

THE BIRMINGHAM & MIDLAND INSTITUTE



REPORT OF THE GOVERNORS AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

9 Margaret Street,
Birmingham,
B3 3BS.

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**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 30 JUNE 2024**

The Governors present their report and financial statements for the year ended 30 June 2024. The Governors have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Purpose and aims

The objectives and aims of the Birmingham and Midland Institute are "the Diffusion and Advancement of Science, Literature and Art amongst all Classes of Persons resident in Birmingham and the Midland Counties."

Public benefit

Ensuring our work delivers our aims

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

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

The focus of our work

The focus of our work continues to be the diffusion and advancement of Science, Literature and Art among all classes of persons resident in Birmingham and the Midland counties.

Grant-making

As a general policy, the charity does not make grants, and it never makes grants to individuals. However, upon occasion or, if it considers that the making of a grant to an organisation will assist it in fulfilling its own charitable objectives, then such a grant may be made.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

Our policy of increasing the range and number our activities, to appeal to as many citizens of the Midlands as possible is ongoing. We are endeavouring to increase membership, which at the year-end stood at 233 (-6). This would appear quite modest, but our records show that over 19,000 visitors used the Institute during the year, which is quite a considerable amount and up by 2,000 on the previous year.

A lot of the work of the Board of Governors is delegated to three sub-committees, which are:

1. Governance Committee – to examine good practice and create policies for the governance of the Institute and to work towards replacing The Birmingham & Midland Act (1854) with a more relevant Articles of Association. It also reviews policies annually, to keep them relevant;
2. To develop and foster a love of reading; to develop and enhance independent learning skills; to increase the number of books in the Library; to increase usage of the Library by members of the Institute and by independent researchers; to safeguard precious books within the Library collection; and to promote the Library.
3. Roadmap Steering Committee – to map out the future of the Institute and to look at ways of energising and re-invigorating the Institute.

The Audience Engagement Committee and Marketing & Media Committee have been on hold while recent works have been undertaken. The decision has now been taken to combine these two committees, and a chair for this new Committee is currently being sought.

**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 30 JUNE 2024**

We hold a number of events across the year, and these are listed below:

Annual Events

The President's Address

The President's Address is an important date in our calendar, where the present President of the Institute gives his lecture. It is a joyful occasion, and is the time when the Presidents' Medal and the Fellowship of the Institute are awarded.

The AGM

Our AGM follows the directives from our governing document, the 1854 Act of Parliament, ensuring that the members are informed and can vote on the position of the Institute. When all the formal sections are over, there is a talk or a small concert for members and non-members to enjoy.

The AGM in February 2024 was well attended and returned to a longer format, following requests from members. There were summaries of the Annual Report presentations by the Honorary Secretary and Honorary Treasurer. Afterwards our Writer-in-Residence, Andrew Reekes, gave a talk on George Dawson and the Civic Gospel.

Heritage Open Day

We were involved in this initiative, across the week

- Saturday, 9th September 2023 we held a fun day for children, with arts and crafts and LEGO.
- Monday, 11th September was a pop-up sewing session, led by Samina, which led to the establishment of Threads Club, and Rev. Dr. Roman Bloodworth gave the Monday Lecture on The Science of Creativity.
- Wednesday, 13th September was a pop-up Art Class, led by Artist-in-Residence, Peter Tinkler, drawing profiles. In the evening, Ruth Millington, local author, led a session on How To Get Published.
- Friday, 15th September, Ex Cathedra's Singing Medicine gave a talk about their involvement with sick children at the Birmingham Children's Hospital.

Regular activities

Monday Lecture

The Monday Lecture series continues the tradition of lectures given at the Institute since 1854. The lectures are every fortnight, on a Monday from 1-2pm. The topics and speakers vary greatly. Professors and experts in their field, enthusiastic amateurs, and groups who use the Institute for their events have all given lectures. They may share lectures they have given elsewhere, information on the group themselves, or uncompleted works which will lead to publication.

Study Days

The Study Days have been held at the Institute for many years. Led by Dr. Pamela Mason FBMI, with her late husband Keith Parsons FBMI before his untimely death, they are a varied and detailed day concentrating on an academic topic. With a dedicated and ever widening audience, they are a cornerstone of our activities. The Victorian Society, a corporate member of the Institute, also holds Day Schools on particular subjects relating to architecture in the Victorian and Edwardian periods. The Pre-Raphaelite Society hold meetings and talks throughout the year.

Bookish Club

The Bookish Club started in 2019, and is held monthly, online. A topic is discussed rather than a set text, and ensure that genres and ideas not usually considered in other book clubs are included. Non-fiction as well as fiction, books liked as well as books hated, and recommended reading abounds. It is well attended and everyone participates enthusiastically, while listening to each other.

Ruskin Club

The Ruskin Club has been established as a creative club. The group who arrange the activities bring their own expertise and skills and teach the attendees. Ruskin is a good example to have as a figurehead as he was a scientist, artist, critic, architecture lover, walker and teacher, so that gives us plenty of scope. Ruskin Club meets monthly, always in person.

REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 30 JUNE 2024

There have been classes, walks and visits.

Ladywood Community Project

The Board of Governors agreed to partner with The Ladywood Community Project and at least twice a year, there is a collection for food and essentials for the Ladywood Community Project. They support individuals and families in crisis in the ward where the Institute is situated, and is a worthy way for us to be able to support our neighbours.

Occasional Events

Concerts

Concerts are held either by visiting and touring groups, or by organisations who use the building as their place of learning. Members are always invited to attend such events.

Art Exhibitions

If an exhibiting artist wishes, we host a launch event when their show begins. Members are always invited to these. Our Members' Summer Exhibition is a good opportunity to meet people who attend different events, and who would not usually meet one other.

Debates

The Institute has started hosting occasional debates. People from other organisations and groups are invited to present and defend their argument on a topical subject.

Business Breakfasts

People from the business community are invited to join us for breakfast, a short presentation, and a useful opportunity to network.

Members' Mince Pie Morning

There is always a mince pie morning in December so that members can have a chat and meet up with one other.

In addition to these regular events, totalling over 70, there are three events worthy of specific listing, which are:

1. September 2023 - Italian Alpini Choir Concert – an evening of singing and conversation with 50 singers from Northern Italy.
2. November 2023 - South Asia to Uganda Event – evening event with over 75 people in attendance, documentary/film followed by a debate.
3. September 2023 - Muslim Women's Popular Fiction conference – a 5 day conference for Muslim women writers from all over the world.

Institute Laureates

Laureates are appointed annually, and we will look to change them regularly, if not annually. In September 2022 the Board appointed five Historians-in-Residence who are based at Aston University. The current laureates are:

- | | |
|---------------------------|--|
| • Poet-in-Residence | Naush Sabah |
| • Writer-in-Residence | Andrew Reekes |
| • Scientist-in-Residence | Dr Galen Reich |
| • Musician-in-Residence | Jeffrey Skidmore OBE |
| • Artist-in-Residence | Peter Tinkler |
| • Historians-in-Residence | Professor Stefan Manz, Dr Volker Prott, Dr Ilaria Scaglia,
Dr Brian Sudlow, and Dr Joseph Yannielli |

**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 30 JUNE 2024**

FINANCIAL REVIEW

Financial position

The Statement of Financial Activities for the year ended 30 June 2024 shows incoming resources of £241,526 (2023 - £280,928) and resources expended of £196,879 (2023 - £224,818). This resulted in a surplus of £44,647 (2023 - £56,110).

Reserves policy

We have a Reserves Policy (F02) which was formulated by the Governance Committee in association with our Honorary Treasurer and Finance Officer. The Policy is to build the charity's unrestricted funds to a level which will enable the charity to fulfil its charitable obligations for the foreseeable future including the maintenance and upkeep of its Grade II* listed premises.

Going concern

Budgets, forecasts and cashflows have been prepared for the 2024-25 year and for the five years beyond, predicting further satisfactory results. These are monitored closely, and as at the date of signing, the actual results are in line with budget.

In light of the current uncertain economic climate the Governors believe that the Institute's financial resources and contingency planning are sufficient to ensure the ability of the Institute to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements.

While it should be mentioned at this point that the Institute has sufficient financial assets, these are largely tied up in property and are not easy to realise as cash.

FUTURE PLANS

The Institute will continue to develop its programme in order to fulfil its statutory obligations as described in the Birmingham & Midland Act (1854) although we were looking to repeal the Act and replace it with a more up-to-date Articles of Association. A lot of work has been done in this area and following advice from the Charity Commission, the way ahead would be to leave the Act as a "shell document" and vote in a new set of bye-Laws which is provided for under the Act. The membership has already voted to adopt the 2020 Articles of Association, so we will use these to form the basis of a new set of bye-laws and these will be reviewed by a charity legal professional.

The sale of 93-95 Cornwall Street is due to complete in early July and we will then proceed with the separation works, with practical completion taking place in mid-autumn. This will mean that a new suite of toilets, in the basement below Reception will make access to the facilities in the main part of the building. There will also be an accessible toilet near to the Members' Room on the second floor. Further toilets are planned outside the Sir Arthur Sullivan Hall.

We will seek to appoint an Institute Director, to drive forward the transformation process, and we hope to obtain some funding for this from the NLHF Resilience Fund. The post will be to progress our transformation and to be part of the operational management once completed.

The site survey by Historic England in 2022 resulted in the Institute being added to the Heritage at Risk Register in mid-June 2023. The building is on the statutory list at Grade II* which means that we are likely to qualify for grants from Historic England and this will also aid our NLHF bid in due course. It has already given us access to funds to achieve a number of small projects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Birmingham and Midland Institute is a charity registered with the Charity Commission (registered number 522852) and is incorporated by *The Birmingham and Midland Act (1854)* which defines its constitution, although in the spring of 2020 members voted, in an online poll (due to COVID-19 restrictions), to support the Board of Governors' decision to seek to repeal the 1854 Act and replace it with an up-to-date Articles of Association.

Organisational structure

The governing body of the Birmingham and Midland Institute consists of official governors, city council governors and elective governors.

Of the official governors, four are elected by the membership, two are ex-officio office holders and one is appointed by the University of Birmingham to be its representative.

Of the five city governors, one, the Lord Mayor for the time being, is an ex-officio governor, with the other four being appointed by Birmingham City Council.

Of the elective governors, all thirteen are elected by the membership. Elections to the governing body are held at each annual general meeting.

The Board of Governors meets monthly but there are also sub-committees which vary from time to time. All sub-committees report and make recommendations to the full Board which is the Institute's policy making body. The Governance sub-committee has enhanced and extended the Policies which give daily guidance for good governance of the Institute, and these may be viewed on the Institute's website.

For this year, 2023-24, the 19 members of the Board of Governors gifted 1,975 hours to the Institute (1770.5 in 2023), which includes work on sub-committees and other research and administrative activities as Governors. This is a phenomenal amount of time that they have committed to the Institute and underlines their commitment to our organisation. In addition, using Birmingham City Council's Social Value Charter, BCC values this sort of contribution at £101.86 per hour, so that the total economic value of these gifted hours amounts to £201,173.50 (£180,343 in 2023)

We no longer seek to replace the President every year, but rather we welcome incumbents to remain for as long as they wish, so that they can make a fuller contribution than an annual term of office permits.

The day-to-day running of the Institute is delegated to the Operations Team, headed by the Operations Manager, a full-time position, with reporting responsibility to the Board. The position is supported by the Operations Assistant, which is a part-time role.

THE BIRMINGHAM AND MIDLAND INSTITUTE

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 30 JUNE 2024

The operations staff are assisted by a team of volunteers, without whom we would struggle to operate. The 18 volunteers gifted 1,874 hours to the Institute during the year 2023-24 (1,467 in 2023). If we create a value for these hours, at the rate of the National Living wage of £11.44 per hour, this equates to £21,438.56 gifted to the Institute (£15,286 in 2023) There are also two part-time paid cleaners.

The Institute is a member of the Living Wage Foundation and we have implemented the Real Living Wage for our employees.

Membership

Membership of the Institute continues to expand in all categories, and at the end of the year stood at 233 (2023 = 239). Our Junior Membership remains low, but our membership of those in full-time work continues to grow. Corporate Associated Members amount to 5,965

Safeguarding

The Institute has a Safeguarding Policy and we now perform DBS Checks on all Governors, Staff and Volunteers which is considered good practice by the Charity Commission.

Equity, Diversity and Inclusion (EDI)

The Institute has an Equity, Diversity and Inclusion Policy and under this Policy we periodically undertake to survey the Board, staff and volunteers to see how it is working. Such a survey was carried out in early 2023 and we will repeat the exercise in 2026.

Approved by order of the board of governors on 7 October 2024 and signed on its behalf by:



.....
Honorary Secretary

REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 30 JUNE 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity number
522852

Principal address
9 Margaret Street
Birmingham
B3 3BS

Governors

Official Governors

Professor Sir David Cannadine	President
Dr S. Trowbridge	Vice President
Mrs. S. Ansari	Vice President
Mr. J. L. Fletcher	Honorary Treasurer
Dr. K. Ricks	Chief Master, King Edward's School
Professor C. Marsh	Principal, The Queen's Foundation
Mr. M. Eccleston	University of Birmingham Representative

City Governors

The Lord Mayor of Birmingham
Councillor A. Higgs
Councillor J. Hunt
Councillor M. Locke
Councillor R. Pocock

Elective Governors

Mr. M. I. Blake	Retired 17th February 2024
Miss I. Călin	Retired 17th February 2024
Mr. A. Dowe	
Mr. N. Easom	
Ms. J. Francis	
Mr. S. J. Hartland	
Mr. A. V. Pritchard-Jones	Retired 17th February 2024
Miss A. Round	
Mr. M. A. Vaughan	Retired 17th February 2024

THE BIRMINGHAM AND MIDLAND INSTITUTE

**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 30 JUNE 2024**

Independent Examiner

Ormerod Rutter
The Oakley
Kidderminster Road
Droitwich Spa
Worcestershire
WR9 9AY

Solicitors

Tyndallwoods Solicitors
29 Woodbourne Road
Edgbaston
Birmingham
B17 8BY

Bankers

Bank of Scotland
33 Old Broad Street
London
BX2 1LB

**INDEPENDENT EXAMINER'S REPORT TO THE GOVERNORS OF
THE BIRMINGHAM AND MIDLAND INSTITUTE**

I report to the Governors on my examination of the financial statements of The Birmingham and Midland Institute (the charity) for the year ended 30 June 2024.

Responsibilities and basis of report

As the Governors of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

Ormerod Rutter Limited
The Oakley
Kidderminster Road
Droitwich Spa
Worcestershire
WR9 9AY

Date:

THE BIRMINGHAM AND MIDLAND INSTITUTE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	2,899	-	2,899	1,357
Charitable activities					
Rents receivable	4	179,454	-	179,454	175,365
Other trading activities	4	56,201	500	56,701	102,155
Investment income	5	<u>298</u>	<u>2,174</u>	<u>2,472</u>	<u>2,051</u>
Total		238,852	2,674	241,526	280,928
EXPENDITURE ON					
Charitable activities	6	29,295	-	29,295	29,608
Support costs	7	133,192	500	133,692	153,594
Other	11	<u>33,892</u>	<u>-</u>	<u>33,892</u>	<u>41,616</u>
Total		196,379	500	196,879	224,818
NET INCOME		42,473	2,174	44,646	56,110
RECONCILIATION OF FUNDS					
Total funds brought forward		1,381,658	18,310	1,399,968	1,343,858
TOTAL FUNDS CARRIED FORWARD		<u>1,424,131</u>	<u>20,484</u>	<u>1,444,615</u>	<u>1,399,968</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE BIRMINGHAM AND MIDLAND INSTITUTE

BALANCE SHEET
30 JUNE 2024

		2024 £	2023 £
	Notes		
FIXED ASSETS			
Intangible assets	13	-	7,450
Tangible assets	14	1,464,418	1,474,216
		<u>1,464,418</u>	<u>1,481,666</u>
CURRENT ASSETS			
Debtors	15	56,168	33,765
Cash at bank		<u>61,951</u>	<u>19,933</u>
		118,119	53,698
CREDITORS			
Amounts falling due within one year	16	(120,985)	(73,834)
		<u>(2,866)</u>	<u>(20,136)</u>
NET CURRENT LIABILITIES			
		1,461,552	1,461,530
CREDITORS			
Amounts falling due after more than one year	17	(16,937)	(61,562)
		<u>1,444,615</u>	<u>1,399,968</u>
NET ASSETS			
FUNDS	22		
Unrestricted funds		1,424,131	1,381,658
Restricted funds		<u>20,484</u>	<u>18,310</u>
TOTAL FUNDS		<u><u>1,444,615</u></u>	<u><u>1,343,858</u></u>

The financial statements were approved by the Board of Governors on 7 October 2024 and were signed on its behalf by:



.....
Honorary Treasurer

1. ACCOUNTING POLICIES

Charity information

The Birmingham and Midland Institute is a charity registered with the Charity Commission (registration number 522852).

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below..

1.2 Going concern

At the time of approving the financial statements, the Governors has a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Governors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Governors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1. ACCOUNTING POLICIES - continued

1.5 Expenditure

Expenditure is 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Armorial Bearings	100% in current year
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1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:.

Freehold land and buildings	Nil
Fixtures and fittings	15% on cost
Computer equipment	25% on cost
Library books	Nil
Gifted assets	Nil

1.8 Employee benefits

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

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2024

1. ACCOUNTING POLICIES - continued

1.9 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases. Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	<u>2,899</u>	<u>1,357</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total	Total
	2024	2024	2024	2023
	£	£	£	£
Rents receivable	179,454	-	179,454	175,365
Management charges	-	500	500	500
Commissions received	10,126	-	10,126	8,624
Membership subscriptions	8,993	-	8,993	14,833
Book sales, recorded music and sundry income	1,948	-	1,948	777
Other income	35,133	-	35,133	77,421
	<u>235,655</u>	<u>500</u>	<u>236,155</u>	<u>277,520</u>

5. INVESTMENT INCOME

	2024	2023
	£	£
Bank interest receivable	<u>2,472</u>	<u>2,051</u>

There has been £298 income from bank interest received from unrestricted funds (2023 - £58) and £2,174 income from restricted funds during the year ended 30 June 2024 (2022 - £1,993). This restricted income had arose from the Grew Bequest, bequeathed specifically for the furtherance of the study of music and poetry at the Birmingham and Midland Institute, and has been recognised in the financial statements within the Grew Bequest restricted fund.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2024

6. CHARITABLE EXPENDITURE

	2024	2023
	£	£
Staff costs	23,252	11,425
General expenses	6,043	18,183
	<u>29,295</u>	<u>29,608</u>

7. SUPPORT COSTS

	2024	2023
	£	£
Staff costs	43,724	44,371
Sundry expenses	739	1,793
Rates and utilities	10,978	27,341
Cleaning	9,527	7,427
Repairs and maintenance	4,394	5,458
Insurance	12,707	13,824
Legal and professional	1,000	14,184
Printing and stationery	5,602	3,418
Website and IT	1,760	537
Telephone	16,641	8,440
Management charge	500	500
Depreciation and amortisation	17,248	10,801
Interest payable and similar charges	3,708	11,393
Bank charges	1,055	504
Fees and subscriptions	2,609	2,103
	<u>132,192</u>	<u>152,094</u>
Share of governance costs (see note 8)	1,500	1,500
	<u>133,692</u>	<u>153,594</u>
Analysis by fund		
Unrestricted funds	133,192	153,094
Restricted funds – general	500	500
	<u>133,692</u>	<u>153,594</u>

8. GOVERNANCE COSTS

	2024	2023
	£	£
Independent examiner fees	1,500	1,500

9. GOVERNORS

There was no governors' remuneration for the year ended 30 June 2024 nor for the year ended 30 June 2023.

The governors' expenses paid for the year ended 30 June 2024 totalled £749 (2023: £804).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2024

10. STAFF COSTS

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Administrative	<u><u>4</u></u>	<u><u>4</u></u>

Employment costs

	2024	2023
	£	£
Wages and salaries	<u><u>66,976</u></u>	<u><u>55,796</u></u>

There were no employees whose annual remuneration was more than £60,000.

11. EXCEPTIONAL ITEMS

Included in Other are costs associated with the sale of 93-95 Cornwall Street totalling £33,892 (2023 - £41,616).

12. TAXATION

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13. INTANGIBLE FIXED ASSETS

	Armorial bearings £
COST	
At 1 July 2023 and 30 June 2024	<u>7,450</u>
AMORTISATION AND IMPAIRMENT	
At 1 July 2023	-
Charge for year	<u>7,450</u>
At 30 June 2024	<u><u>7,450</u></u>
CARRYING AMOUNT	
At 30 June 2024	<u><u>-</u></u>
At 30 June 2023	<u><u>7,450</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2024

14. TANGIBLE FIXED ASSETS

	Freehold property £	Fittings and equipment £	Library books £
COST			
At 1 July 2023	681,045	219,208	680,275
Additions	-	-	-
At 30 June 2024	681,045	219,208	680,275
DEPRECIATION			
At 1 July 2023	-	155,612	-
Charge for year	-	9,798	-
At 30 June 2024	-	165,410	-
NET BOOK VALUE			
At 30 June 2024	681,045	53,798	680,275
At 30 June 2023	681,045	63,596	680,275
	Gifted assets £	Computers £	Totals £
COST			
At 1 July 2023	49,300	3,539	1,633,367
Additions	-	-	-
At 30 June 2024	49,300	3,539	1,633,367
DEPRECIATION			
At 1 July 2023	-	3,539	159,151
Charge for year	-	-	9,798
At 30 June 2024	-	3,539	168,949
NET BOOK VALUE			
At 30 June 2024	49,300	-	1,464,418
At 30 June 2023	49,300	-	1,474,216

Freehold property

The governors are of the view that the current value of the Institute's freehold property is greater than the net book value and therefore continue not to depreciate the property.

Library books

The Institute owns a library containing approximately 107,000 volumes. The governors have included a valuation of these books as at the balance sheet date based on an in-house valuation. In the opinion of the governors this is the best estimate available of the current valuation of the Institute's library books. Additions since valuation have been included at cost.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2024

14. TANGIBLE FIXED ASSETS - continued

Gifted assets

Gifted assets are comprised of material items donated to the Institute stated at the governors' valuation.

Assets on hire purchase

Included in fittings and equipment are assets under hire purchase agreements with a net book value of £32,729 (2023 - £39,743).

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	23,371	20,138
Other debtors	32,797	13,627
	<u>56,168</u>	<u>33,765</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Bank loans and overdrafts (see note 18)	10,000	10,008
Obligations under finance leases (see note 19)	9,461	10,773
Trade creditors	36,528	8,414
Taxation and social security	1,028	569
Other creditors	63,968	44,070
	<u>120,985</u>	<u>73,834</u>

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

	2024	2023
	£	£
Bank loans (see note 18)	9,167	20,161
Hire purchase (see note 19)	7,770	16,160
Other creditors	-	25,241
	<u>16,937</u>	<u>61,562</u>

18. LOANS

	2024	2023
	£	£
Bank loans	19,167	30,169
Payable within one year	10,000	10,008
Payable after one year	9,167	20,161

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2024

19. FINANCE LEASE OBLIGATIONS

Future minimum lease payments due under finance leases:

	2024	2023
	£	£
Within one year	9,461	10,773
Between two and five years	<u>7,770</u>	<u>16,160</u>
	<u><u>17,231</u></u>	<u><u>26,933</u></u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances as 30 June 2024 are represented by:

	Unrestricted funds	Restricted funds	2024 Total funds	2023 Total funds
	£	£	£	£
Intangible fixed assets	-	-	-	7,450
Tangible fixed assets	1,464,418	-	1,464,418	1,474,216
Current assets/(liabilities)	29,789	20,484	50,273	(20,136)
Long term liabilities	<u>(70,076)</u>	<u>-</u>	<u>(70,076)</u>	<u>(61,562)</u>
	<u><u>1,424,131</u></u>	<u><u>20,484</u></u>	<u><u>1,444,615</u></u>	<u><u>1,399,968</u></u>

21. UNRESTRICTED FUNDS

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the governors for specific purposes.

	At 1 July 2023	Incoming resources	Resources expended	At 30 June 2024
	£	£	£	£
General funds	<u>1,381,658</u>	<u>238,852</u>	<u>(196,379)</u>	<u>1,424,131</u>
Previous year	At 1 July 2022	Incoming resources	Resources expended	At 30 June 2023
	£	£	£	£
General funds	<u>1,327,541</u>	<u>278,435</u>	<u>(224,318)</u>	<u>1,381,658</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2024

22. RESTRICTED FUNDS

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 July 2023	Incoming resources	Resources expended	At 30 June 2024
	£	£	£	£
Alfred and Mary Wilkins Memorial Poetry	1,764	-	-	1,764
Grew Bequest	14,630	2,674	(500)	16,804
Bookbinding Appeal Fund	228	-	-	228
Library Fund	1,668	-	-	1,668
Library Carpet Tiles Fund	20	-	-	20
	<u>18,310</u>	<u>2,674</u>	<u>(500)</u>	<u>20,484</u>
Previous year:				
	At 1 July 2022	Incoming resources	Resources expended	At 30 June 2023
	£	£	£	£
Alfred and Mary Wilkins Memorial Poetry	1,764	-	-	1,764
Grew Bequest	12,637	2,493	(500)	14,630
Bookbinding Appeal Fund	228	-	-	228
Library Fund	1,668	-	-	1,668
Library Carpet Tiles Fund	20	-	-	20
	<u>16,317</u>	<u>2,493</u>	<u>(500)</u>	<u>18,310</u>

Purpose of unrestricted fundsGeneral fund

This fund represents the free funds of the Institute that are not designated for particular purposes which the governors are free to use in accordance with the Institute's objects .

Purpose of restricted fundsAlfred and Mary Wilkins Memorial Poetry fund

This fund's purpose is to provide income for the Institute to enable the Institute to organise competitions to seek new talent in the world of poetry.

Grew Bequest fund

This fund's purpose is to provide income for the Institute to enable the Institute to promote the furtherance and study of music and poetry at the Institute.

Bookbinding Appeal fund

This fund's purpose is to provide income for the Institute to enable the Institute to rebind its valuable collection of books in the Institute's library.

Library fund

This fund is reserved for the Institute's library, contributing to maintenance and the purchase of materials and equipment.

Library Carpet Tile fund

This was set up to direct funds to the maintenance of the library, focusing on the carpet tiles which are in need of repair/replacement.

23. RETIREMENT BENEFIT SCHEMES

The Institute operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Institute in an independently administered fund.

During the year the pension contributions totalled £1,316 (2023 - £890).

24. RELATED PARTY DISCLOSURES

There were no disclosable related party transactions during the year (2023 - none).

25. SUPPORT OF CULTURAL AND EDUCATIONAL ACTIVITIES

During the year ended 30 June 2024 the Birmingham and Midland Institute discounted fees in respect of rental and hiring charges made to various cultural or charitable activities. This amount represents, in effect, the Institute's contribution or donation towards these activities.

26. ULTIMATE CONTROLLING PARTY

The Institute is controlled by the governors as disclosed in the report of the council as governors.