

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2022**



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 2022
END OF FINANCIAL YEAR	31st December 2022
TRUSTEES THAT SERVED DURING YEAR TO 31ST DECEMBER 2022	Mr G J Holt Mr D J Bower Mrs JE Ahumibe Mrs L Wiseman Mr J Walsh (Chair) Rev P Day Rev T Crowe
CORRESPONDENCE ADDRESS	St John's 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 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 2022



During 2022 Narthex has continued to fulfil its vision and charitable objective of supporting individuals and families in crisis, as we see more and more people in need coming to us as a result of the impact of cost of living increases and fuel poverty.

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 immigrants, refugees, asylum seekers and families living in poverty and with houses of multiple occupancy (HMOs). It is clear that the most deprived areas, such as ours, are disproportionately impacted by the cost of living crisis and so we have continued to support people in need or facing crisis, of all faiths and ethnic origins.

Our strategic priorities as a Charity continue to be provision of food through our network of Foodbank satellites and also our Money and Debt Advice work, as we seek to address some of the underlying issues of financial inclusion. We continue to work closely with our partner Trussell Trust, with a long-term strategic aim of eliminating the need for foodbanks.

Throughout the year our Foodbank and its various satellites have continued to operate consistently week by week. This has been greatly 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. Often we see long queues of individuals and families waiting to receive food parcels.

During the year we provided food parcels to 12,004 adults and 7,081 children – a 34% increase from 2021, reflecting the current cost of living crisis. We have seen significant increases in referrals from schools (indicating the need amongst families) and from those living in local HMOs, often highlighting poor living conditions and lack of support.

Over the year donations and gifts, both of food and money, have continued to come in from all sections of the community, as we see how Narthex has been clearly trusted to deliver this service. We are however beginning to find that we 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 the increasing need for both our money and debt advice, and also more generalist advice and guidance, so that clients can be given the dignity of being able to make informed choices about their lives. These needs cannot but increase as we see the impact of the current economic situation. It remains a key strategic priority for us to identify relevant sources of funding and potential commissioned advice and guidance work.

During the year our Advisers have been working a hybrid pattern, some days in the Centre and some days at home. Many of the appointments with our clients continue to be by telephone, but with the option of face-to-face appointments where this is more appropriate or in more complex cases. This continues to be a positive and effective outcome which is appreciated and welcomed by clients. We are working towards opening our Centre at St Johns Church on more days of the week.

During the year we responded to 3265 requests for this advice from 2474 clients, the outcomes for these clients being nearly £3 million in welfare benefits, and 317 clients for whom a total of £431,320 in debt was resolved and managed.

Our founding CEO Nigel Brookhouse retired during the year. Nigel was the first employee of Narthex and oversaw its growth over that time.

After a thorough recruitment process the Trustees appointed Patricia Coleman-Taylor to take over as Chief Executive in May 2023. Her priorities have been the engagement and development of staff, establishing new strategies for our changing and demanding context, and developing new supporting structures and processes.

Our Trustees continue to provide good governance for the Charity. Trustees bring a wide range of relevant skills, experience and backgrounds in order to make informed decisions about the future direction of Narthex, with designated Trustee Champions having particular areas of responsibility and focus.

Income increased from £730,515 last year to £906,567 this year, this includes a valuation for donated goods, in the form of food for our foodbank. Expenditure correspondingly increased from £760,850 last year to £913,840 this year. The 2022 financial year ended with net assets of £79,287 held in general unrestricted funds and £60,000 held in designated unrestricted funds. The Trustees are satisfied that this level of reserves is in line with the CIO's reserves policy and is sufficient to support the CIO going forward and 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.

Mention must be made of our staff team who have responded outstandingly and with commitment and dedication in the face of very difficult circumstances. We are indebted to them all. Our clients will always be grateful for the dedication that has been shown. 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.

Our growing band of loyal and hardworking volunteers (around 75 at time of writing) has an increasingly important role to play in the life of the Charity, we estimate volunteers have contributed over 20,000 hours to the work of the Charity during the year. One of our strategic priorities is to further develop and support our volunteers, recognising their vital contribution to the growing needs we are seeing. We are providing relevant training for all our volunteers, this includes safeguarding training for all those in client-facing roles.

Finally, we are grateful to all our donors and supporters - individuals, organisations and grant making trusts who have responded so magnificently during 2022. Over the year we were supported by over 50 different grant making trusts and organisations. Without you we could not have achieved our outcomes. Your support is hugely appreciated, thank you.

We look forward to continuing to work together during 2023, as we seek to respond to the ever growing needs around us.



Geoff Holt
Trustee – HR & Finance

NARTHEX SPARKHILL
TRUSTEES REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2022



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 and Staffing 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 and Staffing 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 Designated Reserve Fund has been set up 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 2022



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;
- 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 2022, and confirm that I have made available all information necessary for its preparation.

Signed on behalf of the Board of Trustees by

A handwritten signature in dark ink, appearing to read "G Holt", is written over a horizontal line.

Print name: GEOFF HOLT

Date: 30th June 2023

NARTHEX SPARKHILL

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2022**

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2022 £	TOTAL 2021 £
INCOME						
Income and Endowments from:						
Donations, Grants and Legacies	2a	410,842	0	164,940	575,782	495,494
Charitable Activities	2b	33,859	0	20,710	54,569	33,219
Other Income	2c	0	0	0	0	4,000
Donated Goods	5	0	0	276,216	276,216	197,802
TOTAL		444,701	0	461,866	906,567	730,515
EXPENDITURE						
Expenditure on:						
Raising Funds	3a	12,880	0	0	12,880	13,074
Charitable Activities	3b	407,801	0	217,097	624,898	513,523
Donated Goods	5	0	0	276,062	276,062	234,253
TOTAL		420,681	0	493,159	913,840	760,850
NET INCOME/(EXPENDITURE)		24,020	0	(31,293)	(7,273)	(30,335)
Transfers Between Funds	15	0	0	0	0	0
OTHER RECOGNISED GAINS/(LOSSES)						
Revaluation of Stock held	5	0	0	24,636	24,636	0
NET MOVEMENT IN FUNDS		24,020	0	(6,657)	17,363	(30,335)
Reconciliation of funds:						
Total Funds Brought Forward		55,267	60,000	140,048	255,315	285,650
TOTAL FUNDS CARRIED FORWARD		79,287	60,000	133,391	272,678	255,315

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 21 form part of these financial statements.

NARTHEX SPARKHILL

**BALANCE SHEET
AS AT 31ST DECEMBER 2022**

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31-Dec-22 Total £	31-Dec-21 Total £
Fixed Assets						
Tangible assets	9	7,258	0	11,766	19,024	25,716
Current Assets						
Debtors	10	10,178	0	14,449	24,627	13,783
Donated Goods held in stock	11	0	0	84,772	84,772	59,982
Cash at bank and in hand		69,989	60,000	22,404	152,393	157,424
Total Current Assets		80,167	60,000	121,625	261,792	231,189
Creditors: amounts falling due within one year	12	8,138	0	0	8,138	1,590
NET CURRENT ASSETS		72,029	60,000	121,625	253,654	229,599
TOTAL ASSETS less current liabilities		79,287	60,000	133,391	272,678	255,315
Creditors: amounts falling due in more than one year	13	0	0	0	0	0
NET ASSETS		79,287	60,000	133,391	272,678	255,315
Funds of the CIO						
General Unrestricted Funds	16	79,287	0	0	79,287	55,267
Designated Funds	16	0	60,000	0	60,000	60,000
Restricted Funds	16	0	0	133,391	133,391	140,048
Total Funds		79,287	60,000	133,391	272,678	255,315

Approved by the Board of Trustees on 30th June 2023

Signed on their behalf by Trustee



Print Name: GEOFF HOLT

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

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: Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with FRS 102 (effective 1 January 2019) - (Charities SORP (FRS 102)) and 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 (continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

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 includes 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 (continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

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 realistically to 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 (continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

2. INCOME

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	TOTAL 2021 £
a) Donations, Grants and Legacies					
Donations and Gifts		49,802	549	50,351	44,531
Commissioned Funding	7	78,800	0	78,800	148,503
Gift Aid Donations and Reclaimed Tax		23,080	0	23,080	28,892
Grants	6	259,160	164,391	423,551	273,568
		410,842	164,940	575,782	495,494

b) Charitable Activities

Other Income		228	20,710	20,938	6,093
Project Income		32,620	0	32,620	26,061
Rental and Administration Income		1,011	0	1,011	1,065
		33,859	20,710	54,569	33,219

c) Other Income

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

3. EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	TOTAL 2021 £
a) Raising Funds				
Publicity and Fundraising	12,880	0	12,880	13,074
	12,880	0	12,880	13,074

NARTHEX SPARKHILL

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2022**

3. EXPENDITURE

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2022 £	TOTAL 2021 £
b) Charitable Activities					
Depreciation	8	3,848	6,880	10,728	8,338
Establishment:					
Cleaning and Kitchen Supplies		5,088	0	5,088	3,949
Insurance		9,134	0	9,134	8,750
Rental and Utilities - St Johns		12,000	0	12,000	11,272
Foodbank:					
Running Costs and Premises Rental		0	102,212	102,212	88,151
Vehicle Leasing Costs		0	3,610	3,610	3,612
Gifts and Grants		115	625	740	0
Project Activities		35,159	0	35,159	23,674
Staff Costs:					
Contractor Fees		6,950	0	6,950	0
Employers National Insurance	17	24,777	0	24,777	19,130
Employers Pension Contributions	17	6,479	0	6,479	4,640
Payroll Processing Fee		692	0	692	578
Training Costs		2,705	0	2,705	635
Wages and Salaries	17	274,129	103,770	377,899	303,769
Support costs	4	19,236	0	19,236	33,587
Trustees Expenses *		144	0	144	0
Volunteer and Staff Expenses		7,345	0	7,345	3,438
		407,801	217,097	624,898	513,523

* Trustees Expenses represent the reimbursement of Zoom video communication software

4. ANALYSIS OF SUPPORT COSTS

	Staff and related costs £	Other direct costs £	2022 £	2021 £
<u>Office costs</u>				
Telephone and Broadband (note: 2022 telephone refund received)	1,025	(1,349)	(324)	16,759
Office Supplies, Stationery and Postage	0	8,270	8,270	10,191
Equipment Lease	0	8,819	8,819	4,694
IT Software	0	821	821	353
<u>Governance costs (breakdown shown below)</u>	0	1,650	1,650	1,590
	1,025	18,211	19,236	33,587

Governance Costs

		2022 £	2021 £
Independent Examiner's Fees	8	1,650	1,590

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

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 1.1.22	35,704	59,982
Stock revalued as per Trussell Trust guidelines	-	24,636
Donated Food	116,547	276,216
Distributed Food	(116,297)	(275,624)
Disposed as waste	(185)	(438)
Stocks of Food at 31.12.22	35,769	84,772

The estimated cost of food has been calculated by weight at an average cost as calculated by the Trussell Trust of £2.37 per kg (was formerly £1.68 per kg).

6. GRANTS RECEIVED

	2022 £	2021 £
29 May 1961 Charitable Trust	4,000	4,000
Accord Housing	0	4,423
Alexis Trust	250	0
Archer Trust	2,500	0
Arnold Clark	0	2,000
Bayfield Charitable Trust	0	1,750
Benevit Charitable Giving	0	1,300
Bernard Piggott Charitable Trust	2,000	0
CAF - Emergency Covid-19	0	1,400
Charles Brotherton Trust	275	275
Charities Trust	0	200
Dumbreck Charity	500	0
Edward and Dorothy Cadbury Trust	3,000	0
Edward Gosling Foundation	10,000	0
Edith Murphy Foundation	0	3,000
EH Smith Charitable Trust	15,000	12,500
Eric F Sparkes Charitable Trust	1,100	1,000
Eric W Vincent Trust Fund	500	0
Education and Skills Funding Agency	3,000	0
Eveson Charitable Trust	0	5,000
Fitton Trust	500	350
Fredmill Trust	3,000	0
Garfield Weston Foundation	30,000	0
GE Gee Trust	1,000	1,000
George Henry Collins Registered Charity	2,000	0
GJW Turner Trust	2,000	2,000
Goodenough Charitable Trust	5,000	1,000
Gowling WLG (UK) Charitable Trust	0	1,000
Grantham Yorke Trust	1,000	2,000
Grimmitt Trust	0	2,000
Grimley Charity	0	1,000
Haramead Trust	0	10,000
Carried forward to next page	86,625	57,198

NARTHEX SPARKHILL

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2022**

6. GRANTS RECEIVED (continued)

	2022	2021
	£	£
Brought forward from previous page	86,625	57,198
HE & EL Botteley Charity Settlement	500	500
Henry James Sayer Charity	750	900
IMI Kynoch Ltd	500	0
Jaguar Land Rover	600	0
Joseph Hopkins Charity	0	750
Julia and Hans Rau Trust	39,663	0
Knowle PCC	2,000	920
Leaver Family Fund	1,000	0
Leigh Trust	0	2,000
LG Harris Trust	2,500	5,000
Limoges Charitable Trust	0	1,000
L Barbara Morrison Charitable Trust	4,800	0
Lord Austin Trust	1,000	0
Lord Mayor of Birmingham Charity	2,000	0
Marsh Christian Trust	550	0
Maidenhead Malachi Trust	1,250	0
Metamorph Law Ltd	0	500
Michael Marsh Charitable Trust	1,820	2,000
Montal Charitable Trust	5,000	0
Park Family Charitable Trust	0	2,000
Pat Newman Memorial Trust	3,000	3,000
Reuben Foundation	0	250
Richard Cadbury Charitable Trust	500	500
Richard Kilcuppes Registered Charity	0	1,000
Roger and Douglas Turner Charitable Trust	0	2,000
Rowlands Trust	2,000	0
S D Lloyd Charity	500	0
Shakespeare Martineau	0	1,000
Shirley Churches Together	225	0
Shirley Lions Club	1,800	0
Sobell Foundation	5,000	0
Souter Charitable Trust	3,000	3,000
South Birmingham Friends Institute Trust	1,000	2,000
Sparkhill Trust	0	1,000
Trussell Trust	130,239	57,292
Trustees of BK Kufon	0	1,000
Veale Wasbrough Charitable Trust	0	350
Vincent Timber	250	0
WED Charitable Trust	0	1,000
Western Power Distribution Community Matters	2,500	0
Yardley Great Trust	10,000	0
	<u>310,572</u>	<u>146,160</u>
Big Lottery	<u>112,979</u>	<u>127,408</u>
TOTALS	<u>423,551</u>	<u>273,568</u>

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

7. COMMISSIONED FUNDING

	2022 £	2021 £
Ashiana Community Project	6,250	12,500
BVSC - Ageing Better	13,750	55,000
The Muath Trust (including Ageing Better LAP)	34,840	57,044
Small Heath Community Forum	23,960	23,959
	78,800	148,503

8. NET INCOME FOR THE YEAR

	2022 £	2021 £
This is stated after charging:		
Independent Examiner's Fees	1,650	1,590
Depreciation	10,728	8,338

9. TANGIBLE FIXED ASSETS

		Unrestricted	Restricted		Total
		Equipment Fixtures & Fittings £	Motor Vehicles £	Equipment Fixtures & Fittings £	£
Cost	01-Jan-22	94,845	25,000	14,830	138,482
Additions		4,036	0	0	4,036
Cost at	31-Dec-22	98,881	25,000	14,830	142,518
Depreciation	01-Jan-22	87,776	8,854	13,575	112,766
Charge		3,847	5,382	924	10,728
Depreciation at	31-Dec-22	91,623	14,236	14,499	123,494
Net Book Value	31-Dec-22	7,258	10,764	331	19,024
Net Book Value	31-Dec-21	7,069	16,146	1,255	25,716

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

31st December 2022 : 35 x monthly vehicle finance lease payments of £300.57 commencing December 2020
 Ongoing quarterly office equipment lease rentals of £561.42
 Ongoing quarterly office equipment lease rentals of £1,800
 Ongoing monthly premises rental of £1,000
 Ongoing monthly premises rental of £14,368

10. DEBTORS AND PREPAYMENTS

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-22 £	Total 31-Dec-21 £
Project Income	7,461	0	7,461	769
Prepaid expenditure	0	14,449	14,449	9,468
Tax Recoverable	2,717	0	2,717	3,546
	10,178	14,449	24,627	13,783

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

11. STOCK

	Donated goods and stock	
	For distribution £	For resale £
Charitable activities:		
Opening	59,982	0
Revaluation	24,636	0
Added in period	276,216	0
Expensed in period	(275,624)	0
Impaired/Disposed as waste	(438)	0
Closing	84,772	0

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

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-22 £	Total 31-Dec-21 £
Independent Examiner's Fees	1,650	0	1,650	1,590
Accounts Payable	6,488	0	6,488	0
	8,138	0	8,138	1,590

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.

14. RESTRICTED FUNDS

<u>CURRENT YEAR</u>	Balance 01-Jan-22 £	Income £	Expenditure £	Donated goods £	Distributed goods £	Revaluation of Stock held £	Balance 31-Dec-22 £
Foodbank Fund	140,048	185,650	(217,097)	276,216	(276,062)	24,636	133,391
	140,048	185,650	(217,097)	276,216	(276,062)	24,636	133,391
<u>PREVIOUS 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

The Foodbank Fund relates to:

All income and expenditure for the Sparkhill Foodbank, located at Units 18a, 19 and 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.

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

14. RESTRICTED FUNDS (continued)

The restricted funds are represented by:

	31-Dec-22	31-Dec-21
	£	£
Donated goods held in stock	84,772	59,982
Debtors	14,449	0
Cash at bank and in hand	22,404	61,419
Fixed assets	11,766	18,647
	<u>133,391</u>	<u>140,048</u>

15. DESIGNATED FUNDS

<u>CURRENT YEAR</u>	Balance 01-Jan-22	Income	Expenditure	Donated goods	Distributed goods	Transfer btw funds	Balance 31-Dec-22
	£	£	£	£	£	£	£
Reserve Fund	60,000	0	0	0	0	0	60,000
	60,000	0	0	0	0	0	60,000
<u>PREVIOUS 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

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.

There were no transfers to this fund in 2022.

15. DESIGNATED FUNDS (continued)

The designated funds are represented by:

	2022	2021
	£	£
Cash at bank and in hand	60,000	60,000
Fixed assets	0	0
	<u>60,000</u>	<u>60,000</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund	Designated Fund	Restricted Fund Foodbank	TOTAL 31-Dec-22
	£	£	£	£
Tangible Fixed Assets	7,258	0	11,766	19,024
Cash at bank and in hand	69,989	60,000	22,404	152,393
Other net current assets/(liabilities)	2,040	0	99,221	101,261
TOTAL	<u>79,287</u>	<u>60,000</u>	<u>133,391</u>	<u>272,678</u>

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

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

	31-Dec-22	31-Dec-21
	£	£
Gross Wages and Salaries	377,899	304,236
Employer's National Insurance Costs (after allowance)	24,777	19,130
SMP/SPP Recovered (through Employer's NI)	0	(467)
Employer's Pension Contributions	6,479	4,640
	409,155	327,539

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

	31-Dec-22	31-Dec-21
	TOTAL	TOTAL
Furthering the charitable objectives	18.9	15.7

Staff numbers represent 18 being on payroll at the start of the year and 20 at the end of the year (2021: 13 at the start of the year and 18 at the end of the year).

No employees received emoluments in excess of £60,000. All staff are paid through the PAYE system. The CIO also engaged the services of subcontractors to deliver services. The total amount paid to sub contractors in 2022 was £6,950.

The key management personnel of the CIO comprise the Trustees, Director of Finance, CEO, Narthex Project Manager and Strategic Project 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 £102,938 (2021: £101,688). Contractor fees of £6,950 were also paid to a limited company of which one member of key management personnel is a director, for their professional services rendered.

A related party to Trustee L Wiseman (her spouse) received remuneration (including employer national insurance and employer pension contributions) totalling £28,305 for his role as Strategic Project Manager.

A related party to Trustee G Holt (his son) received remuneration (including employer national insurance contributions) totalling £21,131 for his role as Foodbank Co-Ordinator.

The CIO currently pays pension contributions on behalf of 18 employees (at 31 December 2021: 16 employees). An automatic enrolment workplace pension scheme is available and eligible employees were enrolled with the option of opting out if they so wished. The scheme is administered and managed through the Diocese of Birmingham.

Three Trustees donated an aggregate amount of £748 to the CIO during 2022 (2021: Two Trustees donated an aggregate amount of £136). There were no conditions attached to these donations. No Trustees made any loans to the CIO during 2022 or 2021.

There were no other payments made to Trustees or any persons connected with them during this financial period apart from reimbursement of items purchased on behalf of the CIO. No other material transaction took place between the CIO and a trustee or any person connected with them (2021: None)

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.

NARTHEX SPARKHILL

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2022**

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.

NARTHEX SPARKHILL
STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31ST DECEMBER 2022

	2022 £	2021 £
Cash used in operating activities	(a) <u>(995)</u>	<u>9,876</u>
Cash used from investing activities		
Interest income	0	0
Purchase of tangible fixed assets	(4,036)	(10,347)
Cash provided by (used in) investing activities	<u>(4,036)</u>	<u>(10,347)</u>
Cash flows from financing activities		
Introduction/(Repayment) of long term borrowing	0	0
Cash used in financing activities	<u>0</u>	<u>0</u>
Increase/(decrease) in cash and cash equivalents in the year	<u>(5,031)</u>	<u>(471)</u>
Cash and cash equivalents at the start of the year	157,424	157,895
TOTAL cash and cash equivalents at the end of the year	(b) <u>152,393</u>	<u>157,424</u>
(a) Reconciliation of net movement in funds to net cash flow from operating activities		
	2022 £	2021 £
Net movement in funds	17,363	(30,335)
Add back depreciation charge	10,728	8,338
Deduct interest income shown in investing activities	0	0
Decrease/(increase) in debtors	(10,844)	(4,608)
Increase/(decrease) in creditors	6,548	30
Decrease/(increase) in donated goods stock	(24,790)	36,451
Net cash used in operating activities	<u>(995)</u>	<u>9,876</u>
(b) Analysis of cash and cash equivalents		
	2022 £	2021 £
Cash at bank and in hand	152,393	157,424
Total cash and cash equivalents	<u>152,393</u>	<u>157,424</u>

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 2022.

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 Irvine-Smith FCIE

Date: 7th July 2023

Independent Examiners Ltd
Unit 2 Broadbridge Business Centre
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