

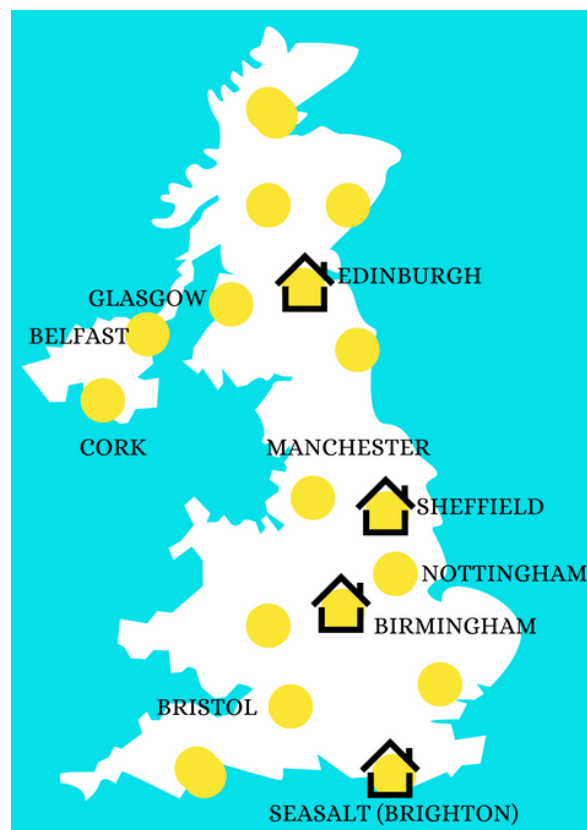
**STUDENT
CO-OP
HOMES**

Annual Report September 2022 - August 2023

About Student Co-op Homes Limited (SCH)

The mission of Student Co-operative Homes Limited is to build a thriving and large scale student housing co-operative movement. SCH acts as a federation of all student housing co-ops in the UK, while also aiming to generate funds to extend the range of properties available for co-ops to rent. Our hybrid co-operative structure brings together student housing co-ops (who have the majority say) with individual and corporate investors who support our aims.

Just before the start of the year under review, we had exchanged contracts for the sale of the property in Nottingham and this released the cash we had invested and enabled us to begin again the search for properties for the unhoused student housing co-ops in our membership. We have been searching extensively in Manchester and Glasgow where our member co-ops have been most keen to proceed. In Glasgow we are grateful for the support of Scottish Midland Co-operative Society (Scotmid) who have agreed a financing package involving share capital and a loan which will go a long way towards the cost of a property. We also have unhoused member student housing co-ops in Bristol, Belfast, Nottingham and Cork, and received enquiries from groups in Durham and Dundee during the year.



It is fair to say that the year under review hasn't been particularly easy for Student Co-operative Homes. We have faced a number of headwinds, in particular higher interest rates which make the economics of our model harder, although not impossible. While there have been reports of falling house prices, these have not been particularly apparent for student properties with rising student rents, excess of demand over supply and local authority planning and licensing restrictions, have supported prices. Like many organisations whose business models require significant capital, we hope that interest rates will start to fall soon and that the position will ease. In the meantime we have worked to put in place building blocks which will smooth the path of our development towards our long-term aim of acquiring a significant number of properties for lease to student housing co-ops.



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The housing situation facing students has also worsened with well-publicised reports of students queuing overnight to see estate agents, students having to commute long distances or moving back into family homes and in some cases giving up their courses. This continues against a backdrop of rapidly rising rents (as high as 20% in some localities in 2 years) and deteriorating property standards. This underlines the ever-greater need for co-operative solutions to student housing provision.

Meanwhile we have been exploring additional ways to access properties that could be occupied by student housing co-operatives. We have initiated discussions with the Church of England Housing Commission, a significant property owner, who are keen to see their surplus properties used in an ethical way. Initial meetings have been positive with the possibility emerging of an additional property for one of our existing member co-operatives.

We have also worked with Big Issue Invest to develop a form of revolving credit facility that would enable us to overcome the “lumpiness” of future transactions.

We have been in contact with the Co-operative Councils Innovation Network to develop an understanding among their member councils, which include key local authorities where our members are situated, of the benefits of student housing co-ops and to encourage them to create a friendly environment for them.

International Student Housing Co-op Gathering - Zurich & Geneva, September 2022

With the support of Co-operative Housing International (CHI) we have worked with a number of European student housing co-operatives to begin to form a European network, taking the example of NASCO in North America as an example. An inspiring gathering took place in Switzerland, hosted by co-ops in Zurich and Geneva, in September 2022. The fledgling network was grateful to Swiss based Co-operatives, for supporting the costs of this, including travel and accommodation costs for students who took part as well as the Studentendorf and La Cigue, and an extra thanks to NASCO who financially contributed and attended the event.



With the support of Professor Anke Schwittay and the members of the Seasalt Student Housing Co-operative a UK Wide Student Housing Co-operative gathering was hosted in Sussex in May 2023. The event attended by 40 Student Co-operators from across the UK and Ireland was a major and invigorating success following on from the Switzerland event and helped foster relationships and discussions that have supported Student Co-op Homes and its work.

Brighton Student Housing Co-op Gathering May 2023



Governance

Our Board met monthly during the year, with the following serving for all or part of the year:

User members:

Scott Jennings (Vice Chair), Mike Shaw (Chair) (till Feb 2023), Aenor Rose, Amrou Motawa, Chris Jarrold, Charlotte Sarrau (till Feb 2023), George Sullivan (from Feb 2023 - May 2023), Rachel Lyndon (from Feb 2023 - July 2023), Benito Matischen (from Feb 2023), Stewart Holroyd (from Feb 2023).

Investor members:

Martin Meteyard (Treasurer), Vivian Woodell, Danny Hardman (till May 2023), Kirstie McLean (till Feb 2023).

Board members also served on sub-committees for Member Services, Finance and Property, as well as participating in various short life working groups.



Our Finances

Our income in the year under review was a little higher than in the previous year at £17.9k, although only after taking into account the surplus on the disposal of the Nottingham property. Expenditure was £18.5k, leading to an operating deficit of £7.9k before including the Nottingham surplus. Given the circumstances the board does not consider it prudent to recommend the payment of share interest to investor-supporter members this year. However, the recent acquisition of the Birmingham property means that we will now be generating rental income, putting us in a better position to pay interest going forward. We are extremely appreciative of the patience shown by our investor-supporter members since our share issue.

SUMMARY OF ACCOUNTS YEAR 2022-23

The accounts for the year from September 2022 to August 2023 are summarised below. We would particularly like to thank the Andrew Wainwright Reform Trust for their grant of £10,000 towards our operating costs.

	2022-23	2021-22
	£	£
INCOME		
Grants and donations	10,000	16,578
	<hr/> 10,000	<hr/> 16,578
EXPENDITURE		
Contractor fees	15,600	15,250
Other operating costs	2,857	1,846
	<hr/> 18,457	<hr/> 17,096
Operating surplus/(deficit)	(8,457)	(518)
Surplus on property disposal	7,912	-
	<hr/> (545)	<hr/> (518)
BALANCE SHEET		
	31/08/2023	31/08/2022
	£	£
Fixed assets	-	302,142
Net current assets	306,898	16,306
	<hr/>	<hr/>
Total assets	306,898	318,448
Funded by:		
Revenue account	(3,517)	(2,972)
Members' shares (withdrawable)	310,415	321,420
	<hr/> 306,898	<hr/> 318,448