Governance and Nominations Committee and the Board.

All the Governors are directors of the company and guarantee to contribute £1 in the event of the company winding up.

In September 2021, the Governors approved the continuation of the Remuneration Committee as a separate committee of the Board.

Charity governance code

In order to ensure that the Charity has the correct structure to achieve its ambitions and aims, ISH continues to follow the Charity Governance Code. This code is designed as a tool to support continuous improvement and sets out principles and recommended practices. A Code of Conduct for ISH Governors is also in place and is regularly reviewed to ensure the Charity is adhering to recommended governance practices.

The Governors have had due regard to the need to foster the Charity's business relationships with suppliers, students, customers and others, which is considered when making principal decisions.

Appointments and resignations

Gill Hammond stepped down as an ISH Governor as well as from her role as Chair of the Board in June 2023. The Governors elected Lord Nicholas Bourne as the new Chair. Three new Governors were appointed on 15 June 2023 as replacements for retiring Governors.

- New Governors: Diane Flynn; Andrea Williams and Julie Yang.
- Retiring Governors: Ian Barry; Natalia Kolotneva; Kirsty Macdonald and Ranjita Rajan.

The Governors wish to record their appreciation and gratitude to the departing Governors for their great contribution during their tenure.

There are currently ten Governors on the Board and the House is in the process of recruiting at least two more Governors to appoint in June 2024.

A search is also currently underway to appoint the next internal auditor of the House by March 2024.

Auditors

Moore Kingston Smith LLP was re-appointed as the House's auditor during the year. A benchmarking exercise was undertaken in July 2023 and following the review, Moor Kingston Smith LLP was re-appointed for a further three years.

The next review of the external auditors will be undertaken in 2025-26.

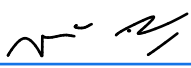
Disclosure of information to auditors

In the case of each of the persons who are Governors of the company at the date when this report was approved:

- So far as each of the Governors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditors are unaware; and
- Each Governor has taken all the necessary steps to make themselves aware of any information relevant to the audit and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 2006.

This report, and the Strategic Report, were approved by the Board of Governors and signed on behalf of the Board on 14 March 2024.


[Nick Bourne \(Mar 16, 2024 13:22 GMT\)](#)

Lord Nicholas Bourne

Organisation details

The reference and administrative details of the House, its governors and advisers are as follows:

CHAIR	Lord Nicholas Bourne (Appointed 15/06/23) Gill Hammond (Retired 15/06/23)		
GOVERNORS	Azlinda Ariffin-Boromand (Vice Chair) (Appointed 15/06/23) Donal Anand-Shaw Kalyan Das John Garbutt Richard McDonald Karan Mithu Daswani Ian Barry (Retired 15/06/23)		
	Natalia Kolotneva (Retired 12/07/23) Kirsty Macdonald (Retired 25/05/23) Ranjita Rajan (Retired 25/05/23) Diane Flynn (Appointed 15/06/23) Andrea Williams (Appointed 15/06/23) Julie Yang (Appointed 15/06/23)		
PATRON	HRH The Princess Royal		
PRESIDENT	Lord Charles Fitzroy		
VICE PRESIDENTS	Dr Geoffrey Copland CBE Gill Hammond Rosamund Horwood-Smart QC	David Laing Toshihiko Ota Sir John Ritblat	Baroness Diana Warwick of Undercliffe
CHIEF EXECUTIVE	Martin Chalker		
COMPANY SECRETARY	Shami Nathoo		
HONORARY FELLOWS	Teresa Akpeki Lord Amir Bhatia Jonathan Day Mary Mackie Michael Pitts Neville Surti Major John Vaughan	Peter Anwyl Sir Nigel Carrington Ipek De Vilder Judge David Owen Jones Richard Porter Margret Swinley OBE Albert McKendry	Dato' Yeah Soo Min Ian Barry Dorothy Dalton Lord Khalid Hameed CBE Russell Peters Roy Rohatgi Andrew Tennant
REGISTERED OFFICE	1 Park Crescent, Regents Park, London, W1B 1SH		
COMPANY LIMITED BY GUARANTEE IN ENGLAND	724811		
CHARITY NUMBER	313512		
SOLICITORS	Bircham Dyson Bell, 50 Broadway, Westminster, London SW1H 0BL Shakespeare Martineau LLP Exchange Square, 21 North Fourth Street, Milton Keynes, MK91 1HL		
BANKERS	Handelsbanken, 3rd Floor, 86 Jermyn Street, London SW1Y 6JD		
INVESTMENT MANAGERS	Quilter Cheviot Investment Management Senator House, 85 Queen Victoria Street, London, EC4V 4AB		
AUDITOR	Moore Kingston Smith LLP 9 Appold Street, London, EC2A 2AP		

Statement of governors' responsibilities

Governors' report

The Governors (the Directors of International Students House for the purposes of company law and Trustees of International Students House for the purposes of charity law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Financial statements

Company law requires Governors to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the Governors 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 business.

Accounting records

The Governors 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.

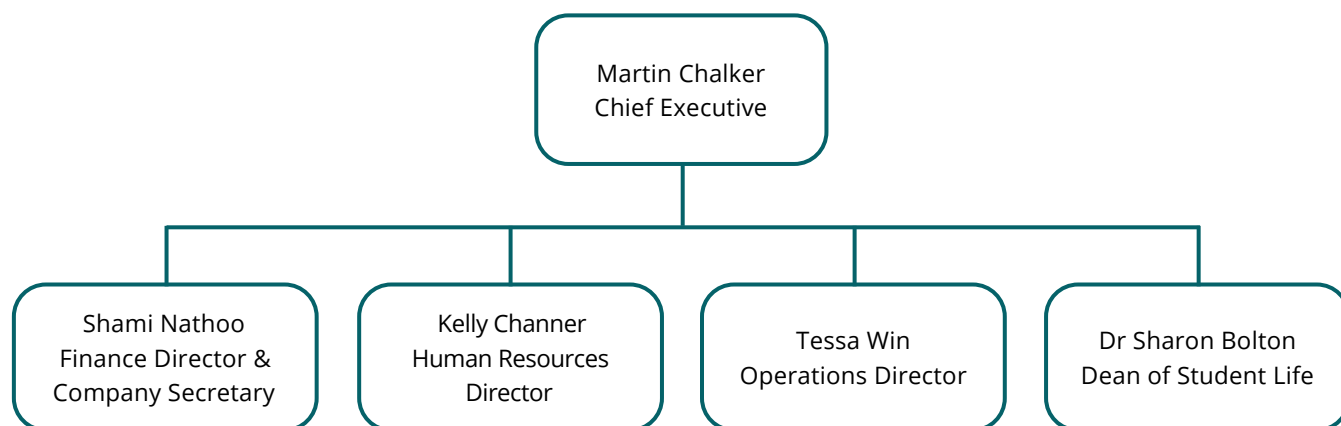
Safeguarding assets

They are also responsible for safeguarding the assets of the charitable company and the group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Organisational structure



Remuneration

The remuneration bands for the five senior managers earning over £60k per annum are disclosed in note 10 below.

Pay policy for senior staff

The Remuneration Committee is formed of Governors. The committee meets in November each year and approves the pay for senior staff.

The committee also approves the application of any annual bonuses to staff, from a capped bonus pool via a performance-related assessment. In 2022-23 a pay award and an annual bonus was approved for all staff of as a result of the positive operational performance of the Charity.

Remuneration is assessed after looking at market rates and industry benchmarks.

Related entities

Toyota-Shi Trevelyan Trust

The House has a close association with the charity Toyota-Shi Trevelyan Trust (TSTT) which provides grant income for UK students studying in Japan, and Japanese students studying in the UK.

ISH and the Trust appoint 50% of the Trustees of this charity. The Chief Executive of ISH is also Chief Executive of all the related entities and Shami Nathoo, is the Company Secretary of the House and all the related entities.

Park Crescent Conference Centre Limited

ISH has a wholly owned subsidiary – Park Crescent Conference Centre Limited (PCCC). PCCC reported a profit of £268,560 (2021-21 £73,793) in the year ending 30 September 2023. This amount will be paid as a distribution to ISH in 2024.

Independent auditor's report

Independent auditor's report to the members of International Students House (a registered Charity and Company Limited by Guarantee)

Opinion

We have audited the financial statements of International Students House (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 September 2023 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 September 2023 and of the group's 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 Auditor's Responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. 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 there is 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Independent auditor's report cont.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 group and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.


[Neil Finlayson \(Mar 22, 2024 14:52 GMT\)](#)

Neil Finlayson (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP,
Statutory Auditor

9 Appold Street
London
EC2A 2AP

Consolidated statement of financial activities

(Incorporating an income and expenditure account for the year ended 30 September 2023)

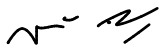
	Note	Unrestricted funds	Designated funds	Restricted funds	Total 2023	Total 2022
		£'000	£'000	£'000	£'000	£'000
INCOME & ENDOWMENTS:						
Charitable activities	3	2,726	-	-	2,726	2,308
Other trading activities	4	2,079	23	1	2,103	1,652
Donations and legacies	5	156	-	12	168	7
Investment income	6	2,012	115	126	2,253	2,019
Total incoming resources		6,973	138	139	7,250	5,986
EXPENDITURE ON:						
Raising funds	8	(2,209)	(19)	(5)	(2,233)	(2,019)
Charitable activities	9	(4,543)	(15)	(122)	(4,680)	(4,602)
Total resources expended		(6,752)	(34)	(127)	(6,913)	(6,621)
Net operating income/ (expenditure)		221	104	12	337	(635)
Net loss on investment assets	13	(144)	(476)	(31)	(651)	(5,386)
Net income/ (expenditure)		77	(372)	(19)	(314)	(6,021)
Transfer between funds in the year		19,759	(19,759)	-	-	-
Net movements in funds		19,836	(20,131)	(19)	(314)	(6,021)
FUND BALANCES:						
at 1 October 2022		17,133	64,128	4,943	86,204	92,225
at 30 September 2023		36,969	43,997	4,924	85,890	86,204


Consolidated balance sheet: as at 30 September 2023

Company registration no. 724811	Note	Consolidated		Charity	
		2023	2022	2023	2022
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	12	30,644	11,063	30,644	11,063
Investments	13	56,221	75,276	56,221	75,276
		<u>86,865</u>	<u>86,339</u>	<u>86,865</u>	<u>86,339</u>
Current assets					
Stocks		20	21	20	21
Debtors	15	343	376	329	428
Cash at bank and in hand		591	1,155	555	902
		<u>954</u>	<u>1,552</u>	<u>904</u>	<u>1,351</u>
Creditors					
Amounts falling due within one year	16	(1,810)	(1,612)	(2,028)	(1,485)
Net current liabilities		<u>(856)</u>	<u>(60)</u>	<u>(1,124)</u>	<u>(134)</u>
Total assets: less current liabilities		<u>86,009</u>	<u>86,279</u>	<u>85,741</u>	<u>86,205</u>
Provisions for liabilities and charges	17	(119)	(75)	(119)	(75)
Net assets		<u>85,890</u>	<u>86,204</u>	<u>85,622</u>	<u>86,130</u>
Funds					
Unrestricted:					
- General fund	19	36,655	16,930	36,387	16,856
- Funds for major repairs (designated)	19	1,500	1,200	1,500	1,200
- Reserve for future purposes (designated)	19	39,690	60,204	39,690	60,204
- ISH Scholarship Fund (designated)	19	2,883	2,790	2,883	2,790
Restricted:					
- Total restricted funds	19	5,162	5,080	5,162	5,080
		<u>85,890</u>	<u>86,204</u>	<u>85,622</u>	<u>86,130</u>

These financial statements were approved and authorised for issue by the Governors on 14 March 2024. The accompanying notes form part of the financial statements. No separate SOFA has been presented for the Charity alone, as permitted by section 408 of the Companies Act 2006. The Charity's income for 2022-23 was £5,181k (2021-22: £4,506k) and it made a deficit of £507k (2021-22: £6,060k).

Signed on behalf of the Governors by:


 Nick Bourne (Mar 16, 2024 13:22 GMT)
 Lord Nicholas Bourne
 (Chair)


 Azlinda Ariffin Boromand (Mar 16, 2024 21:55 GMT+8)
 Azlinda Ariffin-Boromand
 (Vice Chair)

Consolidated cash flow statement: year ended 30 September 2023

	Note	2023	2022
		£'000	£'000
Cash outflows from operating activities	A	(734)	(1,513)
Cash inflows from investing activities	B	2,533	3,418
Change in cash and cash equivalents in the reporting period		1,799	1,905
Cash and cash equivalents at 1 October		4,091	2,186
Cash and cash equivalents at 30 September	C	5,890	4,091

Cash and cash equivalents at 30 September consist of:		2023	2022
		£'000	£'000
Cash component of fixed assets investments	13	5,299	2,936
Cash at bank and in hand		591	1,155
Total		5,890	4,091

Notes to the cash flow statement: year ended 30 September 2023

A. Reconciliation to changes in resources	2023	2022
	£'000	£'000
Net Income/ (expenditure) in the year	337	(635)
Investment income receivable	(2,252)	(2,014)
Interest receivable and sundry income	(1)	(5)
Net provisions charged (see note 18)	44	26
Depreciation of tangible fixed assets	906	932
Decrease in stocks	1	2
Decrease / (increase) in debtors	33	(99)
Increase in creditors	198	280
Net cash used in operating activities	(734)	(1,513)

B. Cash flows from investing activities	2023	2022
	£'000	£'000
Investment income receivable	2,252	2,014
Interest receivable and sundry income	1	5
Purchases of tangible fixed assets	(20,487)	(707)
Purchases of fixed asset investments	(9,845)	(41,357)
Less: sales of fixed asset investments	30,612	43,463
Net cash provided by investing activities	2,533	3,418

C. Analysis of cash and cash equivalents	2023	2022
	£'000	£'000
Cash component of fixed asset investments	5,299	2,936
Cash in hand and at bank	591	1,155
Total cash and cash equivalents	5,890	4,091

Notes to the accounts

1. Company information

International Students House (ISH) is a registered charity (registration number 313512) and a company limited by guarantee (company registration number 724811) incorporated in England and Wales.

The registered office is: 1 Park Crescent, Regents Park, London, W1B 1SH.

Basis of preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006.

The Charitable Company is a public benefit company as defined by FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going concern

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to operate one year from the date of approval of the financial statements. In particular, the Governors have considered the Charity's forecasts and projections and have taken account of pressures on accommodation income and other trading activities.

After making enquiries the Governors have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Group accounts

The income and expenditure account of the consolidated operation only has been presented, as permitted by Section 408 of the Companies Act 2006.

Incoming resources

House income represents income received and receivable from the provision of accommodation and associated services.

Income is recognised in the accounting period when the person enjoying the accommodation was in residence. Investment income represents the income from the investment portfolio. All income originates from within the United Kingdom.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of occupancy rates between the Charity and its subsidiary, and the proportion of time spent by staff on those activities.

Investments

Investments are stated at market value. It is the Charity's policy to keep valuations up to date such that when investments are sold there is no realised gain or loss arising.

As a result, the Statement of Financial Activities does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings as they are together treated as changes in the investment portfolio throughout the year.

Stocks

Stocks are valued at the lower of cost and net realisable value and represent goods for resale, and bar liquor stocks.

Depreciation

Depreciation policy was reviewed during the year, and is calculated to write down the cost of tangible fixed assets in equal annual instalments to their estimated residual values over the period of their estimated useful economic lives, which are considered to be:

- Freehold & long leasehold property: 50 years
- Freehold & leasehold improvements: 10 or 20 years
- Furniture fittings & equipment: 5, 8 or 10 years
- Computers & equipment: 3 or 10 years

An impairment review of all tangible fixed assets of significant value is undertaken annually. Items below £1,000 each are not treated as capital items.

Financial assets

The Charity has elected to apply the provisions of section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets are initially measured at fair value plus transaction costs, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through profit or loss are measured at fair value.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Notes to the accounts cont.

Impairment of tangible and intangible assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Loan and receivables

Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Pensions

Pension payments represent payments made to the University Superannuation Scheme Limited (USS Scheme) for senior staff and the Superannuation Arrangements of the University of London (SAUL Scheme) for other staff.

These payments are charged to the income and expenditure account in the year in which they fall due.

The schemes are contracted out of the State Earnings Related Pension Scheme. The schemes are valued formally every three years by professionally qualified and independent actuaries using the projected unit method. Reviews of the schemes' positions are carried out in the period between valuations.

Provisions

The movement on the provision for the exterior redecoration of the property is charged annually to the Income & Expenditure statement.

Foreign currency accounting

The accounting records show foreign currency bank account balances at the sterling equivalent at the balance sheet date.

Operating lease

Rentals payable with regard to operating leases are charged against income on a straight-line basis over the period of the lease.

Fund accounting

Funds held by the Charity are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Governors.

Restricted funds – these are funds that can only be used for particular purposes specified by the donor or when funds are raised for particular purposes within the objects of the Charity.

Unrestricted designated funds – these funds represent funds which have been separately designated by the Trustees of the Charity, as part of unrestricted funds.

Rounding

Amounts shown on the financial statements are rounded to the nearest thousand-pound sterling unless stated otherwise in the header.

Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Governors in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Notes to the accounts cont.

2. The operating surplus is arrived at after charging

	2023	2022
	£'000	£'000
Auditors' remuneration	31	29
Repairs and maintenance	491	487
Fuel and power	273	184
Insurances	85	71
Depreciation – owned assets	906	932
Provision for exterior redecoration	48	49
Other professional fees	547	384

3. Analysis of charitable Income

	2023	2022
	£'000	£'000
Income from accommodation:		
Gross income	3,104	2,811
Less: Bursaries and scholarships funded by ISH	(378)	(503)
	2,726	2,308

4. Analysis of other trading income

	2023	2022
	£'000	£'000
Public entertainment licence and bar revenue	1,091	951
Conference revenue	542	295
Contract revenue	67	62
Membership income	43	34
Travel Club revenue	17	16
Coffee House income	301	292
Miscellaneous	42	2
	2,103	1,652

5. Analysis of donations and legacies

	2023	2022
	£'000	£'000
Donations	18	7
Legacies	150	-
	168	7

6. Analysis of investment income

	2023	2022
	£'000	£'000
Dividends from investments	2,252	2,014
Interest receivable	1	5
	<u>2,253</u>	<u>2,019</u>

7. Exceptional gains and losses

No exceptional gains or losses occurred in 2022-23 (2021-22 - £0)

8. Expenditure on raising funds

	2023	2022
	£'000	£'000
Conference, bar and other expenses	1,862	1,607
Investment expenses	371	412
	<u>2,233</u>	<u>2,019</u>

9. Expenditure on charitable activities

	2023	2022
	£'000	£'000
Bursaries and grants payable	137	259
Other charitable purposes expenses	4,503	4,305
Governance expenses	40	38
	<u>4,680</u>	<u>4,602</u>

Notes to the accounts cont.

10. Employees

	2023	2022
Average number of persons employed by the Charity and its subsidiary:	No.	No.
Administration	26	24
Student services	14	15
Maintenance and housekeeping	16	14
	56	53
Employees' costs during the year for the Charity and its subsidiary:	£'000	£'000
Wages and salaries	2,303	2,254
Social security costs	225	227
Other pension costs (note 22)	375	302
	2,903	2,783
Remuneration of higher paid staff (senior management), excluding pension contribution but including benefits in kind:	No.	No.
£60,001 - £70,000	2	1
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	1
£100,001 - £110,000	1	-
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
	6	5

The above six staff members (2022: five) received a total of £111k in employer's pension contributions in the year (2021-22: £87k). The total employee benefits of the Charity's key management personnel were £629k (2021-22: £605k).

11. Governors' emoluments

No Governor received emoluments during the year (2021-22: £nil). Four Governors claimed a total of £393 for travel expenses during the year (2021-22: £132).

12. Tangible fixed assets – consolidated and charity

	Freehold properties	Long leasehold properties	Freehold & leasehold improvements	Equipment furniture & fittings	Computers & equipment	Total
Cost:	£'000	£'000	£'000	£'000	£'000	£'000
At 30 September 2022	955	5,392	9,939	2,927	275	19,488
Additions	20,059	-	310	109	9	20,487
Disposals	-	-	-	(151)	(2)	(153)
At 30 September 2023	21,014	5,392	10,249	2,885	282	39,822
Depreciation:						
At 30 September 2022	317	2,270	3,778	1,796	264	8,425
Charge for the year	19	45	587	242	13	906
Disposals	-	-	-	(151)	(2)	(153)
At 30 September 2023	336	2,315	4,365	1,887	275	9,178
Net book value:						
At 30 September 2022	638	3,122	6,161	1,131	11	11,063
At 30 September 2023	20,678	3,077	5,884	998	7	30,644

Work in Progress (WIP) balance as at 30 September 2023, included in the tangible fixed assets, is £20,109k (2021-22: £45k). This balance has not been depreciated in the year. £20,059k of this balance relates to the property acquisition in Kennington Lane and depreciation of this asset will commence after completion of the building works in 2026.

Notes to the accounts cont.

13. Fixed assets investments – consolidated and charity

	2023	2023	2023	2022
	£'000	£'000	£'000	£'000
Non-cash investments:	Listed	Other	Total	Total
Market value at 1 October	71,430	910	72,340	79,832
Purchases	9,845	-	9,845	41,357
Disposals	(30,612)	-	(30,612)	(43,463)
Net investment losses	(624)	(27)	(651)	(5,386)
Market values at 30 September	50,039	883	50,922	72,340
Cash held for investments	5,299	-	5,299	2,936
Total investments	55,338	883	56,221	75,276
	Listed	Other	Total	
	£'000	£'000	£'000	
Cost at 30 September 2023	51,546	14	51,560	
Cost at 30 September 2022	69,583	14	69,597	

The portfolio of the listed investments at 30 September are as follows:

Investments categories	2023	2022
	£'000	£'000
Fixed interest – United Kingdom	5,099	5,534
Equities – United Kingdom	4,123	5,283
Equities – North America	19,065	24,479
Equities – Europe (Ex. U.K)	4,830	5,696
Equities – Japan	1,225	1,687
Equities – Asia Pacific (Ex. Japan)	1,633	2,147
Equities - Emerging markets	1,318	2,298
Equities – global	1,014	2,123
Infrastructure	3,523	5,721
Commercial Property	6,558	13,555
Commodities	1,024	1,598
Private Equity	627	1,309
Investments total	50,039	71,430
Cash products	5,299	2,936
Total at 30 September	55,338	74,366

14. Investment in subsidiary

The Charity holds an investment of £1 in Park Crescent Conference Centre Limited, which is a trading company registered in England and Wales with company number 04096563. This £1 investment represents 100% of the ordinary share capital of Park Crescent Conference Centre Limited.

15. Debtors

	Consolidated		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade debtors	60	142	46	108
Amounts owed by connected trusts				
- Toyota-Shi Trevelyan Trust	2	16	2	16
Amount owed by subsidiary	-	-	-	86
Other debtors	84	6	84	6
Prepayments and accrued income	197	212	197	212
Closing balance at 30 September	343	376	329	428
Provision for doubtful debts				
	Consolidated		Charity	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Opening balance	6	6	6	6
Write-offs from provision	(2)	-	(2)	-
Closing balance at 30 September	4	6	4	6

As at 30 September 2023, there was a debt of £2k (2021-22: £16k) owed by ISH by the Toyota-Shi Trevelyan Trust. This debt will be settled by a transfer of investment assets to the value of £2k in April 2024.

Park Crescent Conference Centre Limited (PCCC Ltd.) is a trading subsidiary of ISH. PCCC Ltd ended the financial year with a surplus of £269k (2021-22: £74k) and the profit will be paid as a distribution to ISH in 2023-24.

Notes to the accounts cont.

16. Creditors: amounts falling due within one year

	Consolidated		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade creditors	619	305	582	277
Amount owed to subsidiary	-	-	340	-
Other taxation and social security	56	79	55	79
Other creditors	393	383	388	356
Accruals and deferred income	742	845	663	773
Closing balance at 30 September	1,810	1,612	2,028	1,485

17. Provisions for liabilities and charges

	Consolidated and Charity	
	2023	2022
	£'000	£'000
Opening balance at 1 October	75	49
Provided during the year	48	49
Expenditure incurred during the year	(4)	(23)
Closing balance at 30 September	119	75

Under the terms of its lease with the Crown Estate, International Students House is obliged to maintain the external fabric of the Great Portland Street site. The Governors decided to increase the provision for external redecoration in 2017-18 following the extension of the lease at Wills House in order to take into account the redecoration costs of both properties.

18. Movement in accruals and deferred income in the year

	Consolidated		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Opening balance at 1 October	845	559	773	558
Deferred income brought to account	(746)	(484)	(674)	(483)
Accrued expenditure paid out	(99)	(75)	(99)	(75)
Income received in year and deferred	692	746	613	674
Expenditure accrued at year end	50	99	50	99
Closing balance at 30 September	742	845	663	773

Deferred income principally consists of prepayments of accommodation income.

19. (Section 1) Analysis of net assets between funds – consolidated

Fund balances as at 30 September 2023 are represented by:	General fund (unrestricted)	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Consolidated assets				
Tangible fixed assets	30,643	-	-	30,643
Current assets and investments	8,240	43,773	5,162	57,175
Current liabilities	(1,809)	-	-	(1,809)
Provision for liabilities and charges	(119)	-	-	(119)
Movement in reserves	(300)	300	-	-
Total net assets	36,655	44,073	5,162	85,890

	Balance 1/10/22	Income	Expenditure	Gains/ losses	Transfer between funds	Balance 30/09/23
	£'000	£'000	£'000	£'000	£'000	£'000
Consolidated funds						
General fund (unrestricted)	16,930	6,829	(6,723)	(140)	19,759	36,655
Funds for major repairs (designated)	1,200	-	-	-	300	1,500
Reserve for future purposes (designated)	60,204	-	-	(455)	(20,059)	39,690
ISH Scholarship Fund (designated)	2,790	133	(19)	(21)	-	2,883
International Students Trust Fund (restricted)	4,226	100	(95)	(29)	-	4,202
Mary Trevelyan Fund (restricted)	289	158	(23)	(2)	-	422
William Ross Murray Scholarship (restricted)	89	1	-	(1)	-	89
ISH African Students Bursary (restricted)	313	13	(27)	(2)	-	297
Tara Nirula Arts Scholarship (restricted)	85	4	(13)	(1)	-	75
Ellenor Mary Anwyl Scholarship (restricted)	66	-	(13)	-	-	53
Wahid Butt Scholarship (restricted)	15	-	-	-	-	15
Rose Fung Memorial Scholarship (restricted)	(12)	12	-	-	-	-
Goats Indian Scholarship Fund (restricted)	9	-	-	-	-	9
Total funds	86,204	7,250	(6,913)	(651)	-	85,890

Notes to the accounts cont.

The International Students House Scholarship Fund

The ISH Scholarship Fund is a designated fund which was established in 1996 to fund scholarships for students from the developing world. During 2022-23 this fund received £88k from International Students Trust restricted fund and expended an additional £137k on academic scholarships for students from developing countries.

The International Students Trust Fund

The IST Fund is a restricted fund which provide accommodation scholarships attributed in collaboration with higher education partners. The fund is also used by the ISH Travel Club.

The Mary Trevelyan Hardship Fund

The MT Hardship Fund is used to support students in unexpected hardship during their study period at ISH.

The William Ross Murray Scholarship

The William Ross Murray Scholarship was established in 1998 to fund scholarships for students from the developing world.

The International Students House African Students Bursary

The International Students House African Students Bursary was established in 2000 and provides scholarships to students born and resident in Africa who wish to study in London.

The Tara Nirula University of the Arts Scholarship

The Tara Nirula University of the Arts Scholarship was established in 2008 and provides tuition fees, accommodation and food for a student from India with a place on a master's course at the London College of Fashion, University of the Arts.

The Ellenor Mary Anwyl Scholarship

The Ellenor Mary Anwyl Scholarship was established in 2014. It has provided a master's scholarship since 2016 for a female student from South Asia, jointly awarded and funded with the School of Oriental and African Studies.

Wahid Butt donation

Wahid Butt made a donation in 2018 of funds to be used towards accommodation for an ISH scholar from Palestine or Pakistan, studying science or medicine. We are working with Imperial College London to find a scholar for this award in 2023-24.

The Rose Fung Memorial Scholarship

The Rose Fung Memorial Scholarship was set up in 2020 by Alumna Wendy Fung and to date it has supported the accommodation costs of two scholars living at ISH and studying a masters course at UCL (Institute of Global Health).

The Goats Indian Scholarship Fund

The Goats Indian Scholarship Fund was established in 2013 to fund scholarships for students from India.

19. (Section 2) Analysis of net assets between funds – charity

Fund balances as at 30 September 23 are represented by:	General fund (unrestricted)	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Charity assets				
Tangible fixed assets	30,643	-	-	30,643
Current assets and investments	8,191	43,773	5,162	57,126
Current liabilities	(2,028)	-	-	(2,028)
Provision for liabilities and charges	(119)	-	-	(119)
Movement in reserves	(300)	300	-	-
Total net assets	36,387	44,073	5,162	85,622

	Balance 1/10/22	Income	Expenditure	Gains/ losses	Transfer between funds	Balance 30/09/23
Charity funds	£'000	£'000	£'000	£'000	£'000	£'000
General fund (unrestricted)	16,856	4,984	(5,072)	(140)	19,759	36,387
Funds for Major Repairs (designated)	1,200	-	-	-	300	1,500
Reserve for Future Purposes (designated)	60,204	-	-	(455)	(20,059)	39,690
ISH Scholarship Fund (designated)	2,790	133	(19)	(21)	-	2,883
International Students Trust Fund (restricted)	4,226	100	(95)	(29)	-	4,202
Mary Trevelyan Fund (restricted)	289	159	(23)	(2)	-	423
William Ross Murray Scholarship (restricted)	89	1	-	(1)	-	89
ISH African Students Bursary (restricted)	313	13	(28)	(2)	-	296
Tara Nirula Arts Scholarship (restricted)	85	4	(13)	(1)	-	75
Ellenor Mary Anwyl Scholarship (restricted)	66	-	(13)	-	-	53
Wahid Butt Scholarship (restricted)	15	-	-	-	-	15
Rose Fung Memorial Scholarship (restricted)	(12)	12	-	-	-	-
Goats Indian Scholarship Fund (restricted)	9	-	-	-	-	9
Total funds	86,130	5,406	(5,263)	(651)	-	85,622

A description of each of the Charity's restricted funds is provided on page 50.

Notes to the accounts cont.

20. Total resources expended

2023	Grants	Other direct costs	Support costs	Total 2023
	£'000	£'000	£'000	£'000
Raising funds	-	1,321	912	2,233
Charitable activities	60	1,774	2,846	4,680
Total resources expended	60	3,095	3,758	6,913

2022	Grants	Other direct costs	Support costs	Total 2022
	£'000	£'000	£'000	£'000
Raising funds	-	1,170	849	2,019
Charitable activities	150	1,788	2,664	4,602
Total resources expended	150	2,958	3,513	6,621

Bursaries and grants paid are allocated on the basis of need and merit, after careful consideration of applications received with reference to the allocation terms of the various funds.

Cost allocation includes an area of judgment, and the Charity has had to consider the cost benefit of detailed calculations and record keeping. Direct overheads including payroll are allocated within other costs above. Indirect costs have been allocated on the basis of the table below.

Support costs and basis of allocation:

Nature of cost	Allocation basis	2023	2022
		£'000	£'000
Staff payroll and on costs	Estimated time spent	1,286	1,225
Premises and utilities	Floor area	1,574	1,521
Administration and other overheads	Sales income	898	767
Total support costs		3,758	3,513

21. Pension schemes

Pension arrangements for staff of International Students House are based on final salary benefit schemes with the University Superannuation Scheme (USS) Ltd for two senior staff and the Superannuation Arrangements of the University of London (SAUL) for other staff.

Universities Superannuation Scheme (USS)

Significant accounting policies

The Charity participates in the USS scheme. With effect from 1 October 2016, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits.

The Charity participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate Trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Charity is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS 102 "Employee benefits", the Charity therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme.

Since the Charity has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the Charity recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer.

A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as USS.

The accounting for a multi-employer scheme, where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102.

The directors are satisfied that USS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

Notes to the accounts cont.

Deficit Recovery Liability

The total cost charged to the Income and Expenditure statement for the year ending 30 September 2023 was £65,691 (2021-22: £63,307). It is estimated that International Students House's liability under this programme is £64,076 (2021-22: £60,102). This amount has been reflected in the financial statements above under other creditors.

The most up to date available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2020 (the valuation date) and was carried out using the projected unit method. The latest actuarial valuation was undertaken as at 31 March 2023 and the report will be available in June 2024.

Since the Charity cannot identify its share of USS Retirement Income Builder (defined benefit) assets

and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly to 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post-retirement: 1.00% p.a.

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

The current life expectancies on retirement at age 65 are:

	2022	2021
Males currently aged 65 (years)	23.9	24.7
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.7
Females currently aged 45 (years)	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan.

The liability figures have been produced using the following assumptions:

	2022	2021
Discount rate	11%	3.75%
Pensionable salary growth	5.0%	4.5%

Notes to the accounts cont.

Superannuation Arrangements of the University of London (SAUL)

ISH participates in the SAUL, which is a centralised defined benefit scheme within the United Kingdom and was contracted out of the Second State Pension (prior to April 2016).

SAUL is an independently managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education. Pension benefits accrued within SAUL currently build up on a Career Average Revalued Earnings (CARE) basis.

ISH is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Funding policy

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due ("Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility that events turn out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2020. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed by the Trustee and employers in June 2021 and reviewed again at SAUL's next formal valuation in 2023 with the report available in June 2024.

At the 31 March 2020 valuation, SAUL was 94% funded on its Technical Provisions basis. However, market movements following the valuation date were positive and the Trustee and the Employers agreed to allow for post-valuation experience up to 30 April 2021.

As SAUL was in surplus on its Technical Provisions basis at that date, no deficit contributions were required. However, the Trustee and the Employers agreed to increase the ongoing Employers' contributions from a rate of 19% of CARE Salaries to 21% on 1 January 2023.

Accounting policy

ISH is a Participating Employer in SAUL. The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets at 31 March 2020 was £3,612 million representing 94% of the liabilities.

The market value of SAUL's assets at 30 April 2021 was £4,369 million representing 109% of the estimated liabilities.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. ISH accounts for its participation as if it were a defined contribution scheme. Pension costs are based on the amounts actually paid (cash amounts) in accordance with paragraphs 28.11 of FRS 102.

Although there was a Technical Provisions deficit at 31 March 2020, allowing for post valuation experience to 30 April 2021, SAUL had a Technical Provisions surplus. Therefore, no deficit contributions were required following the 2020 valuation and there is no defined benefit liability (i.e., the present value of any deficit contributions due to SAUL) to be recognised by ISH.

The defined benefit liability to be recognised by International Students House in respect of the deficit contributions due to SAUL (i.e., the present value of the deficit contributions) is £93,504 as at 30 September 2023. This liability is based on a projection of CARE Salaries over the period to 30 September 2024 and has been reflected in the financial statements above under other creditors.

22. Subsidiaries

The Charity's trading subsidiary, Park Crescent Conference Limited, which is wholly owned and registered in England and Wales, was activated during 2005-06. The Charity holds 100% of the ordinary share capital of the company which is £1.

Its principal activity is the supply of conference, bar and related facilities and services to residents, clients and patrons.

Results for the year ended 30 September 2023 were as follows:

	2023	2022
Profit and loss account	£	£
Turnover	2,143,164	1,612,678
Costs of sales	(302,938)	(297,017)
Gross profit	1,840,226	1,315,661
Other expenses	(1,571,666)	(1,241,868)
Profit/ (loss) for the year	268,560	73,793
Balance sheet		
Net assets	268,561	73,794
Share capital	1	1
Retained profit/ (loss)	268,560	73,793
Total shareholders' funds	268,561	73,794

During the year Park Crescent Conference Limited made a surplus of £268,560 (2021-22: £73,793); this amount will be paid as a distribution in 2023-24 to ISH.

23. Related parties

ISH is connected with two other charities; the Toyota-Shi Trevelyan Trust of which Lord Nicholas Bourne is the Chair; and International Students Trust, a dormant charity of which John Garbutt is the Chair. Shami Nathoo is the Company Secretary of both these charities.

There were no transactions with these parties during the year (2021-22: nil).

Amounts owed by connected trusts at the year-end are disclosed in notes 15.

Notes to the accounts cont.

24. Operating lease commitments

At 30 September 2023, ISH had outstanding commitments for future minimum lease payments under non-cancellable operating lease.

	2023	2022
	£	£
Office equipment		
Due within one year	54,883	20,040
Due between two to five years	134,990	22,502
	189,873	42,543

25. Capital commitments

At 30 September 2023, the group had capital commitments for fixtures and fittings and equipment (Ventilation upgrade and validation upgrades) of £421k (2021-22: £549k).

26. Taxation

ISH is a registered charity and as such its income and gains falling within s505 ICTA 88 or s256 TCGA 92 are exempt from corporation tax to the extent that they are applied to its charitable objectives. Its subsidiary Park Crescent Conference Limited has not incurred a tax charge, as it has donated the surpluses it has achieved in the last few financial years to ISH.

27. Future commitments

ISH has entered into a Development Funding Agreement with HGL Kennington Limited (Company Registration no. 15003450) in relation to the development of a student accommodation property at 238 Kennington Lane, London with a maximum commitment of £34m for the project. The target completion date of the property is June 2026. A charge on the Charity's investment portfolio was taken by HSBC UK on 22 January 2024 for the provision of a Lombard Loan to fund the development of the property.



International.
Students House

ish.org.uk

ANNUAL REPORT 2023











ISH Annual Report 2022-23 Approved by the Board 14.03.24

Final Audit Report

2024-03-22

Created:	2024-03-16
By:	Shami Nathoo (s.nathoo@ish.org.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAAB5JA3SWe1FpltXzeL3ddO0FLXn2hb3Q

"ISH Annual Report 2022-23 Approved by the Board 14.03.24" History

-  Document created by Shami Nathoo (s.nathoo@ish.org.uk)
2024-03-16 - 1:13:36 PM GMT- IP address: 82.13.210.106
-  Document emailed to Nick Bourne (nickbourne1@hotmail.co.uk) for signature
2024-03-16 - 1:13:53 PM GMT
-  Email viewed by Nick Bourne (nickbourne1@hotmail.co.uk)
2024-03-16 - 1:21:36 PM GMT- IP address: 82.132.226.190
-  Document e-signed by Nick Bourne (nickbourne1@hotmail.co.uk)
Signature Date: 2024-03-16 - 1:22:06 PM GMT - Time Source: server- IP address: 82.132.226.190
-  Document emailed to Azlinda Ariffin Boromand (aeariffin@gmail.com) for signature
2024-03-16 - 1:22:09 PM GMT
-  Email viewed by Azlinda Ariffin Boromand (aeariffin@gmail.com)
2024-03-16 - 1:53:43 PM GMT- IP address: 45.248.53.117
-  Document e-signed by Azlinda Ariffin Boromand (aeariffin@gmail.com)
Signature Date: 2024-03-16 - 1:55:01 PM GMT - Time Source: server- IP address: 45.248.53.117
-  Document emailed to Neil Finlayson (nfinlayson@mks.co.uk) for signature
2024-03-16 - 1:55:04 PM GMT
-  Email viewed by Neil Finlayson (nfinlayson@mks.co.uk)
2024-03-22 - 2:50:49 PM GMT- IP address: 104.47.85.62
-  Document e-signed by Neil Finlayson (nfinlayson@mks.co.uk)
Signature Date: 2024-03-22 - 2:52:15 PM GMT - Time Source: server- IP address: 80.169.173.162

✔ Agreement completed.

2024-03-22 - 2:52:15 PM GMT

INTERNATIONAL STUDENTS HOUSE

England & Wales - Charity number 313512

Accounts



International.
Students House

International Students House

ANNUAL REPORT 2022



International Students House
229 Great Portland Street
London W1W 5PN

A Registered Charity and Company
Limited by Guarantee No. 724811

Contents

Governors' annual report	04
Statement of governors' responsibilities	26
Independent auditor's report	28
Consolidated statement of financial activities for the year ended 30 September 2022	32
The balance sheet as at 30 September 2022	33
Consolidated cash flow statement.	34
Notes to the cash flow statement	35
Notes to the accounts	36

Objectives

The origins of International Students House (the House; ISH; the Charity) date back to 1917 with the founding of Student Movement House in Bloomsbury. This social centre for some of the many overseas students who came to London each year, was established to increase international understanding and friendship.

Mary Trevelyan, founder and first Director of International Students House, was Warden at Student Movement House in the 1930s.

ISH was officially opened as a residence for students on 4 May 1965 and continues to provide an environment that facilitates the growth and development of today's young people from all over the world.

It gives them the opportunity to live in central London and experience a wealth of cultures; not only British, but also the many nationalities of their peers.

The ISH Board of Governors approved the updated Memorandum and Articles of Association of International Students House on 21 May 2020 and updated the Charity's vision and mission statements in June 2021. The objects of the House as restated in the updated Memorandum and Articles of Association are as follows:



To provide and maintain premises in the United Kingdom with a view to assisting students (including postgraduate students and persons engaged in research) (hereinafter called "the beneficiaries") to pursue research at universities, colleges, and other institutions of further education, by affording them hostel accommodation and facilities for rest, recreation, study, lectures and meetings.



To foster racial harmony between the beneficiaries and the countries they represent, and/ or ethnic or racial group they represent.

Vision

To transform futures of students from around the globe by providing a safe community in London that fosters international friendship and positive change.

Mission

To provide an affordable home from home for students of different nationalities and diverse cultures, supported by a substantial scholarship programme, with the opportunity to live and learn together in a safe and secure community of mutual respect, understanding and international friendship.

Principal activities

Affordable accommodation

The principal activity of the House is the provision of affordable accommodation for overseas and UK students. In 2021-22 the House was 'home away from home' for over 220 residents from around 60 different countries, including UK nationals.

The students typically study at one of the nearby universities at either undergraduate or postgraduate level during their stay. ISH also provides a small number of flats for students with partners or dependants.

Scholarship programme

The House runs a scholarship programme in partnership with local universities. In this programme, ISH provides free or discounted accommodation and the university partner waives or reduces their tuition fees. In 2021-22, 53 scholars from 30 different nationalities benefited from this provision.

Events and socialising

The House provides social events, which are delivered free or at a subsidised cost to residents and members. The Events team run the ISH Travel Club and host activities such as themed suppers, fitness classes, art workshops, culture nights, and support student-led events such as concerts and movie nights.

Promotion of international friendship

ISH has an active alumni association called Goats International. ISH is proud of the fact that a large number of students made lifelong friendships during the time they stayed in the House and subsequently, when they became alumni. In June 2022, the ISH team was able to hold a delayed triennial reunion in London.

Public benefit test

The Governors have taken due regard to the provisions of the 2011 Charities Act that require charities to prove that they deliver public benefits. ISH, through the fulfilment of its objectives, provides a wide public benefit.

Residents return to their home nations with a broadened perspective of the world and are equipped with skills which benefit their homelands/ communities.

The International Students House Scholarship Programme, in partnership with 16 London universities and academic partners provided accommodation and tuition fee grants to overseas students who would not otherwise have the opportunity to gain a UK qualification. The House's contribution to this provision in 2021-22 amounted to approximately £700k (2020-21: £1.1m).

Social events and welfare support are subsidised or delivered free of charge to residents and members.

In this way, overseas students do not feel alienated by a new culture, but are able to quickly settle in, adapt to life in the UK and make new friends.

International students are a key component of the London and UK economy, and ISH offers such students affordable accommodation. The House also provides opportunities for the integration of overseas students with UK students.

In addition to supporting students, the House contributes to the local community by hosting an annual Christmas lunch for around 100 senior citizens who use day centres or are in sheltered housing in the neighbourhood. The Christmas meal usually takes place on a Saturday in December and is free of charge to all those attending.

Unfortunately, ISH was not able to host a senior citizens dinner for two years during the pandemic, but resumed the annual event in December 2022, re-establishing the Charity's connection with local elderly residents.



the opportunity to gain a UK qualification



international friendships



broadened perspective



better integration into UK life



new skills and experiences



Christmas lunch for senior citizens

Measuring success

Student experience

International Students House participates in the Global Student Living Index, which measures residents' satisfaction with the accommodation, services and the variety of social activities provided by the House.

Attendance at social events is also monitored throughout the year, and regular feedback on ISH events and services in general is sought via resident advisors (RAs) at fortnightly RA meetings and Student Management Committee meetings each term.

Affordability

The House's affordability is measured each year when setting accommodation fees, through market research on competitor London providers. Students are also asked about their perception of value for money in the Global Student Living Survey.

Scholarships

The success of the scholarship programme is measured in terms of: the number of scholars resident in the House; the number of scholarship partners who assist with tuition fee support; and through an annual monitoring exercise led by the Dean of Student Life, where an academic report is received from each scholar's tutor.

Alumni engagement

Success in alumni relations is measured by: the wealth of information held on the alumni database against each individual record; attendance at alumni events; the rate of engagement with digital communications; fundraising income; and gifts in kind.

International Students House in figures

2021-2022



700k
in scholarships
distributed to students



16
academic partners
waiving/ reducing
tuition fees




220
residents
at International
Students House



60
countries
represented





“The whole staff and management team feels like a family. Truly a home away from home.”

Strategic report

International Students House's business strategy is summarised as:

'To provide an affordable home from home for students of different nationalities and diverse cultures, supported by a substantial scholarship programme, with the opportunity to live and learn together in a safe and secure community of mutual respect, understanding and international friendship.'

ISH's medium term business strategy was revised in June 2021 to reflect the challenging financial climate post-pandemic.

The Charity experienced a significant reduction in income during the pandemic, while the charitable activities were maintained for all residents who remained in the House. The priority of ISH is to get back to a financially sustainable position over the next few years.

The revised plan maintains the objective of increasing the number of scholarships sustainably over a five-year period, in line with increased accommodation provision.

The property strategy was also revised due to the competitive market in central London. The search area has been expanded beyond Westminster and Camden. ISH continues to actively look to acquire a new property or properties to support its strategic plan.

The key aims relating to the House's charitable mission are:

- (i) To develop the residential scholarship programme to assist students from financially challenged backgrounds. In 2022/23, the scholarship level will be maintained at 23% of the total number of residents in the House.
- (ii) To ensure a geographically and academically diverse and well-balanced residential student community with the aim of having up to 20% of the total student numbers from the UK.
- (iii) To ensure that the House's residential fees are competitive with central London student halls fees.
- (iv) To increase the diversity and variety of events and activities to meet the changing needs of ISH's residential and non-residential community, and facilitate integration of different nationalities.
- (v) To continue to provide services to former students through the alumni association and keep them engaged with the House.

The directors have had regard to the matters set out in Companies Act 2006, section 172(1) (a) to (f) when performing their duties under section 172, which is to promote the success of the Charity.

Performance and achievements

Student experience

The Global Student Living Survey, which benchmarks ISH against local university halls and local private halls, provides useful data on the student experience and the impact life at ISH has on its residents. In 2021-22 the House received an overall approval rating of 99%, where 99% of respondents said that their level of satisfaction was “very good”, “good” or “OK”.

This is higher than the score given for London private halls (88%), with London University Halls lower down the scale at just 76% satisfaction.

When asked about individual aspects of their accommodation, residents’ responses show that ISH is outperforming other providers surveyed in the following criteria: building security, condition and quality, opportunities for social interaction, personal safety, student care and support, travel time to local amenities and place of study, and value for money.

In addition, 79% of ISH residents said their accommodation had a positive impact on their wellbeing, with London Private Halls scoring 60%.

Awards

With four other providers, International Students House was short-listed for Best Specialist Accommodation, UK & Ireland at the Global Student Living Awards.

ISH was also highly commended in the International Student Living category at the 2022 PIEoneer awards.



“At ISH, international students have a safe haven in London and there is a true celebration of different cultures.”

“I couldn’t wish for a better accommodation than ISH. It’s a family. For me, ISH has been home away from home, a family away from family. If I can do anything for ISH in the future, I wouldn’t hesitate. ISH has played a significant role in achieving my educational and career goals – I wouldn’t forget this place and this community.”

“ISH gives you a sense of belonging and support.”

“The whole staff and management team feels like a family. Truly a home away from home.”

“I have been enjoying my stay at International Students House. We have a very strong sense of community, best resident advisors and duty managers...”

– Comments from ISH’s Global Student Living Survey

Affordability

Each year, the House conducts a market research assessment of the local student accommodation market before setting the rent for the forthcoming year. As part of this process, ISH aims to position itself to be on par with local university halls of residence.

The student view of the affordability of the accommodation was tested in Spring 2022 in the Global Student Living Index.

Respondents were asked to rate the overall value for money of ISH: in 2022, 60% of survey respondents said ISH's value for money is "good" or "very good", compared to just 53% in London Private Halls and 34% in London University Halls.

Events and travel club

ISH's events were viewed extremely positively by residents who responded to the survey, with 95% of respondents giving social activities a positive rating.

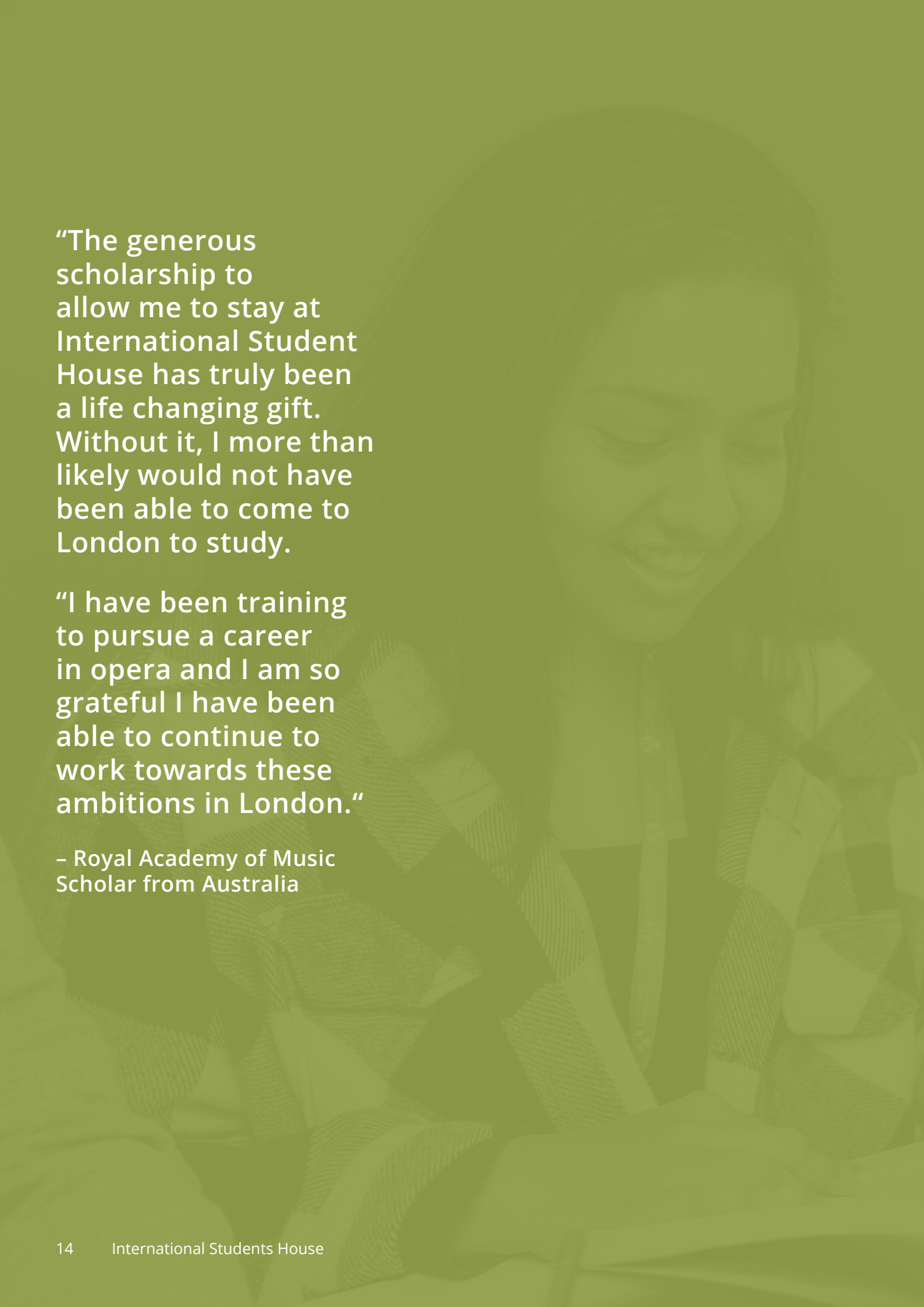
The ISH Travel Club was back in full swing in 2021-22 and achieved a 98% positive rating in the 2022 survey. One respondent commented that the "ISH travel club is amazing, and so is their personnel."

99%
overall
**student
satisfaction**

+26%
**better
value than
other London halls**

95%
satisfaction
with **social
activities**

98%
satisfaction
with the ISH
Travel Club



“The generous scholarship to allow me to stay at International Student House has truly been a life changing gift. Without it, I more than likely would not have been able to come to London to study.

“I have been training to pursue a career in opera and I am so grateful I have been able to continue to work towards these ambitions in London.”

– Royal Academy of Music
Scholar from Australia

Performance and achievements cont.

Measuring impact on scholars

The Dean of Student Life conducts an annual mid-year monitoring exercise with each scholar to assess their general progress both academically and socially.

A report from their place of study is also received at this time. One common theme that emerged in the 2021-22 monitoring exercise was how receiving a scholarship from ISH is a life-changing experience:

“Having a safe and comfortable place to live with an affordable price makes it possible for me to focus on my study and work. On top of that, ISH accommodation scholarship provided me a chance to believe in myself, because I felt that someone out there trusted my potential.” – Birkbeck Scholar from Brazil

The scholars also reported that ISH provides a supportive and safe environment, contributing to their personal development through meeting inspirational and exceptional peers who increase their intercultural understanding:

“I have had the opportunity to meet people from across the globe that are studying in various disciplines. I had the opportunity to have stimulating conversations, attend various activity groups, and make friends for life. I think as an international student it often is necessary for one to build their foundation as an early stage academic and a foreigner in a student house and ISH offers the best of both the worlds.” – UCL Scholar from India

A further impact questionnaire is sent to former scholars, after they have completed their studies and left ISH. This exercise was conducted in summer 2021 and will be repeated in summer 2023.

Alumni

The popular monthly Goats Bar Night in the Thirsty Scholar resumed in 2021-22 and ISH’s digital engagement grew, with an average communications open rate of 35%.

The highlight of the year from an alumni perspective was the London Reunion in June 2022. Over 50 alumni from the UK and overseas attended the three-day event, with others joining hybrid events online. It was a great opportunity for friendships and connections to be renewed after the pandemic years.

It was also wonderful to see former ISH scholar, Montita Sowapark, who lived at the House in 2019-20, highly commended in the international alumni of the year category at the 2022 PIEoneer awards for her work on addressing barriers to healthcare faced by marginalized patient groups.



Acknowledgments

The House gratefully acknowledges the support of the following partners, without whom the scholarship programme would not have been so successful:

- ISH's catering contractors BaxterStorey, who provided a free breakfast for 36 of the 53 scholars.
- The following academic partners who waived or reduced their tuition fees for the following number of scholars:

ISH Scindia / SKV Scholarships*	7 scholars
Royal Academy of Music	6 Scholars
UCL, Institute of Education	6 scholars
UCL, United World Colleges	5 scholars
London Institute of Banking and Finance	4 scholars
Royal College of Music	4 scholars
Council for At-Risk Academics (cara)	3 scholars
University of the Arts	3 scholars
Chevening	2 scholars
London Metropolitan University	2 scholars
London School of Hygiene & Tropical Medicine	2 scholars
UCL, Institute of Global Health	2 scholars
Windle Trust International	2 scholars
Birkbeck	1 scholar
Imperial College London	1 scholar
Karta Initiative	1 scholar
London School of Economics & Political Science	1 scholar
The School of Oriental & African Studies	1 scholar

* Both academic and accommodation scholarships sponsored by International Students House.

“I feel privileged to have received the ISH accommodation scholarship because it gave me the opportunity to not only develop myself but also explore things around me.

“I have developed my confidence in mixing with people from different countries, and it enables me to meet people and learn about their culture, customs and languages.

“ISH has a unique environment because everyone here is very friendly and very supportive. Furthermore, the scholarship has enhanced my independence as I can travel on my own and visit some extraordinary places.”

– London Institute of Banking and Finance Scholar from the UK

Financial and investment review

Financially significant events

Having extended the Wills House lease in December 2016 for £2.7m, negotiations are ongoing with the Crown Estate to renew the lease of the 229 Great Portland Street site, so that both leases co-terminate in December 2158.

Sale of properties

The sale of properties on York Terrace East (YTE) was completed in February 2020 for a total of £58m. The funds received were transferred directly to the investment portfolio and set aside as a designated reserve, for the purpose of securing a new property or properties for the House.

ISH is actively looking to secure a new property to replace the 260 bed spaces and 47 flats that have been lost with the sale of the YTE properties.

There are currently a number of discussions ongoing with property developers that would enable the House to secure a purpose-built student accommodation building in the next few years.

The Covid-19 pandemic

The Covid-19 pandemic continued to affect the House during the 2021-22 financial year. There were recommended restrictions for the first quarter of the year and despite them being lifted afterwards, customer footfall and confidence only started increasing in spring 2022.

Commercial activities, which include the conference venues, live events and the coffee house, were slow to pick up but eventually experienced improved performance with sales for the year up by 77% on the previous year.

The occupancy rate of ISH's accommodation averaged 95% over the academic year, returning to pre-pandemic occupancy rates.

Financial Market instability

During 2021-22, financial markets were very unstable due to the war in Ukraine, the subsequent effects on gas prices as well as the impact of the mini-budget of 23 September 2022. As a result, ISH's investments experienced a net reduction of 7.4% for 2021-22. Dividend pay-out was however in line with expectations, and the dividend income supported the charitable activities of the House for the year.

General financial performance

The Net Operating Expenditure for 2021-22 was £635k (2020-21: £981k). The Net Loss on investment assets for the year was £5,386k (2019-20: £9,991k gain) and this gave rise to an overall net expenditure position for the year of £6,021k (2020-21: £9,010k surplus).

As a result, the total value of unrestricted funds (including designated funds) fell to £81,124k (2020-21: £86,693k) and the total value of restricted funds reduced to £5,080k (2020-21: £5,532k) giving ISH a total reserve level of £86,204K (2020-21: £92,225k).

Improvement in challenging times

Considering the challenges faced by the House in the year, the general financial performance was satisfactory and a significant improvement on the previous year.

Income from both trading and charitable activities recovered compared to 2020-21. Conference income, together with sales and revenue from venues improved by 226% to £1,652k during the year.

Income from charitable activities increased by 79%, reflecting the higher number of residents returning to the House following the pandemic. The number of scholarships awarded for 2021-22 (53) was reduced until the financial position of the House improves.

Following the August 2021 completion of the refurbishment of GPS and Wills House, which began in 2017-18, the focus for the year was on maintaining the infrastructure of the building. Capital expenditure in 2021-22 was £707k (2020-21: £1,582k) with the bulk of the work on the ventilation system; fire alarm upgrade as well as lift improvements.

A light refurbishment of Blain House, another ISH property, situated in Balham, was also undertaken during the year. These investments will enhance ISH's provision to residents in future years.

Investments

The House's Investment Committee has delegated authority from the ISH Board of Governors to oversee the investment portfolio with Quilter Cheviot (QC), who have been the discretionary investment managers of the House since October 2017. Following a re-tendering exercise undertaken in July 2022, QC were appointed for another five years until 2027.

The investment portfolio's market value at the end of 2021-22 was £74.4m (2020-21: £81.3m). The portfolio reduction was mainly due to the market instability experienced during the year. Investment Income received during the year was in line with expectations at £2,014k (2020-21: £2,522k).

The investments are strongly diversified, with investments in a range of asset classes including UK equities, overseas equities, commercial property and infrastructure funds, private equity and bonds.

Scholarship funds

The value of the scholarship funds (both restricted and designated funds) decreased from £8,442k to £7,870k during the year as a direct result of the performance of the investment portfolio.

Environmental, social and corporate governance policy

The House's Environmental, Social and Governance (ESG) policy sets out a fundamental guiding principle that Quilter Cheviot must apply investment criteria based on ESG Standards. During the regular review meetings with the investment manager, the application of ESG policies in making investment decisions is considered.

ISH is committed to being a responsible investor across its investments.

Ethical investment policy statement

The House does not apply an overall ethical exclusionary policy to its dealings with its stakeholders. There is therefore no existing ethical framework for an exclusionary (or positively screened) investment policy.

Should ISH develop such a stance in the future, an investment policy will be developed to dovetail with this as part of a more holistic approach.

Financial and investment review cont.

Reserves policy

As at 30 September 2022, the value of the restricted funds stood at £5,080k and the value of the designated funds was £64,194k.

The various designated and restricted reserves of the House are as follows:

Designated reserves for property acquisition and development

The first designated reserve is the funds set aside for property acquisitions and developments. The sale of YTE was agreed in September 2016 with the sale completed on 12 February 2020. All the proceeds of the sale have been set aside for future acquisitions.

The objective of the Board is to increase the number of bed spaces and setting the funds aside clearly identifies the purpose of the funds generated from the sale of YTE.

Designated reserves for major repairs

As ISH has completed a full refurbishment programme of its accommodation in 2021, setting aside a designated fund will prevent new major repair and renovation projects from impacting the free reserves of the Charity.

This enables the House to have a long-term repair and renovation plan without jeopardising its charitable objectives.

Designated reserves for the scholarship programme

The ISH Scholarship Fund is used each year to provide bursaries to overseas students. The intention is to grow the scholarship funds so that they are self-sufficient, to ensure the perpetuity of scholarships.

Restricted reserves

The restricted scholarship reserves relate to donations and contributions made to ISH to support ISH's scholarship programme. The allocation is based on specific criteria agreed with the respective donors.

The restrictions imposed on the charitable donation from IST to ISH are as follows:

- IST Scholarships – For student accommodation in collaboration with higher education (HE) partners.
- IST Travel Bursaries – For use by ISH Travel Club, to support ISH's mission to promote global friendship and cultural understanding.
- The Mary Trevelyan Hardship Fund – To support students in hardship during their study period at the House.

General reserves

Out of the £16,930k of general reserves, £11,063k is tied up in the Charity's fixed assets and not freely available. This leaves the level of free reserves as at 30 September 2022 at £5,867k.

The free reserves are sufficient to cover over 10 months' worth of operating expenditure, in line with the reserves policy. Guidance from Charity Commission is that charities could consider un-designating reserves to increase their free reserves should there be a need to.

ISH currently has designated reserves of £64,194k which can be utilised should the need arise. The Governors' view is that there should be a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future and financial statements have therefore been prepared on a going concern basis.

Reserves	FY22 Position £'000	FY21 Position £'000	Further Information
Funds represented by property, plants and equipment	11,288	10,730	The funds invested in tangible fixed assets are not freely available to the Charity and therefore excluded from the free reserves
Restricted scholarship reserves	5,080	5,532	Funds restricted to scholarship funding based on donors' specification for the use of their donation. These funds are not freely available. The restricted funds now include funds donated from IST.
Designated ISH scholarship fund	2,790	2,910	The fund is designated to ensure that ISH can satisfy its obligations towards scholars during the course of their scholarships
Designated funds for major repairs	1,200	900	Following the significant refurbishment programme which started - in 2018, funds are being set aside to cover for future repairs on the works recently completed.
Designated funds for property acquisition and developments	60,204	65,000	Following the sale agreement of the YTE Building, funds for property acquisition and developments have been designated to either acquire new accommodation properties or develop existing properties in order to increase accommodation provision.
Free reserves	5,867	6,595	The free reserves level target is to cover 10 - 18 months of expenditure level. The current position covers more than 10 months of operating expenditure.
Total reserves	86,204	92,225	

Financial and investment review cont.

Principal risks and uncertainties

The Governors confirm that the major risks to which the House is exposed as identified by the Governors are regularly reviewed, and systems have been established to mitigate those risks.

The Governors review the Risk Register on a quarterly basis to ensure mitigating actions are in place for all the risks identified.

The Board have identified strategies to mitigate the following major areas of risks:

- Business continuity – while the pandemic is no longer an immediate risk, risk assessment measures and protocols to follow to ensure the business continuity plans are in place for all events impacting on ISH's ability to operate as it normally would.
- Safeguarding – Protecting young people and adults at risk from harm.
- Property – finding alternative accommodation following the sale of properties at York Terrace East and renewal of property leases.
- Financial sustainability – ensuring sufficient income is generated for ISH to achieve its strategic and charitable objectives.

Pension liability

The House is required to provide for and disclose their share of any deficit reduction scheme for schemes of which they are a member.

The House is a contributing employer of the University Superannuation Scheme (USS), for which the House's estimated liability for the pension reduction plan is £60,102.

The House is also a contributing employer of the Superannuation Arrangements of the University of London (SAUL) scheme, for which the House's estimated liability for the pension reduction plan is £90,557. Refer to note 21 below for further detail.

Plans for future periods – operational

The House has a five-year, medium-term strategy from 2023 to 2028, which was reviewed by the Board of Governors at its April 2021 meeting, taking into account the implications of the pandemic.

The operational key points are outlined below:

- To increase the capacity of the Charity, to acquire major freehold or long-lease residential accommodation.
- To upgrade the student facilities and improve the student experience.
- To continue to provide scholarships to students from disadvantaged backgrounds.
- To promote student welfare in other ways, such as the provision of free or subsidised meals.
- To balance the charitable and commercial needs by ensuring the commercial activities complement and support ISH's charitable aims.
- To maintain close institutional links with colleges and universities in London and other key stakeholders.

The Board of Governors plans to undertake a strategic review in March 2023 to assess the Charity's five-year business plan, taking into consideration the financial climate post-pandemic.

Structure, governance and management

Charity details

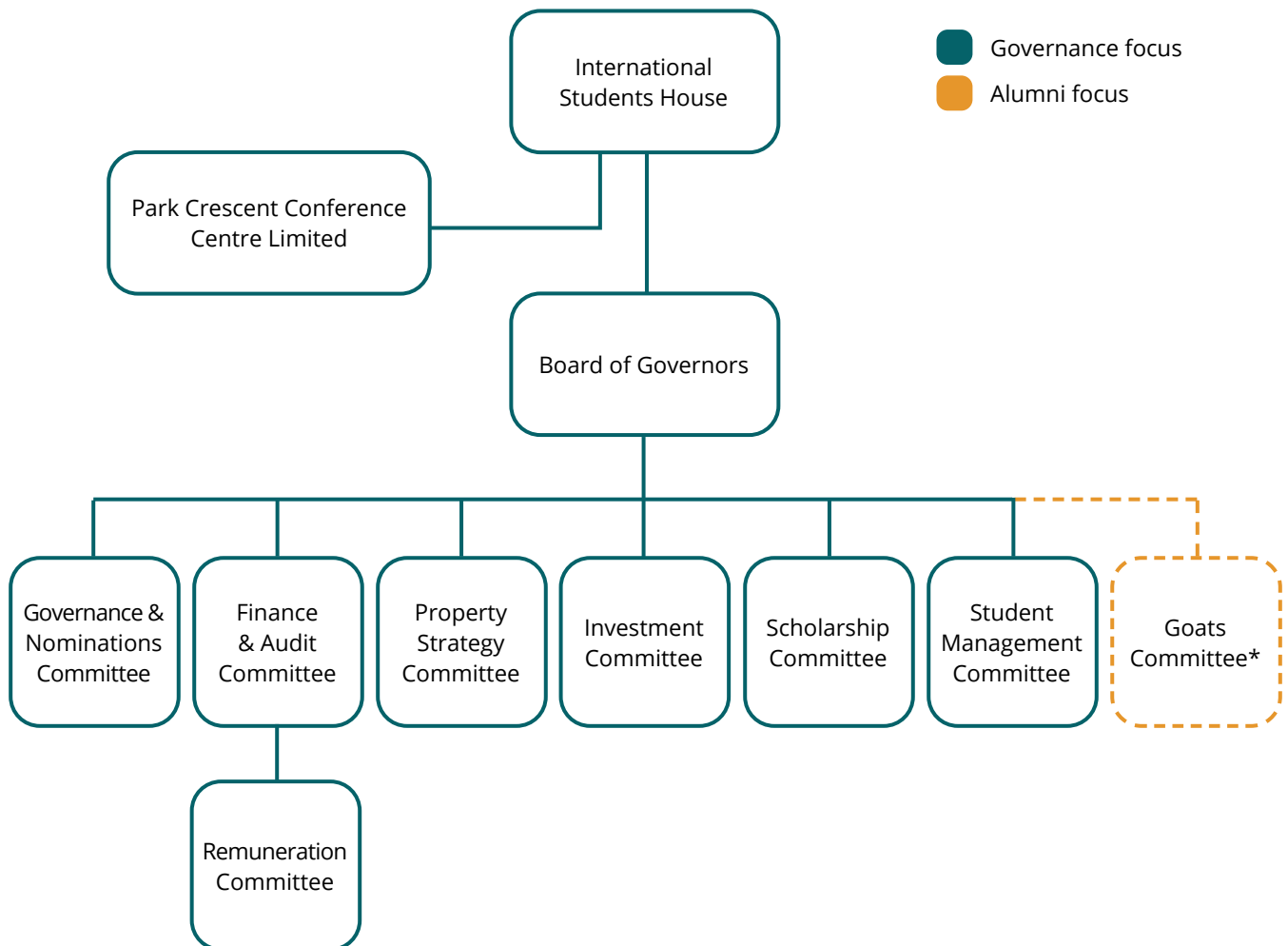
International Students House is a Registered Charity (registration number 313512) and a Company Limited by Guarantee (registration number 724811).

The Charity is governed in line with the Memorandum and Articles of Association, which was updated in May 2020.

Board of Governors

The Board of Governors are responsible for the management of the House. The Governors meet at least four times a year. There are up to 12 Governors who are elected for a three-year period as approved by the existing Governors. These Governors are directors for the purposes of the Companies Act 2006.

The structure of the Board of Governors and its sub-committees is shown below.



* The Goats Committee is the Alumni Association of International Students House.

Structure, governance and management cont.

Board and committees

Each committee has specific terms of reference and functions delegated by the Board and has a chair, also appointed by the Board.

Formal attendance monitoring arrangements for the Governors are in place and are monitored by the Governance and Nominations Committee and the Board on a regular basis.

All the Governors are directors of the company and guarantee to contribute £1 in the event of the company winding up.

In September 2021, the Governors approved the continuation of the Remuneration Committee as a separate committee of the Board.

Charity governance code

In order to ensure that the Charity has the correct structure to achieve its ambitions and aims, ISH has adopted the Charity Governance Code. This code is designed as a tool to support continuous improvement and sets out principles and recommended practices. A Code of Conduct for ISH Governors is also in place and is regularly reviewed to ensure the Charity is adhering to recommended governance practices.

The Governors have had due regard to the need to foster the Charity's business relationships with suppliers, students, customers and others, which is considered when making principal decisions.

Appointments and resignations

Gill Hammond will step down from her role as Chair of the Board in June 2023. The Governors have elected Lord Nicholas Bourne as the new Chair of ISH and he will take over as Chair in June 2023.

Two new Governors were appointed on 22 September 2022 as replacements for retiring Governors.

- New: Richard McDonald and Donal Anand-Shaw
- Retiring: Ajit Lalvani and Beatrice Leong

David O'Brien stepped down from his role as the President of the Goats Committee, ISH's Alumni Association in June 2022 after seven years in post. David was replaced by Karan Daswani who was also appointed as a Governor of International Students House by virtue of his position.

The Governors wish to record their appreciation and gratitude to the departing Governors for their great contribution during their tenure.

Ayesha Waghani was appointed as ISH's Internal Audit Volunteer, on 12 February 2022. Unfortunately, due to professional commitments, Ayesha is not able to continue the Internal Audit Volunteer role and will step down at the end of March 2023. A search is currently underway to appoint the next internal auditor of the House.

Auditors

Moore Kingston Smith LLP was re-appointed as the House's auditor during the year. A benchmarking exercise will be undertaken in 2023 ahead of appointing the company's auditors for the forthcoming year.

A resolution to appoint the company's auditor will be proposed at a Board Meeting in 2023.

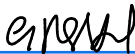
Disclosure of information to auditors

In the case of each of the persons who are Governors of the company at the date when this report was approved:

- So far as each of the Governors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditors are unaware; and
- Each Governor has taken all the necessary steps to make themselves aware of any information relevant to the audit and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 2006

This report, and the Strategic Report, were approved by the Board of Governors and signed on behalf of the Board on 9 March 2023.


[Gill Hammond \(Mar 14, 2023 11:10 GMT\)](#)

Gill Hammond

Organisation details

The reference and administrative details of International Students House, its governors and advisers are as follows:

CHAIR	Gill Hammond (Chair)		
GOVERNORS	Lord Nicholas Bourne (Vice Chair)	David O'Brien (Retired 23/06/2022)	
	Ian Barry	Natalia Kolotneva	
	Prof Ajit Lalvani (Retired 03/03/2022)	Kirsty Joan Macdonald	
	Ranjita Rajan	Kalyan Das	
	Azlinda Ariffin-Boromand	Karan Mithu Daswani (Appointed 23/06/2022)	
	Beatrice Leong (Retired 22/09/22)	Donal Anand-Shaw (Appointed 22/09/2022)	
	John Garbutt	Richard McDonald (Appointed 22/09/22)	
PATRON	HRH The Princess Royal		
VICE PRESIDENTS	David Laing	Sir John Ritblat	Dr Geoffrey Copland CBE
	Rosamund Horwood-Smart QC	Baroness Diana Warwick of Undercliffe	
CHIEF EXECUTIVE	Martin Chalker		
COMPANY SECRETARY	Shami Nathoo		
HONORARY FELLOWS	Roy Rohatgi	Dorothy Dalton	Lord Khalid Hameed CBE
	Major John Vaughan	Dato' Yeah Soo Min	Teresa Akpeki
	Susan Vaughan	Andrew Tennant	Russell Peters
	Mary Mackie	Sir Graeme Davies (Deceased August 2022)	Jonathan Day
	Judge David Owen Jones	Peter Anwyl	Ipek De Vilder
	Richard Porter	Margret Swinley OBE	
	Sir Nigel Carrington	Lord Amir Bhatia	
REGISTERED OFFICE	1 Park Crescent, Regents Park, London, W1B 1SH		
COMPANY LIMITED BY GUARANTEE IN ENGLAND	724811		
REGISTERED CHARITY NUMBER	313512		
SOLICITORS	Bircham Dyson Bell, 50 Broadway, Westminster, London SW1H 0BL Shakespeare Martineau LLP Exchange Square, 21 North Fourth Street, Milton Keynes, MK91 1HL		
BANKERS	Handelsbanken, 3rd Floor, 86 Jermyn Street, London SW1Y 6JD		
INVESTMENT MANAGERS	Quilter Cheviot Investment Management Senator House, 85 Queen Victoria Street, London, EC4V 4AB		

Statement of governors' responsibilities

Governors' report

The Governors (the Directors of International Students House for the purposes of company law and Trustees of International Students House for the purposes of charity law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Financial statements

Company law requires Governors to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the Governors 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 business.

Accounting records

The Governors 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.

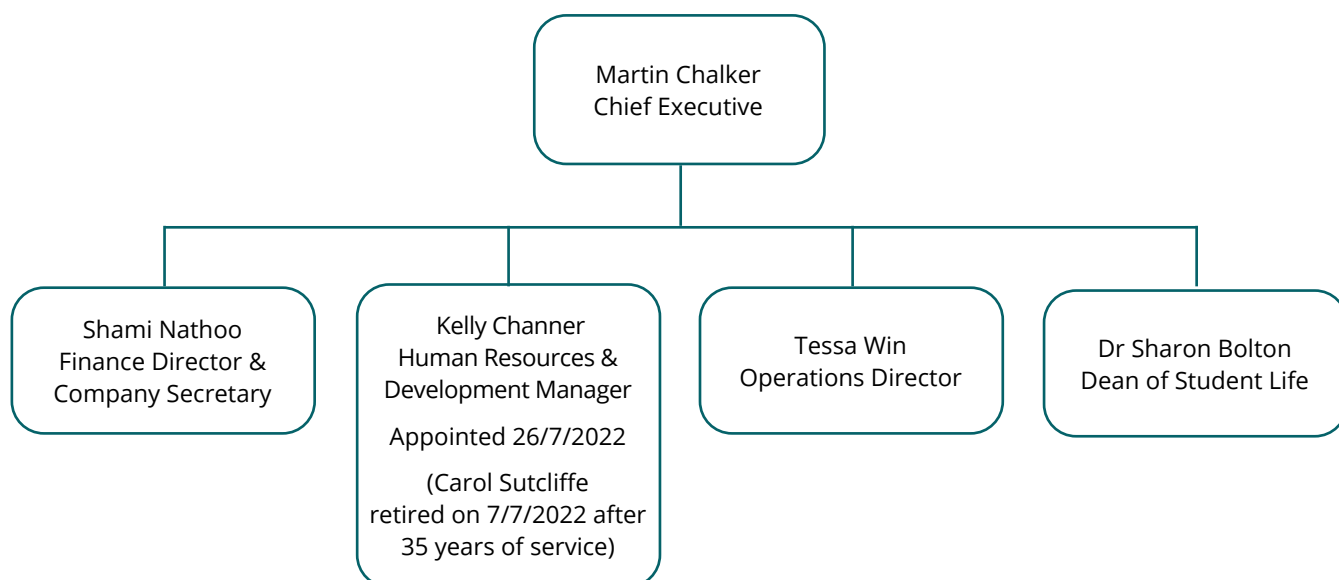
Safeguarding assets

They are also responsible for safeguarding the assets of the charitable company and the group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Organisational structure



Remuneration

The remuneration bands for the five senior managers earning over £60k per annum are disclosed in note 10 below.

Pay policy for senior staff

The Remuneration Committee is formed of Governors. The committee meets in November each year and approves the pay for senior staff.

The committee also approves the application of any annual bonuses to staff, from a capped bonus pool via a performance-related assessment. In 2021-22 a pay award was approved for all staff instead of an annual bonus due to exceptional economic circumstances.

Remuneration is assessed after looking at market rates and industry benchmarks.

Related entities

Toyota-Shi Trevelyan Trust

The House has a close association with the charity Toyota-Shi Trevelyan Trust (TSTT) which provides grant income for UK students studying in Japan, and Japanese students studying in the UK.

ISH and the Trust appoint 50% of the Trustees of this charity. The Chief Executive of ISH is also Chief Executive of all the related entities and Shami Nathoo, is the Company Secretary of the House and all the related entities.

Park Crescent Conference Centre Limited

ISH has a wholly owned subsidiary – Park Crescent Conference Centre Limited (PCCC). PCCC reported a profit of £73,793 (2020-21 £34,615) in the year ending 30 September 2022. This amount will be paid as a distribution to ISH in 2023.

Independent auditor's report

Independent auditor's report to the members of International Students House (a registered Charity and Company Limited by Guarantee)

Opinion

We have audited the financial statements of International Students House (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 September 2022 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 September 2022 and of the group's 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 Auditor's Responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. 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 there is 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Independent auditor's report cont.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 group and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with

laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP
Moore Kingston Smith LLP (Mar 14, 2023 14:33 GMT)

Neil Finlayson (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP,
Statutory Auditor

9 Appold Street
London
EC2A 2AP

Consolidated statement of financial activities

(Incorporating an income and expenditure account for the year ended 30 September 2022)


	Note	Unrestricted funds	Designated funds	Restricted funds	Total	Total
		£'000	£'000	£'000	2022	2021
INCOME & ENDOWMENTS:						
Charitable activities	3	2,308	-	-	2,308	1,286
Other trading activities	4	1,638	13	1	1,652	507
Donations and legacies	5	7	-	-	7	771
Investment income	6	1,827	79	113	2,019	2,523
Total incoming resources		5,780	92	114	5,986	5,087
EXPENDITURE ON:						
Raising funds	8	(1,997)	(16)	(6)	(2,019)	(1,579)
Charitable activities	9	(4,343)	(38)	(221)	(4,602)	(4,489)
Total resources expended		(6,340)	(54)	(227)	(6,621)	(6,068)
Net operating income/ (expenditure)		(560)	38	(113)	(635)	(981)
Net gain/ (loss) on investment assets	13	(369)	(4,966)	(51)	(5,386)	9,991
Exceptional Gain/Loss	7	-	-	-	-	-
Net income/ (expenditure)		(929)	(4,928)	(164)	(6,021)	9,010
Transfer between funds in the year		(300)	300	-	-	-
Net movements in funds		(1,229)	(4,628)	(164)	(6,021)	9,010
FUND BALANCES:						
at 1 October 2021		18,362	68,756	5,107	92,225	83,215
at 30 September 2022		17,133	64,128	4,943	86,204	92,225

Consolidated balance sheet: as at 30 September 2022


Company registration no. 724811	Note	Consolidated		Charity	
		2022	2021	2022	2021
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	12	11,063	11,288	11,063	11,288
Investments	13	75,276	81,322	75,276	81,322
		<u>86,339</u>	<u>92,610</u>	<u>86,339</u>	<u>92,610</u>
Current assets					
Stocks		21	23	21	23
Debtors	15	376	277	428	286
Cash at bank and in hand		1,155	696	902	595
		<u>1,552</u>	<u>996</u>	<u>1,351</u>	<u>904</u>
Creditors					
Amounts falling due within one year	16	(1,612)	(1,332)	(1,485)	(1,275)
Net current liabilities		(60)	(336)	(134)	(371)
Total assets: less current liabilities		86,279	92,274	86,205	92,239
Creditors: amounts falling due after more than one year		-	-	-	-
Provisions for liabilities and charges	17	(75)	(49)	(75)	(49)
Net assets		86,204	92,225	86,130	92,190
Funds					
Unrestricted:					
- General fund	19	16,930	17,883	16,856	17,848
- Funds for major repairs (designated)	19	1,200	900	1,200	900
- Reserve for future purposes (designated)	19	60,204	65,000	60,204	65,000
- ISH Scholarship Fund (designated)	19	2,790	2,910	2,790	2,910
Restricted:					
- Total restricted funds	19	5,080	5,532	5,080	5,532
		86,204	92,225	86,130	92,190

These financial statements were approved and authorised for issue by the Governors on 8 March 2023. The accompanying notes form part of the financial statements. No separate SOFA has been presented for the Charity alone, as permitted by section 408 of the Companies Act 2006. The Charity's income for 2021-22 was £4,506k (2020-21: £4,190K) and it made a deficit of £6,060k (2020-21: a surplus of £8,984k).

Signed on behalf of the Governors by:


Gill Hammond (Mar 14, 2023 11:10 GMT)

Gill Hammond
(Chair)


Nicholas Bourne (Mar 14, 2023 11:29 GMT)

Lord Nicholas Bourne
(Vice Chair)

Consolidated cash flow statement: year ended 30 September 2022

	Note	2022	2021
		£'000	£'000
Cash outflows from operating activities	A	(1,513)	(2,160)
Cash inflows from investing activities	B	3,418	1,884
Change in cash and cash equivalents in the reporting period		1,905	(276)
Cash and cash equivalents at 1 October 2021		2,186	2,462
Cash and cash equivalents at 30 September 2022	C	4,091	2,186

Cash and cash equivalents at 30 September consist of:		2022	2021
		£'000	£'000
Cash component of fixed assets investments	13	2,936	1,490
Cash at bank and in hand		1,155	696
Total		4,091	2,186

Notes to the cash flow statement: year ended 30 September 2022

	2022	2021
	£'000	£'000
Reconciliation to changes in resources:		
Net expenditure in the year	(635)	(981)
Cash transfer following donation from sister charity	-	205
Investment income	(2,014)	(2,522)
Interest receivable and sundry income	(5)	(1)
(Profit)/ loss on disposal of fixed assets	-	-
Net provisions charged (see note 18)	26	(103)
Depreciation of tangible fixed assets	932	1,024
(Increase)/ decrease in stocks	2	(7)
(Increase)/ decrease in debtors	(99)	89
Increase/ (decrease) in creditors	280	136
Net cash provided by/ used in operating activities	(1,513)	(2,160)

B. Cash flows from investing activities	2022	2021
	£'000	£'000
Investment income received	2,014	2,522
Interest received	5	1
Purchases of tangible fixed assets	(707)	(1,582)
Purchases of fixed asset investments	(41,357)	(7,380)
Less: sales of fixed asset investments	43,463	8,323
Net cash provided by investing activities	3,418	1,884

C. Analysis of cash and cash equivalents	2022	2021
	£'000	£'000
Cash component of fixed asset investments	2,936	1,490
Cash in hand and at bank	1,155	696
Total cash and cash equivalents	4,091	2,186

Notes to the accounts

1. Company information

International Students House is a registered charity (registration number 313512) and a company limited by guarantee (company registration number 724811) incorporated in England and Wales.

The registered office is: 1 Park Crescent, Regents Park, London, W1B 1SH.

Basis of preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006.

The Charitable Company is a public benefit company as defined by FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going concern

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions, including the impact of the Covid-19 pandemic on the Charity's activities, that might cast significant doubt on the ability of the Charity one year from the date of approval of the financial statements. In particular, the Governors have considered the Charity's forecasts and projections and have taken account of pressures on accommodation income and other trading activities.

After making enquiries the Governors have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Group accounts

The income and expenditure account of the consolidated operation only has been presented, as permitted by Section 408 of the Companies Act 2006.

Incoming resources

House income represents income received and receivable from the provision of accommodation and associated services.

Income is recognised in the accounting period when the person enjoying the accommodation was in residence. Investment income represents the income from the investment portfolio. All income originates from within the United Kingdom.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of occupancy rates between the Charity and its subsidiary, and the proportion of time spent by staff on those activities.

Investments

Investments are stated at market value. It is the Charity's policy to keep valuations up to date such that when investments are sold there is no realised gain or loss arising.

As a result, the Statement of Financial Activities does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings as they are together treated as changes in the investment portfolio throughout the year.

Stocks

Stocks are valued at the lower of cost and net realisable value and represent goods for resale, and bar liquor stocks.

Depreciation

Depreciation policy was reviewed during the year, and is calculated to write down the cost of tangible fixed assets in equal annual instalments to their estimated residual values over the period of their estimated useful economic lives, which are considered to be:

- Freehold & long leasehold property: 50 years
- Freehold & leasehold improvements: 10 or 20 years
- Furniture fittings & equipment: 5, 8 or 10 years
- Computers/ computer software: 3 or 10 years

An impairment review of all tangible fixed assets of significant value is undertaken annually. Items below £1,000 each are not treated as capital items.

Financial assets

The Charity has elected to apply the provisions of section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets are initially measured at fair value plus transaction costs, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through profit or loss are measured at fair value.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Notes to the accounts cont.

Impairment of tangible and intangible assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Loan and receivables

Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Pensions

Pension payments represent payments made to the University Superannuation Scheme Limited (USS Scheme) for senior staff and the Superannuation Arrangements of the University of London (SAUL Scheme) for other staff.

These payments are charged to the income and expenditure account in the year in which they fall due.

The schemes are contracted out of the State Earnings Related Pension Scheme. The schemes are valued formally every three years by professionally qualified and independent actuaries using the projected unit method. Reviews of the schemes' positions are carried out in the period between valuations.

Provisions

The movement on the provision for the exterior redecoration of the property is charged annually to the Income & Expenditure statement.

Foreign currency accounting policy

The accounting records show foreign currency bank account balances at the Sterling equivalent at the balance sheet date.

Operating lease policy

Rentals payable with regard to operating leases are charged against income on a straight-line basis over the period of the lease.

Fund accounting

Funds held by the Charity are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Governors.

Restricted funds – these are funds that can only be used for particular purposes specified by the donor or when funds are raised for particular purposes within the objects of the Charity.

Unrestricted designated funds – these funds represent funds which have been separately designated by the Trustees of the Charity, as part of unrestricted funds.

Rounding policy

Amounts shown on the financial statements are rounded to the nearest thousand-pound sterling unless stated otherwise in the header.

Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Governors in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Notes to the accounts cont.

2. The operating surplus is arrived at after charging

	2022	2021
	£'000	£'000
Auditors' remuneration	29	26
Repairs and maintenance	487	455
Cleaning materials and contracts	5	44
Fuel and power	184	147
Insurances	71	63
Depreciation – owned assets	932	1,024
Provision for exterior redecoration	49	43
Other professional fees	384	341

3. Analysis of charitable Income

	2022	2021
	£'000	£'000
Income from accommodation:		
Gross income	2,811	1,962
Less: bursaries and scholarships funded by ISH	(503)	(676)
	2,308	1,286

4. Analysis of other trading income

	2022	2021
	£'000	£'000
Public entertainment licence and bar revenue	951	213
Conference revenue	295	27
Contract revenue	62	63
Membership income	34	26
Miscellaneous	2	1
Travel Club revenue	16	1
Coffee House income	292	176
	1,652	507

5. Analysis of donations and legacies

	2022	2021
	£'000	£'000
Donations received	7	26
Grants received from HMRC	-	273
Grant received from the Culture Recovery Fund (CRF)	-	472
	7	771

6. Analysis of investment income

	2022	2021
	£'000	£'000
Dividends from listed investments	2,014	2,522
Interest receivable	5	1
	2,019	2,523

7. Exceptional gains and losses

No exceptional gains or losses occurred in 2021-22 (2020-21 - £0)

8. Expenditure on raising funds

	2022	2021
	£'000	£'000
Conference, bar and other expenses	1,607	1,238
Investment expenses	412	341
	2,019	1,579

9. Expenditure on charitable activities

	2022	2021
	£'000	£'000
Bursaries and grants payable	259	376
Other charitable purposes expenses	4,305	4,077
Governance expenses	38	36
	4,602	4,489

Notes to the accounts cont.

10. Employees

	2022	2021
Average number of persons employed by the Charity and its subsidiary:	No.	No.
Administration	24	31
Student services	15	12
Maintenance and housekeeping	14	17
	53	60
Employees' costs during the year for the Charity and its subsidiary:	£'000	£'000
Wages and salaries	2,254	2,144
Social security costs	227	208
Other pension costs (note 22)	302	271
	2,783	2,623
Remuneration of higher paid staff (senior management), excluding pension contribution but including benefits in kind:	No.	No.
£60,001 - £70,000	1	-
£70,001 - £80,000	1	2
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£120,001 - £130,000	1	1
	5	5

The above five staff members received a total of £87k in employer's pension contributions in the year (2020-21: £81k). The total employee benefits of the Charity's key management personnel were £605k (2020-21: £582k).

11. Governors' emoluments

No Governor received emoluments during the year (2020-21: £nil). Four Governors claimed a total of £132 for travel expenses during the year (2020-21: £23).

12. Tangible fixed assets – consolidated and charity

	Freehold Properties	Long Leasehold properties	Freehold & leasehold improvements	Equipment furniture & fittings	Computers & equipment	Total
Cost:	£'000	£'000	£'000	£'000	£'000	£'000
At 30 September 2021	955	5,392	10,255	2,794	283	19,679
Additions	-	-	452	255	-	707
Disposals	-	-	(768)	(122)	(8)	(898)
At 30 September 2022	955	5,392	9,939	2,927	275	19,488
Depreciation:						
At 30 September 2021	298	2,225	3,956	1,652	260	8,391
Charge for the year	19	45	590	266	12	932
Disposals	-	-	(768)	(122)	(8)	(898)
At 30 September 2022	317	2,270	3,778	1,796	264	8,425
Net book value:						
At 30 September 2021	657	3,167	6,299	1,142	23	11,288
At 30 September 2022	638	3,122	6,161	1,131	11	11,063

Notes to the accounts cont.

13. Fixed assets investments – consolidated and charity

	2022	2022	2022	2021
	£'000	£'000	£'000	£'000
Non-cash investments:	Listed	Other	Total	Total
Market value at 30 September 2021	78,907	925	79,832	70,784
Purchases	41,357	-	41,357	7,380
Disposals	(43,463)	-	(43,463)	(8,323)
Net investment gains / (losses)	(5,371)	(15)	(5,386)	9,991
Market values at 30 September 2022	71,430	910	72,340	79,832
Cash held for investments	2,936	-	2,936	1,490
Total investments	74,366	910	75,276	81,322
	Listed	Other	Total	
	£'000	£'000	£'000	
Cost at 30 September 2022	69,583	14	69,597	
Cost at 30 September 2021	67,283	14	67,297	

The portfolio investments are invested in UK equities, overseas equities, commercial property funds and tracker funds. The portfolio of the listed investments at 30 September 2022 are as follows:

Investments categories	2022	2021
	£'000	£'000
Fixed interest – United Kingdom	5,534	5,022
Fixed interest – overseas	-	999
Equities – United Kingdom	5,283	18,339
Equities – North America	24,479	19,325
Equities – Europe (Ex. U.K)	5,696	6,409
Equities – Japan	1,687	1,993
Equities – Asia Pacific (Ex. Japan)	2,147	3,481
Emerging markets	2,298	2,523
Equities – global	2,123	1,223
Infrastructure	5,721	4,963
Property	13,555	11,774
Commodities	1,598	-
Private Equity	1,309	2,856
Investments total	71,430	78,907
Cash products	2,936	1,490
Total at 30 September	74,366	80,397

14. Investment in subsidiary

The Charity holds an investment of £1 in Park Crescent Conference Centre Limited, which is a trading company registered in England and Wales with company number 04096563. This £1 investment represents 100% of the ordinary share capital of Park Crescent Conference Centre Limited.

15. Debtors

	Consolidated		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade debtors	142	55	108	35
Amounts owed by connected trusts				
- Toyota-Shi Trevelyan Trust	16	1	16	2
Amount owed by subsidiary	-	-	86	28
Other debtors	6	55	6	55
Prepayments and accrued income	212	166	212	166
Closing balance at 30 September	376	277	428	286
Provision for doubtful debts				
	Consolidated		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Opening balance	6	15	6	15
Addition to provision	-	(9)	-	(9)
Closing balance at 30 September	6	6	6	6

As at 30 September 2022, there was a debt of £16k (2020-21: £1k) owed to ISH by the Toyota-Shi Trevelyan Trust. This debt will be settled by a transfer of investment assets to the value of £16k in April 2023.

Toyota-Shi Trevelyan Trust is a registered charity of which Gill Hammond is the Chair and Shami Nathoo is the Company Secretary.

Park Crescent Conference Centre Limited (PCCC Ltd.) is a trading subsidiary of ISH. PCCC Ltd ended the financial year with a surplus of £74k (2020-21: £35k) and the profit will be paid as a distribution to ISH in 2022-23.

Notes to the accounts cont.

16. Creditors: amounts falling due within one year

	Consolidated		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade creditors	305	342	277	328
Other taxation and social security	79	52	79	52
Other creditors	383	379	356	337
Accruals and deferred income	845	559	773	558
Closing balance at 30 September	1,612	1,332	1,485	1,275

17. Provisions for liabilities and charges

	Consolidated and Charity	
	2022	2021
	£'000	£'000
Provision for liabilities and charges:		
Opening balance at 1 October	49	152
Provided during the year	49	43
Expenditure incurred during the year	(23)	(146)
Closing balance at 30 September	75	49

Under the terms of its lease with the Crown Estate, International Students House is obliged to maintain the external fabric of the Great Portland Street site. The Governors decided to increase the provision for external redecoration in 2017-18 following the extension of the lease at Wills House in order to take into account the redecoration costs of both properties.

18. Movement in accruals and deferred income in the year

	Consolidated		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
At 1 October	559	526	558	525
Deferred income brought to account	(484)	(370)	(483)	(369)
Accrued expenditure paid out	(75)	(156)	(75)	(156)
Income received in year and deferred	746	484	674	483
Expenditure accrued at year end	99	75	99	75
At 30 September	845	559	773	558

Deferred income principally consists of prepayments of accommodation income.

19. (Section 1) Analysis of net assets between funds – consolidated

Fund balances as at 30 September 2022 are represented by:	General fund (unrestricted)	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Consolidated assets				
Tangible fixed assets	11,062	-	-	11,062
Current assets and investments	15,455	56,294	5,080	76,829
Current liabilities	(1,612)	-	-	(1,612)
Provision for liabilities and charges	(75)	-	-	(75)
Movement in reserves	(7,900)	7,900	-	-
Total net assets	16,930	64,194	5,080	86,204

	Balance 1/10/21	Income	Expenditure	Gains/ losses	Transfer between funds	Balance 30/09/22
	£'000	£'000	£'000	£'000	£'000	£'000
Consolidated funds						
General fund (unrestricted)	17,883	5,779	(6,330)	(102)	(300)	16,930
Funds for major repairs (designated)	900	-	-	-	300	1,200
Reserve for future purposes (designated)	65,000	-	-	(4,796)	-	60,204
ISH Scholarship Fund (designated)	2,910	92	(42)	(170)	-	2,790
International Students Trust Fund (restricted)	4,585	94	(194)	(259)	-	4,226
Mary Trevelyan Fund (restricted)	319	8	(17)	(21)	-	289
William Ross Murray Scholarship (restricted)	94	1	-	(6)	-	89
ISH African Students Bursary (restricted)	338	9	(14)	(20)	-	313
Tara Nirula Arts Scholarship (restricted)	100	3	(12)	(6)	-	85
Ellenor Mary Anwyl Scholarship (restricted)	70	-	-	(4)	-	66
Wahid Butt Scholarship (restricted)	16	-	-	(1)	-	15
Rose Fung Memorial Scholarship (restricted)	-	-	(12)	-	-	(12)
Goats Indian Scholarship Fund (restricted)	10	-	-	(1)	-	9
Total funds	92,225	5,986	(6,621)	(5,386)	-	86,204

Notes to the accounts cont.

The International Students House Scholarship Fund

The ISH Scholarship Fund is a designated fund which was established in 1996 to fund scholarships for students from the developing world. During 2021-22 this fund received £150k from International Students Trust restricted fund and expended an additional £525k on scholarships for students from developing countries.

The International Students Trust Fund

The IST Fund is a restricted fund set up following the donation received from IST in 2020. This is to fund the accommodation scholarships attributed in collaboration with higher education partners. The fund is also used by the ISH Travel Club.

The Mary Trevelyan Hardship Fund

The MT Hardship Fund (previously managed by IST) was transferred to ISH in 2020 following the donation of funds received from IST. The fund is used to support students in unexpected hardship during their study period at ISH.

The Goats Indian Scholarship Fund

The Goats Indian Scholarship Fund was established in 2013 to fund scholarships for students from India.

The William Ross Murray Scholarship

The William Ross Murray Scholarship was established in 1998 to fund scholarships for students from the developing world.

The International Students House African Students Bursary

The International Students House African Students Bursary was established in 2000 and provides scholarships to students born and resident in Africa who wish to study in London.

The Tara Nirula University of the Arts Scholarship

The Tara Nirula University of the Arts Scholarship was established in 2008 and provides tuition fees, accommodation and food for a student from India with a place on a master's course at the London College of Fashion, University of the Arts.

The Ellenor Mary Anwyl Scholarship

The Ellenor Mary Anwyl Scholarship was established in 2014. It has provided a master's scholarship since 2016 for a female student from South Asia, jointly awarded and funded with the School of Oriental and African Studies.

Wahid Butt donation

Wahid Butt made a donation in 2018 of funds to be used towards accommodation for an ISH scholar from Palestine or Pakistan, studying science or medicine. We are working with Imperial College London to find a scholar for this award in 2023-24.

The Rose Fung Memorial Scholarship

The Rose Fung Memorial Scholarship was set up in 2020 by Alumna Wendy Fung and to date it has supported the accommodation costs of two scholars living at ISH and studying a masters course at UCL (Institute of Global Health).

19. (Section 2) Analysis of net assets between funds – charity

Fund balances as at 30 September 22 are represented by:	General fund (unrestricted)	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Charity assets				
Tangible fixed assets	11,062	-	-	11,062
Current assets and investments	7,654	63,894	5,080	76,628
Current liabilities	(1,485)	-	-	(1,485)
Provision for liabilities and charges	(75)	-	-	(75)
Movement in reserves	(300)	300	-	-
Total net assets	16,856	64,194	5,080	86,130

	Balance 1/10/21	Income	Expenditure	Gains/ losses	Transfer between funds	Balance 30/09/22
Charity funds	£'000	£'000	£'000	£'000	£'000	£'000
General fund (unrestricted)	17,848	4,299	(4,889)	(102)	(300)	16,856
Funds for Major Repairs (designated)	900	-	-	-	300	1,200
Reserve for Future Purposes (designated)	65,000	-	-	(4,796)	-	60,204
ISH Scholarship Fund (designated)	2,910	92	(42)	(170)	-	2,790
International Students Trust Fund (restricted)	4,585	94	(194)	(259)	-	4,226
Mary Trevelyan Fund (restricted)	319	8	(17)	(21)	-	289
William Ross Murray Scholarship (restricted)	94	1	-	(6)	-	89
ISH African Students Bursary (restricted)	338	9	(14)	(20)	-	313
Tara Nirula Arts Scholarship (restricted)	100	3	(12)	(6)	-	85
Ellenor Mary Anwyl Scholarship (restricted)	70	-	-	(4)	-	66
Wahid Butt Scholarship (restricted)	16	-	-	(1)	-	15
Rose Fung Memorial Scholarship (restricted)	-	-	(12)	-	-	(12)
Goats Indian Scholarship Fund (restricted)	10	-	-	(1)	-	9
Total funds	92,190	4,506	(5,180)	(5,386)	-	86,130

Notes to the accounts cont.

20. Total resources expended

2022	Grants	Other direct costs	Support costs	Total 2022
	£'000	£'000	£'000	£'000
Raising funds	-	1,170	849	2,019
Charitable activities	150	1,788	2,664	4,602
Total resources expended	150	2,958	3,513	6,621

2021	Grants	Other direct costs	Support costs	Total 2021
	£'000	£'000	£'000	£'000
Raising funds	-	656	923	1,579
Charitable activities	149	1,641	2,699	4,489
Total resources expended	149	2,297	3,622	6,068

Bursaries and grants paid are allocated on the basis of need and merit, after careful consideration of applications received with reference to the allocation terms of the various funds.

Cost allocation includes an area of judgment, and the Charity has had to consider the cost benefit of detailed calculations and record keeping. Direct overheads including payroll are allocated within other costs above. Indirect costs have been allocated on the basis of the table below.

Support costs and basis of allocation:

Nature of cost	Allocation basis	2022	2021
		£'000	£'000
Staff payroll and on costs	Estimated time spent	1,225	1,410
Premises and utilities	Floor area	1,521	1,541
Administration and other overheads	Sales income	767	671
Total support costs		3,513	3,622

21. Pension schemes

Pension arrangements for staff of International Students House are based on final salary benefit schemes with the University Superannuation Scheme (USS) Ltd for two senior staff and the Superannuation Arrangements of the University of London (SAUL) for other staff.

Universities Superannuation Scheme (USS)

Significant accounting policies

The Charity participates in the USS scheme. With effect from 1 October 2016, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits.

The Charity participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate Trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The Charity is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS 102 "Employee benefits", the Charity therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme.

Since the Charity has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the Charity recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer.

A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as USS.

The accounting for a multi-employer scheme, where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit, results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with the resulting expense charged through the profit or loss account in accordance with section 28 of FRS 102.

The directors are satisfied that USS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

Notes to the accounts cont.

Deficit Recovery Liability

The total cost charged to the Income and Expenditure statement for the year ending 30 September 2022 was £63,307 (2020-21: £60,671). It is estimated that International Students House's liability under this programme is £60,102 (2020-21: £55,136). This amount has been reflected in the financial statements above under other creditors.

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2020 (the valuation date) and was carried out using the projected unit method.

Since the Charity cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2020 valuation was the sixth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £66.5 billion and the value of the scheme's technical provisions was £80.6 billion indicating a shortfall of £14.1 billion and a funding ratio of 83%.

The key financial assumptions used in the 2020 valuation are described below. More detail is set out in the Statement of Funding Principles (uss.co.uk/about-us/valuation-and-funding/statement-of-funding-principles).

CPI assumption	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less: 1.1% p.a. to 2030, reducing linearly to 0.1% p.a. to a long-term difference of 0.1% p.a. from 2040
Pension increases (subject to a floor of 0%)	CPI assumption plus 0.05%
Discount rate (forward rates)	Fixed interest gilt yield curve plus: Pre-retirement: 2.75% p.a. Post-retirement: 1.00% p.a.

The main demographic assumptions used relate to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2020 actuarial valuation. The mortality assumptions used in these figures are as follows:

	2020 valuation
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2019 with a smoothing parameter of 7.5, an initial addition of 0.5% p.a. and a long-term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females

The current life expectancies on retirement at age 65 are:

	2022	2021
Males currently aged 65 (years)	23.9	24.7
Females currently aged 65 (years)	25.5	26.1
Males currently aged 45 (years)	25.9	26.7
Females currently aged 45 (years)	27.3	27.9

A new deficit recovery plan was put in place as part of the 2020 valuation, which requires payment of 6.2% of salaries over the period 1 April 2022 until 31 March 2024, at which point the rate will increase to 6.3%. The 2022 deficit recovery liability reflects this plan.

The liability figures have been produced using the following assumptions:

	2022	2021
Discount rate	11%	3.75%
Pensionable salary growth	5.0%	4.5%

Notes to the accounts cont.

Superannuation Arrangements of the University of London (SAUL)

ISH participates in the SAUL, which is a centralised defined benefit scheme within the United Kingdom and was contracted out of the Second State Pension (prior to April 2016).

SAUL is an independently managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education. Pension benefits accrued within SAUL currently build up on a Career Average Revalued Earnings (CARE) basis.

ISH is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Funding policy

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due ("Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility that events turn out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2020. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed by the Trustee and employers in June 2021 and will be reviewed again at SAUL's next formal valuation in 2023.

At the 31 March 2020 valuation, SAUL was 94% funded on its Technical Provisions basis. However, market movements following the valuation date were positive and the Trustee and the Employers agreed to allow for post-valuation experience up to 30 April 2021.

As SAUL was in surplus on its Technical Provisions basis at that date, no deficit contributions were required. However, the Trustee and the Employers have agreed that the ongoing Employers' contributions will increase from a rate of 19% of CARE Salaries to 21% from 1 January 2023.

Accounting policy

ISH is a Participating Employer in SAUL. The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets at 31 March 2020 was £3,612 million representing 94% of the liabilities.

The market value of SAUL's assets at 30 April 2021 was £4,369 million representing 109% of the estimated liabilities.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. ISH accounts for its participation as if it were a defined contribution scheme. Pension costs are based on the amounts actually paid (cash amounts) in accordance with paragraphs 28.11 of FRS 102.

Although there was a Technical Provisions deficit at 31 March 2020, allowing for post valuation experience to 30 April 2021, SAUL had a Technical Provisions surplus. Therefore, no deficit contributions were required following the 2020 valuation and there is no defined benefit liability (i.e., the present value of any deficit contributions due to SAUL) to be recognised by ISH.

The defined benefit liability to be recognised by International Students House in respect of the deficit contributions due to SAUL (i.e., the present value of the deficit contributions) is £90,557 as at 30 September 2022. This liability is based on a projection of CARE Salaries over the period to 30 September 2024 and has been reflected in the financial statements above under other creditors.

22. Subsidiaries

The Charity's trading subsidiary, Park Crescent Conference Limited, which is wholly owned and registered in England and Wales, was activated during 2005-06. The Charity holds 100% of the ordinary share capital of the company which is £1.

Its principal activity is the supply of conference, bar and related facilities and services to residents, clients and patrons.

Results for the year ended 30 September 2022 were as follows:

	2022	2021
	£	£
Profit and loss account		
Turnover	1,612,678	913,630
Costs of sales	(297,017)	(271,456)
Gross profit	1,315,661	642,174
Other expenses	(1,241,868)	(607,559)
Profit/ (loss) for the year	73,793	34,615
Balance sheet		
Net assets	73,794	34,616
Share capital	1	1
Retained profit/ (loss)	73,793	34,615
Total shareholders' funds	73,794	34,616

During the year Park Crescent Conference Limited made a surplus of £73,793 (2020-21: £34,615); this amount will be paid as a distribution in 2022-23 to International Students House.

23. Related parties

ISH is connected with two other charities; the Toyota-Shi Trevelyan Trust of which Gill Hammond is the Chair; and International Students Trust, a dormant charity of which John Garbutt is the Chair. Shami Nathoo is the Company Secretary of both these charities.

There were no transactions with these parties during the year (2020-21: nil).

Amounts owed by connected trusts at the year-end are disclosed in notes 15.

Notes to the accounts cont.

24. Operating lease commitments

At 30 September 2022, ISH had outstanding commitments for future minimum lease payments under non-cancellable operating lease.

	2022	2021
Office equipment	£	£
Due within one year	20,040	20,040
Due between two to five years	22,502	37,943
	42,543	57,983

25. Capital commitments

At 30 September 2022, the group had capital commitments for fixtures and fittings and equipment (Ventilation upgrade and fire alarms system) of £549k (2020-21: £128k).

26. Taxation

International Students House is a registered charity and as such its income and gains falling within s505 ICTA 88 or s256 TCGA 92 are exempt from corporation tax to the extent that they are applied to its charitable objectives. Its subsidiary Park Crescent Conference Limited has not incurred a tax charge, as it has donated the surpluses it has achieved in the last few financial years to ISH.



International.
Students House

ish.org.uk

ANNUAL REPORT 2022

ISH Annual Report 2022 Approved by Board











09.03.23


Final Audit Report


2023-03-14


Created:	2023-03-14
By:	Shami Nathoo (s.nathoo@ish.org.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAAE3pj3YxVg_I_iM7E4Mhk6PFE5dv3DMGu


"ISH Annual Report 2022 Approved by Board 09.03.23" History

-  Document created by Shami Nathoo (s.nathoo@ish.org.uk)
2023-03-14 - 8:58:19 AM GMT- IP address: 82.13.210.106
-  Document emailed to gill.hammond999@gmail.com for signature
2023-03-14 - 9:02:08 AM GMT
-  Email viewed by gill.hammond999@gmail.com
2023-03-14 - 11:09:28 AM GMT- IP address: 92.40.69.58
-  Signer gill.hammond999@gmail.com entered name at signing as Gill Hammond
2023-03-14 - 11:10:04 AM GMT- IP address: 92.40.69.58
-  Document e-signed by Gill Hammond (gill.hammond999@gmail.com)
Signature Date: 2023-03-14 - 11:10:06 AM GMT - Time Source: server- IP address: 92.40.69.58
-  Document emailed to nickbourne1@hotmail.co.uk for signature
2023-03-14 - 11:10:10 AM GMT
-  Email viewed by nickbourne1@hotmail.co.uk
2023-03-14 - 11:28:08 AM GMT- IP address: 86.156.19.188
-  Signer nickbourne1@hotmail.co.uk entered name at signing as Nicholas Bourne
2023-03-14 - 11:29:08 AM GMT- IP address: 86.156.19.188
-  Document e-signed by Nicholas Bourne (nickbourne1@hotmail.co.uk)
Signature Date: 2023-03-14 - 11:29:10 AM GMT - Time Source: server- IP address: 86.156.19.188
-  Document emailed to nfinlayson@mks.co.uk for signature
2023-03-14 - 11:29:14 AM GMT

 Email viewed by nfinlayson@mks.co.uk
2023-03-14 - 2:32:44 PM GMT- IP address: 104.47.20.254

 Signer nfinlayson@mks.co.uk entered name at signing as Moore Kingston Smith llp
2023-03-14 - 2:33:24 PM GMT- IP address: 80.169.173.162

 Document e-signed by Moore Kingston Smith llp (nfinlayson@mks.co.uk)
Signature Date: 2023-03-14 - 2:33:26 PM GMT - Time Source: server- IP address: 80.169.173.162

 Agreement completed.
2023-03-14 - 2:33:26 PM GMT

INTERNATIONAL STUDENTS HOUSE

England & Wales - Charity number 313512

Accounts



International.
Students House

International Students House Annual Report 2021

“I really enjoyed living at ISH and felt that it has been a privilege to do so.”

Contents

Governors' annual report.	2
Statement of governors' responsibilities.	26
Independent auditor's report	28
Consolidated statement of financial activities for the year ended 30 September 2021	32
The balance sheet as at 30 September 2021.	33
Consolidated cash flow statement. . .	34
Notes to the cash flow statement . .	35
Notes to the accounts	36

Objectives

The origins of International Students House (The House; ISH) date back to 1917 when a social club was formed for some of the thousands of overseas students who came to London each year, with a view to increase international understanding and friendship.

ISH was officially opened as a residence for students on 4 May 1965, and ISH continues to provide an environment which facilitates the growth and development of today's young people from all over the world. It gives them

the opportunity to live in central London and experience a wealth of cultures, not only British, but of the many nationalities of their peers.

The Governors approved the updated Memorandum and Articles of Association of ISH on 21 May 2020 and updated the Charity's Vision and Mission statements in June 2021.

The objects of International Students House as restated in the updated Memorandum and Articles of Association are as follows:



To provide and maintain premises in the United Kingdom with a view to assisting students (including postgraduate students and persons engaged in research) (hereinafter called "the beneficiaries") to pursue research at universities, colleges, and other institutions of further education, by affording them hostel accommodation and facilities for rest, recreation, study, lectures and meetings.



To foster racial harmony between the beneficiaries and the countries they represent, and/ or ethnic or racial group they represent.

Vision

To transform futures of students from around the globe by providing a safe community in London that fosters international friendship and positive change.

Mission

To provide an affordable home from home for students of different nationalities and diverse cultures, supported by a substantial scholarship programme, with the opportunity to live and learn together in a safe and secure community of mutual respect, understanding and international friendship.

Our activities

The principle activities of the Charity are:

Affordable accommodation

The principal activity of the House is the provision of affordable accommodation for overseas and UK students. In 2020-21 the House was 'home away from home' for over 165 residents from around 60 different countries, including UK nationals.

The students typically stay at ISH and study at one of the nearby universities at either undergraduate or postgraduate level. ISH also provides a small number of flats for students with partners or dependants.

Scholarship programme

The House runs a scholarship programme in partnership with local universities. In this programme ISH provides free or discounted accommodation and the university partner waives or reduces their tuition fees. In 2020-21, 92 scholars from 38 different nationalities benefited from this provision.

Events

The House provides social events which are delivered free or at a subsidised costs to residents and members. An events team of three staff run the ISH Travel Club and host activities such as themed suppers, fitness classes, culture nights, and support student-led events such as concerts and international film nights.

Promotion of international friendship

ISH has an active alumni association called Goats International. ISH is proud of the fact that a large number of students have made lifelong friendships during the time they stayed in the House, and subsequently when they became alumni.

Public benefit test

The Governors have taken due regard to the provisions of the 2011 Charities Act that require charities to prove that they deliver public benefits. International Students House, through the fulfilment of its objectives, provides a wide public benefit.

Residents return to their home nations with a broadened perspective of the world and are equipped with skills which benefit their homelands/ communities.

The ISH Scholarship Programme, in partnership with 18 London universities and academic partners provided accommodation and tuition fee grants to overseas students who would not otherwise have the opportunity to gain a UK qualification. ISH's contribution to this provision in 2020-21 amounted to approximately £1.1m (2019-20: £1m).

Social events and welfare support are subsidised or delivered free of charge to residents and members. In this way, overseas students do not feel alienated by a new culture, but are able to quickly settle in, adapt to life in the UK and make new friends.

Overseas students are a key component of the London and UK economy, and ISH offers such students affordable accommodation. The House also provides opportunities for the integration of overseas students with UK students.

In addition to supporting students, ISH contributes to the local community by hosting an annual Christmas lunch for around 120 senior citizens who use day centres or are in sheltered housing in the neighbourhood. The lunch usually takes place on a Saturday in December and is free of charge to all those attending.

Unfortunately, ISH was not able to host the senior citizens for the past two years due to the pandemic, but will resume the annual event in December 2022. ISH residents wrote over 50 Christmas cards to our senior neighbours instead in December 2020.



the opportunity to gain a UK qualification



broadened perspective



new skills and experiences



make new international friends



better integration into UK life



Christmas lunch for senior citizens

How we measure success

Student experience

ISH participates in the Global Student Living Index, which measures residents' satisfaction with the accommodation, services and the variety of social activities provided by ISH.

Attendance at social events is monitored throughout the year and regular feedback on events and ISH services in general is sought via resident advisors (RAs) at fortnightly RA meetings and termly Student Management Committee meetings.

Affordability

This is measured each year when setting our accommodation fees, through market research on competitor London providers. Students are also asked about their perception of value for money in the Global Student Living Survey.

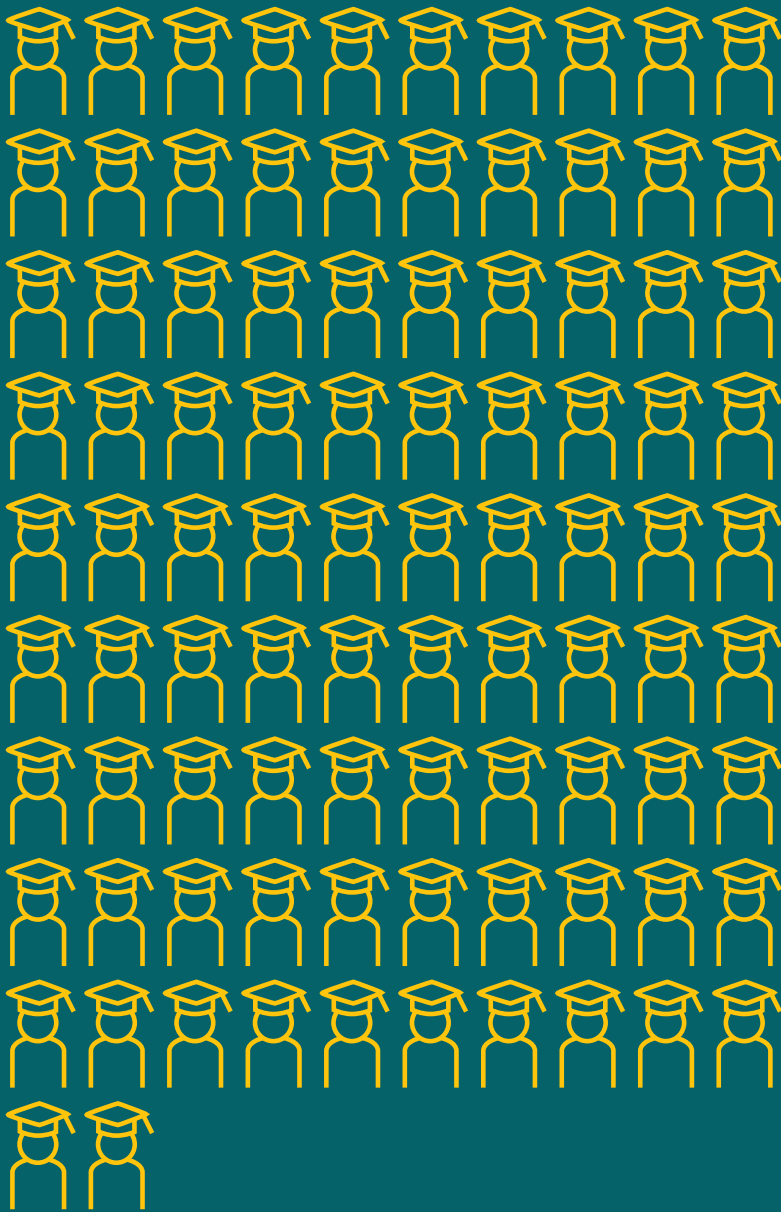
Scholarships

The success of the scholarship programme is measured in terms of the number of scholars resident in the House, the number of scholarship partners who assist with tuition fee support, and through an annual monitoring exercise led by the Dean of Student Life where an academic report is received from each scholar's tutor.

Alumni

Success in alumni relations (alumni engagement) is measured by: the wealth of information held on the alumni database against each individual record; attendance at alumni events; the rate of engagement with digital communications; fundraising income; and gifts in kind.

ISH 2020-2021



92

scholars
at International
Students House

£1.1m

in scholarships

18

academic
partners

waiving/ subsidising fees



165

Residents
at International
Students House



60

countries
represented

“Thanks so much
for being my
home and family
in this country”



Strategic report

ISH's business strategy is summarised in the following sentence:

‘To provide an affordable home from home for students of different nationalities and diverse cultures, supported by a substantial scholarship programme, with the opportunity to live and learn together in a safe and secure community of mutual respect, understanding and international friendship’.

Our medium term business strategy was revised following the sale of our property at York Terrace East in February 2020 and the subsequent onset of the pandemic.

Our original plan was to increase the number of scholarships to 250 and the number of bed spaces to 1,000 by 2025.

In the near term, the projections for 2021 to 2024 have been revised down.

However, the strategic aim of increasing bed spaces and scholarships very much remains a medium term objective and ISH is actively looking to acquire a new property or properties to support this.

The key points relating to the charitable mission are:

- (i) To develop the residential scholarship programme to assist students from financially challenged backgrounds. The scholarship level will be maintained at 23% as a proportion of the total number of residents in the House.
- (ii) To ensure a geographically and academically diverse well balanced residential student community with the aim of having up to 20% of the total student numbers from the UK.
- (iii) To ensure that our residential fees are competitive with central London student halls fees.
- (iv) To increase the diversity and variety of events and activities to meet the changing needs of our residential and non-residential community, and facilitate integration of different nationalities.
- (v) To continue to provide services to ex-students through the alumni association and keep them engaged with the House.

The directors have had regard to the matters set out in section 172(1)(a) to (f) when performing their duties under section 172.

Achievements & performance

The student experience

ISH's Global Student Living Survey results give useful data on the student experience and the impact that life at ISH has on its residents: in 2020-21 we received an overall approval rating of 95% of respondents saying that their levels of satisfaction were "very good", "good" or "OK".

This is higher than the score given for London private halls (88%), with London University Halls lower down the scale at just 81% satisfaction.

When asked about individual aspects of their accommodation, residents' responses show that ISH is outperforming other providers surveyed in the following criteria: building security, communication, condition and quality, cycle storage, mail handling, opportunities for social interaction, personal safety, location, relationships with other students and value for money.

In addition, 83% of ISH residents said their accommodation has had a positive impact on their wellbeing, with London Private Halls scoring 64%.

"I love my accommodation because the people are friendly, it is affordable and it is close to my university"

"Compared to the prices of other student accommodations, the great location, staff and social community, ISH should be considered one of the best"

"I have enjoyed my stay at ISH. I found it conducive for studies with very comfortable rooms, warm and supportive staff, and very social students of different cultural backgrounds. The facility management is also excellent, with regular and well-executed cleaning and waste disposal schedules. The ISH management is the best listener I have ever encountered so far."

"Thanks so much for being my home and family in this country"

Affordability

Each year, ISH conducts a market research assessment of the local student accommodation market before setting the rent increases for the forthcoming year. As part of this process ISH aims to position itself to be on a par with local university halls of residence.

The student view of the affordability of the accommodation was tested in Spring 2021 in the Global Student Living Index, which benchmarks ISH against local university halls and local private halls.

Respondents were asked to rate the overall value for money of ISH: in 2021, 69% of survey respondents said ISH's value for money is "good" or "very good" compared to just 55% in London Private Halls and 44% in London University Halls.

Events and travel club

Our student events and travel club activity was reduced in 2020-21, due to the COVID-19 pandemic. Despite this, ISH's small group and online events were viewed extremely positively by residents who responded to the survey, with 88% of respondents giving a positive rating to social activities.

The Travel Club programme was similarly reduced as a result of lockdowns, staff furlough and limits on numbers (rule of six), but managed to run a total of eight London-based day trips, three in December 2020 and a further five from late May until early August 2021.

The Thames Rockets Speedboat and London Eye trip was particularly popular, so much so that it was organised for both June and July.

Achievements & performance cont.

Measuring the impact on the scholars

The Dean of Student Life conducts an annual mid-year monitoring exercise with each scholar to assess their general progress both academically and socially.

A report from their place of study is also received at this time. Common themes that emerged in the 2020-21 monitoring exercise were how ISH provides scholars with a sense of community and home, with security and stability in uncertain times.

Scholars also highlighted the benefits of ISH's convenient central location, having free brunch and the lasting friendships they had made, as well as how they had grown personally and in their understanding of other cultures and perspectives. In sum, having a scholarship was a once in a lifetime opportunity:

“COVID has created stark difficulties in student life in London. While many of my friends have had issues with regard to accommodation safety, daily meals during quarantine and just general peer support I have found myself at ease at ISH. Obstacles brought on by quarantine has been minimalised and I have been able to focus thoroughly on my course. Moreover, there is a clear feeling of community at ISH amongst other students and the staff itself. This has been very good for my mental health and overall harmony within the house.” (UAL Scholar, India)

“Staying at ISH has provided me with the opportunity to truly connect with the students from all around the world. I have made some great friends here and through that I got the opportunity to learn about different cultures from all over the world. Moreover, there are different cultural events that are being regularly organised at ISH which helps me to connect with other people more easily.” (UAL Scholar, Nepal)

A further impact questionnaire is sent to former scholars, after they have completed their studies and left ISH. This exercise was conducted in Summer 2021, seeking feedback from those who were in residence the previous year.

Asked about their employment status, the majority of former scholars reported that they had started a new job at a higher level or with a better salary after their time at ISH, with some working in Government ministries in their home countries, heading hospital departments and working with International NGOS.

Other former ISH scholars were also making notable contributions to the field of education and arts as performers, researchers, teachers, media personnel and musicians.

The free text comments from former scholars show the long-lasting positive impact of their time at ISH:

“I would like to give my utmost appreciation for everything ISH does for students across the world and while they stay there they might not know it, but later in life, the positive impact of the ISH Scholarship guides them to do greater things and have bigger dreams than they thought they could have.” (ISH–University of Westminster Scholar)

“It has been the most wonderful opportunity for me to be immersed in my studies with the help of the scholarship. The social events in ISH were very special occasions where I met lots of other scholars that come from all over the world.” (ISH-RAM Scholar)

95%
student
satisfaction

In the Global Student
Living Index Spring 2021

83%
positive
impact on
wellbeing

9/10
former ISH
scholars said,
living at ISH:

**increased
confidence**
mixing with people from
other races and cultures

**increased
confidence**
traveling independently

**enhanced
understanding**
of other cultures

supported
their personal and
academic aims

“It has been a challenging time but ISH makes the things easier, ISH feels like home and it is important for us who do not see our families and are far away achieving a dream to have this support.”

- Royal Academy of
Music Scholar, Colombia

“I hope scholarships can continue to change lives like it did mine. I also hope that one day I will be able to contribute to changing a student’s life.”

- ISH-University of
Westminster Scholar

Achievements & performance cont.

Alumni

Due to ongoing pandemic restrictions we were unable to host our usual calendar of Alumni events throughout most of this year.

There was, however, a very successful socially distanced event to celebrate HRH Princess Anne's visit to ISH in June. A number of ISH alumni were invited, attended and thoroughly enjoyed the occasion.

In September, the first meeting of the ISH Assembly took place. The meeting was very successful. The assembly is largely made up of key ISH alumni with some attending in person and a great number by video call.

Despite the lack of in person events, our digital engagement grew with an average communications open rate of 28%.

The first Rose Fung Memorial Scholar, Kimberly Mihayo from Tanzania, was welcomed to ISH. Wendy Fung, the donor of the scholarship, was very pleased with her communications with her scholar and pledged the scholarship amount for a further year, for which we are most grateful.

Acknowledgments

The House gratefully acknowledges the support of the following partners, without whom the scholarship programme would not have been so successful:

- Our catering contractors Baxterstorey, who provided a free breakfast for 40 of the 92 scholars
- And the following academic partners who waived/ discounted tuition fees for the following number of scholars:

The School of Oriental & African Studies	13 scholars
University of Westminster	8 scholars
Royal Academy of Music	8 scholars
ISH Scindia / SKV Scholarships*	7 scholars
Karta Initiative	7 scholars
London Metropolitan University	6 scholars
Council for At-Risk Academics (cara)	6 scholars
University of the Arts	6 scholars
Royal College of Music	4 scholars
UCL, Institute of Education	4 scholars
London School of Hygiene & Tropical Medicine	4 scholars
UCL, United World Colleges	4 scholars
Chevening	4 scholars
UCL, Institute of Global Health	2 scholars
London School of Economics & Political Science	2 scholars
London Institute of Banking and Finance	2 scholars
Windle Trust International	2 scholars
Marshall Aid Commemoration Commission	1 scholar
Birkbeck	1 scholar
Imperial College London	1 scholar

*both academic and accommodation scholarships sponsored by ISH

Financial & investment review

Financially significant events

The House extended the lease of Wills House (adjoining 229 Great Portland Street, (GPS)) in December 2016, for a consideration of £2.7m. The lease will expire in 140 years' time on 28 December 2158, and negotiations are on-going with Crown Estate to renew the lease at 229 Great Portland Street site so that both leases are co-terminus.

Sale of properties

The sale of properties on York Terrace East (YTE) was completed in February 2020 for a total of £58m. The funds received were transferred directly to the investment portfolio and set aside as a designated reserve, for the purpose of securing a new property or properties for the House.

ISH is actively looking to secure a new property with the support of Cushman & Wakefield to replace the 260 bed spaces and 47 flats that have been lost with the sale of the YTE properties.

The COVID-19 pandemic

The COVID-19 pandemic continued to affect ISH during the 2020-21 financial year. Operational activities resumed slowly in the summer of 2020 though customer confidence was still very low.

Commercial activities, which include the conference venues, live events and the coffee house, were slow to pick up even before the country went into lockdown again in December 2020 which further reduced commercial revenue.

Occupancy rate of ISH's accommodation provision averaged 65% over the year mainly because of cancellation of commercial flights, border restrictions and uncertainty around onsite lectures affecting international students' ability to come to London to study.

ISH maintained all the security and cleaning regimes initiated at the beginning of the pandemic to ensure the health and wellbeing of the staff and residents. There was no major outbreak of the virus in the House during the period.

Government Coronavirus Job Retention Scheme

ISH made use of the Government Coronavirus Job Retention Scheme for the year and on average 50% of the total staff was on flexible furlough.

The grant for the scheme is accounted for in the Income and Expenditure statement for the year. Income streams were more impacted by the pandemic than in Financial Year 2019-20 as we operated for the whole year under some government restrictions.

The Governors worked with the senior management team to set the plans in order mitigate the financial impact of the pandemic and to ensure the longer term sustainability of the House, while maintaining its ability to achieve its charitable objectives.

Market recovery

During 2020-21 financial markets recovered from the early 2020 crash and ISH's investments experienced a net growth of 12% for 2020-21. Dividend pay-out also resumed in the year and the dividend income received supported the charitable activities of the House for the year.

General financial performance

The Net Operating Expenditure for 2020-21 was £981k (2019-20: £2,270k). The Net Gain on investment assets for the year was £9,991k (2019-20: £2,060k loss) and this gave rise to an overall position for the year of £9,010k surplus (2019-20: £143k surplus).

As a result, the total value of unrestricted funds (including designated funds) grew to £86,693k (2019-20: £78,131k) and the total value of restricted funds increased to £5,532k (2019-20: £5,084k) giving ISH a total reserve level of £92,225K (2019-20: £83,215k).

Improvement in challenging times

Considering the challenges faced by the House in the year, the general financial performance for the year was satisfactory and a significant improvement on the previous year.

Similar to 2019-20, income from both trading and charitable activities were badly affected by the pandemic. Conference income, together with sales and revenue from venues fell by 61.4% to £507k during the year. Income from charitable activities income fell by 23.5%, reflecting the lower number of residents in the House during the year. The number of scholarships awarded for 2020-21 (92) was slightly lower than last year (102).

Expedited renovation

The wholesale refurbishment programme of GPS and Wills House which began in 2017-18 was completed in August 2021, one year ahead of schedule. Capital expenditure in 2020-21 was £1,582k (2019-20: £2,603k) with the bulk of the expenditure being the rooms renovation in GPS.

The renovation programme was expedited during the lockdown, taking advantage of the low occupancy in the House whilst adhering to safety and security measures. Other capital works in 2020-21 included the basement ventilation improvement and the fire alarm upgrade on the GPS side of the property. These investments will enhance our provision to residents in future years.

Fundraising

ISH raised £24k in the year compared to £25k in 2019-20. The majority of this was received from former staff, alumni and foundations to support the ISH scholarship programme.

There was also a COVID-19 hardship appeal initiative to support the many students who found themselves in financial difficulty as a result of the pandemic. We are most grateful to all who contributed to this worthy cause

Investments

ISH Investment Committee has delegated authority from the ISH Board of Governors to oversee the investment portfolio with Quilter Cheviot (QC), who have been the discretionary investment managers of ISH since October 2017. On the advice of the Investment Committee, the Board extended the services of QC for another year in October 2021.

The investment portfolio's market value at the end of 2020-21 was £81.3m (2019-20: £72.5m). The portfolio increase was mainly due to the realised and unrealised gains experienced in the year. The overall realised and unrealised gains for the year was £9,991k (2019-20: £2,060k loss).

The investments are strongly diversified, with investments in a range of asset classes including UK equities, overseas equities, commercial property and infrastructure funds, private equity and bonds.

Scholarship funds

The value of the scholarships funds (both restricted and designated funds) increased in value from £7,719k to £8,442k during the year mainly due to the good performance of the investment portfolio.

Financial & investment review cont.

Environmental, social and corporate governance policy

In 2019-20, the Trustees approved a new Environmental, Social and Corporate Governance (ESG) policy as well as an Ethical Investment Policy. ISH is committed to being a responsible investor across its investments.

The new ESG policy sets out a fundamental guiding principle that Quilter Cheviot must apply investment criteria based on ESG Standards. During the regular review meetings with the investment manager, the application of ESG policies in making investment decisions is considered.

Ethical investment policy statement

In 2019-20, the Trustees agreed that ISH will not apply an overall ethical exclusionary policy to its dealings with its stakeholders. There is therefore no existing ethical framework for an exclusionary (or positively screened) investment policy.

Should ISH develop such a stance in the future, an investment policy will be developed to dovetail with this as part of a more holistic approach.

Reserves policy

As at 30 September 2021, the value of the restricted funds stood at £5,532k and the value of the designated funds was £67,910k. The various designated and restricted reserves of ISH are as follows:

Designated reserves for property acquisition and development

The first designated reserve is to identify the funds set aside for property acquisitions and developments. The sale of YTE was agreed in September 2016 with the sale completed on 12 February 2020.

The objective of the Board is to increase the number of bed spaces and setting the funds aside clearly identifies the purpose of the funds generated from the sale of YTE.

An additional £6m was transferred from the General Fund in order to ensure that ISH has sufficient funds to acquire a property in the Regents Park vicinity, as well as funds required for any potential development of the GPS property.

Designated reserves for major repairs

As ISH has completed a full refurbishment programme of its accommodation, setting aside a designated fund will prevent new major repair and renovation projects impacting on the free reserves of the Charity. This will put ISH in a strong position to have a long-term repair and renovation plan without jeopardising its charitable objectives.

Designated reserves for the scholarship programme

The Scholarship Fund is used each year to provide bursaries to overseas students. The intention is to grow the scholarship funds so that they are self-sufficient, to ensure the perpetuity of scholarships.

Restricted reserves

The restricted scholarship reserves relate to donations and contributions made to ISH to support our scholarship programme. The allocation is based on specific criteria agreed with the respective donors.

The restrictions imposed on the charitable donation from IST to ISH are as follows:

- IST Scholarships – For student accommodation in collaboration with higher education (HE) partners.
- IST Travel Bursaries – For use by ISH Travel Club, to support ISH's mission to promote global friendship and cultural understanding.
- The Mary Trevelyan Fund – To support students in hardship during their study period at International Students House.

General reserves

Out of the £17,883k of general reserves, £11,288k is tied up in the Charity's fixed assets and not freely available. This leaves the level of free reserves as at 30 September 2021 at £6,595k.

The free reserves are sufficient to cover over 13 months' worth of operating expenditure, in line with the reserves policy. Guidance from Charity Commission is that charities could consider un-designating reserves to increase their free reserves should there be a need to.

ISH currently has designated reserves of £68,810k which can be utilised should the need arise. The Governors' view is that there should be a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future and financial statements have therefore been prepared on a going concern basis.

Reserves	FY21 Position £'000	FY20 Position £'000	Further Information
Funds represented by property, plants and equipment	11,288	10,730	The funds invested in tangible fixed assets are not freely available to the charity and therefore excluded from the free reserves
Restricted scholarship reserves	5,532	5,084	Funds restricted to scholarship funding based on donors' specification for the use of their donation. These funds are not freely available. The restricted funds now include funds donated from IST.
Designated ISH scholarship fund	2,910	2,635	The fund is designated to ensure that ISH can satisfy its obligations towards scholars during the course of their scholarships
Designated funds for major repairs	900	600	Following the significant refurbishment programme which started - in 2018, funds are being set aside to cover for future repairs on the works recently completed.
Designated funds for property acquisition and developments	65,000	58,000	Following the sale agreement of the YTE Building, funds for property acquisition and developments have been designated to either acquire new accommodation properties or develop existing properties in order to increase accommodation provision.
Free reserves	6,595	6,166	The free reserves level target is to cover 10-18 months of expenditure level. The current position covers more than 13 months of operating expenditure.
Total reserves	92,225	83,215	

Financial & investment review cont.

Principal risks and uncertainties

The Governors confirm that the major risks to which the House is exposed as identified by the Governors are regularly reviewed, and systems have been established to mitigate those risks. The Governors review the Risk Register on a quarterly basis given the greater uncertainty resulting from COVID-19 pandemic and the volatility of the current economic environment. The Board have identified strategies to mitigate the following major areas of risks:

- Global pandemic – Risk of an outbreak in the House; risk assessment measures and protocols to follow as well as assessment of financial impact.
- Safeguarding – Protecting children, young people and adults at risk from harm.
- Property – finding alternative accommodation following the sale of properties at York Terrace East and renewal of property leases.
- External competition.

Pension liability

The House is required to provide for and disclose their share of any deficit reduction scheme for schemes of which they are a member.

The House is a contributing employer of the USS scheme for which the House's estimated liability for the pension reduction plan is £55,136.

The House is also a contributing employer of the SAUL scheme for which the House's estimated liability for the pension reduction plan is £91,983. Refer to note 21 for further detail.

Plans for future periods – operational

The House has a five-year, medium term strategy from 2023 to 2028, which was reviewed by the Board of Governors at its April 2021 meeting, taking into consideration the ongoing pandemic. The operational key points are outlined below:

- To increase the capacity of the charity, to acquire major freehold or long-lease residential accommodation.
- To upgrade the student facilities and improve the student experience.
- To meet our mission by increasing scholarships to 23% of our total residents' level, or up to 230 scholarships.
- To meet our mission with the provision of free breakfasts on weekends to all our residents.
- To balance the charity and commercial needs by ensuring the commercial activities complement and support our charitable aims.
- To maintain close institutional links with colleges and universities in London and other key stakeholders.

Structure, governance & management

The charity's details

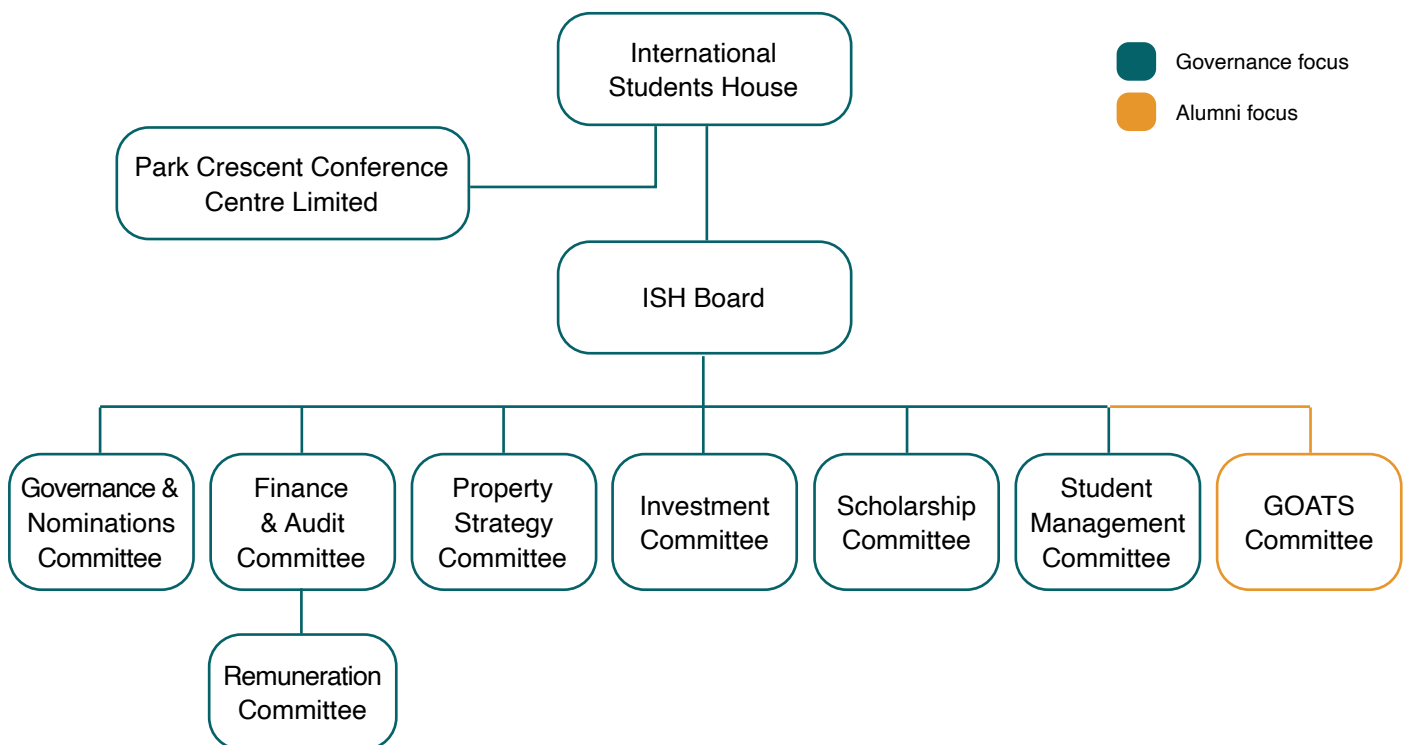
International Students House is a Registered Charity (Registration number 313512) and a Company Limited by Guarantee (Company registration number 724811).

The Charity is governed in line with the Memorandum and Articles of Association, which was updated in May 2020.

Board of Governors

The body responsible for the management of the charity is the Board of Governors. The Governors meet at least four times a year. There are up to 12 Governors who are elected for a three year period as approved by the existing Governors. These Governors are directors for the purposes of the Companies Act 2006.

The structure of the Board of Governors and its sub committees is shown below.



Structure, governance & management cont.

Board and committees

Each committee has specific terms of reference and functions delegated by the Board and has a chair, also appointed by the Board.

Formal attendance monitoring arrangements for the Governors are in place and are monitored by the Governance and Nominations Committee and the Board on a regular basis.

All the Governors are directors of the company and guarantee to contribute £1 in the event of the company winding up.

In September 2021, the Governors approved the continuation of the Remuneration Committee as a separate committee of the Board.

Charity governance code

In order to ensure that the Charity has the correct structure to achieve its ambitions and aims, ISH has adopted the Charity Governance Code. This code is designed as a tool to support continuous improvement and sets out principles and recommended practices. A new Code of Conduct for ISH Governors was also introduced in early 2020 and is regularly reviewed to ensure the Charity is adhering to recommended governance practices.

The Governors have had regard to the need to foster the Charity's business relationships with suppliers, students, customers and others which is considered when making principle decisions.

Appointments and resignations

Gill Hammond was appointed Chair of ISH on 21 May 2020.

Shami Nathoo, Finance Director of ISH, took over from Ibi Eso, from Bridgehouse Company Secretaries as Company Secretary of the House on 19 March 2021. ISH has an internal audit function which reports directly to the Finance and Audit Committee.

ISH's internal audit volunteer, Graham Fairhead, stepped down from his role in February 2022 and a search is currently underway to appoint the next internal auditor of the House. Graham has kindly agreed to remain in post and serve another year until a replacement is identified.

The Governors wish to record their appreciation and gratitude for the great contribution made by him during his tenure.

Auditors

Moore Kingston Smith LLP was re-appointed as Auditor during the year. A benchmarking exercise will be undertaken in 2022 ahead of appointing the company's auditors for the forthcoming year. A resolution to appoint the company's auditor will be proposed at a Board Meeting in 2022.

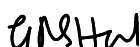
Disclosure of information to auditors

In the case of each of the persons who are Governors of the company at the date when this report was approved:

- so far as each of the Governors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditors are unaware; and
- each of the Governors has taken all the steps that he/she ought to have taken as a Governor to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 2006

This report, and the Strategic Report, were approved by the Board of Governors and signed on behalf of the Board on 3rd of March 2022.



Gill Hammond 4 March 2022

Reference and administrative details of the charity, its governors and advisers

CHAIR	Gill Hammond (Chair)		
GOVERNORS	Lord Nicholas Bourne (Vice Chair)	Azlinda Ariffin-Boromand	
	Michael Carrier (Retired 20/05/2021)	Beatrice Leong	
	Julie Costley-White (Retired 10/06 2021)	Alderman John Garbutt	
	Vikram Mathur (Retired 10/06/2021)	David O'Brien	
	Ian Barry	Natalia Kolotneva (Appointed 11/06/2021)	
	Prof Ajit Lalvani	Kirsty Joan Macdonald (Appointed 11/06/2021)	
	Ranjita Rajan	Kalyan Das (Appointed 23/09/2021)	
PATRON	HRH The Princess Royal		
VICE PRESIDENTS	David Laing	Sir John Ritblat	Dr Geoffrey Copland CBE
	Rosamund Horwood-Smart QC	Baroness Diana Warwick of Undercliffe	
CHIEF EXECUTIVE	Martin Chalker		
COMPANY SECRETARY	Ibi Eso (Bridgehouse Company Secretaries) (Retired 18/03/2021)	Shami Nathoo (Appointed 19/03/2021)	
HONORARY FELLOWS	Roy Rohatgi	Dorothy Dalton	Lord Khalid Hameed CBE
	Major John Vaughan	Dato' Yeah Soo Min	Teresa Akpeki
	Susan Vaughan	Andrew Tennant	Russell Peters
	Mary Mackie	Sir Graeme Davies	Jonathan Day
	Judge David Jones	Peter Anwyl	Ipek De Vilder
	Richard Porter	Margret Swinley OBE	
	Sir Nigel Carrington	Lord Amir Bhatia	
REGISTERED OFFICE	1 Park Crescent, Regents Park, London, W1B 1SH		
COMPANY LIMITED BY GUARANTEE IN ENGLAND	724811		
REGISTERED CHARITY NUMBER	313512		
SOLICITORS	Bircham Dyson Bell, 50 Broadway, Westminster, London SW1H 0BL Shakespeare Martineau LLP, Exchange Square, 21 North Fourth Street, Milton Keynes, MK91 1HL		
BANKERS	Handelsbanken, 3rd Floor, 86 Jermyn Street, London SW1Y 6JD		
INVESTMENT MANAGERS	Quilter Cheviot Investment Management Senator House, 85 Queen Victoria Street, London, EC4V 4AB		

Statement of governors' responsibilities

Governors' report

The Governors (the Directors of International Students House for the purposes of company law and Trustees of International Students House for the purposes of charity law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Financial statements

Company law requires Governors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 business.

Accounting records

The Governors 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.

Safeguarding assets

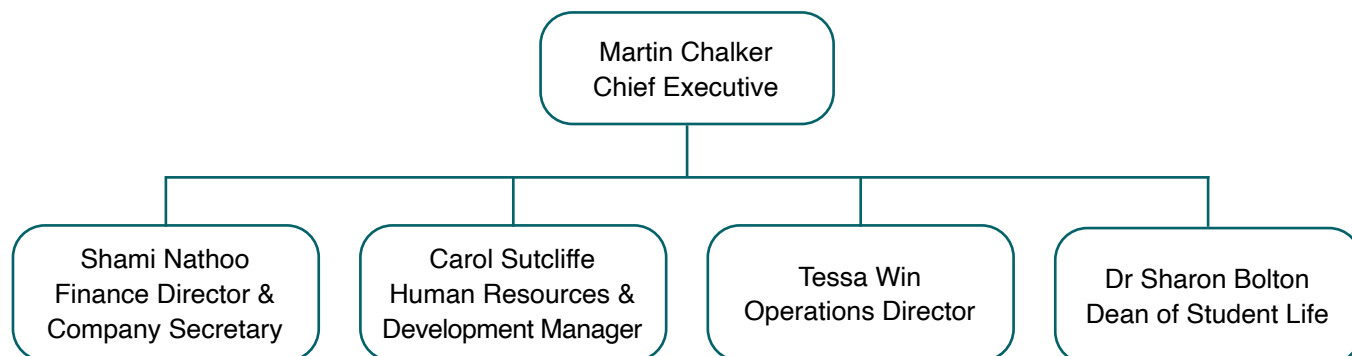
They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

There is no relevant audit information of which the charitable company's auditor is unaware; and

The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Organisational structure



Remuneration

The remuneration bands for the five senior managers earning over £60k per annum are disclosed in Note 10 below.

Pay policy for senior staff

The Remuneration Committee is formed of Governors of the Board. The committee meets in November each year and approves the pay for senior staff.

The committee also approves the application of annual bonuses to staff, from a capped bonus pool via a performance-related assessment.

Remuneration is assessed after looking at market rates and industry benchmarks.

Related entities

Toyota-Shi Trevelyan Trust

International Students House has a close association with the charity Toyota-Shi Trevelyan Trust (TSTT) which provides grant income for UK students studying in Japan, and Japanese students studying in the UK.

The House and the Trust appoint 50% of the Trustees of this charity. The Chief Executive of ISH is also Chief Executive of all the related entities and Shami Nathoo, is the Company Secretary of the House and all the related entities.

Park Crescent Conference Centre Limited

International Students House has a wholly owned subsidiary - Park Crescent Conference Centre Limited (PCCC). PCCC reported a profit of £34,615 (2019-20 £9,173) in the year ending 30 September 2021. This amount will be paid as a distribution to International Students House in 2021-22.

Independent auditor's report to the members of International Students House

(A Registered Charity and Company Limited by Guarantee)

Opinion

We have audited the financial statements of International Students House (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 September 2021 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 September 2021 and of the group's 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 Auditor's Responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. 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 there is 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Independent auditor's report cont.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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 group and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 which we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

4 March 2022

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP,
Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Consolidated statement of financial activities

(Incorporating an income and expenditure account for the year ended 30 September 2021)


	Note	Unrestricted funds	Designated funds	Restricted funds	Total	Total
		£'000	£'000	£'000	2021	2020
INCOME & ENDOWMENTS:						
Charitable activities	3	1,286	-	-	1,286	1,682
Other trading activities	4	506	1	-	507	1,315
Donations and legacies	5	748	12	11	771	649
Investment income	6	2,305	85	133	2,523	1,654
Total incoming resources		4,845	98	144	5,087	5,300
EXPENDITURE ON:						
Raising funds	8	(1,564)	(12)	(3)	(1,579)	(2,156)
Charitable activities	9	(4,121)	(182)	(186)	(4,489)	(5,414)
Total resources expended		(5,685)	(194)	(189)	(6,068)	(7,570)
Net operating income/ (expenditure)		(840)	(96)	(45)	(981)	(2,270)
Net gain/ (loss) on investment assets	13	9,606	317	68	9,991	(2,060)
Exceptional gain / loss	7	-	-	-	-	-
Donation from IST	5; 25	-	-	-	-	4,473
Net income/ (expenditure)		8,766	221	23	9,010	143
Transfer between funds in the year		(7,300)	7,300	-	-	-
Net movements in funds		1,466	7,521	23	9,010	143
FUND BALANCES:						
at 1 October 2020		16,896	61,235	5,084	83,215	83,072
at 30 September 2021		18,362	68,756	5,107	92,225	83,215

Consolidated balance sheet: as at 30 September 2021

Company registration no. 724811	Note	Consolidated		Charity	
		2021	2020	2021	2020
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	12	11,288	10,730	11,288	10,730
Investments	13	81,322	72,542	81,322	72,542
		<u>92,610</u>	<u>83,272</u>	<u>83,272</u>	<u>83,272</u>
Current assets					
Stocks		23	16	23	16
Debtors	15	277	366	286	357
Cash at bank and in hand		696	909	595	898
		<u>996</u>	<u>1,291</u>	<u>904</u>	<u>1,271</u>
Creditors					
Amounts falling due within one year	16	(1,332)	(1,196)	(1,275)	(1,185)
Net current liabilities		<u>(336)</u>	<u>95</u>	<u>(371)</u>	<u>86</u>
Total assets: less current liabilities		<u>92,274</u>	<u>83,367</u>	<u>92,239</u>	<u>83,358</u>
Creditors: amounts falling due after more than one year		-	-	-	-
Provisions for liabilities and charges	17	(49)	(152)	(49)	(152)
Net assets		<u>92,225</u>	<u>83,215</u>	<u>92,190</u>	<u>83,206</u>
Funds					
Unrestricted:					
- General fund	20	17,883	16,896	17,848	16,887
- Funds for major repairs (designated)	20	900	600	900	600
- Reserve for future purposes (designated)	20	65,000	58,000	65,000	58,000
- ISH Scholarship Fund (designated)	20	2,910	2,635	2,910	2,635
Restricted:					
- Total restricted funds	20	5,532	5,084	5,532	5,084
		<u>92,225</u>	<u>83,215</u>	<u>92,190</u>	<u>83,206</u>

These financial statements were approved and authorised for issue by the Governors on 3 of March 2022. The accompanying notes form part of the financial statements. No separate SOFA has been presented for the charity alone, as permitted by section 408 of the Companies Act 2006. The Charity's income for 2020-21 was £4,190k (2019-20: £8,818k) and made a surplus of £8,984k (2019-20: £355k).

Signed on behalf of the Governors by:


Gill Hammond (Mar 4, 2022 16:17 GMT)

Gill Hammond
(Chair)


Nicholas Bourne, Lord Bourne (Mar 4, 2022 18:59 GMT)

Lord Nicholas Bourne
(Vice Chair)

Consolidated cash flow statement: year ended 30 September 2021

	Note	2021	2020
		£'000	£'000
Cash flows from operating activities	A	(2,160)	27,288
Cash flows from investing activities	B	1,884	(29,458)
Change in cash and cash equivalents in the reporting period		(276)	(2,170)
Cash and cash equivalents at 1 October 2020		2,462	4,632
Cash and cash equivalents at 30 September 2021	C	2,186	2,462
Cash and cash equivalents at 30 September consist of:			
		2021	2020
		£'000	£'000
Cash component of fixed assets investments	13	1,490	1,553
Cash at bank and in hand		696	909
Total		2,186	2,462

Notes to the cash flow statement: year ended 30 September 2021

	2021	2020
Reconciliation to changes in resources:	£'000	£'000
Net income in the year	(981)	(2,270)
Cash transfer following donation from sister charity	205	-
Exceptional gain/ (loss)	-	-
Investment income	(2,522)	(1,651)
Interest receivable and sundry income	(1)	(3)
Interest paid	-	-
(Profit)/ loss on disposal of fixed assets	-	-
Net provisions charged (see note 18)	(103)	35
Depreciation of tangible fixed assets	1,024	912
(Increase)/ decrease in stocks	(7)	8
(Increase)/ decrease in debtors	89	30,541
Increase/ (decrease) in creditors	136	(284)
Net cash provided by/ (used in) operating activities	(2,160)	27,288
B. Cash flows from investing activities	2021	2020
	£'000	£'000
Investment income received	2,522	1,651
Interest received	1	3
Purchases of tangible fixed assets	(1,582)	(2,603)
Purchases of fixed asset investments	(7,380)	(32,755)
Less sales of fixed asset investments	8,323	4,246
Net cash provided by/ (used in) investing activities	1,884	(29,458)
C. Analysis of cash and cash equivalents	2021	2020
	£'000	£'000
Cash component of fixed asset investments	1,490	1,553
Cash in hand and at bank	696	909
Total cash and cash equivalents	2,186	2,462

Notes to the accounts

1. Company information

International Students House is a registered charity (registration number 313512) and a company limited by guarantee (company registration number 724811) incorporated in England and Wales.

The registered office is: 1 Park Crescent, Regents Park, London, W1B 1SH.

Basis of preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006.

The Charitable Company is a public benefit company as defined by FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going concern

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions, including the impact of the COVID-19 pandemic on the Charity's activities, that might cast significant doubt on the ability of the Charity one year from the date of approval of the financial statements. In particular, the Governors have considered the Charity's forecasts and projections and have taken account of pressures on accommodation income and other trading activities.

After making enquiries the Governors have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Group accounts

The income and expenditure account of the consolidated operation only has been presented, as permitted by Section 408 of the Companies Act 2006.

Incoming resources

House income represents income received and receivable from the provision of accommodation and associated services.

Income is recognised in the accounting period when the person enjoying the accommodation was in residence. Investment income represents the income from the investment portfolio and grants from connected trusts used to be the income from the International Students Trust. All income originates from within the United Kingdom.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of occupancy rates between the Charity and its subsidiary, and the proportion of time spent by staff on those activities.

Investments

Investments are stated at market value. It is the Charity's policy to keep valuations up to date such that when investments are sold there is no realised gain or loss arising.

As a result, the Statement of Financial Activities does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings as they are together treated as changes in the investment portfolio throughout the year.

Stocks

Stocks are valued at the lower of cost and net realisable value and represent goods for resale, and bar liquor stocks.

Depreciation

Depreciation policy was reviewed during the year, and is calculated to write down the cost of tangible fixed assets in equal annual instalments to their estimated residual values over the period of their estimated useful economic lives, which are considered to be:

- Freehold and long leasehold property – 50 years
- Freehold and leasehold improvements – 10 or 20 years
- Furniture fittings and equipment – 5, 8 or 10 years
- Motor vehicles – 3 years
- Computers/ computer software – 3 or 10 years

An impairment review of all tangible fixed assets of significant value is undertaken annually. Items below £1,000 each are not treated as capital items.

Financial assets

The Charity has elected to apply the provisions of section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets are initially measured at fair value plus transaction costs, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through profit or loss are measured at fair value.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Notes to the accounts cont.

Impairment of tangible and intangible assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset maybe impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years.

A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Loan and receivables

Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Pensions

Pension payments represent payments made to the University Superannuation Scheme Limited (USS Scheme) for senior staff and the Superannuation Arrangements of the University of London (SAUL Scheme) for other staff.

These payments are charged to the income and expenditure account in the year in which they fall due.

The schemes are contracted-out of the State Earnings Related Pension Scheme. The schemes are valued formally every three years by professionally qualified and independent actuaries using the projected unit method. Reviews of the schemes' positions are carried out in the period between valuations.

Provisions

The movement on the provision for the exterior redecoration of the property is charged annually to the profit and loss account.

Foreign currency accounting policy

The accounting records shows foreign currency bank account balances at the Sterling equivalent at the balance sheet date.

Operating lease policy

Rentals payable with regard to operating leases are charged against income on a straight line basis over the period of the lease.

Fund accounting

Funds held by the Charity are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds – these are funds that can only be used for particular purposes specified by the donor or when funds are raised for particular purposes within the objects of the Charity.

Unrestricted designated funds – these funds represent funds which have been separately designated by the Trustees of the Charity, as part of unrestricted funds.

Rounding policy

Amounts shown on the financial statements are rounded to the nearest thousand-pound sterling unless stated otherwise in the header.

Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Governors in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Notes to the accounts cont.

2. The operating surplus is arrived at after charging

	2021	2020
	£'000	£'000
Auditors' remuneration	26	18
Repairs and maintenance	455	561
Cleaning materials and contracts	44	73
Fuel and power	147	181
Insurances	63	76
Depreciation – owned assets	1,024	912
Provision for exterior redecoration	43	35
Other professional fees	341	414

3. Analysis of charitable Income

	2021	2020
	£'000	£'000
Income from accommodation:	1,962	2,427
Gross income	(676)	(745)
Less: bursaries and scholarships funded by ISH	1,286	1,682

4. Analysis of other trading income

	2021	2020
	£'000	£'000
Public entertainment licence and bar revenue	213	551
Conference revenue	27	319
Contract revenue	63	146
Membership income	26	19
Miscellaneous	1	26
Travel Club revenue	1	21
Coffee House income	176	233
	507	1,315

5. Analysis of donations and legacies

	2021	2020
	£'000	£'000
Grant to fund bursaries from International Students Trust and hardship funds	-	175
Grant to fund capital works from International Students Trust	-	-
Grant to subsidise Travel Club from International Students Trust	-	38
Donations received	26	25
Grants received from HMRC	472	411
Charitable donation from IST (see note 25)	-	4,473
	771	5,122

6. Analysis of investment income

	2021	2020
	£'000	£'000
Dividends from listed investments	2,522	1,651
Interest receivable	1	3
	<u>2,523</u>	<u>1,654</u>

7. Exceptional gains and losses

No exceptional gains or losses occurred in 2020-21 (2019-20 - £0)

8. Expenditure on raising funds

	2021	2020
	£'000	£'000
Conference, bar and other expenses	1,238	1,848
Investment expenses	341	308
	<u>1,579</u>	<u>2,156</u>

9. Expenditure on charitable activities

	2021	2020
	£'000	£'000
Bursaries and grants payable	376	440
Other charitable purposes expenses	4,077	4,935
Governance expenses	36	39
	<u>4,489</u>	<u>5,414</u>

Notes to the accounts cont.

10. Employees

	2021	2020
Average number of persons employed by the Charity and its subsidiary:	No.	No.
Administration	31	34
Student services	12	23
Maintenance and housekeeping	17	20
	60	77
Employees' costs during the year for the Charity and its subsidiary:	£'000	£'000
Wages and salaries	2,144	2,647
Social security costs	208	245
Other pension costs (note 22)	271	285
	2,623	3,177
Remuneration of higher paid staff (senior management), excluding pension contribution but including benefits in kind:	No.	No.
£70,001 - £80,000	2	2
£80,001 - £90,000	1	1
£90,001 - £100,000	1	1
£120,001 - £130,000	1	1
	5	5

The above five staff members received a total of £81k employer's pension contributions in the year (2019-20: £81k). The total employee benefits of the charity's key management personnel were £582k (2019-20: £599k).

11. Governors' emoluments

No Governor received any emoluments during the year (2019-20: £nil). One Governor claimed £23 for travel expenses during the year. In 2019-20, there were four Governors claiming a total of £497.

12. Tangible fixed assets

	Long leasehold	Freehold properties	Freehold & leasehold improvements	Equipment furniture & fittings	Computers & equipment	Total
Cost:	£'000	£'000	£'000	£'000	£'000	£'000
At 30 September 2020	955	5,392	9,018	2,561	328	18,254
Additions	-	-	1,272	295	15	1,582
Disposals	-	-	(35)	(62)	(60)	(157)
At 30 September 2021	955	5,392	10,255	2,794	283	19,679
Depreciation:						
At 30 September 2020	279	2,180	3,298	1,474	293	7,524
Charge for the year	19	45	693	240	27	1,024
Disposals	-	-	(35)	(62)	(60)	(157)
At 30 September 2021	298	2,225	3,956	1,652	260	8,391
Net book value:						
At 30 September 2020	676	3,212	5,720	1,087	35	10,730
At 30 September 2021	657	3,167	6,299	1,142	23	11,288

Notes to the accounts cont.

13. Fixed assets investments

	2021	2021	2021	2020
	£'000	£'000	£'000	£'000
	Listed	Other	Total	Total
Non-cash investments listed on a recognised stock exchange:				
Market value at 30 September 2020	69,859	925	70,784	40,067
Purchases	7,380	-	7,380	32,755
Disposals	(8,323)	-	(8,323)	(4,246)
Net investment gains / (losses)	9,991	-	9,991	(2,060)
Market values of non-cash investments at 30 September 2021	78,907	925	79,832	66,516
Cash held for investments	1,490	-	1,490	1,553
Donation from IST	-	-	-	4,473
Total investments	80,397	925	81,322	72,542
	Listed	Other	Total	
	£'000	£'000	£'000	
Cost at 30 September 2021	67,283	14	67,297	
Cost at 30 September 2020	66,717	14	66,731	

The portfolio investments are invested in UK equities, overseas equities, commercial property funds and tracker funds. The portfolio of the Listed Investments at 30 September 2021 is as follows:

Investments categories	2021	2020
	£'000	£'000
Fixed interest – United Kingdom	5,022	5,870
Fixed interest – overseas	999	1,510
Equities – United Kingdom	18,339	15,303
Equities – North America	19,325	17,001
Equities – Europe (Ex. U.K)	6,409	4,171
Equities – Japan	1,993	2,184
Equities – Asia Pacific (Ex. Japan)	3,481	2,487
Emerging markets	2,523	2,919
Equities – global	1,223	824
Infrastructure	4,963	3,603
Property	11,774	11,176
Private equity	2,856	2,812
Investments total	78,907	69,860
Cash products	1,490	1,758
Total	80,397	71,618

Notes to the accounts cont.

16. Creditors: amounts falling due within one year

	Consolidated		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade creditors	342	277	328	262
Amount owed to subsidiary	-	-	-	48
Other taxation and social security	52	56	52	56
Other creditors	379	337	337	294
Accruals and deferred income	559	526	558	525
Closing balance at 30 September	1,332	1,196	1,275	1,185

17. Provisions for liabilities and charges

	Consolidated	
	2021	2020
	£'000	£'000
Provision for liabilities and charges:		
Opening balance at 1 October	152	117
Provided during the year	43	35
Expenditure incurred during the year	(146)	-
Closing balance at 30 September	49	152

Under the terms of its lease with the Crown Estate, International Students House is obliged to maintain the external fabric of the Great Portland Street site. The Governors decided to increase the provision for external redecoration in 2017-18 following the extension of the lease at Wills House in order to take into account the redecoration costs of both properties.

18. Movement in accruals and deferred income in the year

	Consolidated		Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
At 30 September 2020	526	650	525	569
Deferred income brought to account	(370)	(457)	(369)	(376)
Accrued expenditure paid out	(156)	(193)	(156)	(193)
Income received in year and deferred	484	370	483	369
Expenditure accrued at year end	75	156	75	156
At 30 September 2021	559	526	558	525

Deferred income principally consists of prepayments of accommodation income.

19. Analysis of net assets between funds – consolidated

Fund balances as at 30 September 2021 are represented by:	General fund (unrestricted)	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Consolidated assets				
Tangible fixed assets	11,288	-	-	11,288
Current assets and investments	15,576	61,210	5,532	82,318
Current liabilities	(1,332)	-	-	(1,332)
Long term liabilities	-	-	-	-
Provision for liabilities and charges	(49)	-	-	(49)
Movement in reserves	(8,600)	8,600	-	-
Total net assets	16,883	69,810	5,532	92,225

	Balance 1/10/20	Income	Expenditure	Gains/ losses	Transfer between funds	Balance 30/09/21
	£'000	£'000	£'000	£'000	£'000	£'000
Consolidated funds						
General fund (unrestricted)	16,896	4,845	(5,670)	9,112	(7,300)	17,883
Funds for major repairs (designated)	600	-	-	-	300	900
Reserve for future purposes (designated)	58,000	-	-	-	7,000	65,000
ISH Scholarship Fund (designated)	2,635	98	(170)	317	30	2,910
International Students Trust Fund (restricted)	4,178	111	(158)	454	-	4,585
Mary Trevelyan Fund (restricted)	295	10	(27)	41	-	319
William Ross Murray Scholarship (restricted)	84	-	-	10	-	94
ISH African Students Bursary (restricted)	305	9	(13)	37	-	338
Tara Nirula Arts Scholarship (restricted)	94	3	(8)	11	-	100
Ellenor Mary Anwyl Scholarship (restricted)	63	-	-	7	-	70
Wahid Butt Scholarship (restricted)	15	-	-	1	-	16
Kirby Laing Foundation Scholarship (restricted)	30	11	(11)	-	(30)	-
Rose Fung Memorial Scholarship (restricted)	11	-	(11)	-	-	-
Goats Indian Scholarship Fund (restricted)	9	-	-	1	-	10
Total funds	83,215	5,087	(6,068)	9,991	-	92,225

Notes to the accounts cont.

The ISH Scholarship Fund

The ISH Scholarship Fund is a designated fund which was established in 1996 to fund scholarships for students from the developing world. During 2020-21 this fund will receive £150k from International Students Trust restricted fund and will expend an additional £636k on scholarships for students from developing countries.

The Goats Indian Scholarship Fund

The Goats Indian Scholarship Fund was established in 2013 to fund scholarships for students from India.

The William Ross Murray Scholarship

The William Ross Murray Scholarship was established in 1998 to fund scholarships for students from the developing world.

The International Students House African Students Bursary

The International Students House African Students Bursary was established in 2000 and provides scholarships to students born and resident in Africa who wish to study in London.

The Tara Nirula University of the Arts Scholarship

The Tara Nirula University of the Arts Scholarship was established in 2008 and provides tuition fees, accommodation and food for a student from India with a place on a Masters course at the London College of Fashion, University of the Arts.

The Ellenor Mary Anwyl Scholarship

The Ellenor Mary Anwyl Scholarship was established in 2014. It has provided a Masters scholarship since 2016 for a female student from South Asia, jointly awarded and funded with the School of Oriental and African Studies.

The Kirby Laing Foundation Scholarship

The Kirby Laing Foundation Scholarship was established in 2015 and supports the accommodation element for an ISH scholar for an initial term of three years studying an academic discipline and coming from a country that is of interest to the Foundation.

Wahid Butt donation

Wahid Butt made a donation in 2018 of funds to be used towards accommodation for an ISH scholar from Palestine or Pakistan, studying science or medicine. To date, the funds have not been awarded as none of ISH's scholarship partners have co-funded a scholar with this profile.

The Rose Fung Memorial Scholarship

The Rose Fung Memorial Scholarship was set up in 2020 by Alumna Wendy Fung to support the accommodation costs of a scholar living at ISH and for a Masters student studying at UCL (Institute of Global Health).

20. Analysis of net assets between funds – charity

Fund balances as at 30 September 21 are represented by:	General fund (unrestricted)	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Charity assets				
Tangible fixed assets	11,287	-	-	11,287
Current assets and investments	15,485	61,210	5,532	82,227
Current liabilities	(1,275)	-	-	(1,275)
Long term liabilities	-	-	-	-
Provision for liabilities and charges	(49)	-	-	(49)
Movement in reserves	(8,600)	8600	-	-
Total net assets	16,848	69,810	5,532	92,190

	Balance 1/10/20	Income	Expenditure	Gains/ losses	Transfer between funds	Balance 30/09/21
Charity funds	£'000	£'000	£'000	£'000	£'000	£'000
General fund (unrestricted)	16,887	3,948	(4,799)	9,112	(7,300)	17,841
Funds for Major Repairs (designated)	600	-	-	-	300	900
Reserve for Future Purposes (designated)	58,000	-	-	-	7,000	65,001
ISH Scholarship Fund (designated)	2,635	98	(170)	317	30	2,910
International Students Trust Fund (restricted)	4,178	111	(158)	454	-	4,585
Mary Trevelyan Fund (restricted)	295	10	(27)	41	-	319
William Ross Murray Scholarship (restricted)	84	-	-	10	-	94
ISH African Students Bursary (restricted)	305	9	(13)	37	-	338
Tara Nirula Arts Scholarship (restricted)	94	3	(8)	11	-	100
Ellenor Mary Anwyl Scholarship (restricted)	63	-	-	7	-	70
Wahid Butt Scholarship (restricted)	15	-	-	1	-	16
Kirby Laing Foundation Scholarship (restricted)	30	11	(11)	-	(30)	-
Rose Fung Memorial Scholarship (restricted)	11	-	(11)	-	-	-
Goats Indian Scholarship Fund (restricted)	9	-	-	1	-	10
Total funds	83,206	4,190	(5,197)	9,991	-	92,190

Notes to the accounts cont.

21. Total resources expended

2021	Grants	Other direct costs	Support costs	Total 2020
	£'000	£'000	£'000	£'000
Raising funds	-	656	923	1,579
Charitable activities	149	1,641	2,699	4,489
Total resources expended	149	2,297	3,622	6,068

2020	Grants	Other direct costs	Support costs	Total 2020
	£'000	£'000	£'000	£'000
Raising funds	-	1,062	1,094	2,156
Charitable activities	150	2,172	3,092	5,414
Total resources expended	150	3,234	4,186	7,570

Bursaries and grants paid are allocated on the basis of need and merit, after careful consideration of applications received with reference to the allocation terms of the various funds.

Cost allocation includes an area of judgment, and the charity has had to consider the cost benefit of detailed calculations and record keeping. Direct overheads including payroll are allocated within other costs above. Indirect costs have been allocated on the basis of the table below.

Support costs and basis of allocation:

Nature of cost	Allocation basis	£'000
Staff payroll and on costs	Estimated time spent	1,410
Premises and utilities	Floor area	1,541
Administration and other overheads	Sales income	671
Total support costs		3,622

22. Pension schemes

Pension arrangements for staff of International Students House are based on final salary benefit schemes with the University Superannuation Scheme (USS) Ltd for a couple of senior staff and the Superannuation Arrangements of the University of London (SAUL) for other staff.

Universities Superannuation Scheme (USS)

Significant accounting policies

The institution participates in USS. With effect from 1 October 2016, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits.

The assets of the scheme are held in a separate Trustee-administered fund.

Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis.

As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme.

Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer.

A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as USS.

The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102.

The directors are satisfied that the scheme provided by USS meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

Notes to the accounts cont.

Pension costs

The total cost charged to the Income and Expenditure statement for the year ending 30 September 2020 was £60,671 (2018-19: £55,472).

The most recent formal valuation was carried out as at 31 March 2018. Part of the conclusion of that valuation was an agreement that a further valuation as at 31 March 2020 would be carried out. This is now underway and will be finalised in 2021.

In any actuarial valuation, a value is placed on the liabilities assuming that the scheme is ongoing, which is known formally as the 'technical provision'. It is this technical provision basis that is typically used when referring to the value of the scheme's liabilities.

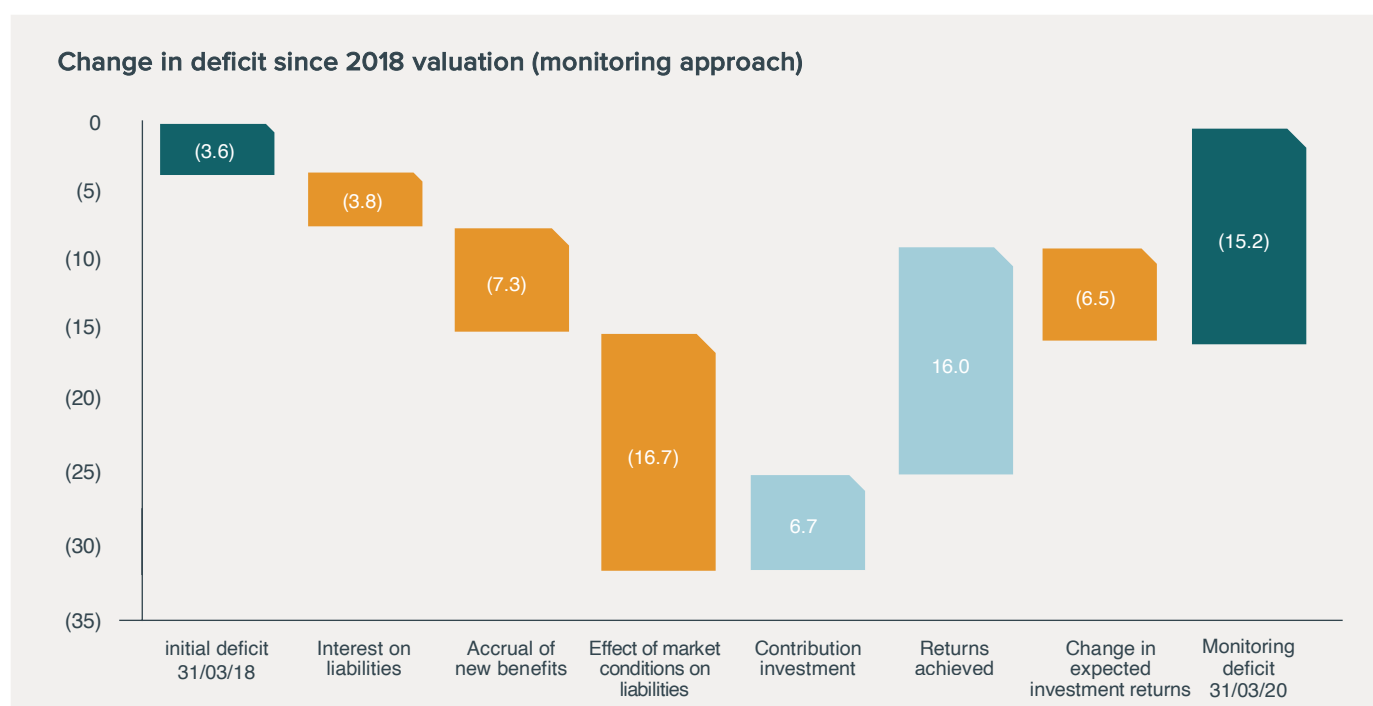
Since the 2020 valuation is still underway, a funding position as at 31 March 2020 has been prepared using the approach adopted for the 2018 valuation.

The actuarial update allows for expected benefit payments and changes in membership since 2018, and changes to market conditions as well as investment return expectations.

The table below shows that the deficit on the monitoring approach has increased by £2.3bn, from £12.9bn in 2020 as, although assets rose by £14.1bn, liabilities increased by £16.4bn. It has to be noted the value of the liabilities at 31 March 2021 presented does not reflect the same assumption used to finalise the 2020 valuation and in particular the impact of movements over the year to 31 March 2021 will differ under the different measures. The resulting deficit at 31 March has risen by £11.6bn relative to £3.6bn at the 2018 valuation.

The chart below details the underlying drivers of the change in the deficit using the monitoring approach.

Pension scheme funding position at 31 March	£' Billions			
	2018	2019	2020	2021
Total assets	63.7	67.4	66.5	80.6
Total liabilities	67.3	72.8	79.4	95.8
Past service surplus / (shortfall)	(3.6)	(5.4)	(12.9)	(15.2)
Funding ratio	95%	93%	84%	84%



Other approaches

The value placed on the Scheme's liabilities can be measured on a number of different bases, including technical provisions, buy-out, best estimate and self-sufficiency basis.

Technical provisions and self-sufficiency bases are regularly monitored and the buy-out and best estimate bases are updated at each actuarial valuation. The table below summarises the scheme's position on a self-sufficiency basis. Self-sufficiency is based on the 'guaranteed' cash-flows available from the low risk investments.

As at 31 March 2018, the Scheme actuary estimated the cost on a buy-out basis at £113.8bn. As a result, the deficit on this basis was £50,1bn. A buy-out basis gives the worst view of the liabilities. However, on a best estimate basis, liabilities at 31 March 2018 were £5.4bn, implying a surplus on this basis of £9.4bn.

Although not required, figures were also produced under the FRS 102 accounting approach which uses a discount rate based on corporate bond yields. Using this approach as at 31 March 2021 produces liabilities of £95.5bn and a deficit of £14.9bn.

Scheme's position as at 31 March	£' Billions			
	2018	2019	2020	2021
Value of assets	63.7	67.4	66.5	80.6
Self-sufficiency liabilities	84.5	92.0	96.9	116.1
Surplus / (Deficit)	(20.8)	(24.6)	(30.4)	(35.5)
Funding ratio	75%	73%	69%	69%

Deficit recovery plan

The USS scheme is currently undergoing a deficit recovery programme. The recovery plan in the 2018 actuarial valuation requires employers to make additional contributions towards repairing the deficit.

These contributions are 2% of salaries from 1 October 2019 to 30 September 2021, increasing to 6% from 1 October 2021 to 31 March 2028. Thus, the recovery plan aims to recover the deficit over a ten-year period.

The actuarial report determined this plan following extensive work on the ability of the scheme's sponsoring employers to financially support the scheme - the 'covenant'.

The conclusion was that there was good visibility of the ongoing strength of the covenant over the next 30 years, but the position became less clear after that.

It is estimated that International Students House's liability under this programme is £55,136. This amount has been reflected in the financial statements above under other creditors.

Notes to the accounts cont.

Superannuation Arrangements of the University of London (SAUL)

ISH participates in the SAUL, which is a centralised defined benefit scheme within the United Kingdom and was contracted- out of the Second State Pension (prior to April 2016).

SAUL is an independently managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on a Career Average Revalued Earnings (CARE) basis.

ISH is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Funding policy

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The last actuarial valuation was carried out with an effective date of 31 March 2020. Informal reviews of SAUL's position, reflecting changes in market conditions, cash flow information and new accrual of benefits, are carried out between formal valuations.

The funding principles were agreed by the Trustee and employers in June 2021 and will be reviewed again at SAUL's next formal valuation in 2023.

At the 31 March 2020 valuation, SAUL was 94% funded on its Technical Provisions basis. However, market movements following the valuation date were positive and the Trustee and the Employers agreed to allow for post-valuation experience up to 30 April 2021.

As SAUL was in surplus on its Technical Provisions basis at that date, no deficit contributions were required. However, the Trustee and the Employers have agreed that the ongoing Employers' contributions will increase from a rate of 16% of CARE Salaries to 19% of CARE Salaries from 1 April 2022 and to 21% of CARE Salaries from 1 January 2023.

Accounting policy

ISH is a Participating Employer in SAUL. The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the market value of SAUL's assets at 31 March 2020 was £3,612 million representing 94% of the liabilities.

The market value of SAUL's assets at 30 April 2021 was £4,369 million representing 109% of the estimated liabilities.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. ISH accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts) in accordance with paragraphs 28.11 of FRS 102.

Although there was a Technical Provisions deficit at 31 March 2020, allowing for post valuation experience to 30 April 2021, SAUL had a Technical Provisions surplus. Therefore, no deficit contributions were required following the 2020 valuation and there is no defined benefit liability (i.e. the present value of any deficit contributions due to SAUL) to be recognised by ISH.

The defined benefit liability to be recognised by International Students House in respect of the deficit contributions due to SAUL (i.e. the present value of the deficit contributions) is £91,983 as at 30 September 2021. This liability is based on a projection of Salaries over the period to 30 September 2023 and has been reflected in the financial statements above under other creditors.

23. Subsidiaries

The Charity's trading subsidiary, Park Crescent Conference Limited, which is wholly owned and registered in England and Wales, was activated during 2005-06. The Charity holds 100% of the ordinary share capital of the company which is £1.

Its principal activity is the supply of conference, bar and related facilities and services to residents, clients and patrons.

Results for the year ended 30 September 2021 were as follows:

	2021	2020
	£	£
Profit and loss account		
Turnover	913,630	1,280,639
Costs of sales	(271,456)	(294,865)
Gross profit	642,174	985,774
Other expenses	(607,559)	(976,601)
Profit/ (loss) for the year	34,615	9,173
Balance sheet		
Net assets	34,616	9,174
Share capital	1	1
Retained profit/ (loss)	34,615	9,173
Total shareholders' funds	34,616	220,517

During the year Park Crescent Conference Limited made a surplus of £34,615 (2019-20: £9,173); this amount will be paid as a distribution in 2021-22 to International Students House.

24. Related parties

International Students House is a registered charity and a company limited by guarantee, of which Gill Hammond is the Chair and Shami Nathoo is the Company Secretary.

ISH is connected with two other charities; the Toyota-Shi Trevelyan Trust of which Gill Hammond is the Chair; and International Students Trust, a dormant charity of which John Garbutt is the Chair. Shami Nathoo is the Company Secretary of both these charities.

There were no transactions with these parties during the year (2019-20: £213k).

Amounts owed by connected trusts at the year-end are disclosed in notes 14 and 15.

Notes to the accounts cont.

25. Charitable donation from IST to ISH

IST made a charitable donation of all its assets (except £1) on 30 September 2020. The income and expenditure statement and balance carried forward at 30 September 2021 are as follows:

	2021	2020
Income and expenditure statement	£	£
Total incoming resources	-	254,278
Total resources expended	-	(226,790)
Net operating income/ (expenditure)	-	27,488
Net gains/ (losses) on investment assets	-	(55,054)
Net movement in funds for the year	-	(27,566)
Balance brought forward	1	4,500,683
Donation to ISH on 30 September 2020	-	(4,473,116)
Balance carried forward	1	1

26. Operating lease commitments

At 30 September 2021, ISH had outstanding commitments for future minimum lease payments under non-cancellable operating lease.

	2021	2020
Office equipment	£	£
Due within one year	20,040	18,399
Due between two to five years	37,943	50,598
Due after more than five years	-	-
	57,983	68,997

27. Capital commitments

At 30 September 2021, the group had capital commitments for fixtures and fittings (basement ventilation and fire alarms system) of £128k (2019-20: £1,100k).

28. Taxation

International Students House is a registered charity and as such its income and gains falling within s505 ICTA 88 or s256 TCGA 92 are exempt from corporation tax to the extent that they are applied to its charitable objectives. Its subsidiary Park Crescent Conference Limited has not incurred a tax charge, as it has donated the surpluses it has achieved in the last few financial years to ISH.



International.
Students House

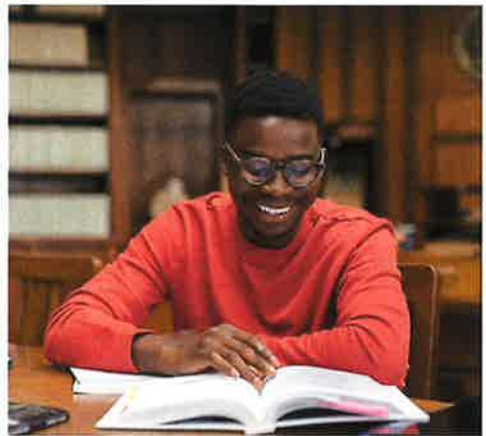
ish.org.uk

Annual Report 2021

INTERNATIONAL STUDENTS HOUSE

England & Wales - Charity number 313512

Accounts



International.
Students House

ANNUAL REPORT 2020

Contents

<u>Governors' Annual Report</u>	2
<u>Statement of Governors' responsibilities</u>	24
<u>Independent Auditor's Report</u>	25
<u>Consolidated Statement of Financial Activities for the year ended 30 September 2020</u>	29
<u>The Balance Sheet as at 30 September 2020</u>	30
<u>Consolidated cash flow statement</u>	31
<u>Notes to the cash flow statement</u>	32
<u>Notes to the accounts</u>	33

Objectives

The origins of International Students House (The House; ISH) date back to 1917 when a social club was formed for some of the thousands of overseas students who came to London each year, with a view to increase international understanding and friendship. ISH was officially opened as a residence for students on 4 May 1965, and ISH continues to provide an environment which facilitates the growth and development of today's young people from all over the world. It gives them the opportunity to live in central London and experience a wealth of cultures, not only British, but of the many nationalities of their peers. The Governors approved the updated Memorandum and Articles of Association of ISH on 21 May 2020.

Since 1986, ISH was supported by the International Students Trust (IST) in delivering its charitable objectives. As part of a wider review of governance and structures, and taking account of the aligned vision, mission and objectives of ISH and IST, the IST Trustees and ISH's Governors decided, after taking appropriate legal advice to amalgamate the two charities. The new structure will deliver cost savings, improve efficiency and make best use of available resources. On 6 August 2020, IST Trustees signed a resolution to make a charitable donation of all its assets, including those of its subsidiary charity Mary Trevelyan Fund, to ISH. The assets of IST were donated to ISH on 30 September 2020 and are incorporated in ISH's statement of financial activities for the year ended 30 September 2020.

The objects of International Students House as restated in the updated Memorandum and Articles of Association are as follows:

- to provide and maintain premises in the United Kingdom with a view to assisting students (including postgraduate students and persons engaged in research) (hereinafter called "the beneficiaries") to pursue research at universities, colleges, and other institutions of further education, by affording them hostel accommodation and facilities for rest, recreation, study, lectures and meetings;
- foster racial harmony between the beneficiaries and the countries they represent, and/or ethnic or racial group they represent.

Charitable Mission

The House has interpreted the above objectives by defining its charitable mission as follows:

To help students to achieve the academic, personal aims and career aspirations that have brought them to the United Kingdom.

To provide the best possible opportunities for international students to experience the many facets of life in the United Kingdom and to give them a deeper understanding of British society.

To give British and international students an opportunity to broaden their horizons through friendship with people from widely differing backgrounds and cultures.

By these means to make an effective contribution to better international relations.

To promote global friendship and understanding.

Respect

Advocating global friendship
and understanding



Trust & Integrity

Promoting a culture of
transparency and accountability



Support

Providing a welcoming
and safe environment



Growth

Encouraging continuous
development



Excellence

Consistently delivering a
high quality experience

Main Activities

The House achieves the above mission in the following ways:

Affordable Accommodation - The principal activity is the provision of affordable accommodation for overseas and UK students. In 2019-20 the House was 'home away from home' for over 275 residents from over 80 different countries, including UK nationals. The students typically stay at ISH and study at one of the nearby universities at either undergraduate or postgraduate level. ISH also provides a small number of flats for students with dependants.

Scholarship Programme - The House runs a Scholarship Programme in partnership with local universities. In this programme ISH provides free or discounted accommodation and the university partner waives or reduces their tuition fees. In 2019-20, 102 scholars from 42 different countries benefited from this provision.

Events - The House provides social events which are delivered free or at a subsidised costs to residents and members. An Events team of three staff run the ISH Travel Club and host activities such as themed suppers, culture nights, and support student-led events such as concerts and international film nights.

Promotion of international friendship - ISH has an active alumni association called Goats International, and is proud of the fact that a large number of students have made lifelong friendships during the time they stayed in the House, and subsequently when they became alumni. Goats' activities are funded by ISH.

Public Benefit Test

The Governors have taken due regard to the provisions of the 2011 Charities Act that require charities to prove that they deliver public benefits. International Students House, through the fulfilment of its objectives, provides a wide public benefit.

Residents return to their home nations with a broadened perspective of the world and are equipped with skills which benefit their homelands.

The ISH Scholarship Programme, in partnership with 20 London universities and academic partners provided accommodation and tuition fee grants to overseas students who would not otherwise have the opportunity to gain a UK qualification. The number of university and academic partners increased from 15 in 2018-19 to 20 in 2019-20, broadening the reach of the programme across London. The joint provision from ISH and its university/ academic partners amounted to approximately to a total of £3.14m in 2019-20 (2018-19: £3.18m). Of the £3.14m, £2.04m related to tuition fee grants attributed by the universities and academic partners, and £1.1m related to accommodation grants attributed by ISH to the 102 scholars (2018-19: 108 scholars).

Social events and welfare support are delivered free of charge (or at low cost) to residents and members. In this way, overseas students do not feel alienated by a new culture, but are able to quickly settle in, adapt to life in the UK and make new friends. Overseas students are a key component of the London and UK economy and International Students House offers such students affordable accommodation. ISH also provides opportunities for the integration of overseas students with UK students.

In addition to supporting students, ISH contributes to the community and the Borough by hosting an annual Christmas Lunch for around 120 Senior Citizens who use day centres or are in sheltered housing in the local area. The lunch takes place on a Saturday in December and is free of charge to all those attending.

ISH students volunteer to serve the food and assist with the entertainment, enabling intercultural and intergenerational engagement. This popular event fosters positive feelings towards the House among our senior neighbours, who may be feeling particularly isolated over the festive period. For many of the attendees, it is a highlight of the year, and positive feedback is always received.

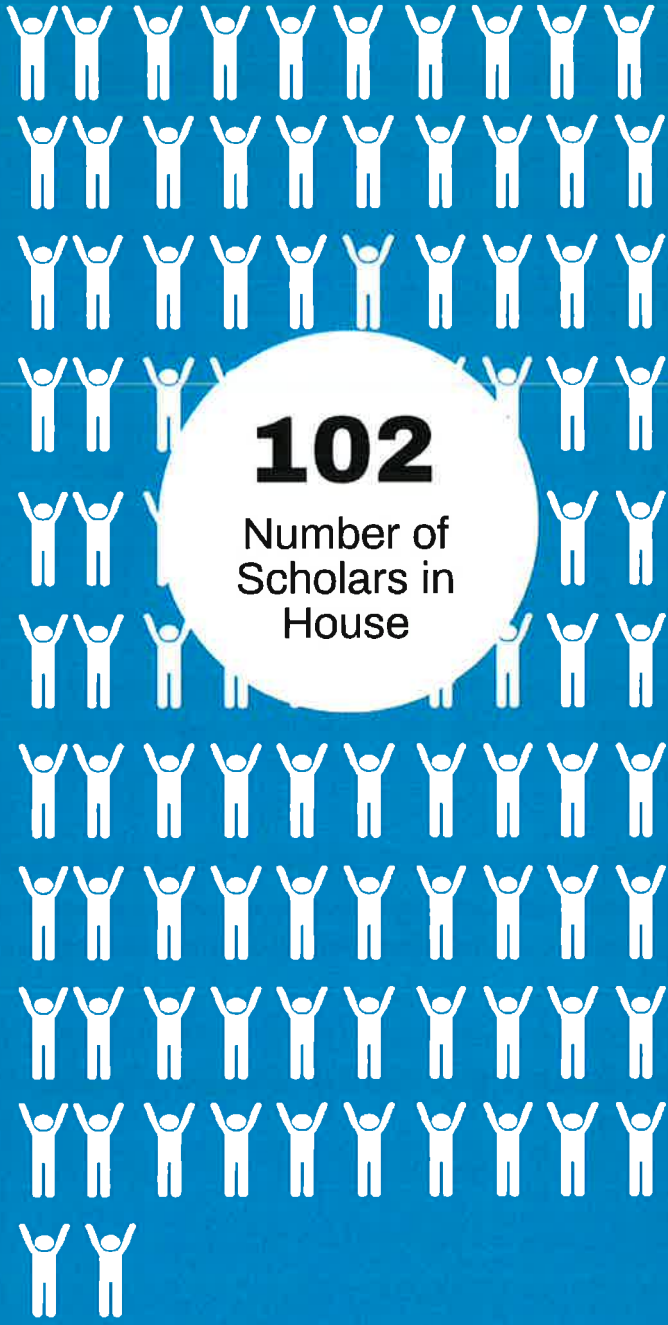
How we measure success

Student Experience - ISH participates in the National Student Housing Survey, which measures residents' satisfaction with the accommodation, services and the variety of social activities provided by ISH. Attendance at social events is monitored throughout the year and regular feedback on events and services at ISH in general is sought via Resident Advisors (RAs) at fortnightly RA meetings and termly Student Management Committee meetings.

The affordability of ISH - This is measured each year when setting our accommodation fees, through market research on competitor London providers. Students are also asked about their perception of value for money in the National Student Housing Survey.

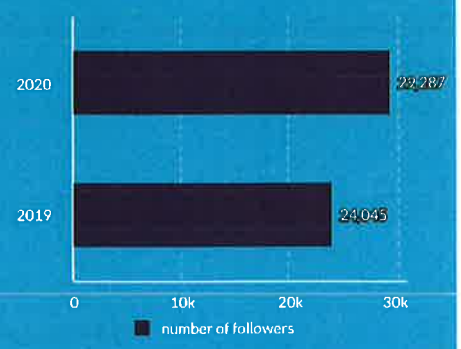
Scholarships - The success of the scholarship programme is measured in terms of the number of scholars resident in the House, the number of scholarship partners who assist with tuition fee support, and through an annual monitoring exercise led by the Dean of Student Life where an academic report is received from each scholar's tutor.

Alumni - Success in alumni relations (alumni engagement) is measured by the wealth of information held on the alumni database against each individual record, attendance at alumni events, rate of engagement with digital communications, fundraising income and gifts in kind.



102
Number of
Scholars in
House

Increase in Social Media Like and Follows



315
Number of students who benefitted from ISH's travel club



£2.04m
Total expenditure on scholarships



54
Number of Hardship funds distributed

Strategic Report

ISH's business strategy is summarised in the following sentence:

'To provide an affordable home-from-home for international and UK students, supported by a substantial scholarship / bursary programme to give opportunities to more disadvantaged students, and reinforced by a social and cultural programme to encourage international friendships.'

In 2019-20 ISH adjusted the medium term business strategy agreed in early 2017 in the light of the sale of the property at York Terrace East and the consequent loss of bed spaces as well as the recent pandemic. The original plan was to increase the number of scholarships to 250 and the number of bed spaces to 1,000 by 2025. The projections for 2021-2024 have been revised down. The strategic aim of increasing bed spaces and scholarships very much remains a medium term objective and ISH is looking to acquire a new property or properties to support this. The key points relating to the charitable mission are outlined below:

- (i) To develop the residential scholarship programme to assist students from financially challenged backgrounds. The scholarship level will be maintained at 23% as a proportion of the total number of residents in the House.
- (ii) To ensure a geographically and academically diverse well balanced residential student community with the aim of having up to 20% of the total student numbers from the UK.
- (iii) To ensure that our residential fees are competitive with central London student halls fees.
- (iv) To increase the diversity and variety of events and activities to meet the changing needs of our residential and non-residential community and facilitate integration of different nationalities.
- (v) To continue to provide services to ex-students through the alumni association and keep them engaged with the House.

The directors have had regard to the matters set out in section 172(1)(a) to (f) when performing their duties under section 172.

Achievements & Performance

The Student Experience

ISH's National Student Housing Survey results give useful data on the student experience and the impact that life at ISH has on its residents: in 2019-20 we received an overall approval rating of 98% of respondents saying that their levels of satisfaction were "very good", "good" or "OK". This is higher than the score given for London private halls (93%), with London University Halls lower down the scale at just 82% satisfaction. When asked about individual aspects of their accommodation, ISH residents gave high marks to travel time to place of study and local amenities (99% positive), student care and support, relationships with other students, mail handling, internet, and opportunities for social interaction.

[Here are some of the many positive comments received in the survey:](#)

"I really enjoyed living at ISH and felt that it has been a privilege to do so."

"I have thoroughly enjoyed my time at ISH and I am happy I chose to live here"

They're wonderful; they do what they can do, and they have a genuine personal interest in our wellbeing. I'm grateful for that."

In this exceptional year, the survey had two additional free text COVID-related questions and

this is where most comments were received. First, participants were asked "What impact has the COVID-19 outbreak had on your experience in your accommodation?" Most of the comments received were positive, with some examples given below:

"Due to the outbreak the students are able to come together as a team and connect together to support each other well with support of accommodation staff completely. So it's a good experience."

"I have felt very lucky to have this place to spend the coronavirus lockdown because we have many facilities and you can feel as a family, you can feel they are not going to abandon you or something like that. It has been a really powerful experience which make you reflect on the lucky place we are spending this lockdown."

The second question was "Is there anything that you feel your accommodation team could be doing to better support you (during the COVID outbreak)?" and again we received mostly positive and constructive feedback:

"I have no complaints, only a lot of gratitude for all the measures they took to look after all the residents' physical/bodily health as well as mental health. Keep it up!"

Achievements & Performance

Affordable Accommodation

Each year, ISH conducts a market research assessment of the local student accommodation market before setting the rent increases for the forthcoming year. As part of this process ISH aims to position itself to be on a par with local university halls of residence. The student view of the affordability of the accommodation was tested in Spring 2020 in the National Student Housing Survey, which benchmarks ISH against local university halls and local private halls. Respondents were asked to rate the overall value for money of ISH: in 2020, 76% of survey respondents said ISH's value for money is "good" or "very good" compared to just 70% in London Private Halls.

Events and Travel Club

Our student events and travel club activity was reduced from March 2020 onwards, due to the COVID-19 pandemic lockdown and the departure of many residents. Despite this, ISH's events were viewed extremely positively by residents who responded to the survey, with 81% of respondents saying that the social activities were "very good" (compared to 73% in the previous year). The number of Travel Club participants up until March 2020 was 315, with a mix of ISH residents and non-resident members taking part in each trip and giving consistently positive feedback about the opportunity to make new friends and the trips' value for money.

Measuring the impact on the scholars

The Dean of Student Life conducts an annual mid-year monitoring exercise with each scholar to assess their general progress both academically and socially. A report from their place of study is also received at this time. Common themes that emerged in the 2019-20 monitoring exercise were how ISH provides scholars with a sense of community and home, ISH's convenient central location and the benefits of having free breakfast and (in some cases) a free additional meal. In addition, scholars commented on the lasting friendships they had made as well as how they had grown personally and in their understanding of other cultures and perspectives. In sum, having a scholarship was a once in a lifetime opportunity:

"Having a residence at ISH gave me the opportunity of experiencing a real student life, which is something I never tried before since I was always either living alone or with my parents. It gave me the chance to live in an enriching international community and to learn in-depth about different cultures. I feel privileged to be an ISH scholar and to benefit from all the social and cultural events you are organizing. I feel secure and at home here" (Chevening scholar, Tunisia).

"Living at ISH has been an absolute blessing. I've met and formed deep friendships with the most wonderful students here, and I've been pushed to re-think how I see the world in many ways. I hope that these experiences will inform my practice as a physician in the future and will allow me to better serve patients from different backgrounds" (SOAS Scholar, USA).

Achievements & Performance

Alumni

The project to reconfigure the existing Alumni database, improve its functionality and build the integration to the student records system, has been completed. The aim of this project was to create a database environment that could better support a strategic digital approach to Alumni Relations. The number of contactable alumni has increased from just over 1000 to over 4,000 as detailed in the new privacy policy which now comprehensively describes alumni data handling at ISH.

The 'Rose Fung Memorial scholarship' is a new ISH accommodation scholarship to be awarded from 2020/21, funded by alumna Wendy Fung, a long-time friend and supporter of ISH. This initiative commemorates Wendy's mother, and we are most grateful to Wendy for her very generous support.

An online donation portal is now available on the ISH website to support the COVID-19 Hardship appeal in response to the impact of the pandemic on students.

The annual magazine was rebranded to reflect greater cohesion with the main ISH brand. The design was brought in house and the content was geared towards a more unified representation of the student and alumni experience. The magazine was distributed digitally for the first time in a conscious effort to be environmentally friendly, drive digital engagement and reduce printing and distribution costs. Print copies are available on request.

The completion of the 'Goats Flat' refurbishment was celebrated with a festive gathering of London alumni in December 2019. The event was well attended.

Acknowledgments

The House gratefully acknowledges the support of the following partners, without whom the scholarship programme would not have been so successful:

International Students Trust who provided a bursary grant of £150,000

Our catering contractors Baxter Storey, who provided a free additional meal every day for 40 of the 102 scholars

The following academic partners who waived / discounted tuition fees:

INSTITUTION / ORGANISATION	No. of scholars
THE SCHOOL OF ORIENTAL AND AFRICAN STUDIES	14
UNIVERSITY OF WESTMINSTER	10
LONDON SCHOOL OF HYGIENE & TROPICAL MEDECINE	8
ROYAL ACADEMY OF MUSIC	8
ISH SCINDIA / SKV SCHOLARSHIPS	8
LONDON METROPOLITAN UNIVERSITY	7
KARTA INITIATIVE	7
COUNCIL FOR AT-RISK ACADEMICS (CARA)	6
UNIVERSITY OF THE ARTS	5
ROYAL COLLEGE OF MUSIC	5
UCL, INSTITUTE OF EDUCATION	4
UCL, UNITED WORLD COLLEGES	4
CHEVENING	3
BIRKBECK	3
UCL, INSTITUTE OF GLOBAL HEALTH	2
LONDON SCHOOL OF ECONOMICS	2
LONDON INSTITUTE OF BANKING AND FINANCE	2
RICHMOND, THE AMERICAN UNIVERSITY IN LONDON	2
WINDLE TRUST INTERNATIONAL	1
MARSHALL AID COMMEMORATION COMMISSION	1
IMPERIAL COLLEGE LONDON	1
GRAND TOTAL	102

Financial & Investment Review

Financially significant events

The House extended the lease of Wills House (adjoining 229 Great Portland Street, (GPS)) in December 2016, for a consideration of £2.7m. The lease will expire in 140 years' time on 28 December 2158, and negotiations are on-going with The Crown Estate to renew the lease at 229 Great Portland Street site so that both leases will terminate concurrently.

The sale of properties on York Terrace East (YTE) was completed on 12 February 2020 with the final instalment of £30m paid by the buyers on that date, with a total of £58m received for the sale. The funds received were transferred directly to the investment portfolio and set aside, as a designated reserve, for the purpose of securing a new property or properties for the House. Cushman & Wakefield were appointed as property consultants to assist ISH to secure a new property in order to replace the 260 bed spaces and 47 flats that have been lost with the sale of the YTE properties.

The most significant event affecting ISH was the COVID-19 pandemic. From 16 March 2020, all commercial activities, which include the conference venues, live events and coffee house had to stop. Over 60% of the residents returned home at that point but others could not due to the cancellation of commercial flights and border restrictions. Faced with these unprecedented challenges, the focus of the House was to ensure the health and wellbeing of the remaining residents and staff working on-site work to support the residents. All security and cleaning regimes were increased and an Emergency Response Team (ERT) was regularly convened. There was no major outbreak of the virus in the House during the period.

ISH registered for the Coronavirus Job Retention Scheme and over the six months' period, on average 50% of the total staff was on furlough. The grant for the scheme is accounted for in the Income and Expenditure statement for the year. Income streams were severely impacted, while expenditure on welfare increased. The Governors worked with the management team to mitigate the financial impact of the pandemic and to ensure the longer term sustainability of the House, while ensuring its ability to achieve its charitable objectives.

The market crash in March 2020 had a negative impact on the investment portfolio, though the position subsequently recovered by 30 September 2020. Investment income fell by 39% compared to 2018-19 with many companies cancelling dividend payments in the year.

The charitable donation from IST amounting to £4,473k was completed on 30 September 2020. The restrictions imposed on the charitable donation are listed in the reserves note (Page 13)

General financial performance

Taking into account the charitable donation from IST of £4,473k, the overall position of the House was a surplus of £143k (2018-19: £8,813k deficit). The total value of unrestricted funds (including designated funds) was £78,131k (2018-19: £82,477k) and the total value of restricted funds grew to £5,084k (2018-19: £595k).

Considering the challenges faced by the House in the year, the general financial performance for the year was satisfactory but significantly down on the previous year. Net Operating Expenditure for 2019-20 was £2,270k compared to £584k Operating Income in the previous financial year.

Income from trading activities, charitable activities and investments were all badly affected by the pandemic. Conference income, together with sales and revenue from venues fell by 47%. Income from charitable activities income fell by 46%, reflecting a loss of rental income from YTE and the lower number of residents in the House once the pandemic began. The number of scholarships awarded for 2019-20 (102) was the same as in 2018-19 thereby limiting the amount of bed spaces available for paying residents.

The wholesale refurbishment programme of GPS and Wills House that ISH began in 2017-18 is expected to be completed in June 2021. Capital expenditure in 2019-20 was £2,603k (2018-19 - £2,566k) with the largest item being the rooms renovation in GPS. The renovation programme continued during the lockdown, taking advantage of the low occupancy in the House and adhering to safety and security measures. Other capital works in 2019-20 included the basement fire-doors replacement and the external windows upgrade on the GPS side of the property. These investments will enhance our provision to residents in future years.

Fundraising

ISH raised £25k in the year compared to £56k in 2018-19. The majority of this was received from former staff, alumni and foundations to support the ISH scholarship programme. There was also a COVID-19 hardship appeal initiative to support the many students who found themselves in financial difficulty as a result of the pandemic.

Investments

Following the donation of IST's assets to ISH, a new ISH Investment Committee was created with delegated authority from the ISH Board of Governors to oversee the investment portfolio with Quilter Cheviot, who have been the discretionary investment managers of ISH since October 2017.

The investment portfolio's market value at the end of 2019-20 was £72.5m (2018-19: £40.6m). The portfolio increase was mainly due to the £30m receipt following the completion of the sale of the YTE properties and the charitable donation receipt of £4.5m from IST, all of which are now included in the investment portfolio.

The overall realised and unrealised losses for the year was £2,060k (2018-19: £1,614k gains and a 4.3% yield). The investments are strongly diversified, with investments in a range of asset classes including UK equities, overseas equities, commercial property and infrastructure funds, private equity and bonds.

Scholarship Funds

Due to the charitable donation from IST, the value of the scholarships funds (both restricted and designated funds) increased in value from £3,413k to £7,719k during the year.

Environmental, Social and Corporate Governance (ESG) Policy

In August 2020, the Trustees approved a new ESG policy as well as an Ethical Investment policy. ISH is committed to being a responsible investor across its investments. The new ESG policy sets out a fundamental guiding principle that Quilter Cheviot must apply investment criteria based on ESG Standards. During the regular review meetings with the investment manager, the application of ESG policies in making investment decision is considered.

Ethical Investment Policy Statement

In August 2020, the Trustees agreed that ISH does not apply an overall ethical exclusionary policy to its dealings with its stakeholders. There is therefore no existing ethical framework for an exclusionary (or positively screened) investment policy. Should ISH develop such a stance in the future, an investment policy will be developed to dovetail with this as part of a more holistic approach.

Reserves Policy

As at 30 September 2020, the value of the restricted funds stood at £5,084k and the value of the designated funds was £61,235k.

In 2018-19 the Trustees of ISH created two designated funds, in addition to the existing scholarship programme designated reserve, in line with the objectives of the Charity.

Designated reserves for property acquisition and development - The first designated reserve is to identify the funds set aside for property acquisitions and developments. The sale of YTE was agreed in September 2016 with the sale completed on 12 February 2020. The objective of the Board has always been to increase the number of bed spaces in order to put ISH back on track to achieve its vision. Setting the funds aside clearly identifies the purpose of the funds generated from the sale of YTE. The rationale to put £58m aside was based on property valuation in the Regents Park vicinity, as well as funds required for any potential development of the GPS property.

Designated reserves for major repairs - As ISH is currently undergoing a full refurbishment programme of its accommodation, setting aside a designated fund will prevent new major repair and renovation projects impacting on the free reserves of the Charity. This will put ISH in a strong position to have a long-term repair and renovation plan without jeopardising its charitable objectives.

Designated reserves for the scholarship programme - The Scholarship Fund is used each year to provide bursaries to overseas students. The intention is to grow the scholarship funds so that they are self-sufficient, to ensure the perpetuity of scholarships.

Restricted reserves - The restricted scholarship reserves relate to donations and contributions made to ISH to support our scholarship programme. The allocation is based on specific criteria agreed with the respective donors.

The restrictions imposed on the charitable donation from IST to ISH are as follows:

IST Scholarships – For student accommodation in collaboration with Higher Education (HE) partners.

IST Travel Bursaries – For use by ISH Travel Club, to support ISH's mission to promote global friendship and cultural understanding.

The Mary Trevelyan Fund – To support students in hardship during their study period at International Students House.

General reserves – Out of the £16,896k of general reserves, £10,730k is tied up in the Charity's fixed assets and not freely available. This leaves the level of free reserves as at 30 September 2020 at £6,166k. The reduction in free reserves from £12,320k in 2018-19 to £6,166k in 2019-20 is mainly due to the impact of the pandemic on the incoming resources of ISH. Whilst the free reserves are sufficient to cover 10 months' worth of operating expenditure, in line with the reserves policy, guidance from Charity Commission is that charities could consider undesignating reserves to increase their free reserves. ISH currently has designated reserves of £61,235k which can be utilised should the need arise. The Governors' view is that there should be a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future and financial statements have therefore been prepared on a going concern basis.

The breakdown of the reserves is as follows:

Reserves	FY20 Position £'000	FY19 Position £'000	Further Information
Funds represented by property, plants and equipment	10,730	9,039	The funds invested in tangible fixed assets are not freely available to the charity and therefore excluded from the free reserves
Restricted scholarship reserves	5,084	595	Funds restricted to scholarship funding based on donors' specification for the use of their donation. These funds are not freely available. The restricted funds now include funds donated from IST.
Designated ISH scholarship fund	2,635	2,818	The fund is designated to ensure that ISH can satisfy its obligations towards scholars during the course of their scholarships
Designated funds for major repairs	600	300	Following the significant refurbishment programme which started - in 2018, funds are being set aside to cover for future repairs on the works recently completed.
Designated funds for property acquisition and developments	58,000	58,000	Following the sale agreement of the YTE Building, funds for property acquisition and developments have been designated to either acquire new accommodation properties or develop existing properties in order to increase accommodation provision
Free reserves	6,166	12,320	The free reserves level target is to cover 10-18 months of expenditure level. The current position covers more than 10 months of operating expenditure.
Total reserves	83,215	83,072	

Principal Risks and Uncertainties

The Governors confirm that the major risks to which the House is exposed as identified by the Governors are regularly reviewed, and systems have been established to mitigate those risks. The Governors reviewed the Risk Register at their meeting in May 2020, and again in October 2020 due to the COVID-19 pandemic, and identified strategies to mitigate the following major areas of risks:

- Global Pandemic – Risk of an outbreak in the House; risk assessment measures and protocols to follow as well as assessment of financial impact.
- Safeguarding - students with mental health issues, risk of infectious diseases.
- Property - finding alternative accommodation following the sale of properties at York Terrace East and renewal of property leases.
- External competition.

Pension Liability

The House is required to provide for and disclose their share of any deficit reduction scheme for schemes of which they are a member. The House is a contributing employer of the USS scheme for which the House's estimated liability for the pension reduction plan is £51,451. The House is also a contributing employer of the SAUL scheme for which the House's estimated liability for the pension reduction plan is £88,706. Refer to note 21 for further detail.

Plans for Future periods - Operational

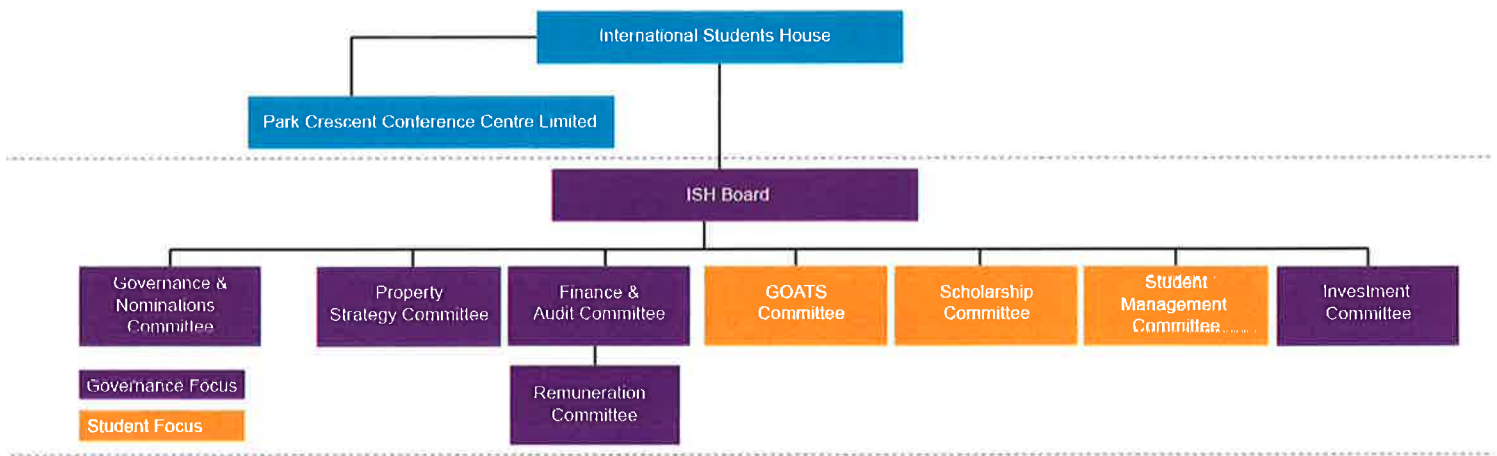
The House has a five to seven-year medium term strategy to 2023-25, which was reviewed by the Board of Governors at its August 2020 meeting, taking into consideration the ongoing pandemic. The operational key points are outlined below:

- To increase the capacity of the charity, to acquire major freehold or long-lease residential accommodation.
- To upgrade the student facilities and improve the student experience.
- To meet our mission by increasing scholarships to 23% of our total residents level, or up to 230 scholarships
- To meet our mission with the provision of free breakfasts on weekends to all our residents.
- To balance the charity and commercial needs by ensuring the commercial activities complement and support our charitable aims
- To maintain close institutional links with colleges and universities in London and other key stakeholders.

Structure, governance and management

International Students House is a Registered Charity (Registration number 313512) and a Company Limited by Guarantee (Company registration number 724811). The Charity is governed in line with the Memorandum and Articles of Association, which was updated in May 2020.

The body responsible for the management of the charity is the Board of Governors. The Governors meet at least four times a year. There are up to 12 Governors who are elected for a three- year period as approved by the existing Governors. These Governors are directors for the purposes of Companies Act 2006. The structure of the Board of Governors and its sub committees is shown below.



ISH Governance structure – Board and Committees

Each sub-committee has specific terms of reference and functions delegated by the Board and has a chair, also appointed by the Board. Formal attendance monitoring arrangements for the Governors are in place and are monitored by the Governance and Nomination Committee and the Board on a regular basis. All the Governors are directors of the company and guarantee to contribute £1 in the event of the company winding up.

In May 2020, the Board took the decision to merge the Finance and General Purpose Committee and the Audit and Risk Committee under a new Finance and Audit Committee (F&AC). The new committee was created to provide a more efficient and effective management of the financial, audit and risks management of ISH. In December 2020, the Trustees approved for the Remuneration Committee to report into F&AC due to strong link with the financial performance and strategy. An Investment Committee was created on 1 October 2020 with delegated authority from the Board to manage the investment portfolio of ISH with Quilter Cheviot as the discretionary investment managers.

In order to ensure that the Charity has the correct structure to achieve its ambitions and aims, ISH has adopted the Charity Governance Code. This code is designed as a tool to support continuous improvement

and sets out principles and recommended practices. A new Code of Conduct for ISH Governors was also introduced in early 2020.

The Governors have had regard to the need to foster the Charity's business relationships with suppliers, students, customers and others which is considered when making principle decisions.

Ken Dytor stepped down as chair of ISH on 4 February 2020 and was replaced by Gill Hammond, on an interim basis, on that date. Gill Hammond was subsequently appointed as Chair on 21 May 2020. Ibi Eso, from Bridgehouse Company Secretaries, is the Company Secretary of the House. Shami Nathoo, Finance Director of ISH, will take over from Ibi Eso as Company Secretary of the House on 19 March 2021. ISH has an internal audit function which reports directly to the Finance and Audit Committee. The Governors wish to record their appreciation and gratitude for the contribution made by the internal audit volunteer, Graham Fairhead, who stepped down from his role in December 2020. A search is currently underway to appoint the next internal auditor of the House.

Reference and administrative details of the charity, its Governors and advisers

CHAIR	Gill Hammond (Appointed Chair - 21 May 2020) Ken Dytor (Chair - Resigned 4 February 2020)
GOVERNORS	Lord Nicholas Bourne (Appointed Vice Chair on 21 May 2020) Michael Carrier Ipek De Vilder (Retired as Trustee on 21 May 2020) Julie Costley-White Vikram Mathur Ian Barry Prof Ajit Lalvani Ranjita Rajan Azlinda Ariffin-Boromand Beatrice Leong Alderman John Garbutt David O'Brien
PATRON	HRH The Princess Royal
PRESIDENT	Lord Charles Fitzroy
VICE - PRESIDENTS	David Laing Rosamund Horwood-Smart QC Sir John Ritblat Baroness Diana Warwick of Undercliffe Dr Geoffrey Copland CBE
CHIEF EXECUTIVE	Martin Chalker
COMPANY SECRETARY	Ibi Eso (Bridgehouse Company Secretaries)
HONORARY FELLOWS	Roy Rohatgi Major John Vaughan Susan Vaughan Mary Mackie Judge David Jones Richard Porter Sir Nigel Carrington Dorothy Dalton Dato' Yeah Soo Min Andrew Tennant Sir Graeme Davies Peter Anwyl Margret Swinley OBE Lord Amir Bhatia Lord Khalid Hameed CBE Teresa Akpeki (Appointed November 2019) Russell Peters Jonathan Day Ipek De Vilder (Appointed December 2020)

REGISTERED OFFICE	1 PARK CRESCENT, REGENTS PARK, LONDON, W1B1SH
COMPANY LIMITED BY GUARANTEE IN ENGLAND	724811
REGISTERED CHARITY NUMBER	313512
COMPANY SECRETARY	Bridgehouse Company Secretaries, 5 ST. Bride Street, London, EC4A 4AS
SOLICITORS	Bircham Dyson Bell, 50 Broadway, Westminster, London SW1H OBL
BANKERS	Handelsbanken, 3rd Floor, 86 Jermyn Street, London SW1Y 6JD
INVESTMENT MANAGERS	Quilter Cheviot Investment Management Senator House, 85 Queen Victoria Street, London, EC4V 4AB

Auditors

A resolution to appoint Moore Kingston Smith LLP as the company's auditor will be proposed at the forthcoming Board meeting.

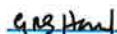
Disclosure of information to auditors

In the case of each of the persons who are Governors of the company at the date when this report was approved:

so far as each of the Governors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditors are unaware; and

each of the Governors has taken all the steps that he/she ought to have taken as a Governor to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 2006 This report, and the Strategic Report, were approved by the Board of Governors and signed on behalf of the Board on 4th of March 2021



Gill Hammond (Mar 8, 2021 15:08 GMT)

Gill Hammond 4th March 2021

Statement of Governors' responsibilities

The Governors (the directors of International Students House for the purposes of company law and Trustees of International Students House for the purposes of charity law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires Governors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 business.

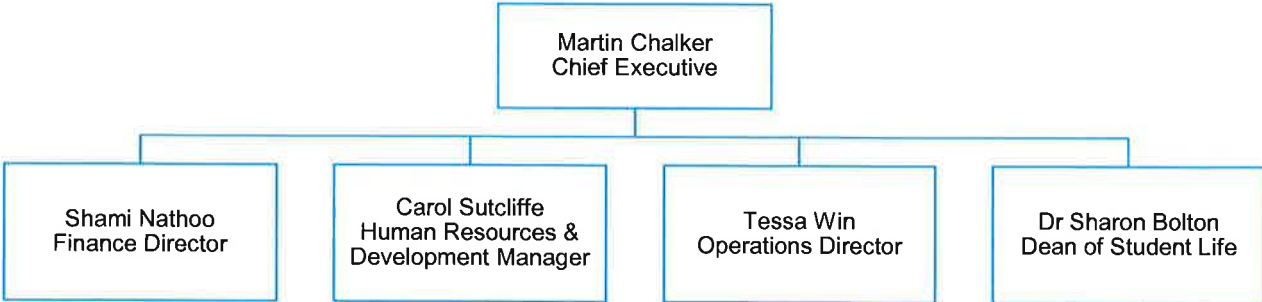
The Governors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Governors are aware:

There is no relevant audit information of which the charitable company's auditor is unaware; and

The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Organisational Structure



The remuneration bands for the five senior managers earning over £60k per annum are disclosed in Note 10 below.

Pay policy for senior staff

The Remuneration Committee is formed of Governors. The committee meets in November each year and approves the pay for senior staff. The committee also approves the application of annual bonuses to staff, from a capped bonus pool via a performance-related assessment. Remuneration is assessed after looking at market rates and industry benchmarks.

Related Entities

International Students House had a close association with the charity International Students Trust (IST) which provided grant and bursary income to International Students House. IST donated all its assets to ISH on 30 September 2020 and has since become dormant. The Chair of IST has since been appointed as the Chair of the new ISH Investment committee.

In addition, International Students House has a close association with the charity Toyota-Shi Trevelyan Trust (TSTT) which provides grant income for UK students studying in Japan, and Japanese students studying in the UK. The House and the Trust appoint 50% of the Trustees of this charity. The Chief Executive of ISH is also Chief Executive of all the related entities and Ibi Eso, from Bridgehouse Company Secretaries, is the Company secretary of the House and all the related entities.

International Students House has a wholly owned subsidiary - Park Crescent Conference Centre Limited (PCCC). PCCC reported a profit of £9,173 (2018-19 £220,516) in the year ending 30 September 2020. This amount will be paid as a distribution to International Students House in 2020-21.

Independent auditor's report to the members of International Students House

(A Registered Charity and Company Limited by Guarantee)

Independent Auditor's Report Opinion

We have audited the financial statements of International Students House for the year ended 30 September 2020 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group 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 (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 September 2020 and of the group's 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 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going

concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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 Governors as the Trustees of ISH

As explained more fully in the Governors' responsibilities statement set out above, the Governors (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 Governors 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 Governors are responsible for assessing the group and parent 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 Governors either intend to liquidate the group, or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that

may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

- Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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 this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's Trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and Trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's Trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP,
Statutory Auditor Devonshire House,
60 Goswell Road
London, EC1M 1AD

Date: 10 March 2021

Consolidated Statement of Financial Activities

(Incorporating an Income and Expenditure Account for the Year ended 30 September 2020)

					2020	2019
	Note	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds	Total Funds
		£'000	£'000	£'000	£'000	£'000
INCOME AND ENDOWMENTS FROM:						
Charitable activities	3	1,682	-	-	1,682	3,124
Other trading activities	4	1,300	14	1	1,315	2,469
Donations and legacies	5	452	175	22	649	621
Investment income	6	1,576	68	10	1,654	2,711
Total Incoming Resources		5,010	257	33	5,300	8,925
EXPENDITURE ON:						
Raising funds	8	(2,141)	(13)	(2)	(2,156)	(2,731)
Charitable activities	9	(5,057)	(357)	-	(5,414)	(5,610)
Total Resources Expended		(7,198)	(370)	(2)	(7,570)	(8,341)
Net Operating Income/(Expenditure)	2	(2,188)	(113)	31	(2,270)	584
Net gain/(loss) on investment assets	13	(1,975)	(70)	(15)	(2,060)	1,614
Exceptional Gain / Loss	7	-	-	-	-	(11,011)
Donation from IST	25	-	-	4,473	4,473	-
Net Income/(expenditure)		(4,163)	(183)	4,489	143	(8,813)
Transfer between funds in the year		(300)	300	-	-	-
Net Movements in Funds		(4,463)	117	4,489	143	(8,813)
FUND BALANCES at 1 October 2019		21,359	61,118	595	83,072	91,885
FUND BALANCES at 30 September 2020		16,896	61,235	5,084	83,215	83,072

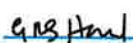
Consolidated Balance Sheet as at 30 September 2020


Company Registration No. 724811

	Note	Consolidated		Charity	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
Fixed assets					
Tangible assets	12	10,730	9,039	10,730	9,039
Investments	13	72,542	40,632	72,542	40,632
		83,272	49,671	83,272	49,671
Current assets					
Stocks		16	24	16	24
Debtors	15	366	30,907	357	30,832
Cash at bank and in hand		909	4,067	898	4,002
		1,291	34,998	1,271	34,858
Creditors: amounts falling due within one year:	16	(1,196)	(1,480)	(1,185)	(1,561)
Net current assets		95	33,518	86	33,297
Total assets less current liabilities		83,367	83,189	83,358	82,968
Creditors: amounts falling due after more than one year	17	-	-	-	-
Provisions for liabilities and charges	18	(152)	(117)	(152)	(117)
Net assets		83,215	83,072	83,206	82,851
Funds					
Unrestricted:					
- General Fund	20	16,896	21,358	16,887	21,137
- Funds for Major Repairs (Designated)	20	600	300	600	300
- Reserve for Future Purposes (Designated)	20	58,000	58,000	58,000	58,000
- ISH Scholarship Fund (Designated)	20	2,635	2,819	2,635	2,819
Restricted:					
- Total Restricted Funds	20	5,084	595	5,084	595
		83,215	83,072	83,206	82,851

These financial statements were approved and authorised for issue by the Governors on 4th of March 2021. The accompanying notes form part of the financial statements. No separate SOFA has been presented for the charity alone, as permitted by section 408 of the companies Act 2006. The Charity's income for 2019-20 was £8,818k (2018-19: £6,819K) and made a surplus of £355k (2018-19: deficit of £9,022k).

Signed on behalf of the Governors


Gill Hammond (Mar 8, 2021 15:08 GMT)
Gill Hammond
(Chair)


Nicholas Bourne (Mar 8, 2021 15:51 GMT)
Lord Nicholas Bourne (Vice Chair)

Consolidated cash flow statement

For the year ended 30 September 2020

		2020	2019
	Notes	£'000	£'000
Cash flows from operating activities	A	27,288	6,239
Cash flows from investing activities	B	(29,458)	(2,152)
Change in cash and cash equivalents in the reporting period		(2,170)	4,087
Cash and cash equivalents at 1 October 2019		4,632	545
Cash and cash equivalents at 30 September 2020	C	2,462	4,632

Cash and Cash equivalents at 30 September consist of:	2020	2019
	£'000	£'000
Cash Component of Fixed Assets Investments (Note 13)	1,553	565
Cash at bank and in hand	909	4,067
Total	2,462	4,632

Notes to the cash flow statement: year ended 30 September 2020

A. Reconciliation of Net Income/(expenditure) to Net Cash Inflow from Operating Activities

	2020	2019
	£'000	£'000
Reconciliation to changes in resources:		
Net income in the year	(2,270)	584
Exceptional gain / (loss)	-	(11,011)
Investment income	(1,651)	(1,360)
Interest receivable and sundry income	(3)	(2)
Interest paid	-	-
(Profit)/Loss on disposal of fixed assets	-	(1)
Net provisions charged (see note 18)	35	43
Depreciation of tangible fixed assets	912	846
(Increase)/decrease in stocks	8	(7)
(Increase)/decrease in debtors	30,541	17,615
Increase/(decrease) in creditors	(284)	(468)
Net Cash provided by / (used in) Operating Activities	27,288	6,239

B. Cash flows from investing activities

	2020	2019
	£'000	£'000
Investment income received	1,651	1,360
Interest received	3	2
Purchases of tangible fixed assets	(2,603)	(2,565)
Purchases of fixed asset investments	(32,755)	(6,338)
Less sales of fixed asset investments	4,246	5,389
Net Cash provided by / (used in) investing activities	(29,458)	(2,152)

C. Analysis of cash and cash equivalents

	2020	2019
	£'000	£'000
Cash component of fixed asset investments	1,553	565
Cash in hand and at bank	909	4,067
Total cash and cash equivalents	2,462	4,632

Notes to the accounts

1. Company Information

International Students House is a Registered Charity (Registration number 313512) and a Company Limited by Guarantee (Company registration number 724811) incorporated in England and Wales. The registered office is 1 Park Crescent, Regents Park, London, W1B 1SH.

Basis of Preparation

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006.

The Charitable Company is a public benefit company as defined by FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Going Concern

The Governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions, including the impact of the COVID-19 pandemic on the Charity's activities, that might cast significant doubt on the ability of the Charity one year from the date of approval of the financial statements. In particular, the Governors have considered the Charity's forecasts and projections and have taken account of pressures on accommodation income and other trading activities. After making enquiries the Governors have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

Group accounts

The income and expenditure account of the consolidated operation only has been presented, as permitted by Section 408 of the Companies Act 2006.

Incoming resources

House income represents income received and receivable from the provision of accommodation and associated services. Income is recognised in the accounting period when the person enjoying the accommodation was in residence. Investment income represents the income from the investment portfolio and grants from connected trusts represents the income from the International Students Trust. All income originates from within the United Kingdom.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Liabilities are recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of occupancy rates between the Charity and its subsidiary, and the proportion of time spent by staff on those activities.

Investments

Investments are stated at market value. It is the Charity's policy to keep valuations up to date such that when investments are sold there is no realised gain or loss arising. As a result, the Statement of Financial Activities does not distinguish between the valuation adjustments relating to sales and those relating to continued holdings as they are together treated as changes in the investment portfolio throughout the year.

Stocks

Stocks are valued at the lower of cost and net realisable value and represent goods for resale, and bar liquor stocks.

Depreciation

Depreciation policy was reviewed during the year, and is calculated to write down the cost of tangible fixed assets in equal annual instalments to their estimated residual values over the period of their estimated useful economic lives, which are considered to be:

Freehold and long leasehold property – 50 years

Freehold and leasehold improvements – 10 or 20 years

Furniture fittings and equipment – 5; 8; or 10 years

Motor Vehicles – 3 years

Computers / Computer Software – 3 or 10 years

An impairment review of all tangible fixed assets of significant value is undertaken annually. Items below £1,000 each are not treated as capital items.

Financial assets

The Charity has elected to apply the provisions of section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets are initially measured at fair value plus transaction costs, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through profit or loss are measured at fair value.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Impairment of tangible and intangible assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Charity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset maybe impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial Liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through profit or loss are measured at fair value.

Other financial liabilities

Other financial liabilities, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Loan and receivables

Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Pensions

Pension payments represent payments made to the University Superannuation Scheme Limited (USS Scheme) for senior staff and the Superannuation Arrangements of the University of London (SAUL Scheme) for other staff.

These payments are charged to the income and expenditure account in the year in which they fall due. The schemes are contracted-out of the State Earnings Related Pension Scheme. The schemes are valued formally every three years by professionally qualified and independent actuaries using the projected unit method. Reviews of the schemes' positions are carried out in the period between valuations.

Provisions

The movement on the provision for the exterior redecoration of the property is charged annually to the profit and loss account.

Foreign Currency Accounting Policy

The accounting records shows foreign currency bank account balances at the Sterling equivalent at the balance sheet date.

Operating Lease Policy

Rentals payable with regard to operating leases are charged against income on a straight line basis over the period of the lease.

Fund Accounting

Funds held by the Charity are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Restricted funds – these are funds that can only be used for particular purposes specified by the donor or when funds are raised for particular purposes within the objects of the Charity.

Unrestricted designated funds – these funds represent funds which have been separately designated by the Trustees of the Charity, as part of unrestricted funds.

Rounding Policy

Amounts shown on the financial statements are rounded to the nearest whole pound sterling.

Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

	2020	2019
	£'000	£'000
2. The operating surplus is arrived at after charging:		
Auditors' remuneration	18	16
Repairs and maintenance	561	604
Cleaning materials and contracts	73	94
Fuel and power	181	210
Insurances	76	76
Depreciation – owned assets	912	846
Provision for exterior redecoration	35	43
Other professional fees	414	279
3. Analysis of Charitable Income		
	2020	2019
	£'000	£'000
Income from accommodation	2,427	3,807
Gross income	2,427	3,807
Less: Bursaries and Scholarships funded by ISH	(745)	(683)
	<u>1,682</u>	<u>4,775</u>
4. Analysis of other trading income		
	2020	2019
	£'000	£'000
Public Entertainment Licence & Bar Revenue	551	967
Conference revenue	319	599
Contract Revenue	146	264
Membership income	19	61
Miscellaneous	26	11
Travel Club revenue	21	27
Coffee House Income	233	540
	<u>1,315</u>	<u>2,469</u>
5. Analysis of donations and legacies		
	2020	2019
	£'000	£'000
Grant to fund Bursaries from International Students Trust & Hardship funds	175	195
Grant to fund Capital works from International Students Trust	-	320
Grant to subsidise Travel Club from International Students Trust	38	50
Donations Received	25	56
Grants received from HMRC	411	-
Charitable donation from IST (see note 25)	4,473	-
	<u>5,122</u>	<u>621</u>
6. Analysis of investment income		
	2020	2019
	£'000	£'000
Dividends from listed investments	1,651	1,360
Interest receivable	3	2
Interest received due to delayed completion of property sale	-	1,349
	<u>1,654</u>	<u>2,711</u>

7. Exceptional Gains and losses

The House sold its interest in properties at York Terrace East at the end of the 2015-16 financial year; however, the selling price was revised down by £10m in 2018-19 and the House incurred £1m in expenditure to ensure that vacant possession was secured during the negotiation process. All sales and selling expenses relating to the re-negotiation were taken into these statutory accounts as an exceptional item in that year. No further exceptional gains or losses occurred in 2019-20

	2020	2019
	£'000	£'000
Expenditure incurred to deliver vacant possession	-	1,011
Reduction in agreed selling price of YTE property	-	10,000
	<u>-</u>	<u>11,011</u>

8. Expenditure on raising funds

	2020	2019
	£'000	£'000
Conference, bar and other expenses	1,848	2,493
Investment expenses	308	238
	<u>2,156</u>	<u>2,731</u>

9. Expenditure on charitable activities

	2020	2019
	£'000	£'000
Bursaries and grants payable	440	355
Other charitable purposes expenses	4,935	5,217
Governance expenses	39	38
	<u>5,414</u>	<u>5,610</u>

10. Employees

	2020	2019
	No.	No.
Average number of persons employed by the charity and its subsidiary:		
Administration	34	34
Student Services	23	20
Maintenance and Housekeeping	20	26
	<u>77</u>	<u>80</u>

Employees' costs during the year for the Charity and its subsidiary:

	2020	2019
	£'000	£'000
Wages and salaries	2,647	2,713
Social security costs	245	256
Other pension costs (note 22)	285	270
	<u>3,177</u>	<u>3,239</u>

Remuneration of higher paid staff (senior management), excluding pension contribution, but including benefits in kind fell into the following bands:

	2020	2019
£70,001 - £80,000	2	2
£80,001 - £90,000	1	2
£90,001 - £100,000	1	-
£120,001 - £130,000	1	-
£130,001 - £140,000	-	1
	5	5

The above five staff members received a total of £81k employer's pension contributions in the year (2018-19 - £74k). The total employee benefits of the charity's key management personnel were £599k (2018-19: £581k).

11 Governors' emoluments

No Governor received any emoluments during the year (2018-19 - £nil). Four Governors claimed a total £497 of travel expenses during the year. In 2018-19, there were four Governors claiming a total of £1,599.

12 Tangible fixed assets

	Long leasehold properties £'000	Freehold Properties £'000	Freehold & Leasehold Improvements £'000	Equipment Furniture and Fittings £'000	Computers and Equipment £'000	Total £'000
Cost:						
At 30 September 2019	955	5,392	6,948	2,144	343	15,782
Additions	-	-	2,108	483	12	2,603
Disposals	-	-	(38)	(66)	(27)	(131)
At 30 September 2020	955	5,392	9,018	2,561	328	15,782
Depreciation:						
At 30 September 2019	260	2,133	2,748	1,322	280	6,743
Charge for the year	19	47	588	218	40	912
Disposals	-	-	(38)	(66)	(27)	(131)
At 30 September 2020	279	2,180	3,298	1,474	293	7,524
Net book value:						
At 30 September 2019	695	3,259	4,200	822	63	9,039
At 30 September 2020	676	3,212	5,720	1,087	35	10,730

13. Fixed Assets Investments	2020	2020	2020	2019
Non-cash investments listed on a recognised stock exchange:	£'000 Listed	£'000 Other	£'000 Total	£'000 Total
Market Value at 30 September 2019	40,067	-	40,067	37,503
Purchases	32,755	-	32,755	6,338
Disposals	(4,246)	-	(4,246)	(5,389)
Net Investment Gains / (Losses)	(2,060)	-	(2,060)	1,615
Market values of non-cash investments at 30 September 2020	66,516	-	66,516	40,067
Cash held for investments	1,553	-	1,553	565
Donation from IST	3,548	925	4,473	-
Total Investments	71,617	925	72,542	40,632
	£'000 Listed	£'000 Other	£'000 Total	
Cost at 30 September 2020	66,717	14	66,731	
Cost at 30 September 2019	35,449	-	35,449	

The portfolio investments, managed by International Student Trust, are invested in UK equities, overseas equities, commercial property funds, and tracker funds. The House has investments (of >1%) in the following:

Charities Property Fund	8.62%
Mayfair Capital Investment Mgm Ltd Pr	6.54%
Baillie Gifford & Co Japanese Income	2.63%
Apple Inc Com NPV	1.54%
Experian ord USD0.10	1.51%
Ishares II Plc GBP Idx+Linked Gilts U	1.50%
Ishares II Plc	1.48%
Astrazeneca ord USD0.25	1.45%
Pimco Global Advisors Irl Ltd Global	1.44%
Royal London Sterling Credit	1.44%
Ishares III Plc UK Gilts 0+5Yr UCITS	1.43%
Fidelity China Special Situations	1.43%

Amazon Com Inc Com USD0.01	1.40%
Allianz Global Investors GMBH Gilt Yi	1.34%
Ares Management LP Common Shares Ltd	1.34%
Microsoft Corp Com USD0.00000625	1.31%
First State Investments(UK) Stewart I	1.22%
Reckitt Benckiser Group Plc ord GBP0.	1.22%
Cellnex Telecom	1.19%
Polar Capital Funds Plc Automation &	1.19%
Baillie Gifford US Growth Trust Plc o	1.13%
Visa Inc Com Stk USD0.0001 'A'	1.11%
Adobe Inc	1.09%
Other	54.41%

14 Investment in Subsidiary

International Students House holds an investment of £1 in Park Crescent Conference Centre Limited, which is a trading company registered in England and Wales with company number 04096563. This £1 investment represents 100% of the ordinary share capital of Park Crescent Conference Centre Limited.

15 Debtors

	Consolidated		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade debtors	110	189	102	114
Amounts owed by purchasers for sale of premises	-	29,824	-	29,824
Amounts owed by connected trusts				
- Toyota-Shi Trevelyan Trust	20	22	20	22
- International Students Trust	-	551	-	551
- Mary Trevelyan Fund	-	21	-	21
Amount owed by subsidiary	-	-	-	-
Other debtors	10	31	11	31
Prepayments and accrued income	225	269	224	269
Closing balance at 30 September	366	30,907	357	30,832
Provision for doubtful debts				
	Consolidated		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Opening balance	14	14	14	14
Write-offs to provision	-	-	-	-
Addition to Provision	1	-	1	-
Closing balance at 30 September	15	14	15	14

As at 30 September 2020, there was no debt (2018-19: £551k) owed to International Students House by International Students Trust. All debts were settled prior to the charitable donation made by IST to ISH on 30 September 2020.

As at 30 September 2020, there was no debt (2018-19: £35k) owed to International Students House by the Mary Trevelyan Fund (MTF). All debts were settled prior to the charitable donation made by IST to ISH on 30 September 2020.

As at 30 September 2019, there was a debt of £20k (2018-19: £22k) owed to International Students House by the Toyota-Shi Trevelyan Trust. This debt will be settled by a transfer of investment assets to the value of £22k in April 2021.

IST is a registered charity of which Mr. John Garbutt is the Chair and Ms. Ibi Eso, from Bridgehouse Company Secretaries, is the Company Secretary of this charity.

Mary Trevelyan Fund is a subsidiary charity of International Students Trust. Both IST and MTF have donated their assets to ISH on 30 September 2020.

Toyota-Shi Trevelyan Trust is a registered charity of which Gill Hammond is the Chair and Ms. Ibi Eso, from Bridgehouse Company Secretaries, is the Company Secretary of this charity.

Park Crescent Conference Centre Limited (PCCC Ltd.) is a trading subsidiary of International Students House. PCCC Ltd ended the financial year with a surplus of £29k (2018-19: £221k) and the profit will be paid as a distribution to International Students House in 2020-21.

16. Creditors: amounts falling due within one year

	Consolidated		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
Trade creditors	277	276	262	272
Amount owed to subsidiary	-	-	48	166
Other taxation and social security	56	63	56	63
Other creditors	337	491	294	491
Accruals and deferred income	526	650	525	569
Closing balance at 30 September	1,196	1,480	1,185	1,561

17. Provisions for liabilities and charges

	Consolidated	
	2020 £'000	2019 £'000
Provision for liabilities and charges:		
At 30 September 2019	117	74
Provided during the year	35	43
Expenditure incurred during the year	-	-
At 30 September 2020	152	117

Under the terms of its lease with the Crown Estate, International Students House is obliged to maintain the external fabric of the Great Portland Street site. The Governors decided to increase the provision for external redecoration in 2017-18 following the extension of the lease at Wills House in order to take into account the redecoration costs of both properties.

18. Movement in Accruals and Deferred income in the year

	Consolidated		Charity	
	2020 £'000	2019 £'000	2020 £'000	2019 £'000
At 30 September 2019	650	675	569	635
Deferred income brought to account	(457)	(622)	(376)	(582)
Accrued expenditure paid out	(193)	(53)	(193)	(53)
Income received in year and deferred	370	457	369	376
Expenditure accrued at year end	156	193	156	193
At 30 September 2020	526	650	525	569

Deferred income principally consists of prepayments of accommodation income.

19 Analysis of net assets between funds – Consolidated

Fund Balances as at 30 September 20 are represented by:	General Fund (unrestricted) £'000	Designated Funds £'000	Restricted Funds £'000	Total Funds £'000
Consolidated Assets				
Tangible Fixed Assets	10,730	-	-	10,730
Current Assets & Investments	7,814	60,935	5,084	73,833
Current Liabilities	(1,196)	-	-	(1,196)
Long term liabilities	-	-	-	-
Provision for liabilities & charges	(152)	-	-	(152)
Movement in reserves	(300)	300	-	-
Total Net Assets	16,896	61,235	5,084	83,215

	Balance at 1 October 2019	Income	Expenditure	Gains/ Losses	Transfer between funds	Balance at 30 September 2020
Consolidated Funds	£'000	£'000	£'000	£'000		£'000
General fund (unrestricted)	21,359	5,013	(7,200)	(1,976)	(300)	16,896
Funds for Major Repairs (designated)	300	-	-	-	300	600
Reserve for Future Purposes (designated)	58,000	-	-	-	-	58,000
ISH Scholarship Fund (designated)	2,817	257	(369)	(70)	-	2,635
International Students Trust Fund (restricted)	-	4,178	-	-	-	4,178
Mary Trevelyan Fund (restricted)	-	295	-	-	-	295
William Ross Murray Scholarship (restricted)	85	1	-	(2)	-	84
ISH African Students Bursary (restricted)	307	7	(1)	(8)	-	305
Tara Nirula Arts Scholarship (restricted)	95	1	-	(2)	-	94
Ellenor Mary Anwyl Scholarship (restricted)	65	-	-	(2)	-	63
Wahid Butt Scholarship (restricted)	15	-	-	-	-	15
Kirby Laing Foundation Scholarship (restricted)	20	10	-	-	-	30
Rose Fung Memorial Scholarship (restricted)	-	11	-	-	-	11
Goats Indian Scholarship Fund (restricted)	9	-	-	-	-	9
Total funds	83,072	9,773	(7,570)	(2,060)	-	83,215

Because each student accommodation scholarship costs approximately £11k per annum, the current practice is to let the various restricted funds build up their balances until they are large enough to fund scholarships on a fund-sustainable basis. The ISH Scholarship Fund is being used to fund accommodation scholarships in the meantime.

The ISH Scholarship Fund is a designated fund which was established in 1996 to fund scholarships for students from the developing world. During 2020-21 this fund will receive £150k from International Students Trust restricted fund and will expend an additional £636k on scholarships for students from developing countries. The Goats Indian Scholarship Fund was established in 2013 to fund scholarships for students from India.

The William Ross Murray Scholarship was established in 1998 to fund scholarships for students from the developing world.

The International Students House African Students Bursary was established in 2000 and provides scholarships to students born and resident in Africa who wish to study in London.

The Tara Nirula University of the Arts Scholarship was established in 2008 and provides tuition fees, accommodation and food for a student from India with a place on a Masters course at the London College of Fashion, University of the Arts.

The Ellenor Mary Anwyl Scholarship was established in 2014 and has provided a Masters scholarship since 2016 for a female student from South Asia jointly awarded and funded with the South Asia Institute of the School of Oriental and African Studies.

The Kirby Laing Foundation Scholarship was established in 2015 and supports the accommodation element for an ISH scholar for an initial term of three years studying an academic discipline and coming from a country that is of interest to the Foundation.

Wahid Butt made a donation in 2018 of funds to be used towards accommodation for an ISH scholar from Palestine or Pakistan, studying science or medicine. To date, the funds have not been awarded as none of ISH's scholarship partners have co-funded a scholar with this profile.

The Rose Fung Memorial Scholarship was set up in 2020 by Alumna Wendy Fung to support the accommodation costs of a scholar living at ISH. The first recipient, Kimberly Mihayo from Tanzania, arrived at ISH in September 2020 and is studying a Masters in Global Health at UCL.

20 Analysis of net assets between funds – charity

Fund Balances as at 30 September 20 are represented by:				
	General Fund (Unrestricted)	Designated Funds	Restricted Funds	Total Funds
Charity Assets	£'000	£'000	£'000	£'000
Tangible Fixed Assets	10,730	-	-	10,730
Current Assets & Investments	7,795	60,935	5,084	73,814
Current Liabilities	(1,196)	-	-	(1,186)
Long term liabilities	-	-	-	-
Provision for liabilities & charges	(152)	-	-	(152)
Movement in reserves	(300)	300	-	-
Total Net Assets	16,887	61,235	5,084	83,206

	Balance at 1 October 2019	Income	Expenditure	Gains/ Losses	Transfer between funds	Balance at 30 September 2020
Charity Funds	£'000	£'000	£'000	£'000	£'000	£'000
General fund (unrestricted)	21,137	4,058	(6,033)	(1,975)	(300)	16,887
Funds for Major Repairs (designated)	300	-	-	-	300	600
Reserve for Future Purposes (designated)	58,000	-	-	-	-	58,000
ISH Scholarship Fund (designated)	2,819	256	(370)	(70)	-	2,635
International Students Trust Fund (restricted)	-	4,178	-	-	-	4,178
Mary Trevelyan Fund (restricted)	-	295	-	-	-	295
William Ross Murray Scholarship (restricted)	85	1	-	(2)	-	84
ISH African Students Bursary (restricted)	307	7	-	(9)	-	305
Tara Nirula Arts Scholarship (restricted)	95	1	-	(2)	-	94
Ellenor Mary Anwyl Scholarship (restricted)	64	1	-	(2)	-	63
Wahid Butt Scholarship (restricted)	15	-	-	-	-	15
Kirby Laing Foundation Scholarship (restricted)	20	10	-	-	-	30
Rose Fung Memorial Scholarship (restricted)	-	11	-	-	-	11
Goats Indian Scholarship Fund (restricted)	9	-	-	-	-	9
Total funds	82,851	8,818	(6,403)	(2,060)	-	83,206

21 Total resources expended

<u>2020</u>	Grants	Other Direct Costs	Support Costs	Totals 2020
	£'000	£'000	£'000	£'000
Raising funds	-	1,062	1,094	2,156
Charitable activities	150	2,172	3,092	5,414
Total resources expended	150	3,234	4,186	7,570

<u>2019</u>	Grants	Other Direct Costs	Support Costs	Totals 2019
	£'000	£'000	£'000	£'000
Raising funds	-	1,737	994	2,731
Charitable activities	150	2,414	3,046	5,610
Total resources expended	150	4,151	4,040	8,341

Bursaries and grants paid are allocated on the basis of need and merit, after careful consideration of applications received with reference to the allocation terms of the various funds.

Cost allocation includes an area of judgment and the charity has had to consider the cost benefit of detailed calculations and record keeping. Direct overheads including payroll are allocated within other costs above. Indirect costs have been allocated on the basis of the table below.

Support costs and basis of allocation:

Nature of cost	Allocation Basis	£'000
Staff payroll and on costs	Estimated time spent	1,692
Premises and utilities	Floor area	1,670
Administration & other overheads	Sales income	845
Total support costs		4,208

22 Pension schemes

Pension arrangements for staff of International Students House are based on final salary benefit schemes with the University Superannuation Scheme (USS) Ltd for a couple of senior staff and the Superannuation Arrangements of the University of London (SAUL) for other staff.

USS

Significant accounting policies

The institution participates in Universities Superannuation Scheme. With effect from 1 October 2016, the scheme changed from a defined benefit only pension scheme to a hybrid pension scheme, providing defined benefits (for all members), as well as defined contribution benefits. The assets of the scheme are held in a separate Trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a wholly defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and therefore an expense is recognised.

Critical accounting judgements

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The directors are satisfied that the scheme provided by Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the funding plan in existence at the date of approving the financial statements.

Key sources of estimation uncertainty

Pension Costs

The total cost charged to the Income and Expenditure statement for the year ending 30 September 2020 was £60,671 (2018-19: £55,472).

The most recent formal valuation was carried out as at 31 March 2018. Part of the conclusion of that valuation was an agreement that a further valuation as at 31 March 2020 would be carried out. This is now underway and will be finalised in 2021. In any actuarial valuation, a value is placed on the liabilities assuming that the scheme is ongoing, which is known formally as the 'technical provision'. It is this technical provisions basis that is typically used when referring to the value of the scheme's liabilities. Since the 2020 valuation is still underway, a funding position as at

31 March 2020 has been prepared using the approach adopted for the 2018 valuation. The actuarial update allows for expected benefit payments and changes in membership since 2018, and changes to market conditions as well as investment return expectations.

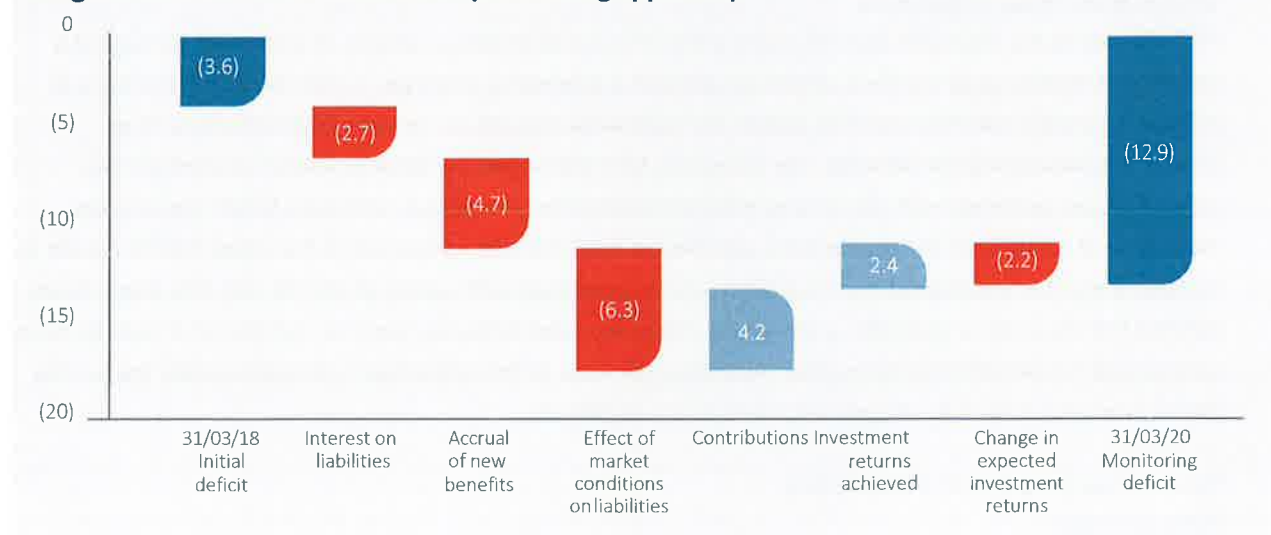
Since 31 March 2018, the scheme's funding position has worsened on the technical provisions basis. In the two years since the 2018 valuation, the scheme's deficit is estimated to have increased from £3.6bn to £12.9bn as at 31 March 2020. This is largely due to a significant rise in the deficit over the 19/20 year. The deficit increased by £7.5bn, from £4.5bn as at 31 March 2019, as assets fell by £0.9bn and liabilities rose by £6.6bn.

The table below summarises the funding position of the scheme at each 31 March since 2018:

	£' Billions		
	31 March 2018	31 March 2019	31 March 2020
Total assets	63.7	67.4	66.5
Total liabilities	67.3	72.8	79.4
Past service surplus / (shortfall)	(3.6)	(5.4)	(12.9)
Funding ratio	95%	93%	84%

The chart below details the underlying drivers of the change in the deficit using the monitoring approach.

Change in deficit since 2018 valuation (monitoring approach)



Other approaches

The value placed on the scheme's liabilities can be measured on a number of different bases, including technical provisions, buy-out, best estimate and self-sufficiency basis. Technical provisions and self-sufficiency bases are regularly monitored and the buy-out and best estimate bases are updated at each actuarial valuation. The table below summarises the scheme's position on a self-sufficiency basis. Self-sufficiency is based on the 'guaranteed' cash-flows available from the low risk investments.

	£' Billions		
	31 March 2018	31 March 2019	31 March 2020
Value of assets	63.7	67.4	66.5
Self-sufficiency liabilities	84.5	92.0	96.9
Surplus / (Deficit)	(20.8)	(24.6)	(30.4)
Funding ratio	75%	73%	69%

As at 31 March 2018, the Scheme actuary estimated the cost on a buy-out basis at £113.8bn. as a result, the deficit on this basis was £50,1bn. A buy-out basis gives the worst view of the liabilities. However, on a best estimate basis, liabilities at 31 March 2018 were £5.4bn, implying a surplus on this basis of £9.4bn.

Deficit Recovery Plan

The USS scheme is currently undergoing a deficit recovery programme. The recovery plan in the 2018 actuarial valuation requires employers to make additional contributions towards repairing the deficit. These contributions are 2% of salaries from 1 October 2019 to 30 September 2021, increasing to 6% from 1 October 2021 to 31 March 2028. Thus, the recovery plan aims to recover the deficit over a 10-year period. The actuarial report determined this plan following extensive work on the ability of the scheme's sponsoring employers to financially support the scheme - the 'covenant'. The conclusion was that there was good visibility of the ongoing strength of the covenant over the next 20–30 years, but the position became less clear after that.

It is estimated that International Students House's liability under this programme is £51,451. This amount has been reflected in the financial statements above under other creditors.

SAUL

International Students House participates in the Superannuation Arrangements of the University of London ("SAUL"), which is a centralised defined benefit scheme within the United Kingdom and is contracted-out of the Second State Pension (prior to April 2016).

SAUL is an independently-managed pension scheme for the non-academic staff of over 50 colleges and institutions with links to higher education.

Pension benefits accrued within SAUL currently build up on either a Final Salary basis or a Career Average Revalued Earnings ("CARE") basis. Following a consultation with Members, the SAUL Final Salary Section closed on 31 March 2016 and all Members have been building up benefits on a CARE basis from 1 April 2016.

International Students House is not expected to be liable to SAUL for any other current participating employer's obligations under the Rules of SAUL, but in the event of an insolvency event of any participating employer within SAUL, an amount of any pension shortfall (which cannot otherwise be recovered) in respect of that employer, may be spread across the remaining participating employers and reflected in the next actuarial valuation.

Funding Policy

SAUL's statutory funding objective is to have sufficient and appropriate assets to meet the costs incurred by the Trustee in paying SAUL's benefits as they fall due (the "Technical Provisions"). The Trustee adopts assumptions

which, taken as a whole, are intended to be sufficiently prudent for pensions and benefits already in payment to continue to be paid and for the commitments which arise from Members' accrued pension rights to be met.

The Technical Provisions assumptions include appropriate margins to allow for the possibility of events turning out worse than expected. However, the funding method and assumptions do not completely remove the risk that the Technical Provisions could be insufficient to provide benefits in the future.

A formal actuarial valuation of SAUL is carried out every three years by a professionally qualified and independent actuary. The latest available full actuarial valuation of the scheme was at 31 March 2017 (the valuation date), which was carried out using the projected unit method. The Actuarial Valuation as at 31 March 2017 shows that SAUL has assets of £3,205 million against liabilities of £3,149 million. This means that SAUL's funding level has improved to 102% with a surplus of £56 million. The formal valuation at 31 March 2020 is currently being prepared and will be available in 2021. If the assumptions used for the 2017 actuarial valuation had been borne out in practice, then based on the agreed contributions, then the position at 31 March 2020 would be a deficit of £72m, equivalent to a funding level of 98% relative to the technical provisions and a contribution strain of 10.0%. The preliminary results for the valuation at 31 March 2020 show an increased deficit at £277m, with a funding level at 93%. This is because of the change in assumptions, however, the updated assumptions have not yet been agreed. The current expectation is that SAUL's funding level at 31 March 2020 will be in the mid-90s (95-97%).

Accounting Policy

International Students House is a Participating Employer in SAUL. The actuarial valuation applies to SAUL as a whole and does not identify surpluses or deficits applicable to individual employers. As a whole, the expected asset value of £3,612m at 31 March 2020 is the market value of SAUL's asset. This is an increase of £407m since the valuation date.

It is not possible to identify an individual Employer's share of the underlying assets and liabilities of SAUL. International Students House's accounts for its participation in SAUL as if it were a defined contribution scheme and pension costs are based on the amounts actually paid (i.e. cash amounts) in accordance with paragraphs 28.11 of FRS 102.

The defined benefit liability to be recognised by International Students House in respect of the deficit contributions due to SAUL (i.e. the present value of the deficit contributions) is £88,706 as at 30 September 2020. This liability is based on a projection of Salaries over the period to 30 September 2022 and has been reflected in the financial statements above under other creditors.

23 Subsidiaries

The charity's trading subsidiary, Park Crescent Conference Limited, which is wholly owned and registered in England and Wales, was activated during 2005-06. The charity holds 100% of the ordinary share capital of the company which is £1. Its principal activity is the supply of conference, bar, and related facilities and services to residents, clients and patrons.

Results for the year ended 30 September 2020 were as follows:

	2020	2019
<u>Profit & Loss Account</u>		
	£	£
Turnover	1,280,639	2,456,463
Costs of sales	(294,865)	(394,246)
Gross profit	985,774	2,062,217
Other Expenses	(976,601)	(1,841,701)
Profit / (Loss) for the year	9,173	220,516
<u>Balance Sheet</u>		
Net Assets	9,174	220,517
Share Capital	1	1
Retained Profit / (Loss)	9,173	220,516
Total shareholders' funds	9,174	220,517

During the year Park Crescent Conference Limited made a surplus of £9,173 (2018-19: £220,516); this amount will be paid as a distribution in 2020-21 to International Students House.

24 Related parties

International Students House is a registered charity and a company limited by guarantee of which Gill Hammond is the Chair and Ms. Ibi Eso, from Bridgehouse Company Secretaries, is the Company Secretary.

International Students House is connected with two other charities; the Toyota-Shi Trevelyan Trust of which Gill Hammond is the Chair; and International Students Trust of which John Garbutt is the Chair. Ms. Ibi Eso, from Bridgehouse Company Secretaries, is the Company Secretary of both these charities.

Transactions with these parties during the year consisted of grants received from International Students Trust of £213k (2018-19 - £565k). The grants were settled prior to 30 September 2020 on which date IST donated all its assets to ISH in the form of charitable donation.

Amounts owed by connected trusts at the year-end are disclosed in notes 14 and 15.

25 Charitable Donation from IST to ISH

IST made a charitable donation of all its assets (except £1) on 30 September 2020. The income and expenditure statement and balance carried forward at 30 September 2020 are as follows:

<u>Income and Expenditure statement</u>	2020	2019
	£	£
Total incoming resources	254,278	209,895
Total resources expended	(226,790)	(588,603)
Net Operating Income / (Expenditure)	27,488	(378,708)
Net Gains / (Losses) on investment assets	(55,054)	471,116
Net movement in funds for the year	(27,566)	92,408
Balance brought forward	4,500,683	4,408,275
Donation to ISH on 30 September 2020	(4,473,116)	-
Balance carried forward	1	4,500,683

26 Operating Lease commitments

At 30 September 2020, ISH had outstanding commitments for future minimum lease payments under non-cancellable operating lease.

<u>Office Equipment</u>	2020	2019
	£	£
Due within one year	18,399	-
Due between two to five years	50,598	-
Due after more than five years	-	-
	68,997	-

27 Capital Commitments

At 30 September 2020, the group had capital commitments for fixtures and fittings (Rooms refurbishment; Basement Ventilation; and Fire alarms system) of £1,100k (2018-19: £2,090k).

28 Taxation

International Students House is a registered charity and as such its income and gains falling within s505 ICTA 88 or s256 TCGA 92 are exempt from corporation tax to the extent that they are applied to its charitable objectives. Its subsidiary Park Crescent Conference Limited has not incurred a tax charge, as it has donated the surpluses it has achieved in the last few financial years to International Students House.









ISH Annual Report 19-20 Approved by Board 04.03.21

Final Audit Report

2021-03-08

Created:	2021-03-08
By:	IT ISH (it@ish.org.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAA40MRb-136kl3iCIXXTzpp2weHAu8kty

"ISH Annual Report 19-20 Approved by Board 04.03.21" History

-  Document created by IT ISH (it@ish.org.uk)
2021-03-08 - 2:26:22 PM GMT - IP address: 82.18.225.72
-  Document emailed to Giii Hammond (gill.hammond999@gmail.com) for signature
2021-03-08 - 2:29:05 PM GMT
-  Email viewed by Giii Hammond (gill.hammond999@gmail.com)
2021-03-08 - 3:07:24 PM GMT - IP address: 66.249.93.41
-  Document e-signed by Giii Hammond (gill.hammond999@gmail.com)
Signature Date: 2021-03-08 - 3:08:13 PM GMT - Time Source: server- IP address: 81.97.155.243
-  Document emailed to Nicholas Bourne (nickbourne1@hotmail.co.uk) for signature
2021-03-08 - 3:08:16 PM GMT
-  Email viewed by Nicholas Bourne (nickbourne1@hotmail.co.uk)
2021-03-08 - 3:50:13 PM GMT - IP address: 86.171.165.0
-  Document e-signed by Nicholas Bourne (nickbourne1@hotmail.co.uk)
Signature Date: 2021-03-08 - 3:51:44 PM GMT - Time Source: server- IP address: 86.171.165.0
-  Agreement completed.
2021-03-08 - 3:51:44 PM GMT