

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2021**



NARTEX SPARKHILL

CHARITABLE INCORPORATED ORGANISATION

CHARITY REGISTRATION NUMBER 1100358

Independent Examiners Ltd
Unit 2 The Broadbridge Business Centre
Delling Lane
Bosham
West Sussex
PO18 8NF

NARTHEX SPARKHILL

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NARTHEX SPARKHILL

LEGAL AND ADMINISTRATIVE INFORMATION

CHARITY NUMBER	1100358
START OF FINANCIAL YEAR	1st January 2021
END OF FINANCIAL YEAR	31st December 2021
TRUSTEES THAT SERVED DURING YEAR TO 31ST DECEMBER 2021	Mr G J Holt Mr D J Bower Mrs J E Ahumibe Mrs L Wiseman Mr J Walsh (Chair) Revd P G Day Mrs K O'Keefe (resigned 30th June 2021) Revd T Crowe (appointed 9th September 2021)
CORRESPONDENCE ADDRESS	St Johns Church St Johns Road Sparkhill Birmingham B11 4RG
DATE OF REGISTRATION	28th October 2003
GOVERNING DOCUMENT	CIO - Foundation conversion dated 9th April 2019
BANKERS	TSB Sparkhill Birmingham
INDEPENDENT EXAMINERS	Independent Examiners Ltd Unit 2 Broadbridge Business Centre Delling Lane Bosham West Sussex PO18 8NF

OBJECTS

(i) The promotion of the benefit of, and facilitation of inter cultural harmony between the inhabitants of Birmingham, and in particular the inner city area of Sparkhill, and the neighbourhood ("the beneficiaries") without distinction of sex, sexual orientation, race or of political, religious or other opinions, by associating together the said inhabitants and the local authorities and health authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for advancement, recreation and leisure time occupation with the object of improving the conditions and quality of life for the said beneficiaries (ii) the promotion for the public benefit of urban regeneration in areas of social and economic deprivation and in particular in the inner city area of Sparkhill, Birmingham by all or any of the the following means (a) the advancement of education, training or retraining (b) the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms (c) the maintenance, improvement or provision of public amenities (d) the provision or assistance in the provision of recreational and community facilities for the public at large and/or those who, by reasons of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities; and (e) such other means as may from time to time be determined subject to the prior consent of the Charity Commission for England and Wales (iii) promote such other charitable purposes as may from time to time be determined.

NARTHEX SPARKHILL
TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2021



During 2021 NartheX has continued to fulfil its vision and charitable objectives of supporting individuals and families in crisis, as we see more and more people in need coming to us. The ongoing impact of Covid-19 has been very evident, as it becomes a struggle to make ends meet for many.

Our community lies in the top 4% of the most deprived in England. It is a densely populated inner-city area facing major economic and social challenges, with a high number of new immigrants, families living in poverty and houses of multiple occupancy (HMO's). It is clear that the most deprived areas, such as our area of benefit, are being disproportionately impacted. And so we have continued to support people in need or facing crisis, individuals, single parents, refugees and asylum seekers of all faiths and ethnic origins.

Our strategic priorities as a Charity continue to be provision of food through our network of Foodbank satellites, our Money and Debt Advice work, and our Clothes Bank and Resource Centre. These have indeed proved to be the crucial areas of need and service over the year.

Throughout the year, including periods of lockdown, our Foodbank and its various satellites have continued to operate week by week, ensuring appropriate social distancing, sanitising and cleanliness arrangements. This has been enormously appreciated by the many clients who have come to us over this period, as so often the reality is that they have nowhere else to turn to; often we have seen long queues of individuals and families.

At the same time, we have been seeing how incoming donations and gifts, both of food and money, have come in to match the need. These donations have come from all sections of the community, from people of different faith backgrounds. This has been hugely encouraging, as we see how NartheX has been so clearly trusted to deliver this service and meet this need, right across the community. We are hugely grateful and appreciative for all those individuals, groups and organisations who have contributed so generously. We are however anticipating that in 2022 we will need to supplement our food stock by purchasing selected items, with funds that have been given for this specific purpose, in order to match the growing demand.

Strategically the Charity recognises that the need for our Money and Debt Advice Work cannot but increase as we begin to emerge from the effects of the pandemic and the consequent economic impact. Accordingly we have been successful in securing funding for a further three Money and General Advice Workers, so that we can continue to seek to respond positively to the levels of need and crisis we are seeing. A priority for us is to further strengthen our Advice Team during 2022.

During the year the norm has been telephone appointments (usually 1 hour), with our Advisers working from home on most days, and clients having the option of dropping off documentation at our Centre. This continues to be a positive and effective outcome which is appreciated and welcomed by clients. We are planning to gradually re-introduce face-to-face appointments at the various Centres and Satellites as appropriate, and where safe to do so.

Particular mention must be made of our CEO Nigel Brookhouse and his outstanding fundraising efforts. Although our income has fallen from a peak in 2020 (due to Covid response), we have continued to receive significant grant and statutory funding, acknowledging that our activities have been at the front line of response to growing need, and overall our income continues to increase. Over the year we were supported by over 60 different grant making trusts and organisations. When Nigel retires in 2022 he will be leaving the Charity in the most financially sustainable position in its history.

We have continued to set aside a Reserve Fund, roughly equivalent to two months' salary payments, so that we can be more confident about our ability to respond effectively to the needs around us in the longer term, recognising the inevitable peaks and troughs of grant funding.

Management of the Charity's Finances is overseen by our Finance and Staffing Committee, ensuring that funds are Restricted or Designated where appropriate, only allocated for the specific purposes for which they were given, and that supporting accounting records are maintained and subject to Independent Examination and scrutiny.

NARTHEX SPARKHILL
TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2021

CIO No 1100358



We have been very grateful to Sandra Osbourne, our Project Manager, who has led the team of Advice Workers, responding so reliably to the needs of our clients. Also, we have really valued David Wiseman who has led the efforts of the Foodbank in responding to the significantly increased levels of need we have been seeing.

Mention must be made of all our staff who have responded outstandingly and with great commitment in the face of very difficult circumstances. We are greatly indebted to you all. Our clients will always be grateful for all you have given. Of course we can't fail to recognise our loyal and hardworking band of volunteers who have been so faithful in very difficult times.

Mention must also be made of our Board of Trustees who have overseen this work over the year. Our former Chair, Revd John Self, very sadly died in May 2021. His contribution to the vision of Narthex is immense, it was through John's vision that the charity was originally founded. We continue to recognise his immense contribution and legacy. Jamie Walsh has taken on the role of Chair of Trustees.

A further transition is facing us. Our CEO Nigel Brookhouse who has served faithfully since 2005 will be formally retiring in September 2022, Patricia Coleman-Taylor will be joining us as Chief Operating Officer in May 2022.

Finally we are grateful to all our donors and supporters - individuals, organisations and grant making trusts who have responded so magnificently during 2021. Without you we could not have done what we have. Your support is hugely appreciated, thank you.

It is often said that "the most valuable asset of any organisation is the people who work for it". Nowhere is this truer than for Narthex, as over the past year the Charity has sought to respond to the increasing needs of those impacted by a global pandemic and economic hardship.

We look forward to continuing to working together during 2022, as we seek to continue to respond to the ever growing needs around us.

Geoff

Geoff Holt
Finance Director

NARTHEX SPARKHILL
TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2021



Reserves Policy

Why we need Reserves

Narthex Sparkhill runs social outreach projects including Sparkhill Foodbank and is dependent on grants, commissioned income, donations and 'earned income'. This means that if income was to drop it would be likely that the Charity would have to restrict its operations and possibly reduce staff numbers.

Level of Reserves

The Trustees have considered the level of reserves they wish to retain, appropriate to the Charity's needs. This is based on the Charity's size and level of financial commitments held. The Trustees aim to ensure that the Charity will be able to continue to fulfil its charitable objectives for a period of three months even if there is a temporary shortfall in income or unexpected expenditure. While cash in the bank may be included in the calculation of the reserves figure it will also include all promised restricted and unrestricted income as well as promised donations and potential 'earned' income.

Cash Flow

The importance of Cash Flow is recognised, particularly to ensure staff salary payments are made promptly each month. A priority is therefore to ensure that cash in the bank is held to cover at least one month's salary payments at any one time.

The Trustees will endeavour not to set aside funds unnecessarily.

The steps the charity is going to take

As a matter of policy the Trustees have decided that multiple income streams shall be sought, to include a balance between the following:

- Donations and gifts (encouraging regular monthly donations and claiming Gift Aid where possible)
- Income generated from Projects
- Commissioned Funding
- Charitable Grants (including Lottery funds)

The Trustees are of the opinion that by maintaining a balance, the risk of experiencing a financial shortfall is minimised.

Monitoring and reviewing the Policy

The Finance Committee will meet before each full Trustees' meeting and will prepare a review of the current financial position for presentation at the Trustees' meeting.

Steps to be taken if the level of reserves falls below that set in this policy

The Finance Committee will draw the Trustees' attention to the reserves position and if it falls below three months will require the development of an Action Plan to bring the reserves back to at least three months. Should the reserves position reduce to two months the Trustees will take actions to reduce the levels of expenditure to an acceptable level. If this is not practical then actions will be taken to reduce the activities and staffing levels of the Charity.

Designated Reserve Fund

A separate Designated Reserve Fund has been set up in the Narthex Accounts, with a balance of £50,000 in the first instance. This is to provide a contingency or buffer for potential future cash flow issues arising from potential peaks and troughs in the receipt of grant funding.

NARTHEX SPARKHILL
TRUSTEES' REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2021



Statement of Trustees' responsibilities:

The Charities Act requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the CIO as at the end of the financial year and of the surplus or deficit of the CIO. In preparing those financial statements the Board is required to :-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the CIO will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

The trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the CIO and which are sufficient to show and explain the CIO'S transactions and enable them to ensure that the financial statements comply with the regulations made under the Charities Act. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are also responsible for the contents of the trustees' report, and the responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

I approve the attached statement of financial activities and balance sheet for the year ended 31 December 2021, and confirm that I have made available all information necessary for its preparation.

Signed on behalf of the Board of Trustees by G Holt

A handwritten signature in black ink, appearing to read "G Holt", is written over the printed name.

PRINT NAME: G HOLT

Date: 23 June 2022

NARTHEX SPARKHILL

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
INCOMING RESOURCES						
Income and Endowments from:						
Donations, Grants and Legacies	2a	310,794	0	184,700	495,494	595,291
Charitable Activities	2b	27,126	0	6,093	33,219	31,576
Other Income	2c	0	0	4,000	4,000	0
Donated Goods	5	0	0	197,802	197,802	229,473
TOTAL		337,920	0	392,595	730,515	856,340
RESOURCES EXPENDED						
Expenditure on:						
Raising Funds	3a	13,074	0	0	13,074	9,448
Charitable Activities	3b	316,722	0	196,801	513,523	424,785
Donated Goods	5	0	0	234,253	234,253	186,993
TOTAL		329,796	0	431,054	760,850	621,226
NET INCOME/(EXPENDITURE)		8,124	0	(38,459)	(30,335)	235,114
Transfers Between Funds	15	(10,000)	10,000	0	0	0
NET MOVEMENT IN FUNDS		(1,876)	10,000	(38,459)	(30,335)	235,114
Reconciliation of funds:						
Total Funds Brought Forward		57,143	50,000	178,507	285,650	50,517
Petty Cash balance introduced	22	0	0	0	0	19
TOTAL FUNDS CARRIED FORWARD		55,267	60,000	140,048	255,315	285,650

Movements on all reserves and all recognised gains and losses are shown above. All of the organisation's operations are classed as continuing.

The notes on pages 10 to 22 form part of these financial statements.

NARTHEX SPARKHILL

**BALANCE SHEET
AS AT 31ST DECEMBER 2021**

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31-Dec-21 Total £	31-Dec-20 Total £
Fixed Assets						
Tangible assets	9	7,069	0	18,647	25,716	23,707
Current Assets						
Debtors	10	13,783	0	0	13,783	9,175
Donated Goods held in stock	11	0	0	59,982	59,982	96,433
Cash at bank and in hand		36,005	60,000	61,419	157,424	157,895
Total Current Assets		49,788	60,000	121,401	231,189	263,503
Creditors: amounts falling due within one year	12	1,590	0	0	1,590	1,560
NET CURRENT ASSETS		48,198	60,000	121,401	229,599	261,943
TOTAL ASSETS less current liabilities		55,267	60,000	140,048	255,315	285,650
Creditors: amounts falling due in more than one year	13	0	0	0	0	0
NET ASSETS		55,267	60,000	140,048	255,315	285,650
Funds of the CIO						
General Unrestricted Funds	16	55,267	0	0	55,267	57,143
Designated Funds	16	0	60,000	0	60,000	50,000
Restricted Funds	16	0	0	140,048	140,048	178,507
Total Funds		55,267	60,000	140,048	255,315	285,650

Approved by the Board of Trustees on 23 June 2022

Signed on their behalf by Trustee G Holt



Print Name: G HOLT

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

Basis of preparation

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The accounts have been prepared in accordance with: the Statement of Recommended Practice: 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) issued on 16 July 2014 and with the Charities Act 2011.

The CIO constitutes a public benefit entity as defined by FRS 102.

Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

Material prior period errors

No material prior year errors have been identified in the reporting period.

Preparation of accounts on a going concern basis

Preparation of the accounts is on a going concern basis. The Trustees are of the view that the level of reserves will support the CIO going forward.

Recognition of Income

These are included in the Statement of Financial Activities (SoFA) when:

- the CIO becomes entitled to the income;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and Donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP).

Tax Reclaims on Donations and Gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Contractual Income and Performance Related Grants

This is only included in the SoFA once the CIO has provided the related goods or services or met the performance related conditions.

Gifts in Kind

Gifts in kind for use by the CIO are included in the SoFA as income from donations when receivable.

Legacies

Legacies are included in the SoFA when receipt is probable, that is, when there has been grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are either within the control of the CIO or have been met.

Government Grants

The CIO has not received government grants in the reporting period.

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

Donated goods

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so.

The cost of any stock of goods donated for distribution to beneficiaries is deemed to be the fair value of those gifts at the time of their receipt and they are recognised on receipt. In the reporting period in which the stocks are distributed, they are recognised as an expense at the carrying amount of the stocks at distribution.

Donated goods for resale are measured at fair value on initial recognition, which is the expected proceeds from sale less the expected costs of sale, and recognised in 'Income from other trading activities' with the corresponding stock recognised in the balance sheet. On its sale the value of stock is charged against 'Income from other trading activities' and the proceeds from sale are also recognised as 'Income from other trading activities'.

Goods donated for on-going use by the CIO are recognised as tangible fixed assets and included in the SoFA as incoming resources when receivable.

Donated Services and Facilities

Donated services and facilities are included in the SoFA when received at the value of the gift to the CIO provided the value of the gift can be measured reliably.

Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SoFA.

Volunteer Help

The value of any voluntary help received is not included in the accounts but is described in the Trustees' annual report.

Income from interest, royalties and dividends

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

Investment Gains and Losses

This included any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Insurance claims

Insurance claims are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP) and are included as an item of other income in the SoFA.

Expenditure and liabilities

The CIO has opted to prepare its accounts using natural categories.

Liability Recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the CIO to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance and Support Costs

Support costs represent the cost of central functions, for example governance costs, payroll administration, information technology. Governance costs are those support costs which relate to public accountability of the CIO and its compliance with regulation and good practice.

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

Grants with Performance Conditions

Where the CIO gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SoFA once the recipient of the grant has provided the specified service or output.

Grants Payable without Performance Conditions

Where there are no conditions attaching to the grant that enables the donor to realistically avoid the commitment, a liability for the full funding obligation must be recognised.

Employee benefits

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Redundancy cost

The CIO made no redundancy payments during the reporting period.

Deferred income

No material item of deferred income has been included in the accounts.

Creditors

The CIO has creditors which are measured at settlement amounts less any trade discounts.

Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

Fixed Assets

These are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or, if gifted, at the value to the CIO on receipt.

Depreciation Expense

Depreciation is calculated at a rate to write off the cost of tangible fixed assets on a straight line basis over their estimated useful lives. The rates applied per annum are as follows:

Equipment	33%
Fixtures and Fittings	33%
Motor Vehicles	25%

Legal status of the charity

On the 9th April 2019, Narthex Sparkhill converted from a charitable company to a CIO under section 228 of the Charities Act 2011 and in line with the CIO conversion regulations 2017.

NARTHEX SPARKHILL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

2. INCOME

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
a) Donations, Grants and Legacies					
Donations and Gifts		44,431	0	44,431	63,718
Commissioned Funding	7	148,503	0	148,503	68,169
Gift Aid Donations and Reclaimed Tax		28,892	0	28,892	13,483
Grants	6	88,968	184,700	273,668	449,921
		310,794	184,700	495,494	595,291

b) Charitable Activities

Other Income		0	6,093	6,093	9,628
Project Income		26,061	0	26,061	20,653
Rental and Administration Income		1,065	0	1,065	1,295
		27,126	6,093	33,219	31,576

c) Other Income

Gain on disposal of Fixed Assets		0	4,000	4,000	0
		0	4,000	4,000	0

3. EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
a) Raising Funds				
Publicity and Fundraising	13,074	0	13,074	9,448
	13,074	0	13,074	9,448

NARTHEX SPARKHILL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

3. EXPENDITURE

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2021 £	TOTAL 2020 £
b) Charitable Activities					
Depreciation		1,536	6,802	8,338	13,408
Establishment:					
Cleaning and Kitchen Supplies		3,949	0	3,949	4,627
Insurance		8,750	0	8,750	6,518
Rental and Utilities - St Johns		11,272	0	11,272	14,000
Foodbank:					
Running Costs and Premises Rental		0	91,763	91,763	69,160
Loan Interest		0	0	0	438
Project Activities		23,674	0	23,674	37,326
Staff Costs:					
Employers National Insurance		19,130	0	19,130	13,701
Employers Pension Contributions		4,640	0	4,640	3,345
Payroll Processing Fee		578	0	578	521
Training Costs		635	0	635	0
Wages and Salaries		205,533	98,236	303,769	234,237
Support costs	4	33,587	0	33,587	25,024
Volunteer and Staff Expenses		3,438	0	3,438	2,480
		316,722	196,801	513,523	424,785

4. ANALYSIS OF SUPPORT COSTS

	Staff and related costs £	Other direct costs £	2021 £	2020 £
<u>Office costs</u>				
Telephone and Broadband	0	16,759	16,759	6,559
Office, Admin and Upkeep Costs	0	15,238	15,238	16,905
<u>Governance costs (below)</u>	0	1,590	1,590	1,560
	0	33,587	33,587	25,024

Governance Costs

	2021 £	2020 £
Independent Examiners Fees	1,590	1,560

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

5. DONATED GOODS

The Statement of Financial Activities includes the estimated value of food that has been donated and subsequently distributed by the Foodbank.

	Weight kg	Value £
Stocks of Food at 1.1.21	57,401	96,433
Donated Food	117,739	197,802
Distributed Food	(133,435)	(224,171)
Disposed as waste	(6,001)	(10,082)
Stocks of Food at 31.12.21	35,704	59,982

The estimated cost of food has been calculated by weight at an average cost as calculated by the Trussell Trust of £1.68 per kg.

6. GRANTS RECEIVED

	2021 £	2020 £
29 May 1961 Charitable Trust	4,000	4,000
Alfred Haines Charitable Trust	0	750
Accord Housing	4,423	0
All Churches Trust Limited	0	20,000
Archer Trust	0	2,500
Arnold Clark	2,000	0
Bayfield Charitable Trust	1,750	0
BBC Children in Need	0	0
Benevit Charitable Giving	1,300	0
Birmingham CVS	0	10,000
Birmingham City Council	0	6,250
CAF - Martin Lewis	0	15,000
CAF - Emergency Covid-19	1,400	10,000
Charles Brotherton Trust	275	275
Charities Trust	200	501
Charity of Stella Symons	0	250
Clothworkers' Foundation	0	15,000
Covid-19 Grant	0	41,798
Creation Financial	0	650
D M F Ellis Charitable Trust	0	3,500
Dr PJM Sloan	0	500
Edward Gosling Foundation	0	10,000
Edith Murphy Foundation	3,000	0
EH Smith Charitable Trust	12,500	10,000
Eric Sparkes Charitable Trust	1,000	1,000
Eric W Vincent Trust Fund	0	500
Carried forward to next page	31,848	152,474

NARTHEX SPARKHILL

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2021**

6. GRANTS RECEIVED (continued)

	2021	2020
	£	£
Brought forward from previous page	31,848	152,474
Eveson Charitable Trust	5,000	0
FareShare	0	581
Fitton Trust	350	0
Garfield Weston Foundation	0	25,000
GE Gee Trust	1,000	0
George Henry Collins Registered Charity	0	2,000
GJW Turner Trust	2,000	0
Goodenough Charitable Trust	1,000	2,000
Gowling WLG (UK) Charitable Trust	1,000	500
Grantham Yorke Trust	2,000	2,000
Grimmitt Trust	2,000	3,000
Grimley Charity	1,000	0
Haramead Trust	10,000	0
HE & EL Botteley Charity Settlement	500	0
Heart of England Community Foundation	0	4,050
Henry James Sayer Charity	900	1,000
HMRC Job Retention Scheme	0	9,688
Independent Age	0	14,700
Jaguar Land Rover	0	1,000
Jarman Charitable Trust	0	200
Joseph Hopkins Charity	750	0
Knowle PCC	920	0
Leigh Trust	2,000	2,000
LG Harris Trust	5,000	0
Lickey Parochial Church Council	0	301
Lifeline Community Project	0	2,000
Limoges Charitable Trust	1,000	0
London Metric Property Plc	0	1,500
Loppylugs and B Morrison Charitable Trust	0	9,600
Lord Austin Trust	0	1,000
Lord Mayor of Birmingham Charity	0	1,000
Making a Difference Locally Ltd	0	568
Marsh Christian Trust	0	500
Mary Kinross Trust	0	20,000
Maidenhead Malachi Trust	0	2,000
Metamorph Law Ltd	500	0
Michael Marsh Charitable Trust	2,000	0
Other Grants < £500	100	0
Park Family Charitable Trust	2,000	0
Pat Newman Memorial Trust	3,000	3,000
PCC St Mary's, Hobs Moat, Solihull	0	369
Pearl GP Management	0	3,063
Postcode Neighbourhood Trust	0	19,904
Province of Worcestershire	0	500
Carried forward to next page	75,868	285,498

NARTHEX SPARKHILL

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2021**

6. GRANTS RECEIVED (continued)

	2021 £	2020 £
Brought forward from previous page	75,868	285,498
Ratcliffe Foundation	0	5,000
Reuben Foundation	250	0
Richard Cadbury Charitable Trust	500	500
Richard Kilcuppes Registered Charity	1,000	500
Roger and Douglas Turner Charitable Trust	2,000	0
Shakespeare Martin Barlow	1,000	0
Shoosmiths Lawyers	0	1,397
Souter Charitable Trust	3,000	0
South Birmingham Friends Institute Trust	2,000	500
Sparkhill Trust	1,000	0
St Alphege Solihull	0	500
St Mary's Wythall	0	1,000
SYD Property Developments	0	1,500
Taylor Wimpey West Midlands	0	500
Truemark Trust	0	2,000
Trussell Trust	57,292	35,115
Trustees of BK Kufton	1,000	0
Unite West Midlands Region	0	500
Unity Trust Bank	0	1,200
Veale Wasbrough Charitable Trust	350	0
Veolia Environmental Trust	0	811
Waitrose Ltd	0	1,000
WED Charitable Trust	1,000	0
Yardley Great Trust	0	1,000
Yardley Wood Baptist Church	0	500
	<u>146,260</u>	<u>339,021</u>
Big Lottery	<u>127,408</u>	<u>110,900</u>
TOTALS	<u>273,668</u>	<u>449,921</u>

7. COMMISSIONED FUNDING

	2021 £	2020 £
Ashiana Community Project	12,500	0
Birmingham City Council	0	6,250
BVSC - Ageing Better	55,000	41,250
The Muath Trust (including Ageing Better LAP)	57,044	2,700
Small Heath Community Forum	23,959	17,969
	<u>148,503</u>	<u>68,169</u>

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2021

8. NET INCOME FOR THE YEAR

	2021	2020
	£	£
This stated after charging:		
Independent Examiners Fees	1,590	1,560
Depreciation	8,338	13,408

9. TANGIBLE FIXED ASSETS

		Unrestricted	Restricted			
		Equipment Fixtures & Fittings £	Motor Vehicles £	Equipment £	Fixtures & Fittings £	Total £
Cost	01-Jan-21	86,240	37,600	14,830	2,065	140,735
Additions		8,605	0	0	1,742	10,347
Cost at	31-Dec-21	94,845	37,600	14,830	3,807	151,082
Depreciation	01-Jan-21	86,240	16,072	12,651	2,065	117,028
Charge		1,536	5,382	924	496	8,338
Depreciation at	31-Dec-21	87,776	21,454	13,575	2,561	125,366
Net Book Value	31-Dec-21	7,069	16,146	1,255	1,246	25,716
Net Book Value	31-Dec-20	0	21,528	2,179	0	23,707

The annual commitments under non-cancelling operating leases and capital commitments are as follows:

31st December 2021 : 35 x monthly vehicle finance lease payments of £300.57 commencing December 2020
Ongoing quarterly office equipment lease rentals of £561.42

10. DEBTORS AND PREPAYMENTS

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-21 £	Total 31-Dec-20 £
Project Income	769	0	769	435
Prepaid Expenditure	9,468	0	9,468	8,740
Tax Recoverable	3,546	0	3,546	0
	13,783	0	13,783	9,175

NARTHEX SPARKHILL

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2021**

11. STOCK

	Donated goods and stock	
	For distribution £	For resale £
Charitable activities:		
Opening	96,433	0
Added in period	197,802	0
Expensed in period	(224,171)	0
Impaired/Disposed as waste	(10,082)	0
Closing	59,982	0

**12. CREDITORS AND ACCRUALS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-21 £	Total 31-Dec-20 £
Independent Examiners Fees	1,590	0	1,590	1,560
	1,590	0	1,590	1,560

**13. CREDITORS AND ACCRUALS: AMOUNTS FALLING
DUE AFTER ONE YEAR**

The CIO had no long term liabilities at the end of this or the previous financial year.

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2021

14. RESTRICTED FUNDS

<u>CURRENT YEAR</u>	Balance 01-Jan-21	Income	Expenditure	Donated goods	Distributed goods	Fixed assets pcshed	Balance 31-Dec-21
	£	£	£	£	£	£	£
Foodbank Fund	178,507	194,793	196,801	197,802	(234,253)	1,742	140,048
	178,507	194,793	196,801	197,802	(234,253)	1,742	140,048
<u>PREVIOUS YEAR</u>	Balance 01-Jan-20	Income	Expenditure	Donated goods	Distributed goods	Fixed assets pcshed	Balance 31-Dec-20
	£	£	£	£	£	£	£
Foodbank Fund	83,456	188,272	135,701	229,473	(186,993)	-	178,507
	83,456	188,272	135,701	229,473	(186,993)	-	178,507

The Foodbank Fund relates to:

All income and expenditure for the Sparkhill Foodbank, located at Unit 20-21 Rovex Business Park, Hay Hall Road, Tyseley funded by a grant from the Big Lottery for operations and by other grants for food.

The restricted funds are represented by:

	2021	2020
	£	£
Donated goods held in stock	59,982	96,433
Debtors	0	8,240
Cash at bank and in hand	61,419	50,127
Fixed assets	18,647	23,707
	140,048	178,507

15. DESIGNATED FUNDS

<u>CURRENT YEAR</u>	Balance 01-Jan-21	Income	Expenditure	Donated goods	Distributed goods	Transfer btw funds	Balance 31-Dec-21
	£	£	£	£	£	£	£
Reserve Fund	50,000	0	0	0	0	10,000	60,000
	50,000	0	0	0	0	10,000	60,000
<u>PREVIOUS YEAR</u>	Balance 01-Jan-20	Income	Expenditure	Donated goods	Distributed goods	Transfer btw funds	Balance 31-Dec-20
	£	£	£	£	£	£	£
Reserve Fund	0	0	0	0	0	50,000	50,000
	0	0	0	0	0	50,000	50,000

The Trustees agreed in 2020 to set aside £50,000 of General Funds as a Reserve Fund, as a protection against future potential peaks and troughs of grant funding and other income. In the financial year to 31st December 2021, the Trustees agreed to transfer an additional £10,000 to this fund.

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2021

15. DESIGNATED FUNDS (continued)

The designated funds are represented by:

	2021 £	2020 £
Cash at bank and in hand	60,000	50,000
Fixed assets	0	0
	<u>60,000</u>	<u>50,000</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund	Designated Fund	Restricted Fund Foodbank	TOTAL 31-Dec-21
	£	£	£	£
Tangible Fixed Assets	7,069	0	18,647	25,716
Cash at bank and in hand	36,005	60,000	61,419	157,424
Other net current assets/(liabilities)	12,193	0	59,982	72,175
TOTAL	<u>55,267</u>	<u>60,000</u>	<u>140,048</u>	<u>255,315</u>

17. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2021 £	2020 £
Gross Wages and Salaries	304,236	242,555
Employer's National Insurance Costs (after allowance)	19,371	12,211
SMP/SPP Recovered (through Employer's NI)	(467)	(6,828)
Employer's Pension Contributions	4,624	3,346
	<u>327,764</u>	<u>251,284</u>

Average number of employees who were engaged in each of the following activities:

	2021 TOTAL	2020 TOTAL
Furthering the charitable objectives	15.7	14.3

Staff numbers represent 13 being on payroll at the start of the year and 18 at the end of the year (2020: 14 at the start of the year and 15 at the end of the year).

No employees received emoluments in excess of £60,000. All staff are paid through the PAYE system.

The key management personnel of the CIO comprise the Trustees, Director of Finance, CEO, Centre Manager and Foodbank Manager. The Trustees and Director of Finance are not remunerated. The total employee benefits (including employer national insurance and employer pension contributions) of the key management personnel of the CIO were £101,688 (2020: £95,444)

Two Trustees donated an aggregate amount of £136 to the CIO during 2020 (2020: Two Trustees donated an aggregate amount of £320). There were no conditions attached to these donations. No Trustees made any loans to the CIO during 2021 or 2020.

No payments were made to directors or any persons connected with them during this financial period. No other material transaction took place between the organisation and a trustee or any person connected with them (2020: None)

The CIO currently pays pension contributions on behalf of 16 employees (at 31 December 2020: 11 employees). An automatic enrolment workplace pension scheme is available and eligible employees were enrolled with the option of opting out if they so wish. The scheme is administered and managed through the Diocese of Birmingham.

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2021

18. RISK ASSESSMENT

The Trustees actively review the major risks which the CIO faces on a regular basis and believe that maintaining the free reserves stated, combined with the annual review of the controls over key financial systems carried out on an annual basis will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks which they face and confirm that they have established systems to mitigate the significant risks.

19. RESERVES POLICY

This is described in detail in the Trustees' annual report.

20. PUBLIC BENEFIT

The CIO acknowledges its requirement to demonstrate clearly that it must have charitable purposes or 'aims' that are for the public benefit. Details of how the CIO has achieved this are provided in the Trustees' report. The Trustees confirm that they have paid due regard to the Charity Commission guidance on public benefit before deciding what activities the CIO should undertake.

21. CONVERSION TO CIO

On the 9th April 2019, Narthex Sparkhill converted from a charitable company to a CIO under section 228 of the Charities Act 2011 and in line with the CIO conversion regulations 2017.

NARTHEX SPARKHILL
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021 £	2020 £
Cash used in operating activities	(a) <u>9,876</u>	<u>230,463</u>
Cash used from investing activities		
Interest income	0	0
Purchase of tangible fixed assets	(10,347)	(27,801)
Cash provided by (used in) investing activities	<u>(10,347)</u>	<u>(27,801)</u>
Cash flows from financing activities		
Introduction/(Repayment) of long term borrowing	0	(45,500)
Cash used in financing activities	<u>0</u>	<u>(45,500)</u>
Increase/(decrease) in cash and cash equivalents in the year	<u>(471)</u>	<u>157,162</u>
Cash and cash equivalents at the start of the year	157,895	733
TOTAL cash and cash equivalents at the end of the year	(b) <u>157,424</u>	<u>157,895</u>
(a) Reconciliation of net movement in funds to net cash flow from operating activities		
	2021 £	2020 £
Net movement in funds	(30,335)	235,114
Adjustment to opening funds	0	19
Add back depreciation charge	8,338	13,408
Deduct interest income shown in investing activities	0	0
Decrease/(increase) in debtors	(4,608)	47,039
Increase/(decrease) in creditors	30	(22,637)
Decrease/(increase) in donated goods stock	36,451	(42,480)
	<u>9,876</u>	<u>230,463</u>
Net cash used in operating activities		
(b) Analysis of cash and cash equivalents		
	2021 £	2020 £
Cash at bank and in hand	157,424	157,895
Fixed Term Bond	0	0
Total cash and cash equivalents	<u>157,424</u>	<u>157,895</u>

NARTHEX SPARKHILL
INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS

I report to the trustees on my examination of the accounts of Narthex Sparkhill, Charitable Incorporated Organisation ("the CIO") for the year ended 31st December 2021.

As the CIO's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

Responsibilities and basis of report

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


Independent examiner's statement

The CIO's gross income exceeded £250,000 and I am qualified to undertake the examination by being a fellow member of the Association of Charity Independent Examiners.

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

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed: 

Name: J Irvin Smith

Date: 18th May 2022

Independent Examiners Ltd
Unit 2 Broadbridge Business Centre
Delling Lane
Bosham
West Sussex
PO18 8NF