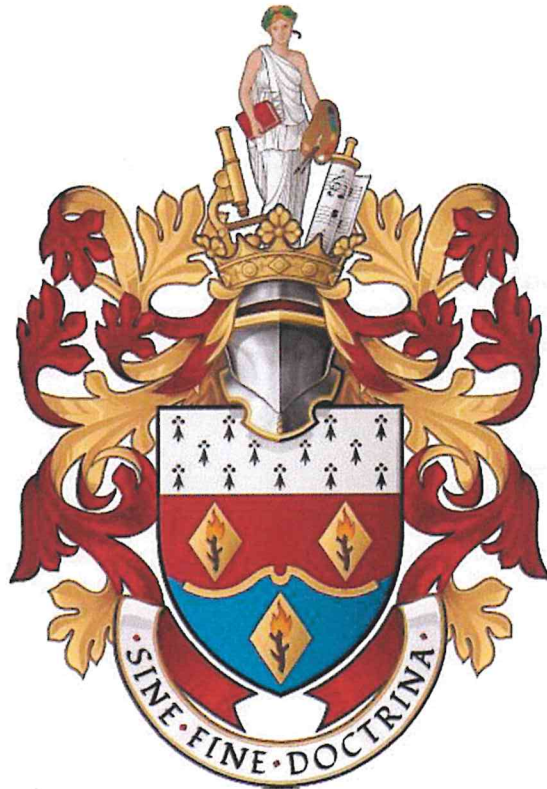


THE BIRMINGHAM & MIDLAND INSTITUTE



REPORT OF THE GOVERNORS AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

9 Margaret Street,
Birmingham,
B3 3BS.

THE BIRMINGHAM AND MIDLAND INSTITUTE

**CONTENTS OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

	Page
Report of the Governors	1 to 8
Independent Examiner's Report	9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 to 21

THE BIRMINGHAM AND MIDLAND INSTITUTE

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 30 JUNE 2025

The Governors present their report and financial statements for the year ended 30 June 2025. 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 of 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 217 (-16). This would appear quite modest, but our records show that we have welcomed around 18,000 visitors to use the Institute during the year, which is quite a considerable amount, down by 1,000 on the previous year, but we were closed for a month for the separation works.

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. Library Committee – to preserve, safeguard and curate the precious books and archive of The Birmingham Library, now the Birmingham and Midland Institute Library, and The Birmingham and Midland Institute; to reach diverse readers; to increase usage of the Library by members of the Institute and by independent researchers; 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 BIRMINGHAM AND MIDLAND INSTITUTE

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 30 JUNE 2025

Unfortunately, due to lack of volunteers, the Audience Engagement Committee and Marketing & Media Committee are both currently mothballed. This is very unfortunate, as it is a very necessary activity, but we must have more members to get involved in these key areas.

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 November 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, there was a talk on the history of the Lawn Tennis Association.

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, 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 topics have included a more varied subjects, and some more modern authors, but including Shakespeare.

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 ensures 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 continues 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. 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.

THE BIRMINGHAM AND MIDLAND INSTITUTE

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 30 JUNE 2025

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.

The Summer Concert, organised by Sarah Wright-Owens, was well attended, and raised over £400 for the Library.

Art Exhibitions

We actively encourage local artists to make use of the Institute, and create a rolling exhibition programme for this. Should an exhibiting artist wish, 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.

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.

Institute Laureates

The Institute is committed to enriching the cultural life of the region. The appointment, annually, of Institute Laureates, supports this endeavour, by providing access to new work for our members and visitors, by supporting artists, writers, poets, scientists and historians in the region, and by offering workshops and lectures by the laureates.

The current laureates are:

- | | |
|----------------------------|----------------------|
| • Poet-in-Residence | Naush Sabah |
| • Historian-in-Residence | Andrew Reekes |
| • Scientist-in-Residence | Dr James Dawson |
| • Musician-in-Residence | Jeffrey Skidmore OBE |
| • Artist-in-Residence | Peter Tinkler |
| • Philosopher-in-Residence | Brother Piran-Maria |
| • Writer-in-Residence | Anna Lawrence |

Building Sale and Separation

In 2022, an agreement was reached to dispose of the 93-95 Cornwall Street parts of the building. The aim was to raise a significant sum to offer as a contribution as part of the future bid for Heritage Lottery Funding to transform the building. The rooms in the Cornwall Street section were little-used, meaning that any financial downside of losing room hire income was negligible.

Following lengthy negotiations, the conclusion was that the disposal should be a lease rather than a sale, as the fire investigation and architect survey found that for the capacity of both buildings, both must be able to use the other's fire escapes in the event of a fire. A 999-year lease was agreed, with right of access given to the Institute to ensure that the fire escapes remain unblocked from the tenants' side of the building.

Completion finally ensued in July 2024, and work started shortly afterwards to separate the leased parts of the building. The building was closed completely for the month of August, with some work having started at the end of July, and some work continuing into September. The separation meant that the Institute lost all toilet facilities, and both doors into the Library. Access to the new Library Linkway was moved to opposite the Kingsley Norris Room on the ground floor, but the slope became so steep that steps had to be installed rather than a slope. This is unfortunate as it means that the Library continues to be inaccessible to wheelchair users; future plans include access to all floors of the building for all people. Work continued in the Library into September, and the Library remained partially closed for the rest of the year for cleaning and reshelving of books.

The number of new toilets in the Institute is determined by the capacity of the building. The decision was made to have a suite of unisex toilets in the basement to maximise the number of toilets available to all, with an accessible toilet in the basement suite, and an accessible toilet on the first floor. We have received only good feedback on the toilet suite, with Pride UK stating that they are "the best gender free toilets" they have seen.

THE BIRMINGHAM AND MIDLAND INSTITUTE

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 30 JUNE 2025

FINANCIAL REVIEW

Financial position

The Statement of Financial Activities for the year ended 30 June 2025 shows incoming resources of £209,235 (2024 - £262,280) and resources expended of £249,751 (2024 - £217,633). This resulted in a deficit of £40,516 (2024 - surplus of £44,647). It should be noted that this was an unusual year financially, due to the sale of part of the property, as mentioned above. The gain on the sale resulted in an overall surplus of £182,985 (2024 - £44,647).

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 2025-26 year. It is difficult to forecast beyond, as the timing and progress of the planned Heritage Lottery Fund bid is uncertain. However, the underlying performance of the Institute will be adequate in the meantime to continue usual operations.

In light of the continuing 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 are planning to replace the Act with a document that reflects 21st Century reality. 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.

We will seek to appoint an Institute Director, to drive forward the transformation process. We plan to obtain some funding for this from an initial bid to the NLHF, as well as to test the model of the Institute that the governors have agreed on. Users of the Institute can rest assured that any changes will only be for the better.

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.

THE BIRMINGHAM AND MIDLAND INSTITUTE

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 30 JUNE 2025

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.

In 2025 members of the Board of Governors have gifted 1,200 hours to the Institute, 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 £114.73 per hour, so that the total economic value of these gifted hours amounts to £137,733.

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 operations staff are assisted by a team of volunteers, without whom we would struggle to operate and who gifted 1,668 hours to the Institute during 2025. If we create a value for these hours, at the standard "community volunteering" rate of £19.86, this equates to £33,127 gifted to the Institute.

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 at the end of the year stood at 217 (2024: 233). Our Junior Membership remains low, but our membership of those in full-time work continues to grow. Corporate Associated Members amount to 3,465.

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.

THE BIRMINGHAM AND MIDLAND INSTITUTE

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 30 JUNE 2025

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.

Statement of Governors' Responsibilities

The Governors 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).

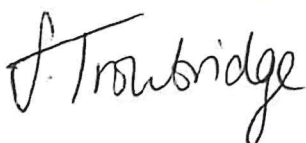
The law applicable to charities in England and Wales requires the Governors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Governors are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of governors on 6 October 2025 and signed on its behalf by:



.....
Dr. S. Trowbridge
Vice President

THE BIRMINGHAM AND MIDLAND INSTITUTE

REPORT OF THE GOVERNORS FOR THE YEAR ENDED 30 JUNE 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity number

522852

Principal address

9 Margaret Street
Birmingham
B3 3BS

Governors**Official Governors**

Sir Paul Nurse	President
Dr S. Trowbridge	Vice President
Mrs. S. Ansari	Vice President
Mr. J. L. Fletcher	Honorary Treasurer
Mrs K. von Malaisé	Chief Master, King Edward's School
The Rt. Revd. A. Hollinghurst	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	Retired 7 July 2025
Councillor R. Pocock	

Elective Governors

Mr. P. Cooper	Elected 7 March 2026
Mr. A. Dowe	
Mr. N. Easom	Retired 7 March 2026
Ms. J. Francis	
Mr. S. J. Hartland	Retired 7 March 2026
Dr. E. McAdam	
Mr. T. Peart	Elected 7 March 2026
Mr. S. Perry	Elected 7 March 2026
Miss A. Round	

THE BIRMINGHAM AND MIDLAND INSTITUTE

**REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 30 JUNE 2025**

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 2025.

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.



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

Date: 30/04/2026

THE BIRMINGHAM AND MIDLAND INSTITUTE

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	631	800	1,431	2,899
Charitable activities					
Rents receivable	4	155,497	-	155,497	179,454
Other trading activities	4	46,194	500	46,694	77,455
Investment income	5	3,265	2,348	5,613	2,472
Total		205,587	3,648	209,235	262,280
EXPENDITURE ON					
Charitable activities	6	29,638	-	29,638	29,295
Support costs	7	219,613	500	220,113	154,446
Other	11	-	-	-	33,892
Total		249,251	500	249,751	217,633
NET (EXPENDITURE)/INCOME BEFORE GAIN		(43,664)	3,148	(40,516)	44,647
Gain on sale of fixed assets	11	223,501	-	223,501	-
NET INCOME AFTER GAIN		179,837	3,148	182,985	44,647
RECONCILIATION OF FUNDS					
Total funds brought forward		1,424,131	20,484	1,444,615	1,399,968
TOTAL FUNDS CARRIED FORWARD		<u>1,603,968</u>	<u>23,632</u>	<u>1,627,600</u>	<u>1,444,615</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 2025

		2025 £	2024 £
	Notes		
FIXED ASSETS			
Intangible assets	13	-	-
Tangible assets	14	1,357,296	1,464,418
		<u>1,357,296</u>	<u>1,464,418</u>
CURRENT ASSETS			
Debtors	15	56,002	56,168
Cash at bank		<u>300,708</u>	<u>61,951</u>
		356,710	118,119
CREDITORS			
Amounts falling due within one year	16	(86,406)	(120,985)
		<u>270,304</u>	<u>(2,866)</u>
NET CURRENT LIABILITIES			
		1,627,600	1,461,552
CREDITORS			
Amounts falling due after more than one year	17	-	(16,937)
		<u>1,627,600</u>	<u>1,444,615</u>
FUNDS	22		
Unrestricted funds		1,603,968	1,424,131
Restricted funds		<u>23,632</u>	<u>20,484</u>
TOTAL FUNDS		<u>1,627,600</u>	<u>1,444,615</u>

The financial statements were approved by the Board of Governors on 6 October 2025 and were signed on its behalf by:



.....
Mr. J. L. Fletcher
Honorary Treasurer

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025

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 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	25% on cost

1.7 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

1.8 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025

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.

During the year the Institute conducted a review of gifted assets. As a result, the estimated useful life of the gifted assets was shortened to 4 remaining years. This change in accounting estimate has been accounted for prospectively. The effect of this change in the year ended 30 June 2025 is £12,325.

3. DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations	<u>1,431</u>	<u>2,899</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total	Total
	2025	2025	2025	2024
	£	£	£	£
Rents receivable	155,497	-	155,497	179,454
Management charges	-	500	500	500
Catering	22,497	-	22,497	22,180
Commissions received	11,301	-	11,301	8,700
Membership subscriptions	9,360	-	9,360	8,993
Book sales, recorded music and sundry income	2,248	-	2,248	1,948
Other income	788	-	788	35,133
	<u>201,691</u>	<u>500</u>	<u>202,191</u>	<u>256,909</u>

5. INVESTMENT INCOME

	2025	2024
	£	£
Bank interest receivable	<u>5,613</u>	<u>2,472</u>

There has been £3,265 income from bank interest received from unrestricted funds (2024 - £298) and £2,348 income from restricted funds during the year ended 30 June 2025 (2024 - £2,174). This restricted income arose from the Grew Bequest, bequested 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 2025

6. CHARITABLE EXPENDITURE

	2025	2024
	£	£
Staff costs	25,477	23,252
General expenses	4,161	6,043
	<u>29,638</u>	<u>29,295</u>

7. SUPPORT COSTS

	2025	2024
	£	£
Staff costs	39,854	43,724
Sundry expenses	-	739
Catering	24,720	20,754
Rates and utilities	56,739	10,978
Cleaning	10,090	9,527
Repairs and maintenance	7,589	4,394
Insurance	14,497	12,707
Legal and professional	19,557	1,000
Printing and stationery	1,992	5,602
Website and IT	3,328	1,760
Telephone	5,989	16,641
Management charge	500	500
Depreciation and amortisation	21,992	17,248
Interest payable and similar charges	10,026	3,708
Bank charges	733	1,055
Fees and subscriptions	1,625	2,609
	<u>219,231</u>	<u>152,946</u>
Share of governance costs (see note 8)	<u>882</u>	<u>1,500</u>
	<u>220,113</u>	<u>154,446</u>
Analysis by fund		
Unrestricted funds	219,613	133,192
Restricted funds – general	500	500
	<u>220,113</u>	<u>133,692</u>

8. GOVERNANCE COSTS

	2025	2024
	£	£
Independent examiner fees	<u>882</u>	<u>1,500</u>

9. GOVERNORS

There was no governors' remuneration for the year ended 30 June 2025 nor for the year ended 30 June 2024.

The governors' expenses paid for the year ended 30 June 2025 totalled £1,046 (2024: £749).

THE BIRMINGHAM AND MIDLAND INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025

10. STAFF COSTS

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Administrative	<u>4</u>	<u>4</u>

Employment costs

	2025 £	2024 £
Wages and salaries	<u>65,331</u>	<u>66,976</u>

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

11. EXCEPTIONAL ITEMS

Included in the net gain on the sale of fixed assets of £223,501 are contractor costs to the value of £520,452, legal costs of £12,736 and ancillary costs of £9,180. These have been netted off against the gross disposal proceeds of £851,000. These costs primarily relate to the necessary separation alterations made to the building to ensure its suitability for sale. The disposal of the asset from the balance sheet at a cost of £85,130 represents a nominal eighth of the overall property held; an estimate value of the portion of the building that has been sold.

Included in other expenditure in the previous year were costs associated with the sale of 93-95 Cornwall Street totalling £33,892.

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 2024 and 30 June 2025	<u>7,450</u>
AMORTISATION AND IMPAIRMENT	
At 1 July 2024 and 30 June 2025	<u>7,450</u>
CARRYING AMOUNT	
At 30 June 2025	<u>-</u>
At 30 June 2024	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Fittings and equipment £	Library books £
COST			
At 1 July 2024	681,045	219,208	680,275
Additions	-	-	-
Disposals	(85,130)	-	-
At 30 June 2025	595,915	219,208	680,275
DEPRECIATION			
At 1 July 2024	-	165,410	-
Charge for year	-	9,667	-
At 30 June 2025	-	175,077	-
NET BOOK VALUE			
At 30 June 2025	595,915	44,131	680,275
At 30 June 2024	681,045	53,798	680,275
	Gifted assets £	Computers £	Totals £
COST			
At 1 July 2024	49,300	3,539	1,633,367
Additions	-	-	-
Disposals	-	-	(85,130)
At 30 June 2025	49,300	3,539	1,548,237
DEPRECIATION			
At 1 July 2024	-	3,539	168,949
Charge for year	12,325	-	21,992
At 30 June 2025	12,325	3,539	190,941
NET BOOK VALUE			
At 30 June 2025	36,975	-	1,357,296
At 30 June 2024	49,300	-	1,464,418

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 2025

14. TANGIBLE FIXED ASSETS - continued

Gifted assets

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

Assets on hire purchase

Included in fittings and equipment are assets under hire purchase agreements with a net book value of £25,715 (2024 - £32,729).

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade debtors	23,194	23,371
Other debtors	32,808	32,797
	<u>56,002</u>	<u>56,168</u>

Included in Other debtors is an interest free loan to the value of £6,014 made to a former employee of the Charity. The loan is interest-free, unsecured and has no fixed date of repayment.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Bank loans and overdrafts (see note 18)	10,675	10,000
Obligations under finance leases (see note 19)	16,085	9,461
Trade creditors	9,592	36,528
Taxation and social security	1,445	1,028
Other creditors	48,609	63,968
	<u>86,406</u>	<u>120,985</u>

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

	2025	2024
	£	£
Bank loans (see note 18)	-	9,167
Hire purchase (see note 19)	-	7,770
	<u>-</u>	<u>16,937</u>

18. LOANS

	2025	2024
	£	£
Bank loans	10,675	19,167
Payable within one year	10,675	10,000
Payable after one year	-	9,167

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025

19. FINANCE LEASE OBLIGATIONS

Future minimum lease payments due under finance leases:

	2025 £	2024 £
Within one year	16,085	9,461
Between two and five years	-	7,770
	<u>16,085</u>	<u>17,231</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances as 30 June 2025 are represented by:

	Unrestricted funds £	Restricted funds £	2025 Total funds £	2024 Total funds £
Tangible fixed assets	1,357,296	-	1,357,296	1,464,418
Current assets/(liabilities)	246,672	23,632	270,304	(2,866)
Long term liabilities	-	-	-	(16,937)
	<u>1,603,968</u>	<u>23,632</u>	<u>1,627,600</u>	<u>1,444,615</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 2024 £	Incoming resources £	Resources expended £	At 30 June 2025 £
General funds	<u>1,424,131</u>	<u>429,088</u>	<u>(249,251)</u>	<u>1,603,968</u>
Previous year	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>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2025

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 2024	Incoming resources	Resources expended	At 30 June 2025
	£	£	£	£
Alfred and Mary Wilkins Memorial Poetry	1,764	-	-	1,764
Grew Bequest	16,804	2,848	(500)	19,152
Library Maintenance Fund	1,916	800	-	2,716
	<u>20,484</u>	<u>3,648</u>	<u>(500)</u>	<u>23,632</u>
Previous year:				
	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
Library Maintenance Fund	1,916	-	-	1,916
	<u>18,310</u>	<u>2,674</u>	<u>(500)</u>	<u>20,484</u>

Purpose of unrestricted funds

General 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 funds

Alfred 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.

Library Maintenance Fund

This fund is reserved for the Institute's library, contributing to: maintenance; the purchase of materials and equipment; and the re-binding its valuable collection of books

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 £1,048 (2024 - £1,316).

24. RELATED PARTY DISCLOSURES

Included within debtors is a loan to the value of £5,000 made to a close family member of Governor Mr J L Fletcher. The loan is interest-free, unsecured and has no fixed date of repayment. The balance remaining receivable at the year-end was the full £5,000.

25. SUPPORT OF CULTURAL AND EDUCATIONAL ACTIVITIES

During the year ended 30 June 2025 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.

