

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2023**



NARTHEX 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 2023
END OF FINANCIAL YEAR	31st December 2023
TRUSTEES THAT SERVED DURING YEAR TO 31ST DECEMBER 2023	Mr G J Holt Mr D J Bower Mrs JE Ahumibe Mrs L Wiseman (resigned after year end 26 March 2024) Mr J Walsh (Chair until 3 October 2023) Rev P Day (resigned 14 July 2023) Rev T Crowe (Chair from 3 October 2023)
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 2023



Structure, governance and management

The charity is constituted as a Charitable Incorporated Organisation - Foundation conversion dated 9th April 2019.

Trustees are appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees.

In selecting individuals for appointment as charity trustees, the existing charity trustees have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

Upon appointment, all Trustees are provided with:

- (a) a copy of the current version of the constitution; and
- (b) a copy of the CIO's latest Trustees' Annual Report and statement of accounts

Management of the Charity's Finances is overseen by our Finance and General Purposes 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. This Committee reviews and sets levels of pay for all Narthex staff, benchmarking with comparable Third Sector organisations and taking into account Living Wage Foundation recommendations.

Achievements and Performance

We have been able to increase the funds set aside in our Designated Reserve Fund to £100,000, giving a buffer of approximately three months' salary costs, as a contingency against the inevitable peaks and troughs in receipt of grant and other income. These are encouraging markers in our journey towards enhanced financial sustainability. Fundraising efforts have particularly focussed on providing resources to strengthen our Advice and Guidance work, held in a Restricted Fund, in line with the Charity's strategic priorities agreed with Trustees. As a result, we move into 2024 in a strong position to grow and develop our IAG and MDA provision.

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 (over 100 at time of writing) has an increasingly important role to play in the life of the Charity, we estimate volunteers have contributed well over 20,000 hours to the work of the Charity during the year. One of our strategic priorities is to further grow, develop, support and train our volunteers and the contribution they make. 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 2023. Over the year we were supported by around 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 2024, as we seek to respond to the ever growing needs around us.

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Objectives and Activities

The CIO's charitable objects are shown on page 3.

The trustees have had regard to the Charity Commission's guidance on public benefit.

During 2023 we continued to see people in need coming to us as a result of the impact of cost of living increases and fuel poverty. Our community 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 many 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.

Throughout the year our Foodbank and its various satellites have continued to operate consistently week by week. During the year we provided food parcels to 13,138 adults and 6,271 children, seeing significant increases in referrals from those living in local HMOs, often highlighting poor living conditions and lack of support. Representatives from Shelter attend some of our Foodbank sessions to advise and support on housing matters.

It is recognised that the Foodbank model as it has been operating is not financially sustainable in the longer term, nor is it delivering the best possible outcomes for our clients. Whilst we continue to do all we can to help those in crisis, as explained above by our Chair of Trustees, our focus is increasingly on supporting those individuals on their journey to change, through appropriate advice and guidance. Our experience is that funders and grant-making bodies are increasingly recognising this as a cause worth funding.

This means that we recognise the increasing need for both IAG and MDA services, so that clients can be given the dignity of being able to make informed choices about their lives. Wherever possible we have Advisers on hand during our Foodbank sessions to give support and guidance. Our Advisers offer both face-to-face and telephone appointments, and during 2024 the Centre at St Johns Church will open five days a week. During the year we responded to 2573 requests for this advice from 933 clients, the outcomes for these clients being £808,461 in welfare benefits, and 256 clients for whom a total of £601,288 in debt was resolved and managed.

Our Trustees continue to provide good governance for the Charity, bringing a 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. We are looking to strengthen the team during 2024.

Financial Review

The Trustees report a surplus of income over expenditure of £11,190 for the year ended 31st December 2023, after attributing £11,462 to depreciation of fixed assets. This is compared to a surplus of £17,363 in 2022 (after revaluation of stock held) and £10,728 was attributed to the depreciation of fixed assets. Free reserves as at 31st December 2023 as represented by unrestricted (including designated) net current assets were £221,555 (2022: £132,029).

Principal funding sources are grants received from our funders, as detailed in Note 6 to the financial statements.

The Trustees believe there are no uncertainties about the charity's ability to continue as a going concern.

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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 General Purposes 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.

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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.

Going Concern

The Trustees believe there are no uncertainties about the Charity's ability to continue as a going concern.

Plans for the future

How do you sum up areas like the ones we work in? Often, the tendency is to look for the things we don't have, and to let those things define us. It's certainly true that we remain, by many markers, highly deprived. In early 2024, one national politician even called Sparkhill "a no-go area"!

One problem with viewing Balsall Heath, Hall Green, Sparkhill or Tyseley through the lenses of what we don't have is that it can shape the narrative and ethos of any organisation which works there. If the most notable thing about our area is that it's highly deprived, then Narthex must surely focus on giving people 'something'. We must, it seems, think of ourselves as a 'destitution-relief charity' first of all.

But this leaves out so much that's precious about our communities, and it limits Narthex too! If our role is just to respond to need, and the need keeps on rising (as we see with attendance at our foodbanks), then it's a recipe for continually trying to do more with less... until the wheels fall off!

In 2023, Trustees decided unequivocally that we no longer wanted to be boxed in by low expectations of ourselves. We resolved no longer to look at our communities mainly through the lens of what we don't have; nor to view Narthex itself as an exercise in just filling the resultant holes.

In fact, when we thought about it we realised that, while our part of Birmingham faces significant challenges, we have the most wonderful gift of one another – great people, many of them young – and that, if we work together and resource one another (across faiths, across languages, across backgrounds), we can make Sparkhill and its surrounding suburbs an even better place in which to live

So 2023 was, for Narthex, a year of defining a new strategy and a new mission. We now name our vision as being that **we want to see Birmingham being changed for the better – a city in which thriving, self-sustaining communities and individuals empower each other to flourish.**

Our mission, which follows from this, is that **we want to see Birmingham lives being changed for the better as we work in partnership with the people we serve, helping them to realise their potential and then becoming agents of community-transformation themselves.**

On the face of it, we continue to do some of the same things as before. We provide food to those who struggle, and offer advice on money and debt. But we've made a strategic shift, to accompany our existential shift away from being, above all, a charity which relieves destitution and fills holes.

We've looked at our foodbanks, for example; and, as well as the fundamental unsustainability of the model, we see a risk that people can become 'stuck' in them. So we want to be clear that we want to serve clients at our foodbanks, but only for as long as strictly necessary – and not a day longer.

We've therefore done two things. In late 2023, we started the process of taking on 'ownership' of a food pantry – a process completed with a full and final hand-over in April 2024. This was done with a clear strategic goal in mind. We're now actively encouraging many of our regular foodbank users to move into the pantry instead – to switch from contributing nothing to paying for something, and from having no choice to having a choice.

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The other aspect of our strategy, informed by our mission and aimed at contributing to the achievement of our vision, is that we're seeking to be more intentional with the provision of Information, Advice and Guidance (IAG), including our Money and Debt Advice (MDA) services.

We believe that, in the past, we sometimes addressed the wrong issue. We focused on feeding people when we should instead have asked, "Why doesn't this person have enough money?" Of course benefit levels should be higher; but for some of our clients, at least, it isn't just lack of income which brings them to the foodbank – it's that they're not getting all the benefits to which they're entitled; or they're deeply in debt; or... or... or...

We are therefore working in a much more joined up way with other providers (eg. Birmingham Law Centre, appealing Universal Credit sanctions; Shelter) to provide information and guidance at source, as well as increasingly deploying our own MDA paid staff into the foodbanks and pantries.

We're also starting to recruit, train, support and equip a team of volunteers who will both provide a level of IAG themselves (so releasing paid colleagues to focus on the more complex cases) and who will accompany clients through their personal journeys into change. Instead of saying, in effect, "this other organisation can help you – go and ask them" (an invitation which is not always taken up), we can say "our friends in this other organisation can help you, and we'll walk that path along with you".

It's not just about 'clients' and 'professionals', in other words; it's about building relationships and a resilient community, as we work for transformation together. Our belief is that, as we see this happening more and more in the individuals we accompany, Birmingham itself will be transformed.

There are several things which could be added in relation to this:

- 1 We commit to being a learning organisation, reflecting at every level on what we're doing and why. We'll change our strategy if that will enable us to meet our goals more effectively.
- 2 As trustees, we celebrate our outstanding team – both paid and voluntary. From the outstanding work of our CEO, Patricia Coleman-Taylor, through all aspects of what we do, our colleagues' commitment and passion is extraordinary. We oversaw several key appointments in 2023, which brought a depth of skill into Narthex which has been much needed. We're always actively recruiting new volunteers, to cover a wide range of tasks and skills-sets.
- 3 We must thank all of our partner organisations, but most particularly Trussell Trust (whose support, understanding and encouragement have been profound).
- 4 We must thank all our donors, both large and small. We will never take any of you for granted, and hope that the best evidence of our gratitude is the lives that are being, and are going to be, changed.
- 5 We're changing the ways we use both our base, at St John's Church in Sparkhill, and our warehouse in Tyseley, with the aim of making both spaces more attractive and useful. Please come and visit us, and see for yourselves!

All in all, 2023 was a year of great but necessary change. Development will continue in 2024; but always done as one team, moving forward together. We want to see lives being changed for the better as we work in partnership with the people we serve, helping them to realise their potential and then becoming agents of community-transformation themselves. Our belief is that, when people across our city see this happening, other groups and organisations will want to join in – and Birmingham will be transformed. You can be part of this movement for change. Come and join us!

Toby Crowe
Chair of Trustees

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TRUSTEES REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2023



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 2023, 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: 10 July 2024

NARTHEX SPARKHILL

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2023**

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	TOTAL 2023 £	TOTAL 2022 £
INCOME						
Income and Endowments from:						
Donations, Grants and Legacies	2a	381,653	0	256,288	637,941	575,782
Charitable Activities	2b	19,055	0	10,032	29,087	54,569
Other Income	2c	0	0	0	0	0
Donated Goods	5	0	0	198,805	198,805	276,216
TOTAL		400,708	0	465,125	865,833	906,567
EXPENDITURE						
Expenditure on:						
Raising Funds	3a	4,120	0	0	4,120	12,880
Charitable Activities	3b	177,995	0	439,905	617,900	624,898
Donated Goods	5	0	0	232,623	232,623	276,062
TOTAL		182,115	0	672,528	854,643	913,840
NET INCOME/(EXPENDITURE)		218,593	0	(207,403)	11,190	(7,273)
Transfers Between Funds	15	(206,325)	40,000	166,325	0	0
OTHER RECOGNISED GAINS/(LOSSES)						
Revaluation of Stock held	5	0	0	0	0	24,636
NET MOVEMENT IN FUNDS		12,268	40,000	(41,078)	11,190	17,363
Reconciliation of funds:						
Total Funds Brought Forward		79,287	60,000	133,391	272,678	255,315
TOTAL FUNDS CARRIED FORWARD		91,555	100,000	92,313	283,868	272,678

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 12 to 24 form part of these financial statements.

NARTHEX SPARKHILL

**BALANCE SHEET
AS AT 31ST DECEMBER 2023**

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	31-Dec-23 Total £	31-Dec-22 Total £
Fixed Assets						
Tangible assets	9	4,001	0	4,610	8,611	19,024
Current Assets						
Debtors	10	79,593	0	64,542	144,135	24,627
Donated Goods held in stock	11	0	0	50,954	50,954	84,772
Cash at bank and in hand		9,641	100,000	(12,587)	97,054	152,393
Total Current Assets		89,234	100,000	102,909	292,143	261,792
Creditors: amounts falling due within one year	12	1,680	0	15,206	16,886	8,138
NET CURRENT ASSETS		87,554	100,000	87,703	275,257	253,654
TOTAL ASSETS less current liabilities		91,555	100,000	92,313	283,868	272,678
Creditors: amounts falling due in more than one year	13	0	0	0	0	0
NET ASSETS		91,555	100,000	92,313	283,868	272,678
Funds of the CIO						
General Unrestricted Funds	16	91,555	0	0	91,555	79,287
Designated Funds	16	0	100,000	0	100,000	60,000
Restricted Funds	16	0	0	92,313	92,313	133,391
Total Funds		91,555	100,000	92,313	283,868	272,678

Approved by the Board of Trustees on 10 July 2024

Signed on their behalf by Trustee



Print Name: GEOFF HOLT

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2023

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 received government grants in the reporting period.

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

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.

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NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

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 2023

2. INCOME

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2023 £	TOTAL 2022 £
a) Donations, Grants and Legacies					
Donations and Gifts		41,108	19,000	60,108	50,351
Commissioned Funding	7	0	0	0	78,800
Gift Aid Donations and Reclaimed Tax		16,022	0	16,022	23,080
Grants	6	324,523	237,288	561,811	423,551
		381,653	256,288	637,941	575,782

b) Charitable Activities

Other Income		567	10,032	10,599	20,938
Project Income		16,989	0	16,989	32,620
Rental and Administration Income		1,499	0	1,499	1,011
		19,055	10,032	29,087	54,569

c) Other Income

Gain on disposal of Fixed Assets		0	0	0	0
		0	0	0	0

3. EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	TOTAL 2023 £	TOTAL 2022 £
a) Raising Funds				
Publicity and Fundraising	4,120	0	4,120	12,880
	4,120	0	4,120	12,880

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NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

3. EXPENDITURE

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2023 £	TOTAL 2022 £
b) Charitable Activities					
Depreciation	8	11,462	0	11,462	10,728
Establishment:					
Cleaning and Kitchen Supplies		750		750	5,088
Insurance		9,607		9,607	9,134
Rental and Utilities - St Johns		12,000		12,000	12,000
Foodbank:					
Running Costs and Premises Rental			110,794	110,794	102,212
Vehicle Leasing Costs			3,158	3,158	3,610
Gifts and Grants		0	625	625	740
Project Activities		5,250	3,718	8,968	35,159
Staff Costs:					
Contractor Fees		13,321		13,321	6,950
Employers National Insurance	17	22,473		22,473	24,777
Employers Pension Contributions	17	7,333		7,333	6,479
Payroll Processing Fee		761		761	692
Training Costs		1,449		1,449	2,705
Wages and Salaries	17	63,094	321,610	384,704	377,899
Support costs	4	28,969		28,969	19,236
Trustees Expenses *		1,080		1,080	144
Volunteer and Staff Expenses		446		446	7,345
		177,995	439,905	617,900	624,898

* Trustees' Expenses represent the reimbursement of Zoom video communication software

4. ANALYSIS OF SUPPORT COSTS

	Staff and related costs £	Other direct costs £	2023 £	2022 £
<u>Office costs</u>				
Telephone and Broadband (note: 2022 telephone refund received)	13,691	0	13,691	(324)
Bank and Card Charges	0	240	240	0
Office Supplies, Stationery and Postage	0	2,052	2,052	8,270
Placement Fees	0	372	372	0
Equipment Lease	0	10,372	10,372	8,819
IT Software	0	562	562	821
<u>Governance costs (breakdown shown below)</u>	0	1,680	1,680	1,650
	13,691	15,278	28,969	19,236

Governance Costs

	2023 £	2022 £
Independent Examiner's Fees	1,680	1,650

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

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 1.1.23	35,769	84,772
Stock revalued as per Trussell Trust guidelines	-	-
Donated Food	83,884	198,805
Distributed Food	(94,105)	(223,029)
Disposed as waste	(4,048)	(9,594)
Stocks of Food at 31.12.23	21,500	50,954

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

	2023 £	2022 £
29 May 1961 Charitable Trust	0	4,000
Alfred Haines Charitable Trust	750	0
Alexis Trust	0	250
Archer Trust	0	2,500
Asda Foundation	1,000	0
Ashiana	50,000	0
Aylesforel Family Charitable Trust	1,000	0
Bayfield Charitable Trust	2,000	0
Bernard Piggott Charitable Trust	0	2,000
Birmingham City Council	45,042	0
BVSC Ageing Better	17,910	0
Cadbury Charitable Trust	3,000	0
CB & HH Taylor Trust	2,000	0
Charles Brotherton Trust	275	275
Comm MA Ltd (grants for clients)	680	0
Dumbreck Charity	0	500
Edward and Dorothy Cadbury Trust	0	3,000
Edward Gosling Foundation	0	10,000
Edith Murphy Foundation	0	0
EH Smith Charitable Trust	15,000	15,000
Eric F Sparkes Charitable Trust	1,100	1,100
Eric W Vincent Trust Fund	0	500
Education and Skills Funding Agency	0	3,000
Eveson Charitable Trust	5,000	0
Fenthams Trust	2,000	0
Filton Trust	350	0
Fitton Trust	0	500
Fredmill Trust	0	3,000
Garfield Weston Foundation	0	30,000
GE Gee Trust	1,000	1,000
George Henry Collins Registered Charity	3,000	2,000

Carried forward to next page	<u>151,107</u>	<u>78,625</u>
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NARTHEX SPARKHILL

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2023**

6. GRANTS RECEIVED (continued)

	2023	2022
	£	£
Brought forward from previous page	151,107	78,625
GJW Turner Trust	3,000	2,000
Goodenough Charitable Trust	3,000	5,000
Gowling WLG (UK) Charitable Trust	500	0
Grantham Yorke Trust	0	1,000
Grimmitt Trust	3,000	0
Grimley Charity	1,000	0
HE & EL Botteley Charity Settlement	0	500
Heart of England Community Foundation	30,000	0
Henry James Sayer Charity	0	750
IMI Kynoch Ltd	1,000	500
Jaguar Land Rover	0	600
J.C. Secombe Charitable Trust	150	0
Joseph Hopkins Charity	700	0
Julia and Hans Rau Trust	0	39,663
Keith and Joan Mindelsohn Charitable Trust	500	0
Knowle PCC	4,000	2,000
Ladbrokes Coral	382	0
Leaver Family Fund	0	1,000
Leigh Trust	1,500	0
LG Harris Trust	0	2,500
Lillie C Johnson Trust	500	0
L Barbara Morrison Charitable Trust	0	4,800
Lord Austin Trust	2,000	1,000
Lord Mayor of Birmingham Charity	0	2,000
Lottery Cost of Living	74,974	0
M Trust	1,500	0
Marsh Christian Trust	700	550
Maidenhead Malachi Trust	0	1,250
Marshalls Solicitors	250	0
Michael Marsh Charitable Trust	0	1,820
Mills and Reeve Charitable Trust	1,044	0
Montal Charitable Trust	0	5,000
Pat Newman Memorial Trust	0	3,000
Prosperity Law LLP	450	0
Richard Cadbury Charitable Trust	500	500
Richard Kilcuppes Registered Charity	1,000	0
Rowlands Trust	0	2,000
Sainsburys	5,000	0
S D Lloyd Charity	0	500
Shirley Churches Together	0	225
Shirley Parish Church	1,000	0
Shirley Lions Club	500	1,800
Small Heath Community Forum/Police &	17,970	0
Sobell Foundation	1,500	5,000
Souter Charitable Trust	0	3,000
South Birmingham Friends Institute Trust	0	1,000
Squire Patton	250	0
Carried forward to next page	308,977	167,583

NARTHEX SPARKHILL

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2023**

6. GRANTS RECEIVED (continued)

	2023	2022
	£	£
Brought forward from previous page	308,977	167,583
Trussell Trust	126,426	130,239
Turner Trust	3,000	0
Vincent Timber	0	250
WED Charitable Trust	1,000	0
Western Power Distribution Community Matters	0	2,500
Wilkes Partnership	5,300	0
Wilmcote Charity Trust	750	0
Yardley Great Trust	0	10,000
	<u>445,453</u>	<u>310,572</u>
Big Lottery	<u>116,358</u>	<u>112,979</u>
TOTALS	<u>561,811</u>	<u>423,551</u>

7. COMMISSIONED FUNDING

	2023	2022
	£	£
Ashiana Community Project	0	6,250
BVSC - Ageing Better	0	13,750
The Muath Trust (including Ageing Better LAP)	0	34,840
Small Heath Community Forum	0	23,960
	<u>0</u>	<u>78,800</u>

8. NET INCOME FOR THE YEAR

	2023	2022
	£	£
This is stated after charging:		
Independent Examiner's Fees	1,680	1,650
Depreciation	11,462	10,728

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

9. TANGIBLE FIXED ASSETS

		Unrestricted	Restricted			
		Equipment Fixtures & Fittings £	Motor Vehicles £	Equipment £	Fixtures & Fittings £	Total £
Cost	01-Jan-23	98,881	25,000	14,830	3,807	142,518
Additions		1,049	0	0	0	1,049
Cost at	31-Dec-23	99,930	25,000	14,830	3,807	143,567
Depreciation	01-Jan-23	91,623	14,236	14,499	3,136	123,494
Charge		4,306	6,250	331	575	11,462
Depreciation at	31-Dec-23	95,929	20,486	14,830	3,711	134,956
Net Book Value	31-Dec-23	4,001	4,514	0	96	8,611
Net Book Value	31-Dec-22	7,258	10,764	331	671	19,024

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

At 31st December 2023 : 35 x monthly vehicle finance lease payments of £300.57 (from 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 £15,206

10. DEBTORS AND PREPAYMENTS

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-23 £	Total 31-Dec-22 £
Grant Funding	74,974	30,000	104,974	0
Employee Loan	1,000	0	1,000	0
Project Income	1,773	34,542	36,315	7,461
Prepaid expenditure	0	0	0	14,449
Tax Recoverable	1,846	0	1,846	2,717
	79,593	64,542	144,135	24,627

11. STOCK

	Donated goods and stock	
	For distribution £	For resale £
Charitable activities:		
Opening	84,772	0
Revaluation	0	0
Added in period	198,805	0
Expensed in period	(223,029)	0
Impaired/Disposed as waste	(9,594)	0
Closing	50,954	0

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

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

	Unrestricted Fund £	Restricted Fund £	Total 31-Dec-23 £	Total 31-Dec-22 £
Independent Examiner's Fees	1,680	0	1,680	1,650
Accounts Payable	0	15,206	15,206	6,488
	1,680	15,206	16,886	8,138

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-23 £	Income £	Expenditure £	Donated goods £	Distributed goods £	Transfer Btw Funds £	Balance 31-Dec-23 £
Foodbank Fund	133,391	251,320	(258,580)	198,805	(232,623)	0	92,313
Advice Work Fund	0	15,000	(181,325)	0	0	166,325	0
	133,391	266,320	(439,905)	198,805	(232,623)	166,325	92,313
<u>PREVIOUS YEAR</u>	Balance 01-Jan-22 £	Income £	Expenditure £	Donated goods £	Distributed goods £	Fixed assets pcshed £	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

The Foodbank Fund relates to:

Income and Expenditure for the operation of a warehouse and supply of a network of foodbank satellites, providing emergency food for individuals and families in crisis.

The Advice Work Fund relates to:

Income and Expenditure for the provision of Information, Advice and Guidance (IAG) and Money and Debt Advice (MDA) services, with a view to supporting individuals and families out of financial difficulties, crisis and debt.

The restricted funds are represented by:

	31-Dec-23 £	31-Dec-22 £
Donated goods held in stock	50,954	84,772
Debtors	64,542	14,449
Creditors	(15,206)	0
Cash at bank and in hand	(12,587)	22,404
Fixed assets	4,610	11,766
	92,313	133,391

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

15. DESIGNATED FUNDS

<u>CURRENT YEAR</u>	Balance 01-Jan-23	Income	Expenditure	Donated goods	Distributed goods	Transfer btw funds	Balance 31-Dec-23
	£	£	£	£	£	£	£
Reserve Fund	60,000	0	0	0	0	40,000	100,000
	60,000	0	0	0	0	40,000	100,000
<u>PREVIOUS 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

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 and in 2023 the Trustees agreed an additional transfer of £40,000 to this fund.

15. DESIGNATED FUNDS (continued)

The designated funds are represented by:

	2023 £	2022 £
Cash at bank and in hand	100,000	60,000
Fixed assets	0	0
	100,000	60,000

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund	Designated Fund	Restricted Fund	TOTAL 31-Dec-23
	£	£	£	£
Tangible Fixed Assets	4,001	0	4,610	8,611
Cash at bank and in hand	9,641	100,000	(12,587)	97,054
Other net current assets/(liabilities)	77,913	0	100,290	178,203
TOTAL	91,555	100,000	92,313	283,868

NARTHEX SPARKHILL

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31ST DECEMBER 2023

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

	31-Dec-23	31-Dec-22
	£	£
Gross Wages and Salaries	384,704	377,899
Employer's National Insurance Costs (after allowance)	22,473	24,777
Employer's Pension Contributions	7,333	6,479
	414,510	409,155

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

	31-Dec-23	31-Dec-22
	TOTAL	TOTAL
Furthering the charitable objectives	20.75	18.9

Staff numbers represent 20 being on payroll at the start of the year and 20 at the end of the year (2022: 18 at the start of the year and 20 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 2023 was £13,321 (2022: £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 £73,062 (2022: £102,938). Contractor fees of £13,321 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 £31,656 (2022: £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 £25,265 (2022: £21,131) for his role as Foodbank Co-ordinator.

The CIO currently pays pension contributions on behalf of 16 employees (at 31 December 2022: 18 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.

One Trustee donated an amount of £120 to the CIO during 2023 (2022: Three Trustees donated an aggregate amount of £748). There were no conditions attached to these donations. No Trustees made any loans to the CIO during 2023 or 2022.

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 (2022: 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 2023**

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 2023

	2023 £	2022 £
Cash used in operating activities (a)	<u>(54,290)</u>	<u>(995)</u>
Cash used from investing activities		
Interest income	0	0
Purchase of tangible fixed assets	(1,049)	(4,036)
Cash provided by (used in) investing activities	<u>(1,049)</u>	<u>(4,036)</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>(55,339)</u>	<u>(5,031)</u>
Cash and cash equivalents at the start of the year	152,393	157,424
TOTAL cash and cash equivalents at the end of the year (b)	<u>97,054</u>	<u>152,393</u>
(a) Reconciliation of net movement in funds to net cash flow from operating activities		
	2023 £	2022 £
Net movement in funds	11,190	17,363
Add back depreciation charge	11,462	10,728
Deduct interest income shown in investing activities	0	0
Decrease/(increase) in debtors	(119,508)	(10,844)
Increase/(decrease) in creditors	8,748	6,548
Decrease/(increase) in donated goods stock	33,818	(24,790)
Net cash used in operating activities	<u>(54,290)</u>	<u>(995)</u>
(b) Analysis of cash and cash equivalents		
	2023 £	2022 £
Cash at bank and in hand	97,054	152,393
Total cash and cash equivalents	<u>97,054</u>	<u>152,393</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 2023.

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 FCIE

Date: 11th July 2024

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