

CHARITY NO: 522852

# THE BIRMINGHAM & MIDLAND INSTITUTE



## REPORT OF THE GOVERNORS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

9 Margaret Street,  
Birmingham,  
B3 3BS.

**THE BIRMINGHAM AND MIDLAND INSTITUTE**

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FOR THE YEAR ENDED 30 JUNE 2023**

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## THE BIRMINGHAM AND MIDLAND INSTITUTE

### REPORT OF THE GOVERNORS FOR THE YEAR ENDED 30 JUNE 2023

The Governors present their report and financial statements for the year ended 30 June 2023. 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.

#### ACHIEVEMENT 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 239. This would appear quite modest, but our records show that 17,500 visitors used the Institute during the year, which is quite a considerable amount.

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

1. Audience Engagement Committee - to diversify and expand the breadth and depth of audiences that engage with the Institute, and whilst there is some overlap with the Marketing & Media Committee, it was felt appropriate to separate the activity for the time being;
2. 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;
3. Library Committee – for the promotion of reading for enjoyment and maintaining the profile of the library as a key benefit of membership of the Institute;
4. Marketing & Media Committee – to better promote the work of the Institute to a wider audience;
5. 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 (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023**

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 is now back in person, and is a meeting following 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 2023 AGM was well attended and a number of requests from the floor mean that the 2024 AGM will return to a longer occasion with summaries of the Annual Report requested as presentations from the Honorary Secretary and Honorary Treasurer. Afterwards our Musician-in-Residence, Jeffrey Skidmore OBE, gave a talk on early English music.

##### Heritage Open Day

Similar to many organisations and establishments in Birmingham, the Institute takes part in Heritage Open Day. Offering various activities to everyone, a central theme is followed across the city. This is a wonderful time to introduce friends to the Institute, show what is happening here, and for people to see inside parts of the building to which they do not usually have access.

#### **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.

##### 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. 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 (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

#### Regular activities (continued)

##### Philosophy Courses

Led by Darren Harper, we have presented a number of courses, classes and a Monday Lecture on various aspects of Philosophy, from traditional and comparative studies to contemporary attitudes to the subject.

##### **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 Exhibition Launches

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:

- July 2022: Dressing Statues Debate – A panel of six and a large audience debated the merits, or otherwise, of dressing statues;
- December 2022: Grandbabs Exhibition – A conversation with the elderly people in care homes and what we can learn from their wisdom;
- February 2023: Children of the Railway: 75th anniversary of the partition of India – exhibition launch, documentary show and debate.

#### **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       | Roy MacFarlane  |
| • Writer-in-Residence     | Ruth Millington   |
| • 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,<br>Dr Ilaria Scaglia, Dr Brian Sudlow,<br>and Dr Joseph Yannielli |

## **THE BIRMINGHAM AND MIDLAND INSTITUTE**

### **REPORT OF THE GOVERNORS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023**

#### **FINANCIAL REVIEW**

##### **Financial position**

The Statement of Financial Activities for the year ended 30 June 2023 shows incoming resources of £280,928 (2022 - £219,166) and resources expended of £224,818 (2022 - £172,107). This resulted in a surplus of £56,110 (2022 - £47,059).

##### **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 2023-24 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.

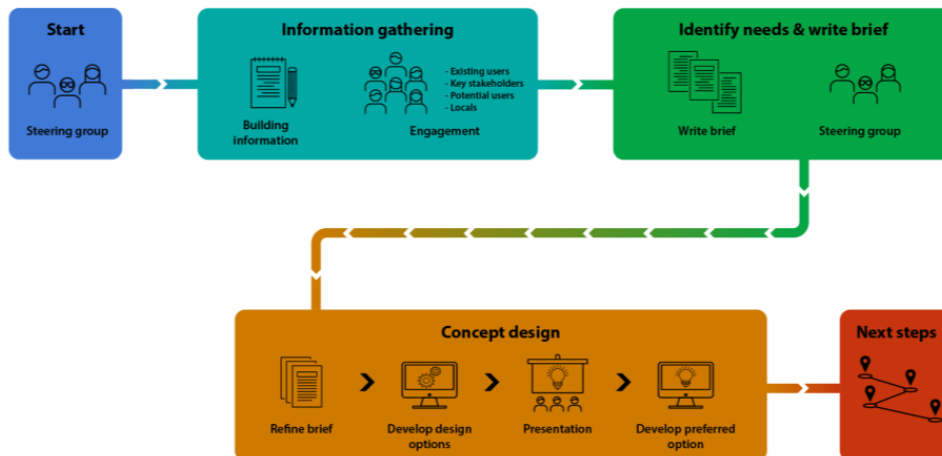
#### **FUTURE PLANS**

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 are looking to repeal the Act and replace it with a more up-to-date Articles of Association. Work has been ongoing in this matter with our MP since January 2020, but unfortunately remains outstanding. However, we are hoping that the Charities Act 2022 will enable the changing of governing documents to be effected more easily than has been the case hitherto.

The Report from Pennycuik Collins, commissioned by the Board in 2021, under Section 117 of the Charities Act advised the Board that the sale of 93-95 Cornwall Street was in its best interests, as it was little utilised, with the proceeds to be used to improve the facilities of 9 Margaret Street and the majority used as a contribution towards a National Heritage Lottery Fund bid. The building was sold for £851,000, and we are to exchange contracts in July 2023.

Once the sale of 93-95 Cornwall Street is complete, we will carry out the Viability Study that was planned for the early part of 2022. The Roadmap Steering Committee published a document called "The Future of the Institute" which laid down the aspirations for the way the Institute will be transformed into something fit for the next fifty years and which the Council adopted at its March 2021 meeting. This was allied with a Business Plan and will form the basis of a Viability Study to be put out to a professional assessment team, who will look to assess the transformation project. This stage in the transformation of the Institute is a precursor to a National Heritage Lottery Fund grant application. The infographic on page 5 has been published in each Annual Report since 2021, but it has been decided to retain it until this process is complete, so that the activity can be understood.

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 NHLF bid in due course.



**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, 2022-23, members of the Board of Governors have gifted 1,770.5 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 £101.86 per hour, so that the total economic value of these gifted hours amounts to £180,343.13.

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 (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2023**

The operations staff are assisted by a team of volunteers, without whom we would struggle to operate and who gifted 1,467 hours to the Institute during the year 2022-23. If we create a value for these hours, at the rate of the National Living wage of £10.42 per hour, this equates to £15,286.14 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 continues to expand in all categories, and at the end of the year stood at 239. Our Junior Membership remains low, but our membership of those in full-time work continues to grow.

**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.

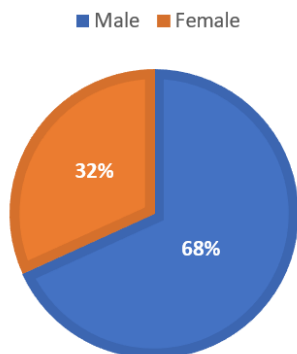
**Equity, Diversity and Inclusion (EDI)**

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 below are extracts from the data we received, on gender, age, ethnicity and sexuality. All of the Board, staff and volunteers were surveyed, which currently totals 40, but only 22 responded to this voluntary and anonymous survey. If any member would like a copy of the full survey results, they will be supplied if they write to the Honorary Secretary at [secretary@bmi.org.uk](mailto:secretary@bmi.org.uk)

**EDI Survey: Gender**

The gender balance between the people who were sent the survey was Male - 25 (62.5%), Female - 15 (37.5%). So, more men responded to the survey.

The question asked was “What is your gender?”



100% of respondents said that their gender was the same as when they were born.

**EDI Survey: Age**

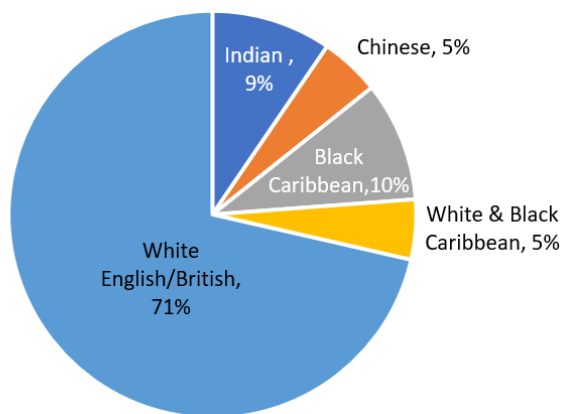
The question asked was “What age group do you fall into?”

Age	No.	%	Age	No.	%
16-24	6	27%	45-49	1	5%
25-29	1	4%	50-54	1	5%
30-34	0	0%	55-59	2	9%
35-39	2	9%	60-64	3	14%
40-44	1	4%	65+	5	23%



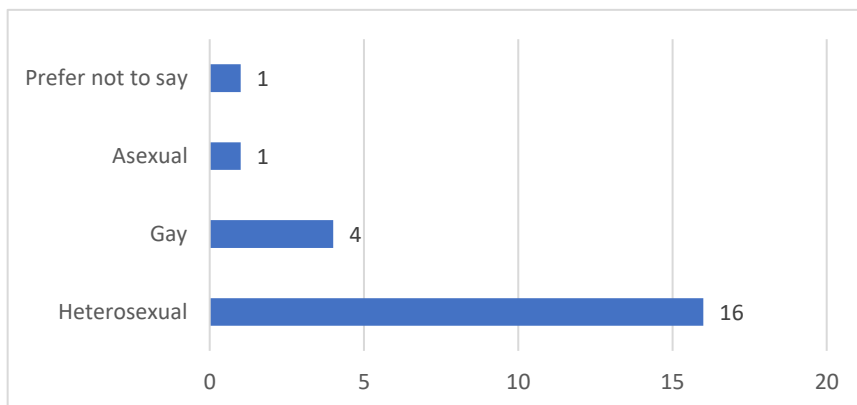
**EDI Survey: Ethnicity**

The question asked was “What ethnicity are you?”



**EDI Survey: Sexuality**

The question asked was “What is your sexual orientation?”



## THE BIRMINGHAM AND MIDLAND INSTITUTE

### 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 Adam Higgs	Appointed 9 <sup>th</sup> January 2023
Councillor J. Hunt	
Councillor M. Locke	
Councillor R. Pocock	

##### Elective Governors

Mr. M. I. Blake	
Miss I. Călin	Elected 15 <sup>th</sup> April 2023
Mr. A. Dowe	Appointed 9 <sup>th</sup> January 2023
Miss. J. Francis	
Mr. S. J. Hartland	
Mr. A. V. Pritchard-Jones	
Miss A. Round	
Dr. J. A. Scott	Retired 15 <sup>th</sup> April 2023
Mrs P. Smith	Appointed 9 <sup>th</sup> January 2023; Retired 17 <sup>th</sup> April 2023
Mr. M. A. Vaughan	

**THE BIRMINGHAM AND MIDLAND INSTITUTE**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**

**Independent Examiner**

Ormerod Rutter,  
The Oakley,  
Kidderminster Road,  
Droitwich,  
Worcestershire,  
WR9 9AY.

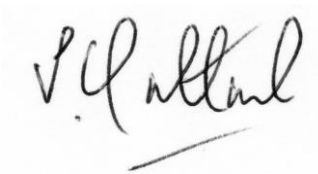
**Solicitors**

Tyndallwoods Solicitors,  
29 Woodbourne Road,  
Edgbaston,  
Birmingham,  
B17 8BY.

**Bankers**

Bank of Scotland,  
33 Old Broad Street,  
London,  
BX2 1LB.

Approved by order of the Board of Governors on 4<sup>th</sup> December 2023 and signed on its behalf by:



.....  
Honorary Secretary

# THE BIRMINGHAM AND MIDLAND INSTITUTE

## INDEPENDENT EXAMINER'S REPORT

### TO THE GOVERNORS OF THE BIRMINGHAM AND MIDLAND INSTITUTE

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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 2023.

#### **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  
Worcestershire  
WR9 9AY

Dated: .....

# THE BIRMINGHAM AND MIDLAND INSTITUTE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 30 JUNE 2023**

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
<b>Income from:</b>							
Donations and legacies	3	1,357	-	1,357	894	-	894
Charitable activities	4	277,020	500	277,520	215,842	666	216,508
Investments	5	58	1,993	2,051	-	1,764	1,764
<b>Total income</b>		<b>278,435</b>	<b>2,493</b>	<b>280,928</b>	<b>216,736</b>	<b>2,430</b>	<b>219,166</b>
<b>Expenditure on:</b>							
Charitable activities	6	29,608	-	29,608	31,071	-	31,071
Support costs	7	153,094	500	153,594	124,741	500	125,241
Other	11	41,616	-	41,616	15,795	-	15,795
<b>Total expenditure</b>		<b>224,318</b>	<b>500</b>	<b>224,818</b>	<b>171,607</b>	<b>500</b>	<b>172,107</b>
<b>Net income and movement in funds</b>		<b>54,117</b>	<b>1,993</b>	<b>56,110</b>	<b>45,129</b>	<b>1,930</b>	<b>47,059</b>
<b>Reconciliation of funds:</b>							
Fund balances at 1 July 2022		1,327,541	16,317	1,343,858	1,282,412	14,387	1,296,799
<b>Fund balances at 30 June 2023</b>		<b>1,381,658</b>	<b>18,310</b>	<b>1,399,968</b>	<b>1,327,541</b>	<b>16,317</b>	<b>1,343,858</b>

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

AS AT 30 JUNE 2023

		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	13		7,450		7,450
Tangible assets	14		1,474,216		1,482,353
			<u>1,481,666</u>		<u>1,489,803</u>
<b>Current assets</b>					
Debtors	15	33,765		33,415	
Cash at bank and in hand		19,933		22,273	
		<u>53,698</u>		<u>55,688</u>	
<b>Creditors: amounts falling due within one year</b>	16	73,834		129,662	
Net current liabilities			(20,136)		(73,974)
<b>Total assets less current liabilities</b>			1,461,530		1,415,829
<b>Creditors: amounts falling due after more than one year</b>	17		(61,562)		(71,971)
<b>Net assets</b>			<u>1,399,968</u>		<u>1,343,858</u>
<b>The funds of the charity</b>					
Restricted income funds	22		18,310		16,317
Unrestricted funds			1,381,658		1,327,541
			<u>1,399,968</u>		<u>1,343,858</u>

The financial statements were approved by the Governors on 4th December.2023



.....  
Honorary Treasurer - Mr J Fletcher

# THE BIRMINGHAM AND MIDLAND INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 JUNE 2023**

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### **1 Accounting policies**

#### **Charity information**

The Birmingham and Midland Institute is a charity registered with the Charity Commissions (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.

# THE BIRMINGHAM AND MIDLAND INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

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### 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	N/A
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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	N/A
Fixtures and fittings	15% on reducing balance
Computers	25% on cost
Gifted Assets	N/A
Library books	N/A

#### 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.



# THE BIRMINGHAM AND MIDLAND INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

### 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 estimates and judgements

In the application of the charity's accounting policies, the Governors is 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 associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

	2023	2022
	£	£
Donations and gifts	1,357	894

### 4 Income from charitable activities

	Restricted funds		Total		Restricted funds		Total	
	2023	2023	2023	2022	2022	2022	2022	
	£	£	£	£	£	£	£	
Rents receivable	175,365	-	175,365	184,550	-	184,550		
Management charges	-	500	500	-	500	500		
Commissions received	8,624	-	8,624	3,449	-	3,449		
Membership subscriptions	14,833	-	14,833	17,501	166	17,667		
Book sales, recorded music and sundry income	777	-	777	10,342	-	10,342		
Other income	77,421	-	77,421	-	-	-		
	<u>277,020</u>	<u>500</u>	<u>277,520</u>	<u>215,842</u>	<u>666</u>	<u>216,508</u>		

# THE BIRMINGHAM AND MIDLAND INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

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### 5 Investments

	Unrestricted	Restricted	Unrestricted	Restricted
	2023	2023	2023	2022
	£	£	£	£
Interest receivable	58	1,993	-	1,764
	<u>58</u>	<u>1,993</u>	<u>-</u>	<u>1,764</u>

There has been £58 income from bank interest received from unrestricted funds (2022 - £0) and £1,993 income from restricted funds during the year ended 30 June 2023 (2022 - £1,764). This restricted income had 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.

### 6 Charitable expenditure

	2023	2022
	£	£
Staff costs	11,425	16,381
General expenses	18,183	14,690
	<u>29,608</u>	<u>31,071</u>

# THE BIRMINGHAM AND MIDLAND INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### 7 Support costs

	2023 £	2022 £
Staff costs	44,371	35,559
Sundry expenses	1,793	-
Rates and utilities	27,341	22,149
Cleaning	7,427	8,206
Repairs and maintenance	5,458	4,379
Insurance	13,824	13,260
Legal and professional	14,184	10,969
Printing and stationery	3,418	4,429
Website and IT	537	641
Telephone	8,440	6,196
Management charge	500	500
Depreciation	10,801	13,505
Finance charges	-	187
Interest payable and similar charges	11,393	1,108
Bank charges	504	3
Fees and subscriptions	2,103	-
	<u>152,094</u>	<u>121,091</u>
Share of governance costs (see note 8)	1,500	4,150
	<u>153,594</u>	<u>125,241</u>
<b>Analysis by fund</b>		
Unrestricted funds	153,094	124,741
Restricted funds - general	500	500
	<u>153,594</u>	<u>125,241</u>

### 8 Governance costs

	2023 £	2022 £
Independent examiner fees	<u>1,500</u>	<u>4,150</u>

### 9 Governors

The governors expenses paid for the year ended 30 June 2023 totalled £890 (2022:£804).

**THE BIRMINGHAM AND MIDLAND INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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**10 Employees**

The average monthly number of employees during the year was:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
Administration	4	4
	<u>          </u>	<u>          </u>

**Employment costs**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	55,796	51,940
	<u>          </u>	<u>          </u>

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

**11 Other expenditure**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Other expenditure	41,616	15,795
	<u>          </u>	<u>          </u>
	<u>41,616</u>	<u>15,795</u>

Included in other expenditure in 2023 are costs totalling £41,616 associated with the proposed sale of 93-95 Cornwall Street (2022:£15,621).

**12 Taxation**

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

**THE BIRMINGHAM AND MIDLAND INSTITUTE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**13 Intangible fixed assets**

	<b>Armorial Bearings £</b>
<b>Cost</b>	
At 1 July 2022 and 30 June 2023	7,450
<b>Amortisation and impairment</b>	
At 1 July 2022 and 30 June 2023	-
<b>Carrying amount</b>	
At 30 June 2023	7,450
At 30 June 2022	7,450

**Armorial Bearings**

The valuation of Armorial Bearings is based on the opinion of the governors valuation.

**14 Tangible fixed assets**

	<b>Freehold land and buildings £</b>	<b>Library Books £</b>	<b>Fixtures and fittings £</b>	<b>Computers £</b>	<b>Gifted Assets £</b>	<b>Total £</b>
<b>Cost</b>						
At 1 July 2022	681,045	680,275	219,748	3,539	49,300	1,633,907
Additions	-	-	2,664	-	-	2,664
Disposals	-	-	(3,204)	-	-	(3,204)
At 30 June 2023	681,045	680,275	219,208	3,539	49,300	1,633,367
<b>Depreciation and impairment</b>						
At 1 July 2022	-	-	148,159	3,395	-	151,554
Depreciation charged in the year	-	-	10,657	144	-	10,801
Eliminated in respect of disposals	-	-	(3,204)	-	-	(3,204)
At 30 June 2023	-	-	155,612	3,539	-	159,151
<b>Carrying amount</b>						
At 30 June 2023	681,045	680,275	63,596	-	49,300	1,474,216
At 30 June 2022	681,045	680,275	71,589	144	49,300	1,482,353

# THE BIRMINGHAM AND MIDLAND INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

### 14 Tangible fixed assets

(Continued)

#### Freehold Property

The governance are of the view that the current value of the Institute's freehold property is greater than the net book value and therefore continue to 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 valuations have been included at cost.

#### 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 held under hire purchase agreements with a net book value of £39,743 (2022 - £46,757)

### 15 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	20,138	18,149
Other debtors	13,627	15,266
	<u>33,765</u>	<u>33,415</u>

### 16 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	10,008	10,000
Obligations under finance leases	10,773	13,189
Other taxation and social security	569	5,329
Trade creditors	8,414	18,997
Other creditors	44,070	82,147
	<u>73,834</u>	<u>129,662</u>

### 17 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans	20,161	29,167
Obligations under finance leases	16,160	17,563
Other creditors	25,241	25,241
	<u>61,562</u>	<u>71,971</u>

# THE BIRMINGHAM AND MIDLAND INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### 18 Loans and overdrafts

	2023 £	2022 £
Bank loans	30,169	39,167
Payable within one year	10,008	10,000
Payable after one year	20,161	29,167

### 19 Finance lease obligations

Future minimum lease payments due under finance leases:

	2023 £	2022 £
Within one year	10,773	13,189
Within two and five years	16,160	17,563
	26,933	30,752

Finance lease obligations are secured against the assets to which they relate.

### 20 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 30 June 2023 are represented by:						
Intangible fixed assets	7,450	-	7,450	7,450	-	7,450
Tangible assets	1,474,216	-	1,474,216	1,482,353	-	1,482,353
Current assets/(liabilities)	(36,453)	18,810	(20,136)	(90,291)	16,317	(73,974)
Long term liabilities	(61,562)	-	(61,562)	(71,971)	-	(71,971)
	1,383,651	18,810	1,399,968	1,327,541	16,317	1,343,858

# THE BIRMINGHAM AND MIDLAND INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

#### 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 trustees for specific purposes.

	At 1 July 2022	Incoming resources	Resources expended	At 30 June 2023
	£	£	£	£
General funds	1,327,541	278,435	(224,318)	1,381,658
	<u>1,327,541</u>	<u>278,435</u>	<u>(224,318)</u>	<u>1,381,658</u>
<b>Previous year:</b>	<b>At 1 July 2021</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>At 30 June 2022</b>
	£	£	£	£
General funds	1,282,412	216,736	(171,607)	1,327,541
	<u>1,282,412</u>	<u>216,736</u>	<u>(171,607)</u>	<u>1,327,541</u>

#### 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 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
Bookkeeping 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>
	<u>16,317</u>	<u>2,493</u>	<u>(500)</u>	<u>18,310</u>
<b>Previous year:</b>	<b>At 1 July 2021</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>At 30 June 2022</b>
	£	£	£	£
Alfred and Mary Wilkins Memorial Poetry Fund	1,764	-	-	1,764
Grew Bequest	10,707	2,430	(500)	12,637
Bookkeeping Appeal Fund	228	-	-	228
Library Fund	1,668	-	-	1,668
Library Carpet Tiles Fund	20	-	-	20
	<u>14,387</u>	<u>2,430</u>	<u>(500)</u>	<u>16,317</u>
	<u>14,387</u>	<u>2,430</u>	<u>(500)</u>	<u>16,317</u>



# THE BIRMINGHAM AND MIDLAND INSTITUTE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

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### 22 Restricted funds

(Continued)

#### 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.

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

The charge to profit or loss in respect of defined contribution schemes was £890 (2022 - £751).

### 24 Related party transactions

There were no disclosable related party transactions during the year (2022 - nil).

### 25 Support of Cultural and Educational Activities

During the year ended 30 June 2023 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.