

PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF KNOWLE, SOLIHULL

England & Wales · Charity number 1127404

Details

Other names	THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF ST JOHN THE BAPTIST, ST LAWRENCE AND ST ANNE, KNOWLE IN THE DIOCESE OF BIRMINGHAM, KNOWLE PCC
Status	Registered
Legal form	Previously excepted
Registered	2009-01-07
Register	View on the Charity Commission register

Contact

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Activities

Objects: Promoting in the ecclesiastical parish the whole mission of the Church.

Activities: The provision of regular Public Worship, open to all.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Services
- **What:** Religious Activities
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** BIRMINGHAM
- Solihull

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£2,410,648	£991,716	£3,108,638	19
2024-12-31	£885,117	£909,743	£1,689,706	20
2023-12-31	£904,832	£874,580	£1,714,332	18
2022-12-31	£774,150	£746,575	£1,684,080	18
2021-12-31	£666,527	£694,056	£1,656,505	17
2020-12-31	£688,434	£648,096	£1,684,034	16

Trustees

Name	Role	Appointed
Rev Geoffrey Peter Lanham	Chair	2019-09-09
Alan Stephen Rebeiro		2026-04-22
Chor Wo Kwok		2025-05-14
David Charles Pickering		2020-10-14
Hannah Bull		2024-04-24
Hugh Rollinson		2024-04-24
Jennie Louise Lumb		2025-05-14
Julia Jane Savage		2026-04-22
Katherine Boyall		2024-04-24
MRS LIZ WELTON		
Rebecca Louise Hailes		2025-05-14
Rev Amy Mei Yen Yeoh		2025-05-14
Rev Stephen Johnson		2021-09-23
Roderick Brian Street		2020-10-14
Sarah Jane Brown		2026-04-22
Stuart Paul Webb		2026-04-22
Warren Wing Wah Tan		2025-05-14
Yuen Ting Roxanne Chung		2023-11-03

Accounts



The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Charity number 1127404

Report and Accounts
Year ended 31 December 2025

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2025 Annual Report and Accounts for the Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull (Charity number 1127404)

The trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 31st December 2025.

The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1. Aim and purposes

Knowle PCC has the responsibility of cooperating with the incumbent in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Church and nearby buildings – the Guild House, St John's Hall and St Lawrence House – and two residential properties: St Anne's Cottage and 46 Crabmill Close.

2. Objectives and activities

The statement of purpose of Knowle Parish Church (KPC), agreed by the PCC and endorsed by the 2015 APCM, is: *'We are here to help people become lifelong followers of Jesus Christ'*. This statement of purpose is augmented by the Vision statement which was introduced in 2021 "A house of God's light for all peoples and generations"; more detail is on page 4.

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our church community to help resource their discipleship and equip them for service in the world. The PCC maintains an overview of worship in the church and in groups throughout the parish and beyond and makes suggestions on how our services and other activities can be for the benefit of everyone of whatever background. Our services and worship put faith into practice through prayer, scripture reading, teaching, music and sacrament.

When planning our activities for the year, we have considered the Charity Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. We seek to enable people to find and live out their faith in Jesus Christ in our community and beyond, and we also organise a number of activities that benefit the whole community of Knowle such as pre-school groups and a friendship club for senior citizens. We also promote practical and financial support to Christian mission beyond Knowle in the UK and overseas. To facilitate our work, it is important that we maintain the fabric of the Church and related buildings.

3. Achievements and performance

Worship and prayer

Our normal service pattern continued through 2025. Services continue to be well attended.

At the 9.30 am service, under 5s, children's and youth groups are held most weeks, with intergenerational services held at key points during the year. During 2025, a review of the 11.15 service was conducted, which led to changes to the hymn book and service sheets. These changes will themselves be reviewed in due course.

Whole Church prayer meetings took place termly and were generally attended by around 40 - 50 people. Additional Church prayer meetings were held at key points eg to pray for Christmas services. Many other smaller groups also met to pray regularly throughout the year.

Ministry and evangelism

Throughout 2025 the Church maintained its aim of serving and reaching out to people in Knowle and beyond, seeking to reconnect with the community. We have particularly noted the regularity of new people just turning up to church or making contact with us about faith, particularly men under 25yrs old. To support this, a new group for younger adults has been formed and meets each week after the Encounter service.

Our Exploring Faith courses included Alpha in Spring 25 with 30 attenders, following on to Alive (after Easter), and then we trialled the 4 weeks of the 321 course in the Red Lion pub during the Autumn. There were lots of positive faith stories to tell throughout the year and we have been encouraged how these courses have grown in popularity. A new home group was formed following 'Alive' which is still going well, the majority of whom came on the recent church weekend away.

Following Alpha 2025, we launched a new ministry of 'accompaniers' to walk alongside those new to faith. This has been trialled in 2025 with 7 new Christians walking intentionally with a more mature member of church, and will be rolled out more widely in 2026.

3. Achievements and performance (continued)

Ministry and evangelism (continued)

Twice in 2025, in September and again at Christmas, over 2000 pupils from Arden Academy come to KPC for a short service. This special connection between church and non-church secondary school is really significant to our life in the village and has been a stepping stone for those younger adults returning to faith later in life.

Our Friday Night Girls Night ministry has continued to thrive, under the leadership of Barbara Carstairs, with the hall full to bursting for the final, intentionally evangelistic, event of the year in late November. Following the success of 2025, 2026's evenings have moved to the church to accommodate larger numbers.

We didn't repeat the flurry of sporting activity of the summer of 2024 but one event that did go ahead was a cricket match at Solihull School. The highlight of which was welcoming 3 players from our connections with the local hotel housing asylum seekers. They also attended the concert put on by 'Changing Tunes' later in the year – see the Global Mission Committee report.

Many of our other ministries are outlined independently in the wider report but the missional edge of our Renew Café, Make, and Friendship Club are particularly noteworthy, alongside the significant outreach work of the children's team.

Our evangelism encouragements to bless others, speak up about our faith and invite people to events continues throughout the year and our Sunday services included a preaching series on 'Common Questions of faith.' The clergy have also visited several home groups leading sessions on 'how to share faith.'

Over the course of 2025, through our evangelism courses, adult baptisms and confirmations, we know of at least 8 more people that have made significant commitments to follow Jesus.

Mothers' Union

Knowle Mothers' Union is part of a worldwide movement of some 4 million members, with prayer at its core. Open to baptised men and women, parents or not, MU works to transform communities worldwide, promoting marriage and stable family life and encouraging parents in developing the faith of their children.

We have 72 members in Knowle and, besides monthly meetings with speakers and monthly prayer times, we have given financially to help struggling families to have a break and to fund literacy and financial education programmes overseas. We have collected items for Women's Aid and given toys for prisoners to give to their children at Christmas, whilst KnitWits continued to knit clothes for premature babies in Birmingham hospitals. We have led prayers against gender-based violence, as well as serving in our church.

Membership is not so much about attending meetings, but living lives manifesting our MU promises. In 2026 MU celebrates 150 years since it began.

Home groups

Home groups continue to be at the heart of KPC life. They provide a forum for groups to give one another pastoral care and spiritual growth through prayer, discussion and Bible study. There are approximately 30 groups; most groups now meet face to face rather than on Zoom, meeting in the evenings from Monday to Thursday. More than 330 people regularly attend. Some groups have naturally come to an end, and some new ones have been created.

Various studies are used by the groups: our own sermon series questions, the Bible Course (Bible Society), Practicing the Way, clips from The Chosen, The God Story, and various studies on books and characters in the Bible. During the year Sue and Ian Ralph, home group coordinators, have continued visiting home groups and were much encouraged by their welcome and the care and discipleship they saw. Steve Johnson seeks to lead a home group leaders' meeting each term, although there has been hiatus this year as a result of the extra clergy workload because of Geoff's sabbatical. However, he did lead an informal soiree of prayer and discussion for home group leaders at his home in June.

KPC's Mission team have continued to encourage home groups to link up with organizations and other groups outside the church, both within our mission focus and elsewhere, and a growing number of groups have developed such links. KPC continues to be blessed to have a faithful body of home groups and leaders, and we are grateful to God for their discipleship.

Children's work

The children's ministry team has continued as a team of 4 led by Sarah Covington, with Sarah Chapman and Clare Fillingham focussing on the under 5s and their families and then Barbara Carstairs and Sarah Covington focussing on the 5-11s.

Our pre-school ministry remains really strong, with Sarah and Clare developing a huge number of contacts through all of our groups - Bumps & Babies, Graduate Bumps, Rainbow Tots (2 sessions weekly) and Dads & Toddlers too. We are thankful to Gareth Hall who continues to lead the Dads & Toddlers sessions as a volunteer. A large number of these families attend our seasonal events that happen across the year, from Pancake Parties to Easter Celebrations to the many Christmas events once

3. Achievements and performance (continued)

Children's work (continued)

again held in 2025. Alongside the events, we are looking at ways to build on the relationships and find the right opportunities for deeper faith exploration, whether that be through the biweekly Mums home group, or the delivery of courses such as 3-2-1 with a more focussed group.

2025 saw the transition of the Stepping Stones leadership from Sue Spencer as she retired at the end of the summer term, to Amy Elebe who took over in September. We are incredibly grateful for all that Sue did for Stepping Stones over her many years in the role, and similarly thankful to Amy for stepping into the role.

With 5-11s we have our Sunday groups which run most weeks, interspersed with our intergenerational services. We continue to have a core group of children and are also seeing some growth in numbers on a Sunday. Significantly, we are also seeing growth in the depth of faith of our children. Particularly significant for some was the opportunity to be part of leading the first 15 minutes of a 9:30 service. We have continued to run a series of very successful one-off events – Pancake Party, Light Party, Easter events, Summer events, Christmas etc, all of which are enabling us to build relationships and community with the families. Our work at Knowle Primary Academy has continued with us delivering Collective Worship weekly in each key stage, supporting teaching of some elements of the RE curriculum and also through the seasonal services that take place at church throughout the year. A newer development is the opportunity to lead Choral Collective Worship twice a term for the school which involves both Alex Dengate and Sarah Covington. The Jelly Beans Club for the children in Year 1 is now well established and saw approximately 30 children on average each week. A child who attended in 2025 decided that they wanted to be baptised, which has now happened, and they have brought their family along to church with them. Through the opportunities provided by the governance roles of Sarah Covington and Geoff Lanham, we have been able to develop further church-school links, and this has involved occasions where children and staff have attended some 9:30 services, such as the school choir singing for our Mothering Sunday service, and the school council talking to us about their Drop the Screen campaign. Sarah Covington also continues to provide pastoral care and support for the staff, most notably for the Principal, and wider leadership team.

Youth work

In January 2025, our Youth Minister Amy Dowdy, returned from maternity leave and promptly began engaging with the youth ministry at Knowle Parish Church. With particular focus on reconnecting and establishing relationships with the young people that utilised our various provisions, and working closely with our Assistant Youth Minister, Ros Hardy. Since January we have adapted some of our sessions to be more accommodating to our large group sizes and also for young people with a neurodiversity. Our youth groups now utilise St Johns' Hall, Youth Office & St Anne's Cottage with occasional use of the main church building and Lower Guild House.

We engage with approximately 50 young people over the course of an average month across our 7 different youth sessions each week. Since Amy's return she has prioritised needs assessing the young people we currently engage with. We have a large community of Hong Kong families and young people. We also have a large community of young people who have a neurodiversity. This has made needs assessing our young people and our provisions complex. We have sought out professional support with this through SEN training, an SEN specialist consultation and a Hong Kong Enabler. This time last year our Hong Kong young people made up the majority of our groups but at present there is more diversity amongst our groups and we are seeing a higher proportion of white British young people attending our sessions which has increased the weekly attendance.

We have been able to recruit 2 new volunteers into the youth team. They come with substantial experience and a natural rapport with young people. Other activities throughout the year include youth socials, Christmas & Easter religious events, Youth Away Day, and Arden Assemblies (September & December). Alongside our Arden mentoring we have also developed a 121 mentoring system within our Knowle Parish Church youth provision. Amy's 121's are with years 10-13 females and Ros's 121's are with years 7-9 females. We have also reestablished our older youth group on Sunday afternoons for years 10-13.

In addition to this we have launched a Youth Workers Across Solihull Network, it is in early stages but the aim of this network is to meet together with other youth workers every half term and help support, encourage and inspire one another. The overall objective of this network is to collectively deliver occasional and regular youth provision for the young people of Solihull to access.

Pastoral care

The ministry of the pastoral care team, led by David Pickering and covering prayer ministry, bereavement support and visiting the sick and elderly at home and in care and nursing homes continued throughout the year. In addition, home groups, which generally meet fortnightly, offer prayer and support to their group members. The annual Memorial Service for the relatives of people who have had funerals at church in the past year took place on Sunday 16th November.

3. Achievements and performance (continued)

KPC Vision and goals

We have continued to progress the church's vision statement which was developed in 2021:

Letting our light shine at the village centre as
A house of God's light for all peoples and generations.
 A beating heart of worship to God;
 generously serving Knowle, the deanery and wider world,
 to help transform lives and neighbourhoods for Jesus.

In developing this vision we looked at Worship, Discipleship, Evangelism and Mission. This has led over the last three years to several new initiatives in each of the areas. During 2025 we have reviewed our main weekly services and the extent to which they effectively support this vision, continued to progress ways to support parents and younger children, and the Renew Café continues to serve the local community well which was begun in 2023.

For Future Generations - Knowle Parish Church reordering project

We launched a project in 2024 to address the ways in which the interior of the main church building could better support our Vision and Goals. In particular we identified that the fixed Victorian pews restrict the use of the church considerably, that the heating places a limit on our eco aspirations and that the lighting and general layout present a less than welcoming impression for newcomers.

Through 2024 and into 2025, extensive consultation work was undertaken with the church family, local stakeholders and also the Diocesan Advisory Committee (DAC). We held an informal meeting with the DAC after the PCC had reviewed and authorised the evaluation of options and concept stage of design from BHB (our appointed architects) in early January. This broadly concluded RIBA Stage 2. Work has progressed to refine the design following positive feedback from the DAC and the consultations.

The governance arrangements authorised by the PCC in 2024 appointed a Project Director and Project Manager and asked the Project Director to appoint a team to undertake the work. This forms the Steering Committee. The Project Director reports to the Sponsorship Group comprising the Vicar and the Church Wardens which in turn is accountable to the PCC. The Steering Group and the Sponsorship Group meet every month. The team meets with BHB each month and these professional meetings now include the specialised consultants as required and are chaired by BHB. The Steering Group maintains a comprehensive risk register which is reviewed typically every 4-6 months.

In moving forward from RIBA 2, the PCC reauthorised the project budget to proceed to RIBA design stage 3 and 4. This was at a tendered price at a percentage of the construction cost. As is normal practice, the Church has to engage various specialist reports to support the work of the architects. Estimates, were identified and approved in March 2025 by the PCC in the sum of £403,000.

The first work undertaken was an archaeological survey, including test pits, and then a woodwork survey, both mandated by the DAC. Subsequent work on civil and structural engineering, mechanical and electrical engineering have also been let following competitive tender towards the end of 2025 and early 2026. Delegations involving contract procurement and letting were approved by the PCC in October and November 2025.

Funding for the first phase of the project, RIBA 1-2 stages was provided by The Pickering Fields Trust against the fixed fee proposal from BHB. The funding for the subsequent stages was provided by gifts, bequests and donations before April 2025. All contributions before, and after, April 2025 have been encompassed in a single interest bearing CCLA Reordering account.

The Church ran a pledge day process over a week in July 2025 from which pledges in the sum of £2,393,305 were made. With Gift Aid, this amounts to £2,809,326. Once pledges are received, they are classified as gifts, bequests and donations. The Fund Raising Team is also continuing to explore external sources of grants and funds to support the project. This is alongside Fund Raising Team's activity in the community which seeks to raise awareness through outreach and engagement as well as funding.

The pledge process has been a wonderful blessing from God clearly indicating the movement of the Holy Spirit in such generosity for future generations of mission for the Church.

Communications around the project cover a variety of media including church notice boards, website, stakeholder meetings, appropriate social media, Parish Magazine and face to face briefings as at the recent church weekend away.

The current timeline for the project would allow for submission of pre-application planning approval and Faculty permission from the Chancellor from autumn onwards. There would then be a 4-6 month pre-tender and tender period with a start on site no earlier than spring 2027, with works probably taking just over a year. This is the most optimistic trajectory given the challenge of DAC Faculty permission. We will also require SMBC Planning Permission for the annex, hopefully obtained in parallel to the DAC Faculty.

3. Achievements and performance (continued)

For Future Generations - Knowle Parish Church reordering project (continued)

The project is supported by an active prayer ministry team who readily engage with team and church family members and attend critical meetings.

Church attendance and membership

Attendance at Sunday services averages around 384 adults and 38 children and young people.

At the time of the 2025 Annual Meeting in May, following a complete revision of the Church Roll, there were 481 people on the Church Roll, of whom 282 lived in the parish and the remaining 199 outside the parish. Many additional people have links with the church in a less formal way.

During 2025, 6 Baptisms and 2 thanksgiving services were held and 9 marriages and 1 service of blessing took place. 34 funerals took place in the church. A further 10 funeral services took place at the crematorium and 24 interments or burials in the KPC churchyard.

Deanery Synod

Knowle Parish Church is in the Yardley and Solihull Deanery of Birmingham Diocese. There are nearly 30 churches in the Deanery, which stretches from Ward End in the north to Knowle in the south. In general the Deaneries spread out from Birmingham centre like spokes on a wheel, to ensure a good demographic mix of churches in each Deanery. Therefore, although we are physically close to St Phillip's, Dorridge, that church is in a different Deanery (Shirley). Other churches in the Deanery with which we have links are St John's Sparkhill (home of the Narthex Project), and St Christopher's Springfield, and we also have links with local rural churches in our Oversight Area.

Deanery Synod met three times last year, in February, June and October. Subjects discussed included Conflict Resolution, Safeguarding, Mission, Transforming Church, and Birmingham Diocese's (ultimately successful) bid for central CofE funding to support Leadership, Parish Growth and Church Planting / Revitalisation.

Ecumenical relationships

Our clergy met during the year with the clergy and leaders of other churches in Knowle and Dorridge.

Eco Church

The Eco Group continues to promote and develop Eco action at KPC in line with C of E net-zero targets. This year we have built upon last year's Creation Care sermon series and secured funding to host a series of outside speakers for our 2026 Lent talks, titled Understanding Creation Care. In support of our role as a resourcing church, these talks are open to all local Christian churches, churches in our oversight group and other churches in the diocese as well as the wider community.

We have continued with our popular Eco events such as our annual green fair in order to connect with our local community. We have organised a large litter pick in conjunction with Solihull Council. We continue to work with other local environmental groups including Knowle Society and Warwickshire Wildlife Trust. We have engaged with Knowle Primary Academy and helped with their Eco work and run a poster competition for the children.

In November we ran a successful pilot for a Repair Café and are looking at options for how we make this a more regular event.

The Hong Kong Men's group has joined with us to tackle and maintain the area at the back of the kitchen with weeding and planting. We have taken part in a hedgehog survey with Warwickshire University and installed a small camera in the churchyard to film a nest.

We continue to make small eco improvements to our buildings and environment and sustainability is a key part of the For Future Generations project.

We are still looking for a small group of individuals who can support our work in prayer as well as praying specifically for the Climate Emergency at a local, national and international level.

Global Mission Committee

In 2025 the Global Mission Committee has pursued its strategic aims as outlined below and is encouraged that the sense of what Mission might mean for individuals and groups is growing in our church. We have established a rhythm of two, whole Sunday Mission themed days for all four services with an emphasis on one UK and one international partner for each Sunday.

3. Achievements and performance (continued)

Global Mission Committee (continued)

January 2025 was hearing from Rev Toby Crowe about St John's Church, Sparkhill and in July 2025 we heard from Bishop Walter Toro and the Tarija church in Bolivia with live and recorded material from Tarija.

Peter Coggan has developed the prayer co-ordination such that there is material for prayer requests available for alternate Sundays in all services.

We also started to meet and support some of our 32 home groups to explore how their group might choose a mission project or partner and then pray for and develop a relationship with the partner. 13 groups are actively involved with a partner now.

Whilst continuing to support various historic partners at home and overseas through prayer, relationship building and finance we also continued our discernment process of who and why we support our existing and emerging partners. There were no big changes in the last 12 months other than 2 projects closed and we reinstated Birmingham City Mission to replace one of them as that was such a strong hope from the survey of our congregation in 2023. We are now engaged with the three regional churches, two emerging partners and nine other partners (was twenty-six). We continue a commitment to Bolivia and its Bishop, Walter Toro, his nation's needs and with his specific church in Tarija. A home group prays for and communicates by translated Zoom calls with the Tarija church.

We continue to host an annual concert for Changing Tunes, and are exploring other options for engagement especially with a view to children and young people's special needs inside the criminal justice system in the West Midlands.

We continue to explore a business opportunity for an International Ecological partner together with Claire Carter's ECO & Climate group. This is in a pilot phase presently.

We supported a small number of individuals with mission questions.

The GMC made grants and donations at our discretion from the 2025 budget of £37.5K.

The Committee, chaired by Bruce Richard, continues to meet every 6 to 8 weeks, with 5 members, plus Rebecca Hailes as our PCC link.

Fabric

In 2025, the PCC Fabric committee comprised Nick Brown (Chair), Gareth Roberts-Davies (Facilities and Systems Manager), Liz Welton, Ian Kay and Ian Best. The Committee meets monthly, discussing maintenance, repairs and matters including the churchyard and trees. The group reviews progress, commissions work, determines priorities and plans future works subject to approval by PCC. Gareth retired at the end of 2025. Ian Best stood down at the beginning of the autumn. The group would like to place on record their thanks to Gareth and Ian for their contributions.

Mark Prescott is the new Facilities Manager and Tony Lumb will join the group from early 2026.

Mark reports to Helen Allen (Operations Manager), who receives all papers.

The fabric of the church buildings continues to remain in satisfactory condition. The Quinquennial architect is James Phillips of APEC architects.

Status of works on KPC buildings:

i. Church

There are no material issues currently with the Church. The quinquennial inspection raised no items of significance. Our attention was drawn to likely future costs of repair to the south aisle roof though this is not anticipated to be during the life of this 5 year inspection. Restoration work following the archaeologists' excavations has been undertaken to a very high standard. The restoration of the ancient chests, dating back to the 15th century have been cleared of worm and beetle and the hinges and clasps restored by a professional conservator. We will be renewing the heating controls due to unreliability of the old system. Efflorescence has reappeared in the vestry. This is again being dealt with more broadly to try to dry out the stonework in that area.

ii. St John's Hall

The endemic problems of the hall floor expansion continue. Whilst this has been offset by the use of dehumidifiers in the summer months, we are looking at a more semi-permanent dehumidifying solution. In seeking expert architectural and heating advice on the hall floor we have been told that the cost of replacement would be likely in the order of £250k. At this stage it

3. Achievements and performance (continued)

Fabric (continued)

would not be economic or affordable, and the PCC determined that we would not replace the floor until after the main reordering is concluded. Hence, pursuing an approach that used semi-permanent de humidifiers to prevent the floor expanding. The partition screens whilst safe, are awkward to use and work is in hand to rectify their "stickiness" in early February. Electrical inspection will be carried out in February 2026.

iii. Guild House

The floor of the Guild House has been very effectively restored and looks amazing now and has no loose blocks. The damp in the entrance has been dealt with although there is more damp work to be done in the toilet and decorative on the hall and stairway.

iv. Churchyard

The cycle of inspection and maintenance continues with work programmed as and when needed.

The upkeep of the ancient and more modern church estate remains a considerable challenge. Over the last year we have been able to address some more of the issues that have presented over the years. The reordering project will enable some of the structural issues to be addressed but that will give benefit over the longer term.

4. People

The work of the Church was undertaken by a wide group of people including Clergy, Staff, Readers and very many members of the Church. The principle of 'every member ministry' remains strong in the life of the church. Volunteers continue to play a central role in the work of the Church and are at the heart of most activities.

Amy Dowdy returned from maternity leave in January 2025.

Charlotte Barber joined us as Organist and Choir Leader in January 2025.

Catherine Robinson retired in November 2025. We appointed Susan Adams to take on the role of Magazine Editor and Joanna Hamilton to be Communications Officer. We thank Catherine for her contribution to the life of the church; during her time on staff she has overseen several large projects including production of the new church logo, design of the new KPC website and a revamp of the church's weekly newsletter. We wish her well for her retirement.

Geoff Lanham took a 3-month sabbatical from September to November 2025. He was appointed an Honorary Canon of Birmingham Cathedral.

Our grateful thanks are due to everyone who gives of their time and energy to enable KPC to do all that it does, and to all who pray for the many things which go on.

5. Financial review

The PCC is pleased to report that General Fund reserves remain at a healthy level, ending the year at £93k (2024: £100k) compared to the revised policy level of £80k (2024: £75k).

The General Fund, which covers the normal running expenditures of the church, showed a deficit of £20k in the year, compared to a deficit of £12k in 2024. The £20k deficit for the year is after charging depreciation of £33k, but before transferring £20k to the Designated Property Repair Fund; so net current assets, or reserves, decreased from £100k to £93k. This level of reserves is above the revised policy level of £80k and provides a level of flexibility in readiness for increased costs in 2026.

Restricted funds have increased very significantly to £1,610k (2024: £152k) because of the gifts and grants received towards the church reordering project.

The Treasurer and the PCC as a whole warmly thank church members and others for their continued financial support, without which we would not be able to carry forward the ministry of Christ in Knowle.

Going concern

The trustees have considered the financial outlook for the charity in the context of the charity's plans and general economic conditions. While costs increased in 2025, reserves have been maintained at a healthy level. Although costs are expected to increase further in 2026, the PCC considers that reserves will continue to be maintained at or above the policy level of £80k for a further 12 months. Accordingly, the PCC has determined that the current conditions do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern for at least twelve months following the date of signature of the balance sheet.

5. Financial review (continued)

Income

Total income increased by £1,526k to £2,411k mainly as a result of a £1,482k increase in income for the "For Future Generations" project to reorder the church interior. Other increases of £57k in donations and grants were offset by decreases in income from activities (£8k) and unrestricted legacies (£5k).

Income to General Funds increased by £42k to £738k. An increase of £40k in donations by church members was supplemented by a £2k increase in fees for weddings and funerals.

Income to Designated Funds decreased by £9k to £87k. Gifts, grants and legacies to designated funds decreased by £1k. Income to the affiliated groups declined by £8k, principally because of lower income in the Stepping Stones pre-school group.

Income to Restricted Funds increased by £1,493k to £1,585k. Reordering Fund income increased by £1,482k to £1,537k including gifts and associated Gift Aid from individuals of £1,365k, a grant from Pickering Fields Trust of £150k and deposit account interest of £22k. Other Restricted donations and grants totalling £17k (2024: £6k) included a £4k grant from Scientists in Congregations towards the cost of the Lent course "Understanding Creation Care", a £3k grant towards youth work and gifts of £10k from church members towards church maintenance and other church activities. Knowle United Charity (KUC) made grants of £27k (2024: £26k) towards youth and children's workers' salaries and towards a newly created Organ Scholarship. The PCC is very grateful for KUC's ongoing support over many years. Interest income of £4k (2024: £5k) was allocated across other restricted funds.

Expenditure

Contributions to the Diocesan Common Fund of £208k (2024: £193k) were in line with the amount requested; of this, about £20k (2024: £50k) was a voluntary gift to support other parishes. The PCC also made contributions to the Church's wider ministry by continuing the policy of giving 5% of voluntary General Fund income to outside organisations, which amounted to £41k (2024: £42k) and also made gifts and grants from designated and restricted funds totalling £1k (2024: £1k) making a total of £62k (2024: £94k) towards mission and ministry work beyond Knowle. In 2024, retiring collections and other mission payments not included in the main church accounts totalled £9k (2024: £10k).

Total expenditure in 2025 increased by £82k to £992k.

General Fund expenditure increased by £50k to £759k. Salaries increased by £27k as all vacancies were filled and there was a pay increase to meet the increased costs of living. There were also increases in Common Fund payments (£15k), audit costs (£4k) and general expenditure (£4k). The audit cost increase results from a change to a full audit which is necessitated by the increased income levels for 2025.

Designated Fund expenditure decreased by £9k to £105k principally because of reduced costs of property and churchyard repairs that were met from the Designated Property Repair and Churchyard Funds. Energy costs of £3k (2024: £3k) were met from the designated grant from the Church Commissioners for this purpose.

Restricted Fund expenditure increased by £41k to £128k. Expenditures in 2025 included costs on the reordering project of £84k (2024: £45k) and £15k (2024: £18k) on other projects. Payroll costs of £29k (2024: £24k) were met from restricted grants, principally from Knowle United Charity.

Financial Risk and Uncertainty

The principal area of risk and uncertainty is the responsibility for the upkeep of an ancient listed building, which can give rise to large and sometimes unexpected expenditure. This risk is mitigated by the maintenance of a Designated Property Repair Fund.

6. Reserves policy

The PCC has reconfirmed its policy to maintain a balance on General Fund reserves (net current assets, which excludes fixed assets) of a least 10%, or 5 weeks, of annual payments from the Fund. Because of the general increase in the activity and cost levels in the church, this value has now been increased to £80,000 (2024: £75,000) and is as low as is prudent bearing in the mind the time taken to obtain tax refunds, and the amount of income that still comes as one-off donations. This does, however, mean that any money given to the Church will be put to good use immediately! The actual balances of net current assets in the General Fund at the year-end of £92,815 (2024: £100,036) are therefore in line with PCC policy.

The PCC also maintains a Designated Property Repair Fund to cover the costs of major repairs; the balance on this fund of £116,716 (2024: £102,599) is expected to be sufficient for any works necessary in 2025.

The Designated Legacies Fund, created to hold the balances of legacies received but not yet allocated to specific purposes by PCC, stands at £80,232 (2024: £80,232).

7. Fundraising practices

The church invites voluntary donations from the public which, together with the associated Gift Aid, comprise the majority of the church's income. The PCC has reviewed its fundraising activity to ensure compliance with the latest Charity Commission guidance. The church does not use any commercial fundraiser or commercial participator. Although the church does not subscribe to particular fundraising standards or to any scheme for fundraising regulation, it follows guidelines for fundraising set by the Church of England. Fundraising activities are normally limited to invitations by the Clergy and/or Treasurer for church members to prayerfully review their giving to charitable activities including the church, supported by information leaflets and presentations which set out the financial position of the church, normally given on "Stewardship Sunday". Particular care is taken to ensure the protection of vulnerable people and other members of the public from behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent, or places undue pressure on a person to give money or other property. No complaints have been received by the church related to its fundraising activity.

8. Plans for future periods

Our aim and purpose will remain as stated in 1 above. The Trustees will continue to work to develop and implement our goals under our 2021 vision statement. We will run and develop our programme of worship services, groups, activities and special events, with changes to meet needs and initiatives as they arise. Our motivation remains that, as KPC, 'We are here to help people become lifelong followers of Jesus Christ' and to be 'A house of God's light for all peoples and generations'.

9. Structure, governance and management

The PCC is a corporate body established by the Church of England governed by the Parochial Church Council (Powers) Measure 1956 and the Church Representation Rules. It is a registered charity with the Charity Commission (no. 1127404).

The trustees of the charity are the PCC members. The method of appointment of PCC members is set out in the Church Representation Rules. At KPC, the membership of the PCC consists of the incumbent and other appointed clergy, members (including churchwardens) elected by members of the congregation who are on the Electoral Roll of the church.

Those who regularly attend services and participate in church activities are encouraged to register on the Electoral Roll. Only those on the Electoral Roll are eligible for election to PCC.

Members of the PCC are one of (i) co-opted, (ii) directly elected by the APCM, or (iii) members of our church who have been elected to Diocesan Synod to represent our Deanery.

As at the year-end, following the APCM on 14th May, there were:

3 elected members with Deanery Synod membership

10 elected members without Deanery Synod membership.

Any member of the Church may offer themselves for election to PCC at the APCM provided they qualify under the Church Representation Rules. Appropriate nomination forms may be obtained from the PCC Secretary via the Parish Office. Nominees to PCC can obtain appropriate information from the PCC Secretary on both the role of the PCC and the role of members.

The policies and procedures for the induction and training of trustees are as follows:

Prior to the PCC elections, prospective PCC members receive an information leaflet setting out the role of the trustees and particularly drawing attention to conflicts of interest. After election, PCC members receive the Charity Commission's "Essential Trustee" booklet, the Church of England booklet "Trusteeship – An Introduction for PCC Members" and an internally-produced document setting out the constraints on payments to PCC members or connected persons. Part of the PCC meeting which follows the PCC election is dedicated to trustee training.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent.

The PCC held 8 business meetings during the year. There are 9 permanent sub-committees: – Standing, Fabric, Finance, Health & Safety (who undertake risk reviews on behalf of the PCC), Environment and Climate Action, Global Mission, Human Resources (Paid Staff), Stepping Stones Pre-school Management and Re-ordering Project Delivery Group.

The key management personnel of the charity is the Standing Committee, made up of the clergy, the churchwardens, the secretary, the treasurer and the operations manager. The Standing Committee may conduct urgent PCC business that arises from time to time between PCC meetings, in accordance with the Church Representation Rules. Of the key management personnel, only the operations manager (being an employee) receives remuneration from the charity.

All sub-committees report to the PCC on a regular basis and provide recommendations to the PCC. All matters of policy and finance are determined by the PCC, and are not delegated to sub-committees; however, detailed implementation of PCC decisions may be delegated to specific sub-committees from time to time as determined by the PCC. Membership of the sub-committees is approved by the PCC. Other groups exist on an ad-hoc basis to deal with specific matters.

9. Structure, governance and management (continued)*Safeguarding*

The council has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults. The PCC has appointed a Parish Safeguarding Co-ordinator. Safeguarding is a standing item on the agenda at every PCC business meeting. Regular safeguarding reviews are held and updating of course attendance throughout the year.

10. Reference and Administrative details

The registered name of the charity is The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull, registered charity no. 1127404. In this report, for ease of reading, the charity is also referred to as "the PCC", "Knowle Parochial Church Council", "the Council", "Knowle Parish Church" and "KPC".

Knowle Parish Church is situated beside High Street and Kenilworth Road, Knowle. It is part of the Diocese of Birmingham in the Church of England. The correspondence address is Knowle Parish Office, St Lawrence House, 1717 High Street, Knowle, Solihull, B93 0LN.

The following members served on the council for all or part of the year; those serving in more than one capacity may appear more than once:

Incumbent:	Revd Geoffrey Lanham (Chairman)
Associate Vicar:	Revd Steve Johnson
Curate:	Revd Amy Tan
Churchwardens:	Liz Welton (lay deputy chair) Rod Street
Elected Member of Diocesan Synod:	David Pickering
Elected Representatives to Deanery Synod:	
Carol Kay	David Pickering
Susi Carter until 14.5.2025	Warren Tan from July 2025

Elected members to PCC: 2025- 2026

Claire Carter	until 14.5.2025	Rebecca Hailes	from 14.5.2025
Steve Mort (treasurer)	until 14.5.2025	Jennie Lumb (Treasurer)	from 14.5.2025
		Leo Kwok	from 14.5.2025
		Warren Tan	from 14.5.2025
Kate Boyall (Secretary)	James Thorne	Hugh Rollinson	Hannah Bull
		Nick Houghton	Kelly Purdey
			Roxanne Cheung

Helen Allen and Sarah Covington attended PCC meetings in a non-voting capacity.

Bank: HSBC Bank plc, 34 Poplar Road, Solihull, B91 3AF

Auditors: Thomas & Young 266 - 268 Stratford Road, Solihull, B90 3AD

11. Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

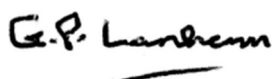
In accordance with applicable law, we certify that:

- so far as we are aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- as the Board of Trustees, we have taken all the steps we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Auditor

Thomas and Young was appointed by the Board of Trustees to provide audit services for the period commencing 1.1.25.

Report approved by the PCC and signed on its behalf by



Revd Geoffrey Lanham (incumbent)

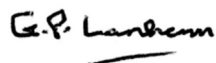
15th April 2026

**Statement of financial activities (incorporating the income and expenditure account)
for the year ended 31 December 2025**

Funds	Note	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		2025	2025	2025	2025	2024	2024	2024	2024
		£	£	£	£	£	£	£	£
Income from:									
Donations and legacies	1.a	642,265	4,536	1,559,504	2,206,305	602,494	6,010	83,705	692,209
Charitable activities	1.b	66,592	82,360	-	148,952	65,569	89,907	-	155,476
Other trading activities	1.c	17,147	346	-	17,493	17,190	522	-	17,712
Investments and deposits	1.d	12,146	-	25,752	37,898	11,381	-	8,339	19,720
Total income		738,150	87,242	1,585,256	2,410,648	696,634	96,439	92,044	885,117
Expenditure on:									
Raising funds	2a	3,567	306	-	3,873	3,775	420	-	4,195
Charitable activities	2b 2c	755,070	104,929	127,844	987,843	705,333	113,394	86,821	905,548
Total expenditure		758,637	105,235	127,844	991,716	709,108	113,814	86,821	909,743
Net income/(expenditure)		(20,487)	(17,993)	1,457,412	1,418,932	(12,474)	(17,375)	5,223	(24,626)
Transfer General Funds to Designated Funds	6	(20,000)	20,000	-	-	(20,000)	20,000	-	-
Transfer Restricted Funds to General Fund	6	-	-	-	-	-	-	-	-
Net movement in funds		(40,487)	2,007	1,457,412	1,418,932	(32,474)	2,625	5,223	(24,626)
Reconciliation of Funds:									
Funds brought forward		1,324,585	212,794	152,327	1,689,706	1,357,059	210,169	147,104	1,714,332
Funds carried forward		1,284,098	214,801	1,609,739	3,108,638	1,324,585	212,794	152,327	1,689,706

Balance sheet at 31 December 2025

Funds		Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		2025	2025	2025	2025	2024	2024	2024	2024
		£	£	£	£	£	£	£	£
		<i>Note</i>							
Fixed Assets									
Tangible fixed assets	4.1	1,191,283	-	-	1,191,283	1,224,549	-	-	1,224,549
Investment assets	4.2	-	-	1,849	1,849	-	-	1,873	1,873
Sub Total - Fixed Assets		1,191,283	-	1,849	1,193,132	1,224,549	-	1,873	1,226,422
Current assets									
Debtors - HMRC gift aid tax recoverable		8,098	-	2,435	10,533	10,167	-	153	10,320
- Legacy - outstanding settlement		-	-	-	-	-	-	-	-
- Prepayments of insurance and other minor items		2,820	1,144	166	4,130	1,388	72	-	1,460
Cash and cash equivalents									
- Bank accounts		4,637	47,967	41,140	93,744	14,755	40,813	64,788	120,356
- Deposit accounts		98,405	190,233	1,579,009	1,867,647	90,672	174,707	95,066	360,445
- Cash		181	146	-	327	60	210	-	270
Sub Total - Current Assets		114,141	239,490	1,622,750	1,976,381	117,042	215,802	160,007	492,851
Liabilities: Falling due within one year					-				-
Creditors and accruals in respect of parochial activity		17,314	3,049	10,736	31,099	12,724	2,933	5,080	20,737
Charity collections and weekend away deposits not paid over		-	21,640	4,124	25,764	-	75	4,473	4,548
Deferred Income (rentals and mag adverts paid in advance)		4,012	-	-	4,012	4,282	-	-	4,282
Sub Total - Liabilities		21,326	24,689	14,860	60,875	17,006	3,008	9,553	29,567
Sub Total - Net Current Assets		92,815	214,801	1,607,890	1,915,506	100,036	212,794	150,454	463,284
Total Net Assets		1,284,098	214,801	1,609,739	3,108,638	1,324,585	212,794	152,327	1,689,706
Funds									
Unrestricted (General Fund)		1,284,098	-	-	1,284,098	1,324,585	-	-	1,324,585
Designated	6	-	214,801	-	214,801	-	212,794	-	212,794
Restricted	6	-	-	1,609,739	1,609,739	-	-	152,327	152,327
					-				-
Total		1,284,098	214,801	1,609,739	3,108,638	1,324,585	212,794	152,327	1,689,706

Approved by the Parochial Church Council on 25th March 2026 and signed on its behalf by:

Revd Geoff Lanham: Chair



Liz Welton: Vice Chair

Statement of Cash Flows
for the year ended 31 December 2025

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2025	2025	2025	2025	2024	2024	2024	2024
Note	£	£	£	£	£	£	£	£
Cash flows from operating activities:								
Net movement in funds per SOFA	(40,487)	2,007	1,457,412	1,418,932	(32,474)	2,625	5,223	(24,626)
Adjustments for:								
Depreciation charges	33,265	-	-	33,265	36,133	-	-	36,133
(Increase)/decrease in debtors	638	(1,072)	(2,448)	(2,882)	125	464	(56)	533
Increase/(decrease) in creditors	4,320	21,681	5,307	31,308	(470)	641	5,368	5,539
Net cash provided by (used in) operating activities	(2,264)	22,616	1,460,271	1,480,623	3,314	3,730	10,535	17,579
Cash flows from investing activities:								
Purchases of fixed assets	-	-	-	-	-	-	-	-
Change in value of investments	-	-	24	24	-	-	(91)	(91)
Net cash provided by (used in) investing activities	-	-	24	24	-	-	(91)	(91)
Change in cash and cash equivalents in the reporting period	(2,264)	22,616	1,460,295	1,480,647	3,314	3,730	10,444	17,488
Changes in cash and cash equivalents:								
Opening balances:								
Current account	14,755	40,813	64,788	120,356	63,051	50,964	6,410	120,425
Deposit account	90,672	174,707	95,066	360,445	39,062	160,706	143,000	342,768
Cash	60	210	-	270	60	330	-	390
Total opening balances	105,487	215,730	159,854	481,071	102,173	212,000	149,410	463,583
Closing balances								
Current account	4,637	47,967	41,140	93,744	14,755	40,813	64,788	120,356
Deposit account	98,405	190,233	1,579,009	1,867,647	90,672	174,707	95,066	360,445
Cash	181	146	-	327	60	210	-	270
Total closing balances	103,223	238,346	1,620,149	1,961,718	105,487	215,730	159,854	481,071
Increase/(decrease) in net cash holdings	(2,264)	22,616	1,460,295	1,480,647	3,314	3,730	10,444	17,488

Note - The Charity had no material debt during the year.

I. Income analysis

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2025	2025	2025	2025	2024	2024	2024	2024
	£	£	£	£	£	£	£	£
1a Donations and legacies:								
Envelope scheme	3,154	-	-	3,154	3,498	-	-	3,498
Regular Standing orders	450,661	-	-	450,661	414,760	-	-	414,760
One-off donations	31,710	-	-	31,710	26,195	-	-	26,195
Other Stewardship & CAF	10,555	-	-	10,555	24,399	-	-	24,399
Gift Aid Tax recoverable (GAT)	107,165	-	200,001	307,166	98,906	-	4,761	103,667
Cash collections	16,581	261	465	17,307	12,646	-	-	12,646
Other income	40	75	-	115	6	-	-	6
Grants/donations for church reordering project			1,301,299	1,301,299			47,500	47,500
Grants/donations towards church running costs	21,000	2,509	35,559	59,068	20,700	-	31,027	51,727
Donations, appeals, etc.	1,399	1,691	8,351	11,441	1,384	510	417	2,311
Legacies	-	-	13,829	13,829	-	5,500	-	5,500
Total	642,265	4,536	1,559,504	2,206,305	602,494	6,010	83,705	692,209
1b Income from Church Activities:								
Parish magazine	20,277	-	-	20,277	21,125	-	-	21,125
Bookstall	160	-	-	160	72	-	-	72
Ministry group contributions	19,374	-	-	19,374	18,559	-	-	18,559
Church and hall lettings	8,025	-	-	8,025	8,900	-	-	8,900
Wedding and Funeral Fees	14,566	-	-	14,566	12,127	-	-	12,127
Other Group Activities	4,190	82,360	-	86,550	4,786	89,907	-	94,693
Total	66,592	82,360	-	148,952	65,569	89,907	-	155,476
1c Other trading activities (incl. rentals)	17,147	346	-	17,493	17,190	522	-	17,712
1d Investment dividends/revaluation and interest	12,146	-	25,752	37,898	11,381	-	8,339	19,720
Total income	738,150	87,242	1,585,256	2,410,648	696,634	96,439	92,044	885,117

2. Expenditure analysis

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2025 £	2025 £	2025 £	2025 £	2024 £	2024 £	2024 £	2024 £
2a Raising funds								
Costs attributable (mainly to rents received)	3,567	306	-	3,873	3,775	420	-	4,195
Sub-total	3,567	306	-	3,873	3,775	420	-	4,195
2b Charitable activities: Mission								
Outside giving to charities (see note 7)	40,813	656	800	42,269	42,193	654	660	43,507
2c Charitable activities: Ministry:								
Diocesan Common Fund	208,045	-	-	208,045	193,368	-	-	193,368
Clergy expenses	8,369	-	-	8,369	5,070	-	-	5,070
Clergy and youth worker housing costs	34,386	-	7,555	41,941	37,312	-	-	37,312
Ministry groups	5,496	-	103	5,599	5,093	-	-	5,093
Ministry services incl. books and sundries	6,714	-	-	6,714	7,171	-	-	7,171
Pastoral care expenses	38	-	-	38	128	-	-	128
Other Group Activities	-	7,329	-	7,329	-	6,930	-	6,930
Children's ministry	86,626	76,214	14,486	177,326	82,602	77,224	13,125	172,951
Youth ministry	63,623	43	14,088	77,754	44,634	(465)	10,900	55,069
Church running expenses	26,338	3,061	234	29,633	28,747	3,060	4,732	36,539
Parish magazine costs	21,993	-	-	21,993	19,852	-	-	19,852
Bookstall expenditure	-	-	-	-	-	-	-	-
Churchyard upkeep	14,331	5,332	-	19,663	11,183	6,464	-	17,647
St John's Hall expenses	58,283	8,391	-	66,674	58,616	17,218	12,044	87,878
Guild House expenses	9,342	-	-	9,342	12,068	-	-	12,068
Music & Choir expenses	45,066	2,156	88	47,310	43,868	427	-	44,295
Parish Office and Admin costs	108,205	-	-	108,205	100,621	-	-	100,621
Insurance	8,714	-	-	8,714	7,533	-	-	7,533
Church reordering project	-	-	83,748	83,748	-	-	45,330	45,330
Other Expenses	1,188	1,747	6,742	9,677	1,674	1,882	30	3,586
Governance/audit/accounts costs	7,500	-	-	7,500	3,600	-	-	3,600
Sub-total	755,070	104,929	127,844	987,843	705,333	113,394	86,821	905,548
Total expenditure	758,637	105,235	127,844	991,716	709,108	113,814	86,821	909,743

2. Expenditure Analysis – continued

The net movement in funds is stated after charging/(crediting):	2025 £	2024 £
Fees payable for the audit of the charity's financial statements	7,500	-
Fees payable for the independent examination of the charity's financial statements	-	3,600
Depreciation of owned tangible fixed assets	33,265	36,133
Operating lease charges	774	918

3. Accounting Policies**3.1 Basis of Preparation**

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members. The accounts include a number of church organisations that operate their own finances, as required by the Charities Act 2011; these organisations are listed at Note 6.

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' 'true and fair view' provisions, together with FRS 102 (2019) as the applicable accounting standards and the 2019 version of Accounting and Reporting by Charities: Statement of Recommended Practice - Charities SORP (FRS 102).

Knowle PCC meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in GBP, which is the functional currency of the charity, and are rounded to the nearest £1.

The trustees have considered the financial outlook for the charity in the context of the charity's plans and general economic conditions. While costs increased in 2025, reserves have been maintained at a healthy level. Although costs are expected to increase further in 2026, the PCC considers that reserves will continue to be maintained at or above the policy level of £80k for a further 12 months. Accordingly, the PCC has determined that the current conditions do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern for at least twelve months following the date of signature of the balance sheet.

3.2 Funds

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use. The PCC at its discretion has elected to designate certain unrestricted funds for a particular purpose. The practical operation of the funds is as follows:

The Parish General Fund

The PCC is responsible for all church funds, but this is the fund where income is received for the PCC to decide how it is best deployed to achieve the church's Christian charitable objectives. The General Fund balance is effectively unspent income and is retained as a cushion against uncertainties.

Designated Funds

Designated funds for Property and Churchyard repairs and renovation are maintained by the PCC to separately manage the high and irregular costs involved. Gifts for fabric repairs or renovation are taken to the designated Property Fund if they can be related to costs incurred during the year. If a gift is for a specific fabric related purpose which is not carried out in the current year, then they are allocated to the Restricted Property Repair Fund. A Designated Legacy Fund has been established to hold the balance of unrestricted legacies received until the PCC allocates them to a specific purpose. Designated funds also include the funds of the church organisations that operate their own finances; most of the income of these funds is payment for the provision of charitable activities. The designated funds are listed at Note 6.

Restricted Funds

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for specific purposes. The restricted funds are listed at Note 6.

3. Accounting Policies (continued)**3.3 Income**

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, the amount can be measured reliably and it is probable that the income will be received.

Voluntary income and planned giving are recognised when received by or on behalf of the PCC. Income tax recoverable on gift aid donations is recognised when the donations are received.

Most non-donation income is treated as income from charitable activities as the income derives from the provision of charitable (or Christian) services to local parishioners in pursuit of the Christian objectives of the church.

The amount of purely fundraising activity is small and normally consists of rental income from church facilities and residential property when these are not needed for church purposes.

Sales of books and other material from the bookstall and sales of the Parish Magazine are accounted for gross.

Rental income is recognised according to the period to which it relates and is shown gross, even though some of the rental income comes from other PCC funds such as the Stepping Stones pre-school.

Dividends and interest from investments are accounted for when receivable except that interest on deposits with CCLA (CCLA Investment Management Limited) is accrued.

Grants, legacies and donations to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount can be reliably estimated.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Realised gains or losses are recognised when investments are sold.

Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

3.4 Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, it is probable that the amount will be paid and the amount can be measured reliably. The charity is not registered for VAT purposes and expenditure is shown inclusive of VAT. Grants and donations by the PCC are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC. The Diocesan Common Fund is accounted for when paid.

Expenditure on Raising Funds is the directly attributable cost of renting out church facilities and residential property when these are not required for church purposes, plus an allocation of costs associated with administration. In practice for church facilities, this involves estimating the variable costs per session of operating the facilities and expressing this as a percentage of the average rental charge. For residential property that is normally held for clergy or staff housing, only those outgoings specifically related to the rental activity are identified as fundraising costs.

3.5 Fixed Assets**Consecrated and beneficed property**

Consecrated and beneficed property is excluded from the accounts by Charities Act 2011 s.10 (2)(a). No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

Land and Buildings

Land and buildings are stated at cost (or deemed cost) less accumulated depreciation. Straight line depreciation lives are applied to components as follows:

- Building and roof structures 100 years
- Roof surfaces 70 to 80 years
- Windows, doors plumbing and cabling 40 to 50 years
- Internal facilities and integral equipment 15 years
- Land is not depreciated
- Grade II Listed buildings 900 years

3. Accounting Policies (continued)**3.5 Fixed Assets (continued)****Fittings, Furnishings and Equipment**

Furnishings and equipment acquired after 1.1.2024 are capitalized where the cost is above £5,000. Prior to 1.1.2024, acquisitions over £1,500 were capitalized and these items will continue to be depreciated over their useful lives. Lower value items, of immaterial value in total, may also be capitalized where the related records provide a control over the use and deployment of the assets (e.g., laptops). Straight-line depreciation is applied, with lives determined specifically to each type of asset, up to 10 years with computer equipment and related software at 5 years.

3.6 Investments

Investments are valued at market value at 31 December. Realised and unrealised gains or losses on investments are dealt with in the Statement of Financial Activities.

3.7 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Amounts owing to the PCC as at 31 December in respect of fees, rents or other income are shown as other debtors, net of any provision for amounts that may prove uncollectible. Short-term deposits include cash held on deposit either with the CCLA CBF Church of England Funds or at the bank or small balances of petty cash.

Creditors and accruals in respect of parochial activity comprise Trade Creditors of £13,712 (2024 - £5,902) and Accruals of £47,163 (2024 - £14,835). The increase in trade creditors mainly comprises invoices for professional services related to the reordering project, and the increase in accruals arises principally from deposits held for the church weekend away in February 2026.

3.8 Pension Schemes

The church provides defined contribution pension arrangements for auto-enrolment of staff via the Diocesan Scheme set up in compliance with current pension legislation. The assets of the schemes are held separately from those of the charity. The contributions payable are charged to the statement of financial activities.

4. Fixed Assets, Investments and Net Debt**4.1 Fixed Assets**

The majority of the fixed assets by value comprise the five freehold properties beneficially owned by the PCC as follows:

- Residential properties – 46 Crabmill Close
- Offices and meeting places – St John's Hall, St Lawrence House, St Anne's Cottage and the Guild House.

Title to all the land on which the buildings are situated is held by Birmingham Diocesan Trustees Registered as custodian trustees, on behalf of the PCC because the PCC is not permitted by law to be the registered owner of land.

On the implementation of FRS102 the residential properties were valued at open market prices as at 31st December 2014 and the offices/meeting places at depreciated current replacement cost at the same date. The valuation of the Guild House included an impairment appraisal that wrote down to zero the structure of this medieval building that is very expensive to maintain and where the NPV of the related excess costs over a modern equivalent is equal to or greater than the undepreciated replacement cost of a modern equivalent.

4. Fixed Assets, Investments and Net Debt (continued)**4.1 Fixed Assets (continued)**

	Land and buildings	Fittings, Furnishings and equipment	Projects in progress	Total
	£	£	£	£
Cost or deemed cost				
At beginning of the year	1,414,281	143,835	-	1,558,116
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluations	-	-	-	-
Transfers	-	-	-	-
<i>At end of the year</i>	1,414,281	143,835	-	1,558,116
Depreciation and impairments				
At beginning of the year	(206,871)	(126,696)	-	(333,567)
Disposals	-	-	-	-
Depreciation	(22,305)	(10,960)	-	(33,265)
Impairment	-	-	-	-
Transfers	-	-	-	-
<i>At end of the year</i>	(229,176)	(137,656)	-	(366,832)
Net book value at beginning of year	1,207,410	17,139	-	1,224,549
Net book value at end of year	1,185,105	6,179	-	1,191,284

Land and Buildings

Included within Land and buildings is £300,000 (2023: £300,000) of freehold land which is not depreciated. There were no additions in the year.

Fittings, Furnishings and Equipment

There were no additions or disposals in the year.

4.2 Investments

Investments of £1,849 represent shares in the CBF's Investment Fund at market value as at 31 December 2025 (2024: £1,873). The historic cost of these shares was £1,053 (2024: £1,000).

4.3 Net Debt

The Charity had no material debt during the year.

5. Staff Costs, Numbers Employed, Trustee Benefits and Expenses

	2025	Average	2024	Average
	£	Numbers	£	Numbers
		Employed		Employed
Youth & children's leadership	146,578	6	126,173	7
Parish Office staff	137,673	7	132,019	7
Stepping Stones	61,779	6	62,523	6
National insurance	23,962		16,868	
Pension	6,593		6,596	
Total	376,583	19	344,179	20

Parish workers and clergy received £30,704 (2024: £25,414) by way of reimbursement of expenses whilst on PCC business. In addition, clergy housing costs amounted to £35,939 (2024: £31,633). Of the clergy accommodation costs, £22,740 (2024: £22,740) was paid to Pickering Fields Trust for the rental of a property on Newton Road which normally houses the Associate Vicar and £7,555 (2024: £0) related to major redecoration of the vicarage paid for from the Restricted Donations Fund.

The average head count during the year was 19 (2024: 20). No employees received employee benefits of more than £60,000.

The key management personnel of the charity is the Standing Committee, made up of the clergy, churchwardens, the secretary, the treasurer and the operations manager. Of the key management personnel, only the operations manager (being an employee) receives remuneration from the charity and their employee benefits in 2025 totalled £33,628 (2024: £32,495) including employers pension contributions of £798 (2024: £765) but not including employers National Insurance contributions of £3,951 (2024: £3,123).

Clergy are not employees of the charity.

None of the trustees (or any other persons connected with them) received any remuneration or benefits from the charity during the year.

One or more of the trustees has claimed expenses or had their expenses met by the charity.

- the total amount of expenses reimbursed to trustees or paid directly to third parties was £8,473 (2024: £6,510).
- the nature of those expenses was for travel, accommodation and subsistence, books and purchases of items in the course of clergy duties or running activities as volunteers.
- the number of trustees reimbursed for expenses or who had expenses paid by the charity was 8 (2024: 5).

6. Fund Details**Restricted Funds**

The restricted funds arise where donations have been made for a specific purpose and funds are retained awaiting disbursement. In 2025, approximately £26,000 (2024: £8,000) of deposit account interest has been generated on the restricted fund balances, of which approximately £22,000 (2024: £3,000) relates to the Reordering Fund which has a dedicated deposit account with CCLA. The interest is included in the “incoming” column for major funds in the table below.

Restricted Funds (Donor-specified funds awaiting disbursement)	Balance 01-Jan 2025	Movement in resources			Balance 31-Dec 2025
	£	Incoming £	Gains and losses £	Outgoing £	£
R.A.C.K. Roof Fund	1,873	52	(76)	-	1,849
Restricted Legacies and Donations Fund	56,943	8,463	-	(11,144)	54,262
Property Repair/Renovation Fund	8,335	8,675	-	(4,056)	12,954
Reordering Fund	40,730	1,537,179	-	(83,748)	1,494,161
Pontifex Clock Fund	800	106	-	(234)	672
Organ Fund	1,276	262	-	-	1,538
Soldiers' Chapel	7,536	322	-	-	7,858
Choir Fund	935	543	-	-	1,478
Grants to employ Children and Youth Workers	26,074	29,395	-	(28,662)	26,807
Restricted Gifts and Grants for Youth Activities	7,825	335	-	-	8,160
Totals	152,327	1,585,332	(76)	(127,844)	1,609,739

The RACK Roof Fund consists of donations received many (30+) years ago towards major roof repairs which are being held for the future. The income and gains/losses arise from investments related to the fund.

The Restricted Legacies and Donations Fund consists of various gifts and legacies where the donor has specified a specific use. The balance on the fund now comprises:

	£
Remainder of a 2018 grant from a legacy trust, given with a bias towards youth work	24,065
A gift towards new chairs for the church	11,922
Gifts to the Local Support Fund for help with the Cost-of-Living Crisis	6,799
Balance of a 2021 gift not to be used to meet regular expenditure, but to be held at the discretion of the PCC for identifiable projects. During 2025, £7,555 has been used for major redecoration of the vicarage and £1,800 to update office computers.	3,836
A grant from Scientists in Congregations towards the cost of the Lent course “Understanding Creation Care” in February/March 2026	3,632
Weekend Away Hospitality Fund	2,798
Others	1,210
Total	54,262

The Local Support Fund, included within the Restricted Legacies and Donations Fund above, started the year with a balance of £7,288. Further income of £401 was received in 2025 and 5 grants totalling £890 were made to individuals. There is therefore a balance available of £6,799 for further grants to be made when appropriate.

The Property Repair and Renovation Fund consists of restricted donations received towards major property repairs. From 1.1.2024, donations and expenditures related to the Church Reordering Project have been separated out from this fund into the Reordering Fund.

The Reordering Fund was separately established on 1.1.24 to keep separate the income and expenditure related to the proposed reordering project “For Future Generations” for the main church building. During 2025, Pickerings Field Trust kindly made a grant of £150,000 (2024: £30,000); gifts from individuals, with the associated Gift Aid, totalled £1,365,197 (2024: £21,875); and interest of £21,982 (2024: £3,216) was earned on deposit balances. Expenditure of £83,748 (2024: £45,330) comprised architect’s fees and the cost of associated surveys and reports.

The Pontifex Clock Fund consists of accumulated donations from the Knowle Church Clock Trust (a separate charity), also known as the Pontifex Clock Trust, towards repair and maintenance of the Knowle Parish Church clock and weathervane and for their eventual replacement.

6. Fund Details (continued)**Restricted Funds (continued)**

The Organ Fund consists of restricted donations received towards major renovation and repairs to the organ which are being held for the future.

The Choir Fund consists of restricted donations received for the Choir, and also monies received from weddings in excess of the amounts distributed to choir members, and is available for choir activities.

The Soldiers Chapel Fund arose from a major project in c.2010 to restore the decorated plasterwork in the Soldiers Chapel, situated at the north-east corner of the nave in the church. Generous donations were gratefully received towards this project from a number of sources including the Royal British Legion. The fund now consists of the excess of donations received over the cost of the project and is being held over to fund any further restoration work that may be required in the future.

Grants to employ Children and Youth workers include a grant of £25k (2024: £26k) by Knowle United Charity towards payment of salaries which has been retained in the fund towards salaries in 2026. Additionally in 2025, the charity made an additional grant of £2k (2024: £0) to provide funding for a newly created Organ Scholarship.

The Restricted Gifts and Grants for Youth Activities Fund, formerly called the Youth Charity Fund, has been used to account for the dedicated gifts and fundraising income, and the costs incurred, for the mission trips which occurred in previous years; the remaining balance from these trips of £8,160 is being held over towards future trips or similar activities.

Designated Funds

Designated Funds (PCC - Specified Funds)	Balance 01-Jan 2025 £	Movement in resources			Balance 31-Dec 2025 £
		Incoming £	Transfers £	Outgoing £	
Organisations which operate their own finances*					
Stepping Stones	9,259	73,193		(76,521)	5,931
Others	12,312	11,540	-	(11,930)	11,922
Funds maintained within church finances:	-				-
Church Away Weekend	-	-	-	-	-
Property Repair Fund	102,599	2,509	20,000	(8,392)	116,716
Churchyard Fund	5,332	-	-	(5,332)	-
Grant for use against future energy costs	3,060	-	-	(3,060)	-
Designated Legacies Fund	80,232	-	-	-	80,232
Totals	212,794	87,242	20,000	(105,235)	214,801

*There are several church organisations that operate their own finances. The Charities Act 2011 requires their figures to be included and they include Stepping Stones, Bell Ringers, Friendship Club, Youth, Wedding & Funeral Fees, and the Flower Guild.

The Property Repair Fund has been designated by the PCC for major work to the church's properties. In 2025, notable expenditures included replacing the bell ropes and mufflers in the tower and repairs to the Guild House floor. The Tower Bell Ringers made a gift into this fund to cover the cost of the ropes and mufflers. In view of further work that is planned for the coming years and the need to maintain the fund at a level which can sustain unexpected costs, the PCC transferred £20k (2024: £20K) from General Fund into this fund in 2025.

The Churchyard Fund has been designated by the PCC for any non-routine work that may be required in the churchyard. In 2025, expenditure of £5,332 (2024: £6,464) was made in relation to tree surveys and the removal of dangerous trees. The fund is now exhausted, and further expenditures will be made from the Property Repair Fund.

In 2022, a grant of £9,180 was received from the Archbishops' Council, via Birmingham Diocese, towards exceptional energy costs. The grant has been offset against energy costs over the three-year period 2023-2025 and therefore £3,060 has been applied to energy costs in 2025 (2024: £3,060) leaving a zero balance on this fund at 31.12.2025.

The Designated Legacies Fund was created in 2021 to hold the balances of unrestricted legacies received but not yet allocated to specific purposes by PCC. No unrestricted legacies were received in 2025.

Unrestricted Funds

Included with unrestricted funds is £386,923 of non-distributable reserves which arose on the revaluation of land and buildings on the implementation of FRS102.

7. Outside Giving & Retiring Collections

This year the church supported other charities, mission work and individuals to a total of £42k (2024: £44k). Within the grants, £2k is a share of the gross receipts of the “Cobbles” Saturday morning informal café, where the Cobbles leadership nominate a different charity every few months. In addition, £9k (2024: £10k) was given directly to other charities and mission work through the organisation of retiring collections and fundraising events for specific charities. This latter “pass-through” income was excluded from the accounts but included here to provide a more complete picture of the fundraising activity of the church. Details of these payments are shown below.

Charity	KPC Funds £	Pass through £	Total 2025 £	KPC Funds £	Pass through £	Total 2024 £
St Andrews Chelmsley Wood	5,963	3,735	9,698	3,700	0	3,700
Tearfund	5,500	758	6,258	6,000	3,081	9,081
St Christophers Missioner	3,700	0	3,700	3,700	0	3,700
St Johns Sparkhill	3,700	0	3,700	3,700	0	3,700
Birmingham City Mission	3,300	0	3,300	3,000	0	3,000
Christian Aid	1,700	983	2,683	1,800	1,172	2,972
Kenya Mission Initiatives	1,400	1,150	2,550	2,600	1,060	3,660
Narthex Project	2,400	0	2,400	2,400	118	2,518
Springfield Project	2,400	0	2,400	2,400	0	2,400
Malawi Task Group, CofE Birmingham	2,200	0	2,200	2,400	0	2,400
Diocese of Bolivia	2,030	0	2,030	0	0	0
Blood Bikes	556	1,356	1,912	500	980	1,480
Urban Saints	1,600	0	1,600	1,900	0	1,900
International Needs	1,500	0	1,500	1,600	1,824	3,424
Christians Against Poverty	1,300	0	1,300	1,500	0	1,500
Scripture Union	1,300	0	1,300	1,600	0	1,600
Royal British Legion	0	805	805	0	824	824
Local Support Fund - Cost of Living grants to individuals	800	0	800	660	0	660
Transformation Enterprise Network	420	0	420	0	0	0
Renew Wellbeing	300	0	300	0	0	0
The Feast	100	0	100	0	0	0
University Hospital Neonatal Unit	100	0	100	0	0	0
Birmingham and Solihull Women's aid	0	0	0	0	550	550
Redditch Puppets	0	0	0	50	0	50
Satori House	0	0	0	154	0	154
Shine	0	0	0	1,600	0	1,600
Social Life Opportunities (via Cobbles)	0	0	0	2,046	0	2,046
Grace Enterprises - curry night	0	0	0	197	0	197
			0			0
Total	42,269	8,787	51,056	43,507	9,609	53,116
Less collections made specifically for other charities		(8,787)	(8,787)		(9,609)	(9,609)
Total giving by KPC (per accounts note 2)	42,269	0	42,269	43,507	0	43,507

8. Contingent Liabilities

No contingent liabilities have been identified.

9. Related Parties

Charities are required to report donations to the charity from a trustee or a related party if the donor has attached conditions which would, or might, require the charity to alter significantly the nature of its existing activities if it were to accept the donation. There have been no such donations in 2025 (2024: £nil). Charities must also provide an aggregate disclosure of the total amount of donations received from trustees without conditions; these totalled £516,445 in 2025 (2024: £100,197). Additionally, Gift Aid claimed on these donations was £66,172 in 2025 (2024: £13,920).

At each meeting of the PCC the council members are required to declare any conflicts of interest that may arise or have arisen and where there is such a conflict then that member will not vote on any proposal involving the related party. There are two related parties of significance in 2025:

- Pickering Fields Trust (PFT) which, with the Church, shares the vicar and two churchwardens as trustees. However, as Knowle PCC has approximately 20 members, there is not common control, as defined in the legislation.
- Knowle Church Clock Trust (also known as Pontifex Clock Trust - Registered Charity Number 514954) which, with the Church, shares the vicar and two churchwardens as trustees. However, as Knowle PCC has approximately 20 members, there is not common control, as defined in the legislation.

Pickering Fields Trust has the official name 'Charities for Ecclesiastical and Other Purposes' - charity number 238492. Apart from a small amount of investment income, it derives all its income from the rental of its house to Knowle Parish Church for clergy use (see note 5) which amounted to £22,740 in 2025 (2024: £22,740). It, in turn, at the discretion of its 3 trustees and within its objectives, generally pays all its donations to the church, in support of renovation and fabric repair projects and the charitable work of the church. In 2025, the Trust made grants of £150,000 (2024: £30,000) towards the church reordering project, £15,000 (2024: £7,500) towards the cost of the curate and £6,000 (2024: £13,200) towards the cost of the expanded children's ministry team. Group accounts have not been prepared since neither the trustees of Knowle Parish Church nor the electorate of Knowle Parish Church have powers (i) to direct the decisions of the PFT trustees or (ii) to appoint or dismiss the PFT trustees.

Knowle Church Clock Trust's principal activity and achievement is the donation of the whole of the annual income from its investment funds to Knowle Parochial Church Council, which has the legal obligation of the upkeep of the church clock and weathervane. In 2025, the Trust made a donation to Knowle Parish Church of £75 (2024: £74).

Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Independent Auditor's Report

To the Trustees of The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Opinion

We have audited the financial statements of Parochial Church Council of the Ecclesiastical Parish of Knowle (the 'charity') for the year ended 31 December 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees' are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the

Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Independent Auditor's Report

To the Trustees of The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, they are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, they are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Independent Auditor's Report

To the Trustees of The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees' and other management, and from our knowledge and experience of the charity.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships.
- tested journal entries to identify unusual transactions.
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
 - enquiring of management as to actual and potential litigation and claims.
-

Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Independent Auditor's Report

To the Trustees of The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mark McLean FCA (Senior Statutory Auditor)
For and on behalf of Thomas and Young Limited, Statutory Auditor
Chartered Accountants
Carleton House
266-268 Stratford Road
Shirley
Solihull

B90 3AD

DATE 21 April 2026

Signed by:

35BD92752FCD4B6...

Thomas and Young Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Accounts



The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Charity number 1127404

Report and Accounts

Year ended 31 December 2024

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**2024 Annual Report and Accounts for
the Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull
(Charity number 1127404)**

The trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 31st December 2024.

The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1. Aim and purposes

Knowle PCC has the responsibility of cooperating with the incumbent in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Church and nearby buildings – the Guild House, St John's Hall and St Lawrence House – and two residential properties: St Anne's Cottage and 46 Crabmill Close.

2. Objectives and activities

The statement of purpose of Knowle Parish Church (KPC), agreed by the PCC and endorsed by the 2015 APCM, is: *'We are here to help people become lifelong followers of Jesus Christ'*. This statement of purpose is augmented by the Vision statement which was introduced in 2021 "A house of God's light for all peoples and generations"; more detail is on page 3.

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our church community to help resource their discipleship and equip them for service in the world. The PCC maintains an overview of worship in the church and in groups throughout the parish and beyond and makes suggestions on how our services and other activities can be for the benefit of everyone of whatever background. Our services and worship put faith into practice through prayer, scripture reading, teaching, music and sacrament.

When planning our activities for the year, we have considered the Charity Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. We seek to enable people to find and live out their faith in Jesus Christ in our community and beyond, and we also organise a number of activities that benefit the whole community of Knowle such as pre-school groups and a friendship club for senior citizens. We also promote practical and financial support to Christian mission beyond Knowle in the UK and overseas. To facilitate our work, it is important that we maintain the fabric of the Church and related buildings.

3. Achievements and performance

Worship and prayer

Our normal service pattern continued through 2024. The Wednesday morning service with Holy Communion and 7.45am Sunday Holy Communion service continue to be well attended.

At the 9.30 am service, under 5s, children's and youth groups are held most weeks, with intergenerational services held at key points during the year. During 2024, a review of the 6.30 service was conducted, with the new service "Encounter" being launched in 2025.

Whole Church prayer meetings took place termly and were well attended. Additional Church prayer meetings were held at key points eg to pray for Christmas services. Many other smaller groups also met to pray regularly throughout the year.

Ministry and evangelism

The Church maintained its aim of serving and reaching out to people in Knowle and beyond, seeking to reconnect with the community. The Summer focus revolved around the 'KPC Summer of Sport' with 14 different events for all ages. Particular highlights included a church vs school football match, a Vicar's XI vs Associate's XI cricket match, a basketball evening that was very popular with our Hong Kong community and the ability to gather together to watch England's Euro 2024 run to the final.

As well as our regular events for all ages (Cobbles Saturday Café / Friendship Club / Rainbow tots etc) a couple of new initiatives have begun – Caterpillars (discipleship for the U5s and parents); Jelly Beans (for 5-6yr olds); Friday Night Girls Night (supporting and encouraging the ladies in church) – and we took the difficult decision to stop our men's breakfasts and curry nights. The last breakfast was held in the Autumn which still had 90 guests.

In November, the PCC spent significant time considering the church's evangelism strategy and culture of faith sharing, noting the specific emphases on Inviting; Blessing; Speaking up and Prayer.

3. Achievements and performance (continued)

Ministry and evangelism (continued)

The Alpha Course held in Spring was attended by 25 participants and in the Autumn, a Christianity Explored course was held at the Red Lion pub in Knowle attended by 12 participants.

Over the course of 2024, through our evangelism courses, adult baptisms and confirmations, we know of at least 11 people that have made significant commitments to follow Jesus.

Mothers' Union

Knowle Mothers' Union branch, of 75 members, aims to support marriage, family life and the Christian upbringing of children. It is open to all who are baptised, women or men, parents or not. We meet monthly for prayer and for meetings with a speaker, as well as serving within the church fellowship.

In 2024 we celebrated our 60th anniversary as a branch in Knowle, gave financially to help struggling families to have a break and to fund literacy and financial education overseas; we collected items for MU groups in Malawi and for Women's Aid and gave toys for prisoners to give to their children at Christmas, whilst KnitWits produced clothes for premature babies in Birmingham hospitals. We set up an exhibition 'The Souls of Our Shoes,' in church in December, drawing attention to domestic abuse and have led prayers in church about gender-based violence and for the care of children.

Home groups

Home groups continue to be at the heart of KPC life. There are approx. 30 groups; two groups choose to meet on Zoom, three in the afternoon, and all the others meet in the evenings from Monday to Thursday. More than 370 people regularly attend!

Prayer, pastoral care/friendship and Bible study remain the key activities. Various studies are used by the groups: our own sermon series questions (including Clinging to Faith and Climate Care), the book of Romans (Bible Society), Practicing the Way, clips from The Chosen, The God Story and other study material to name a few. During the year Sue and Ian Ralph, homegroup coordinators, have visited 25 of the groups and were much encouraged by the Christ-focused time groups spend together and the love and care the group members show one another. The need to encourage and develop new leaders for future years was something they have been raising with homegroup leaders.

Steve Johnson heads up a homegroup leaders' meeting each term which is well attended. Areas covered at these sessions have included homegroups creating and developing links with KPC's external mission and encouraging groups to share and celebrate spiritual growth in their groups. A first draft of a "job description" for homegroup leaders was also discussed and will be refined.

KPC is blessed to have a faithful body of home groups and leaders and we are grateful to God for their commitment.

Children's work

2024 has been a busy year! With a full complement of staff we have been able to continue developing our work with children across the 0 – 11 age range and their families, both within our church congregation and the wider community.

On a Sunday, we continue to run age-appropriate groups almost every week, interspersed with our intergenerational services, which are aimed at encouraging all ages to worship together. For Sunday mornings we have now split our under-5s into two separate groups as our numbers have grown. So, we now have a Creche and Toddler group, a Nursery and Reception group, Years 1-4 and a separate year 5 & 6 group. The larger staff team is making this possible, alongside our team of very dedicated volunteers.

The midweek groups for those under 5 and their families continue to be a key part of our week and enable us to connect in a variety of ways. We continue to run Rainbow Tots, Bumps & Babies, Dads & Toddlers and Caterpillars. We also now hold 'graduate' Bumps & Babies sessions for those who can no longer make the group regularly as the children are too old and where parents are working but wish to connect. We have been able to run occasional curry evenings and afternoon tea events for the parents to connect and build community together.

We have continued to provide various events around key seasons of the year – Pancake parties, Easter events, summer events. A Light Party is to be held at the end of October and, of course, all the Christmas events are on the horizon. These often enable us to connect with children and families during school holidays as well as providing them with good quality holiday events.

We continue to work closely with Knowle Primary Academy, providing weekly Collective Worship in both Key Stage 1 and 2 as well as supporting the school in various aspects of the RE curriculum and in their seasonal services. We were really pleased to be able to launch a new weekly lunch club this new school year. We have also been pleased to be able to support the school with governance through the Children's Minister as Chair of Governors, and Vicar as Ex-officio Governor.

3. Achievements and performance (continued)

Youth work

During 2024 the youth ministry has been overseen by Geoff Harley-Mason while Amy Dowdy has been away on maternity leave.

All our youth work has been delivered from the Youth Office at Knowle Parish Church or in St John's Hall. The year started with the groups that had previously existed, some meeting on a Sunday and others during the week. Other groups were introduced during the course of the year.

Sunday morning group - this group for young people in school years 7-11 meets during the morning service at KPC. Around 70% of this group are from Hong Kong families and we have been working hard to understand the cultural difference and adapt our provision accordingly. The session includes refreshments, games and activity and a Bible study aimed at the specific age group. On the weeks when there have been more than 15 young people, we split into two groups, both meeting in the church buildings.

A new development during the year was the setting up of a new group for children in year 6 at primary school. As a joint project between youth and children's staff, this group was initiated to aid the transition from primary school to secondary. We are very pleased that the group has kept all 6 of the children who now regularly attend a year 7 group both on Sundays and during the week.

Each term our Sunday morning groups have been kicked off with breakfast. This has proved particularly popular.

Mid-week groups - we run discipleship groups during the week after school in the church Youth Office. There are separate groups for school year 7; year 8; years 7-9 and for years 10-13. The reason for more groups has been to enable us to tailor our activities more specifically to the ages and needs of the young people. More young people are attending these groups with specific educational needs, and we work hard to meet these. The discipleship groups are an opportunity for young people to reflect on the more serious spiritual aspects of life. Each group is either preceded by or includes a games and activities session.

On Sunday afternoons we have been running a youth Alpha Course. This is an extra session into which young people can opt in they want to look more deeply into the Christian faith.

Other developments - In the autumn we have launched a youth leaders' training course in conjunction with St Phillip's Dorridge. Volunteer members from both churches have met together to learn and develop their skills in youth ministry. The material is video-based, provided by the Diocese of Birmingham and Youthscape – a national youth ministry resourcing organisation.

The youth minister was able during the year to work with the children's staff in delivering a Parenting Teenagers course. This course, published by Care for the Family, attracted both church members and parents from the wider community.

In September Arden Academy once again brought each year group to Knowle Parish Church to mark the start of the new school year. This is now a school tradition and has been taking place for several decades.

In December the school also visits KPC for its annual carol services. These mornings see a series of 300 school pupils making their way to and from church. One of the full-time youth team speaks at these school events.

We were very pleased to be able to appoint Ros Hardy as the assistant youth minister in February. Ros has been a great asset to the team bringing so much more capacity to what we are able to deliver. During the year she has taken on the running of some of the midweek groups and has started to spend part of each Monday mentoring pupils at Arden school. This long-awaited appointment has brought the youth team up to full strength and has allowed not only for growth this year but the capacity to plan for more next year. A young people's weekend away led by the assistant youth worker took place in October 2024 which is the first time for a few years that we have had the capacity to do this.

The assistant youth minister organised a programme of youth activities during the half term break of the Spring term.

Pastoral care

The ministry of the pastoral care team, led by David Pickering – covering prayer ministry, bereavement support and visiting the sick and elderly at home and in care and nursing homes continued throughout the year. In addition, Home Groups, which generally meet fortnightly, offer prayer and support to their group members. The annual Memorial Service for the relatives of people who have had funerals at church in the past year took place on Sunday 24th November.

3. Achievements and performance (continued)

KPC Vision and goals

We have continued to progress the church's vision statement which was developed in 2021:

Letting our light shine at the village centre as
A house of God's light for all peoples and generations.
 A beating heart of worship to God;
 generously serving Knowle, the deanery and wider world,
 to help transform lives and neighbourhoods for Jesus.

This vision was initially progressed through four groups that focused on the areas of Worship, Discipleship, Evangelism and Mission respectively to mobilise and organise work on the initial priorities. After 18 months the various projects and roles were largely taken back into existing groups and teams to progress. This has led over the last two years to several new initiatives in each of the areas.

During 2024 we have continued with many of these including new ways to support to younger children and parents and the Renew Café which was begun in 2023. Our popular men's curry nights and breakfasts took a pause in the middle of the year as we considered other things.

Church Reordering Project

Arising directly from the "Mission" stream of the Vision project, we launched a project in 2024 to address the ways in which the interior of the main church building could better support our Vision and Goals.

In particular we identified that the fixed Victorian pews restrict the use of church considerably, that the heating places a limit on our eco aspirations and that the lighting and general layout present a less than welcoming impression for newcomers. The lack of facilities means that the building cannot be used as a stand-alone facility, always requiring access to either St Johns Hall or the Guild House.

The church leadership drew up a comprehensive Statement of Needs and Statement of Significance and appointed a team led by Nick Brown, Project Director, to look at the options for reordering the interior. During the year, specialist conservation architects BHB were appointed and a team of church members took up responsibility for a wide variety of workstreams within the project.

The PCC has established a Sponsorship Group for the project, consisting of the Vicar, Wardens and Project Director. This Group meets monthly and provides the governance link between the PCC and the project team.

Briefing and Consultation Meetings were held with the church family, with the Diocesan Advisory Committee and with other local groups. Resulting from these, BHB drew up options for reordering the church interior, including building an extension on the north side, aimed at making the church building more supportive of our Vision and Goals whilst conserving elements of the interior viewed as key to its history and majesty. These plans were put before the PCC in early 2025.

Church attendance and membership

Attendances at Sunday services averages around of 320 adults and 40 children and young people.

At the time of the 2024 Annual Meeting in March, the Church Roll was 531, of whom 304 lived in the parish and the remaining 227 outside the parish. Many additional people have links with the church in a less formal way.

During 2023, 15 Baptisms and 1 thanksgiving service were held and 3 marriages and 1 service of blessing took place. 26 funerals took place in the church. A further 11 funeral services took place at the crematorium and 23 interments or burials in the KPC churchyard.

Ecumenical relationships

Our clergy met during the year with the clergy and leaders of other churches in Knowle and Dorridge.

Eco Church

The Eco Group continues to promote and develop Eco action at KPC in line with C of E net-zero targets. This year through the clergy-led Creation Care series, we explored the theological basis for Caring for God's Creation and how it links to Social Justice. We continue to work with local community groups through events such as our annual Green Fair. We have helped set up a local nature-focused Eco group with other similar interest groups in the village and continue to work with Solihull Council. As a committed Fairtrade church, we celebrated 30 years of Fairtrade with a Fairtrade Wine Tasting event.

3. Achievements and performance (continued)

Eco Church (continued)

We support other churches in the diocese by sharing our Eco newsletter. In the summer children from Knowle Primary Academy enjoyed our nature trail around the churchyard. Our aim for this next year is to further embed Eco action and concern into all aspects of church life and we welcome everyone to join us in this mission.

Global Mission Committee

During 2024, the Global Mission Committee continued its work according to its policy document to focus and grow the church's activity in support and participation in Christian ministry beyond Knowle.

Whilst continuing to support various historic partners at home and overseas through prayer, relationship building and finance we also continued our discernment process of who and why we support existing and emerging partners. Each partner has had due diligence examination via the charity commission website, and face to face or zoom meetings with the leaders and or church engagement officers, together with the opinion of concerned KPC members.

With the support of our house group leaders, we completed a church-wide survey to gather information about activity and opinions on Mission and Social Justice issues. This was analysed by Martin Etheridge and its conclusions sent to the PCC.

We are now engaged with the three regional churches, two emerging partners and eleven other partners (was twenty-six). We have agreed a commitment to Bolivia and its Bishop, Walter Toro, his nations needs and with his specific church in Tarija.

We reviewed our progress, negotiated with the clergy and Claire Carter better annualization and synergy of our activities. We created a Vision Strategy for the next 2 years to include a prayer co-ordinator, house groups choosing to 'adopt' a partner and two mission Sundays a year, including TEAR Fund once every two years.

We are actively exploring a business opportunity for an International Ecological partner together with Claire Carter's ECO & Climate group.

We managed a small number of individuals with mission concerns.

With delegated authority from the PCC, we the GMC made grants and donations at our discretion from the 2024 budget of £40K.

The Committee, chaired by Bruce Richard, continues to meet every six weeks, with four members, and Susie Carter as our PCC link.

Fabric

In 2024, the PCC Fabric committee comprised Nick Brown (Chair), Gareth Roberts-Davies (Facilities and Systems Manager), Liz Welton, Ian Kay and Ian Best. The Committee meets broadly monthly, discussing maintenance as well as reordering, to review progress and to plan future works subject to approval by PCC.

Gareth reports to Helen Allen (Operations Manager), who receives all papers.

The fabric of the church buildings continues to remain in satisfactory condition. The Quinquennial architect is James Phillips of APEC architects.

Status of works on KPC buildings:

i. Church

There is some water ingress in the choir vestry due to the poor condition of the pointing to the flashing, currently being planned. There are no significant issues with the main Church building or the tower. Following the installation of a new boiler and heat exchanger between that and the old pipework, an interim inspection and filter clean has been organised between annual service visits, to minimise the likelihood of down time.

ii. Churchyard & Grounds

A full tree survey was completed in 2021, repeated in 2024. The most significant change was the condition of the Cedar, adjacent to Kenilworth Road, which unexpectedly declined requiring urgent removal. The next phase of work includes the removal of dead and dying Ash trees, many of which are suffering from Ash die back, and some necessary reduction of other trees. This work is approved by the diocese and currently going through planning at Solihull Council. The work is expected to take place in Feb 2025. Discussions are taking place with the Knowle Eco Group about their adoption of the land outside the kitchen in St John's Hall.

3. Achievements and performance (continued)

Fabric (continued)

iii. Guild House

The floor, made up of solid pine blocks, is in need of maintenance, having many loose blocks and no protective layer. Remediation work is scheduled for April 2025. The ground floor, around the toilet block, is increasingly suffering from damp. The origin has been located and remedied, and remedial work will be scheduled in 2025, including refreshing the badly discoloured decoration of the toilet walls, hall and stairs.

iv. St. John's Hall

- a. The new Hall boiler is working well, but there are issues with other ageing components. Whilst each of the three circuits is designed to have a spare pump, each is now running with a single pump and they cannot be replaced like for like. The committee is considering options aligned with emerging thinking on floor replacement.
- b. The hall floor has been trimmed and repaired again, and a section lifted for inspection due to a suspected leak and to allow access to the architect in order to help us develop a tender for floor replacement. This is still under discussion.
- c. The main lights and uplighters are now LED, and the ageing and faulty dimmer control for the uplighters has been replaced with compatible new dimmer switches.

v. Insurance

Insurance of the Church, Guild House, St John's Hall and St Lawrence House has been switched from Ecclesiastical to Trinitas, and at renewal, St Anne's was also added to the same policy.

4. People

The work of the Church was undertaken by a wide group of people including Clergy, Staff, Readers and very many members of the Church. The principle of 'every member ministry' remains strong in the life of the church. Volunteers continue to play a central role in the work of the Church and are at the heart of most activities.

Ros Hardy joined us as Assistant Youth Minister in February 2024. We were fortunate to have Geoff Harley-Mason step into the Youth Minister role to cover Amy Dowdy's maternity leave during 2024 and are very grateful to Geoff.

Maddy Evans joined us as Organist and Choir Leader in January 2024 but left at the end of the year due to pressure of other work. We thank her for her contribution to the life of the church during 2024 and wish her well. We are delighted to have been able to appoint Charlotte Barber to take over the role in January 2025.

The Parish Magazine continues to be a great resource to the church especially amongst the wider congregation and as an outreach to the community. The magazine won a Certificate of Excellence from the Association of Church Editors in September 2024.

Our grateful thanks are due to everyone who gives of their time and energy to enable KPC to do all that it does, and to all who pray for the many things which go on.

5. Financial review

The PCC is pleased to report that General Fund reserves remain at a healthy level, ending the year at £100k (2023: £96k) compared to the revised policy level of £75k (2023: £70k).

The General Fund, which covers the normal running expenditures of the church, showed a deficit of £12k in the year, compared to a surplus of £31k in 2023. The £12k deficit for the year is after charging depreciation of £36k, but before transferring £20k to the Designated Property Repair Fund; so net current assets, or reserves, increased from £96k to £100k. This level of reserves is above the revised policy level of £75k and provides a level of flexibility in readiness for increased costs in 2025.

The Treasurer and the PCC as a whole warmly thank church members and others for their continued financial support, without which we would not be able to carry forward the ministry of Christ in Knowle.

Going concern

The trustees have considered the financial outlook for the charity in the context of the charity's plans and general economic conditions. While income decreased and costs increased in 2024, reserves have been maintained at a healthy level. Although costs are expected to increase further in 2025, the response to an appeal for increased regular giving in early 2025 have been very encouraging and the PCC considers that reserves will continue to be maintained at or above the policy level of £75k for a further 12 months. Accordingly, the PCC has determined that the current conditions do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern for at least twelve months following the date of signature of the balance sheet.

5. Financial review (continued)

Income

Total income decreased by £20k to £885k. Decreases of £45k in donations and legacies were offset by increases in grants (£14k), income from activities (£5k) and bank interest (£6k). The decreases in donations mainly related to special projects in 2023 such as the church boiler.

Income to General Funds decreased by £13k to £697k. Donations by church members were £1k below 2023 levels. Grant income reduced by £15k, mainly because of lower grants from Pickering Fields Trust; its grant for children's work reduces over a three-year period and its grant for curate costs anticipated a six-month vacancy in the curate position. Wedding fees reduced by a further £2k. Interest income rose by £5k as interest rates increased.

Income to Designated Funds decreased by £12k to £96k. Gifts and legacies to designated funds decreased by £12k. Grant income reduced by £7k; in 2023 there was a grant from the government's Listed Places of Worship Scheme towards the VAT on the new church boiler which, thankfully, was not needed in 2024. Income to the affiliated groups rose by £7k, principally because of higher Stepping Stones charges following increases in government support for early years provision.

Income to Restricted Funds increased by 5k to £92k. Donations to the Reordering Fund of £52k (2023: £24k) comprised a grant from Pickering Fields Trust of £30k and gifts of £22k from individuals. Other Restricted donations totalling £6k (2023: £35k) comprised a £3k grant towards youth work and £3k towards general church maintenance; for comparison, in 2023 there were significant donations to the Boiler and Local; Support Funds, and a generous gift towards new chairs in the reordered church. Knowle United Charity (KUC) made a grant of £26k (2023: £22k) towards youth and children's workers' salaries. The PCC is very grateful for KUC's ongoing support over many years. Interest income of £8k (2023: £6k) was allocated across major restricted funds.

Expenditure

Contributions to the Diocesan Common Fund of £193k (2023: £189k) were in line with the amount requested; of this, about £50k is used to support other parishes. The PCC also made contributions to the Church's wider ministry by continuing the policy of giving 5% of voluntary General Fund income to outside organisations, which amounted to £42k (2023: £38k) and also made gifts and grants from designated and restricted funds totalling £1k (2023: £13k) making a total of £94k (2023: £101k) towards mission and ministry work beyond Knowle. In 2024, retiring collections and other mission payments not included in the main church accounts totalled £10k (2023: £10k).

Total expenditure in 2024 increased by £35k to £910k.

General Fund expenditure increased by £30k to £709k. Salaries increased by £48k as vacancies were filled and there was a pay increase to meet the increased costs of living. Energy costs at last reduced by £9k, insurance costs reduced by £6k because of a change in supplier and the Parish Office staff secured a one-off credit of £6k from BT related to prior years. Higher levels of outside giving (£4k) and Common Fund payments (£4k) were offset by a £5k reduction in operating costs, mainly because of a renegotiation of parish magazine printing costs.

Designated Fund expenditure decreased by £10k to £114k because of one-off costs which occurred in 2023 on the weekend away and designated youth activities. The cost of property and churchyard repairs that were met from the Designated Property Repair and Churchyard Funds were about the same (£24k) as in 2023. Energy costs of £3k (2023: £3k) were met from the designated grant from the Church Commissioners for this purpose.

Restricted Fund expenditure increased by £15k to £87k. Major expenditures in 2024 included early costs on the reordering project (£45k) and refreshing the sound system in St John's Hall (£12k) compared to the church boiler replacement (£28k) and grants from the Local Support Fund (£12k) in 2023. In both years, payroll costs of about £24k were met from the restricted grant from Knowle United Charity.

Financial Risk and Uncertainty

The principal area of risk and uncertainty is the responsibility for the upkeep of an ancient listed building, which can give rise to large and sometimes unexpected expenditure. This risk is mitigated by the maintenance of a Designated Property Repair Fund.

6. Reserves policy

The PCC has reconfirmed its policy to maintain a balance on General Fund reserves (net current assets, which excludes fixed assets) of a least 10%, or 5 weeks, of annual payments from the Fund. Because of the general increase in the activity and cost levels in the church, this value has now been increased to £75,000 (2023: £70,000) and is as low as is prudent bearing in the mind the time taken to obtain tax refunds, and the amount of income that still comes as one-off donations. This does, however, mean that any money given to the Church will be put to good use immediately! The actual balances of net current assets in the General Fund at the year-end of £100,036 (2023: £96,377) are therefore in line with PCC policy.

6. Reserves policy (continued)

The PCC also maintains a Designated Property Repair Fund to cover the costs of major repairs; the balance on this fund of £102,599 (2023: £93,856) is expected to be sufficient for any works necessary in 2025.

The Designated Legacies Fund, created to hold the balances of legacies received but not yet allocated to specific purposes by PCC, stands at £80,232 (2023: £74,732).

7. Fundraising practices

The church invites voluntary donations from the public which, together with the associated Gift Aid, comprise the majority of the church's income. The PCC has reviewed its fundraising activity to ensure compliance with the latest Charity Commission guidance. The church does not use any commercial fundraiser or commercial participator. Although the church does not subscribe to particular fundraising standards or to any scheme for fundraising regulation, it follows guidelines for fundraising set by the Church of England. Fundraising activities are normally limited to invitations by the Clergy and/or Treasurer for church members to prayerfully review their giving to charitable activities including the church, supported by information leaflets and presentations which set out the financial position of the church, normally given on "Stewardship Sunday". Particular care is taken to ensure the protection of vulnerable people and other members of the public from behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent, or places undue pressure on a person to give money or other property. No complaints have been received by the church related to its fundraising activity.

8. Plans for future periods

Our aim and purpose will remain as stated in I above. The Trustees will continue to work to develop and implement our goals under our 2021 vision statement. We will run and develop our programme of worship services, groups, activities and special events, with changes to meet needs and initiatives as they arise. Our motivation remains that, as KPC, 'We are here to help people become lifelong followers of Jesus Christ' and to be 'A house of God's light for all peoples and generations'.

9. Structure, governance and management

The PCC is a corporate body established by the Church of England governed by the Parochial Church Council (Powers) Measure 1956 and the Church Representation Rules. It is a registered charity with the Charity Commission (no. 1127404).

The trustees of the charity are the PCC members. The method of appointment of PCC members is set out in the Church Representation Rules. At KPC, the membership of the PCC consists of the incumbent and other appointed clergy, members (including a Reader and churchwardens) elected by members of the congregation who are on the Electoral Roll of the church.

Those who regularly attend services and participate in church activities are encouraged to register on the Electoral Roll. Only those on the Electoral Roll are eligible for election to PCC.

Members of the PCC are one of (i) co-opted, (ii) directly elected by the APCM, or (iii) members of our church who have been elected to Diocesan Synod to represent our Deanery.

As at the year-end, following the APCM on 3rd May, there were:

4 elected members with Deanery Synod membership and

9 elected members without Deanery Synod membership.

Any member of the Church may offer themselves for election to PCC at the APCM provided they qualify under the Church Representation Rules. Appropriate nomination forms may be obtained from the PCC Secretary via the Parish Office. Nominees to PCC can obtain appropriate information from the PCC Secretary on both the role of the PCC and the role of members.

The policies and procedures for the induction and training of trustees are as follows:

Prior to the PCC elections, prospective PCC members receive an information leaflet setting out the role of the trustees and particularly drawing attention to conflicts of interest. After election, PCC members receive the Charity Commission's "Essential Trustee" booklet, the Church of England booklet "Trusteeship – An Introduction for PCC Members" and an internally-produced document setting out the constraints on payments to PCC members or connected persons. Part of the PCC meeting which follows the PCC election is dedicated to trustee training.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent.

The PCC held 8 business meetings during the year. There are 9 permanent sub-committees: – Standing, Fabric, Finance, Health & Safety (who undertake risk reviews on behalf of the PCC), Environment and Climate Action, Global Mission, Human Resources (Paid Staff), and Stepping Stones Pre-school Management Re-ordering project delivery group

9. Structure, governance and management (continued)

The key management personnel of the charity is the Standing Committee, made up of the clergy, the churchwardens, the secretary, the treasurer and the operations manager. The Standing Committee may conduct urgent PCC business that arises from time to time between PCC meetings, in accordance with the Church Representation Rules. Of the key management personnel, only the operations manager (being an employee) receives remuneration from the charity.

All Sub-committees report to the PCC on a regular basis and provide recommendations to the PCC. All matters of policy and finance are determined by the PCC, and are not delegated to Sub-committees; however, detailed implementation of PCC decisions may be delegated to specific Sub-committees from time to time as determined by the PCC. Membership of the Sub-committees is approved by the PCC. Other groups exist on an ad hoc basis to deal with specific matters.

Safeguarding

The council has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults. The PCC has appointed a Parish Safeguarding Co-ordinator. Safeguarding is a standing item on the agenda at every PCC business meeting. Regular safeguarding reviews are held and updating of course attendance throughout the year.

10. Reference and Administrative details

The registered name of the charity is The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull, registered charity no. 1127404. In this report, for ease of reading, the charity is also referred to as "the PCC", "Knowle Parochial Church Council", "the Council", "Knowle Parish Church" and "KPC".

Knowle Parish Church is situated beside High Street and Kenilworth Road, Knowle. It is part of the Diocese of Birmingham in the Church of England. The correspondence address is Knowle Parish Office, St Lawrence House, 1717 High Street, Knowle, Solihull, B93 0LN.

The following members served on the council for all or part of the year; those serving in more than one capacity may appear more than once:

Incumbent:	Revd Geoffrey Lanham (Chairman)
Associate Vicars:	Revd Steve Johnson
Curate:	Revd Emily Spencer until September; Revd Amy Tan from August
Churchwardens:	Liz Welton (lay deputy chair) Rod Street
Member of Diocesan Synod:	Julian Phillips (Reader) until August
Elected Representatives to Deanery Synod:	
Susie Carter	Julian Phillips until August
Carol Kay	David Pickering

Elected members to PCC:

Lynn Brown (Secretary) until April	Kate Boyall (Secretary) from April
Sarah Chapman until April	Hugh Rollinson from April
Victor Hu until April	Hannah Bull from April
Chris Beard until April	
Steve Mort (Treasurer)	Claire Carter Nick Houghton James Thorne
Roxanne Chung	Kelly Purdy

Helen Allen and Sarah Covington attended PCC meetings in a non-voting capacity. Amy Dowdy did not attend because she was on maternity leave.

Bank:	HSBC Bank plc, 34 Poplar Road, Solihull, B91 3AF
Independent Examiners:	Thomas & Young 266 - 268 Stratford Road, Solihull, B90 3AD

11. Statement of trustees' responsibilities

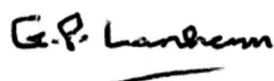
The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report approved by the PCC and signed on its behalf by



Revd Geoffrey Lanham (incumbent)

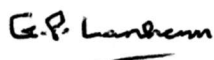
26th March 2025

**Statement of financial activities (incorporating the income and expenditure account)
for the year ended 31 December 2024**

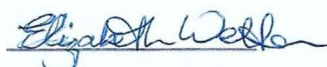
Funds		Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		2024	2024	2024	2024	2023	2023	2023	2023
	Note	£	£	£	£	£	£	£	£
Income from:									
Donations and legacies	1.a	602,494	6,010	83,705	692,209	618,006	24,858	80,280	723,144
Charitable activities	1.b	65,569	89,907	-	155,476	66,656	82,822	774	150,252
Other trading activities	1.c	17,190	522	-	17,712	18,054	410	-	18,464
Investments and deposits	1.d	11,381	-	8,339	19,720	6,697	-	6,275	12,972
Total income		696,634	96,439	92,044	885,117	709,413	108,090	87,329	904,832
Expenditure on:									
Raising funds	2a	3,775	420	-	4,195	1,365	43	-	1,408
Charitable activities	2b 2c	705,333	113,394	86,821	905,548	677,494	123,720	71,958	873,172
Total expenditure		709,108	113,814	86,821	909,743	678,859	123,763	71,958	874,580
Net income/(expenditure)		(12,474)	(17,375)	5,223	(24,626)	30,554	(15,673)	15,371	30,252
Transfer General Funds to Designated Funds	6	(20,000)	20,000	-	-	(35,920)	35,920	-	-
Transfer Restricted Funds to General Fund	6	-	-	-	-	-	-	-	-
Net movement in funds		(32,474)	2,625	5,223	(24,626)	(5,366)	20,247	15,371	30,252
Reconciliation of Funds:									
Funds brought forward		1,357,059	210,169	147,104	1,714,332	1,362,425	189,922	131,733	1,684,080
Funds carried forward		1,324,585	212,794	152,327	1,689,706	1,357,059	210,169	147,104	1,714,332

Balance sheet at 31 December 2024

Funds	Note	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		2024	2024	2024	2024	2023	2023	2023	2023
		£	£	£	£	£	£	£	£
Fixed Assets									
Tangible fixed assets	4.1	1,224,549	-	-	1,224,549	1,260,682	-	-	1,260,682
Investment assets	4.2	-	-	1,873	1,873	-	-	1,782	1,782
Sub Total - Fixed Assets		1,224,549	-	1,873	1,226,422	1,260,682	-	1,782	1,262,464
Current assets									
Debtors - HMRC gift aid tax recoverable		10,167	-	153	10,320	9,409	-	97	9,506
- Legacy - outstanding settlement			-	-	-		425	-	425
- Prepayments of insurance and other minor items		1,388	72	-	1,460	2,271	111	-	2,382
Cash and cash equivalents									
- Bank accounts		63,718	40,813	15,825	120,356	63,051	50,964	6,410	120,425
- Deposit accounts		41,709	174,707	144,029	360,445	39,062	160,706	143,000	342,768
- Cash		60	210	-	270	60	330	-	390
Sub Total - Current Assets		117,042	215,802	160,007	492,851	113,853	212,536	149,507	475,896
Liabilities: Falling due within one year					-				-
Creditors and accruals in respect of parochial activity		12,724	2,933	5,080	20,737	13,548	2,367	2,500	18,415
Charity collections and weekend away deposits not paid over		-	75	4,473	4,548	-	-	1,685	1,685
Deferred Income (rentals and mag adverts paid in advance)		4,282	-	-	4,282	3,928	-	-	3,928
Sub Total - Liabilities		17,006	3,008	9,553	29,567	17,476	2,367	4,185	24,028
Sub Total - Net Current Assets		100,036	212,794	150,454	463,284	96,377	210,169	145,322	451,868
Total Net Assets		1,324,585	212,794	152,327	1,689,706	1,357,059	210,169	147,104	1,714,332
Funds									
Unrestricted (General Fund)		1,324,585	-	-	1,324,585	1,357,059	-	-	1,357,059
Designated	6	-	212,794	-	212,794	-	210,169	-	210,169
Restricted	6	-	-	152,327	152,327	-	-	147,104	147,104
					-				-
Total		1,324,585	212,794	152,327	1,689,706	1,357,059	210,169	147,104	1,714,332

Approved by the Parochial Church Council on 26th March 2025 and signed on its behalf by:

Revd Geoff Lanham: Chair



Liz Welton: Vice Chair

Statement of Cash Flows**for the year ended 31 December 2024**

Funds Note	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2024 £	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £	2023 £
Cash flows from operating activities:								
Net movement in funds per SOFA	(32,474)	2,625	5,223	(24,626)	(5,366)	20,247	15,371	30,252
Adjustments for:								
Depreciation charges	36,133	-	-	36,133	38,141	-	-	38,141
(Increase)/decrease in debtors	125	464	(56)	533	(2,902)	873	2,406	377
Increase/(decrease) in creditors	(470)	641	5,368	5,539	(13,882)	(12,835)	1,857	(24,860)
Net cash provided by (used in) operating activities	3,314	3,730	10,535	17,579	15,991	8,285	19,634	43,910
Cash flows from investing activities:								
Purchases of fixed assets	-	-	-	-	(25,623)	-	-	(25,623)
Change in value of investments	-	-	(91)	(91)	-	-	(200)	(200)
Net cash provided by (used in) investing activities	-	-	(91)	(91)	(25,623)	-	(200)	(25,823)
Change in cash and cash equivalents in the reporting period	3,314	3,730	10,444	17,488	(9,632)	8,285	19,434	18,087
Changes in cash and cash equivalents:								
Opening balances:								
Current account	63,051	50,964	6,410	120,425	87,015	160,679	84,976	332,670
Deposit account	39,062	160,706	143,000	342,768	24,514	42,706	45,000	112,220
Cash	60	330	-	390	276	330	-	606
Total opening balances	102,173	212,000	149,410	463,583	111,805	203,715	129,976	445,496
Closing balances								
Current account	63,718	40,813	15,825	120,356	63,051	50,964	6,410	120,425
Deposit account	41,709	174,707	144,029	360,445	39,062	160,706	143,000	342,768
Cash	60	210	-	270	60	330	-	390
Total closing balances	105,487	215,730	159,854	481,071	102,173	212,000	149,410	463,583
Increase/(decrease) in net cash holdings	3,314	3,730	10,444	17,488	(9,632)	8,285	19,434	18,087

I. Income analysis**1 Income analysis**

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2024	2024	2024	2024	2023	2023	2023	2023
	£	£	£	£	£	£	£	£
1a Donations and legacies:								
Envelope scheme	3,498	-	-	3,498	2,868	-	-	2,868
Regular Standing orders	414,760	-	-	414,760	417,049	-	-	417,049
One-off donations	26,195	-	-	26,195	21,283	10,380	-	31,663
Other Stewardship & CAF	24,399	-	-	24,399	26,475	-	-	26,475
Gift Aid Tax recoverable (GAT)	98,906	-	4,761	103,667	99,974	3,381	8,642	111,997
Cash collections	12,646	-	-	12,646	12,649	-	703	13,352
Other income	6	-	-	6	358	-	-	358
Grants/donations for church reordering project			47,500	47,500	-	-	-	-
Grants/donations towards church running costs	20,700	-	31,027	51,727	35,400	6,831	25,968	68,199
Donations, appeals, etc.	1,384	510	417	2,311	1,950	3,766	34,967	40,683
Legacies	-	5,500	-	5,500	-	500	10,000	10,500
Total	602,494	6,010	83,705	692,209	618,006	24,858	80,280	723,144
1b Income from Church Activities:								
Parish magazine	21,125	-	-	21,125	20,112	-	-	20,112
Bookstall	72	-	-	72	-	-	-	-
Ministry group contributions	18,559	-	-	18,559	19,511	-	-	19,511
Church and hall lettings	8,900	-	-	8,900	8,900	-	-	8,900
Wedding and Funeral Fees	12,127	-	-	12,127	13,872	-	-	13,872
Other Group Activities	4,786	89,907	-	94,693	4,261	82,822	774	87,857
Total	65,569	89,907	-	155,476	66,656	82,822	774	150,252
1c Other trading activities (incl. rentals)	17,190	522	-	17,712	18,054	410	-	18,464
1d Investment dividends/valuation and interest	11,381	-	8,339	19,720	6,697	-	6,275	12,972
Total income	696,634	96,439	92,044	885,117	709,413	108,090	87,329	904,832

2. Expenditure analysis

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2024 £	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £	2023 £
2a Raising funds								
Costs attributable (mainly to rents received)	3,775	420	-	4,195	1,365	43	-	1,408
Sub-total	3,775	420	-	4,195	1,365	43	-	1,408
2b Charitable activities: Mission								
Outside giving to charities (see note 7)	42,193	654	660	43,507	38,436	883	11,700	51,019
2c Charitable activities: Ministry:								
Diocesan Common Fund	193,368	-	-	193,368	188,628	-	-	188,628
Clergy expenses	5,070	-	-	5,070	8,117	-	-	8,117
Clergy and youth worker housing costs	37,312	-	-	37,312	38,437	-	-	38,437
Ministry groups	5,093	-	-	5,093	6,264	-	-	6,264
Ministry services incl. books and sundries	7,171	-	-	7,171	10,754	-	-	10,754
Pastoral care expenses	128	-	-	128	-	-	-	-
Other Group Activities	-	6,930	-	6,930	44	11,599	1,083	12,726
Children's ministry	82,602	77,224	13,125	172,951	73,478	77,087	12,312	162,877
Youth ministry	44,634	(465)	10,900	55,069	27,472	3,580	14,850	45,902
Church running expenses	28,747	3,060	4,732	36,539	29,104	12,788	29,932	71,824
Parish magazine costs	19,852	-	-	19,852	23,749	-	-	23,749
Bookstall expenditure	-	-	-	-	-	-	-	-
Churchyard upkeep	11,183	6,464	-	17,647	9,076	-	-	9,076
St John's Hall expenses	58,616	17,218	12,044	87,878	68,268	14,120	-	82,388
Guild House expenses	12,068	-	-	12,068	10,874	-	-	10,874
Music & Choir expenses	43,868	427	-	44,295	32,566	609	-	33,175
Parish Office and Admin costs	100,621	-	-	100,621	94,751	-	-	94,751
Insurance	7,533	-	-	7,533	13,487	-	-	13,487
Church reordering project	-	-	45,330	45,330	-	-	-	-
Other Expenses	1,674	1,882	30	3,586	809	3,054	2,081	5,944
Governance/audit/accounts costs	3,600	-	-	3,600	3,180	-	-	3,180
Sub-total	705,333	113,394	86,821	905,548	677,494	123,720	71,958	873,172
Total expenditure	709,108	113,814	86,821	909,743	678,859	123,763	71,958	874,580

3. Accounting Policies

3.1 Basis of Preparation

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members. The accounts include a number of church organisations that operate their own finances, as required by the Charities Act 2011; these organisations are listed at Note 6.

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' 'true and fair view' provisions, together with FRS 102 (2019) as the applicable accounting standards and the 2019 version of Accounting and Reporting by Charities: Statement of Recommended Practice - Charities SORP (FRS 102).

Knowle PCC meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in GBP, which is the functional currency of the charity, and are rounded to the nearest £1.

Going concern - the trustees have considered the financial outlook for the charity in the context of the charity's plans and general economic conditions. While income decreased and costs increased in 2024, reserves have been maintained at a healthy level. Although costs are expected to increase further in 2025, the response to an appeal for increased regular giving in early 2025 have been very encouraging and the PCC considers that reserves will continue to be maintained at or above the policy level of £75k for a further 12 months. Accordingly, the PCC has determined that the current conditions do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern for at least twelve months following the date of signature of the balance sheet.

3.2 Funds

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use. The PCC at its discretion has elected to designate certain unrestricted funds for a particular purpose. The practical operation of the funds is as follows:

The Parish General Fund

The PCC is responsible for all church funds, but this is the fund where income is received for the PCC to decide how it is best deployed to achieve the church's Christian charitable objectives. The General Fund balance is effectively unspent income and is retained as a cushion against uncertainties.

Designated Funds

Designated funds for Property and Churchyard repairs and renovation are maintained by the PCC to separately manage the high and irregular costs involved. Gifts for fabric repairs or renovation are taken to the designated Property Fund if they can be related to costs incurred during the year. If a gift is for a specific fabric related purpose which is not carried out in the current year, then they are allocated to the Restricted Property Repair Fund. A Designated Legacy Fund has been established to hold the balance of unrestricted legacies received until the PCC allocates them to a specific purpose. Designated funds also include the funds of the church organisations that operate their own finances; most of the income of these funds is payment for the provision of charitable activities. The designated funds are listed at Note 6.

Restricted Funds

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for specific purposes. The restricted funds are listed at Note 6.

3.3 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, the amount can be measured reliably and it is probable that the income will be received.

Voluntary income and planned giving are recognised when received by or on behalf of the PCC. Income tax recoverable on gift aid donations is recognised when the donations are received.

Most non-donation income is treated as income from charitable activities as the income derives from the provision of charitable (or Christian) services to local parishioners in pursuit of the Christian objectives of the church.

The amount of purely fundraising activity is small and normally consists of rental income from church facilities and residential property when these are not needed for church purposes.

Sales of books and other material from the bookstall and sales of the Parish Magazine are accounted for gross.

3. Accounting Policies (continued)

3.3 Income (continued)

Rental income is recognised according to the period to which it relates and is shown gross, even though some of the rental income comes from other PCC funds such as the Stepping Stones pre-school.

Dividends and interest from investments are accounted for when receivable except that interest on deposits with the Central Board of Finance for the Church of England are accrued.

Grants, legacies and donations to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount can be reliably estimated.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Realised gains or losses are recognised when investments are sold.

Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

3.4 Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, it is probable that the amount will be paid and the amount can be measured reliably. The charity is not registered for VAT purposes and expenditure is shown inclusive of VAT. Grants and donations by the PCC are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC. The Diocesan Common Fund is accounted for when paid.

Expenditure on Raising Funds is the directly attributable cost of renting out church facilities and residential property when these are not required for church purposes, plus an allocation of costs associated with administration. In practice for church facilities, this involves estimating the variable costs per session of operating the facilities and expressing this as a percentage of the average rental charge. For residential property that is normally held for clergy or staff housing, only those outgoings specifically related to the rental activity are identified as fundraising costs.

3.5 Fixed Assets

Consecrated and beneficed property

Consecrated and beneficed property is excluded from the accounts by Charities Act 2011 s.10 (2)(a). No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

Land and Buildings

Land and buildings are stated at cost (or deemed cost) less accumulated depreciation. Straight line depreciation lives are applied to components as follows:

- Building and roof structures 100 years
- Roof surfaces 70 to 80 years
- Windows, doors plumbing and cabling 40 to 50 years
- Internal facilities and integral equipment 15 years
- Land is not depreciated
- Grade II Listed buildings 900 years

Fittings, Furnishings and Equipment

Furnishings and equipment acquired after 1.1.2024 are capitalized where the cost is above £5,000. Prior to 1.1.2024, acquisitions over £1,500 were capitalized and these items will continue to be depreciated over their useful lives. Lower value items, of immaterial value in total, may also be capitalized where the related records provide a control over the use and deployment of the assets (e.g., laptops). Straight-line depreciation is applied, with lives determined specifically to each type of asset, up to 10 years with computer equipment and related software at 5 years.

3.6 Investments

Investments are valued at market value at 31 December. Realised and unrealised gains or losses on investments are dealt with in the Statement of Financial Activities.

3. Accounting Policies (continued)

3.7 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Amounts owing to the PCC as at 31 December in respect of fees, rents or other income are shown as other debtors, net of any provision for amounts that may prove uncollectible. Short-term deposits include cash held on deposit either with the CBF Church of England Funds or at the bank or small balances of petty cash.

Creditors and accruals in respect of parochial activity comprise Trade Creditors of £5,902 (2023 - £5,519) and Accruals of £14,835 (2023 - £12,896).

3.8 Pension Schemes

The church provides defined contribution pension arrangements for auto-enrolment of staff via the Diocesan Scheme set up in compliance with current pension legislation. The assets of the schemes are held separately from those of the charity. The contributions payable are charged to the statement of financial activities.

4. Fixed Assets and Investments for use by the PCC

4.1 Fixed Assets

The majority of the fixed assets by value comprise the five freehold properties beneficially owned by the PCC as follows:

- Residential properties – St Anne's Cottage and 46 Crabmill Close
- Offices and meeting places – St John's Hall, St Lawrence House and the Guild House

Title to all the land on which the buildings are situated is held by Birmingham Diocesan Trustees Registered as custodian trustees, on behalf of the PCC because the PCC is not permitted by law to be the registered owner of land.

On the implementation of FRS102 the residential properties were valued at open market prices as at 31st December 2014 and the offices/meeting places at depreciated current replacement cost at the same date. The valuation of the Guild House included an impairment appraisal that wrote down to zero the structure of this medieval building that is very expensive to maintain and where the NPV of the related excess costs over a modern equivalent is equal to or greater than the undepreciated replacement cost of a modern equivalent.

	Land and buildings	Fittings, Furnishings and equipment	Projects in progress	Total
	£	£	£	£
Cost or deemed cost				
At beginning of the year	1,414,281	143,835	-	1,558,116
Additions	-	-	-	-
Disposals	-	-	-	-
Revaluations	-	-	-	-
Transfers	-	-	-	-
<i>At end of the year</i>	1,414,281	143,835	-	1,558,116
Depreciation and impairments				
At beginning of the year	(184,505)	(112,929)	-	(297,434)
Disposals	-	-	-	-
Depreciation	(22,366)	(13,767)	-	(36,133)
Impairment	-	-	-	-
Transfers	-	-	-	-
<i>At end of the year</i>	(206,871)	(126,696)	-	(333,567)
Net book value at beginning of year	1,229,776	30,906	-	1,260,682
Net book value at end of year	1,207,410	17,139	-	1,224,549

4. Fixed Assets and Investments for use by the PCC (continued)

4.1 Fixed Assets (continued)

Land and Buildings

Included within Land and buildings is £300,000 (2023: £300,000) of freehold land which is not depreciated. There were no additions in the year.

Fittings, Furnishings and Equipment

There were no additions in the year.

4.2 Investments

Investments of £1,873 represent shares in the CBF's Investment Fund at market value as at 31 December 2024 (2023: £1,782). The historic cost of these shares was £1,000 (2023: £950).

5. Staff Costs and Numbers Employed

	2024	Average Numbers Employed	2023	Average Numbers Employed
	£		£	
Youth & children's leadership	126,173	7	106,964	5
Parish Office staff	132,019	7	108,419	6
Stepping Stones	62,523	6	61,344	7
National insurance	16,868		13,056	
Pension	6,596		4,844	
Total	344,179	20	294,627	18

(Note: Facilities & Systems Manager and Music Ministers are included in Parish Office staff)

Parish workers and clergy received £3,561 (2023: £6,781) by way of reimbursement of expenses whilst on PCC business. In addition, clergy housing costs amounted to £31,633 (2023: £31,799). Of the clergy accommodation costs, £22,740 (2023: £22,740) was paid to Pickering Fields Trust for the rental of a property on Newton Road which normally houses the Associate Vicar.

The average head count during the year was 20 (2023: 18). No employees received employee benefits of more than £60,000.

The key management personnel of the charity is the Standing Committee, made up of the clergy, churchwardens, the secretary, the treasurer and the operations manager. Of the key management personnel, only the operations manager (being an employee) receives remuneration from the charity and their employee benefits in 2024 totalled £32,495 (2023: £30,739) including employers pension contributions of £765 (2023: £714) but not including employers National Insurance contributions of £3,123 (2023: £2,888).

One trustee, Sarah Chapman, is employed as a part-time Children and Families Minister. Her employee benefits in 2024 totalled £15,675 (2023: £14,586) including employers pension contributions of £275 (2023: £243) but not including employers National Insurance contributions of £870 (2023: £725).

Clergy are not employees of the charity.

6. Fund Details

Restricted Funds

The restricted funds arise where donations have been made for a specific purpose and funds are retained awaiting disbursement. In 2024, approximately £8,000 of deposit account interest has been generated on the restricted fund balances and this is included in the “incoming” column for major funds in the table below.

Restricted Funds (Donor-specified funds awaiting disbursement)	Balance 01-Jan 2024 £	Movement in resources			Balance 31-Dec 2024 £
		Incoming £	Gains and losses £	Outgoing £	
R.A.C.K. Roof Fund	1,782	50	41	-	1,873
Restricted Legacies and Donations Fund	65,054	4,593	-	(12,704)	56,943
Property Repair/Renovation Fund	8,819	3,420	-	(3,904)	8,335
Reordering Fund	30,969	55,091	-	(45,330)	40,730
Pontifex Clock Fund	1,554	74	-	(828)	800
Organ Fund	1,076	200	-	-	1,276
Soldiers' Chapel	7,536	-	-	-	7,536
Choir Fund	935	-	-	-	935
Grants to employ Children and Youth Workers	21,524	28,575	-	(24,025)	26,074
Restricted Gifts and Grants for Youth Activities	7,855	-	-	(30)	7,825
Totals	147,104	92,003	41	(86,821)	152,327

The RACK Roof Fund consists of donations received many (30+) years ago towards major roof repairs which are being held for the future. The income and gains/losses arise from investments related to the fund.

The Restricted Legacies and Donations Fund consists of various gifts and legacies where the donor has specified a specific use. The balance on the fund now comprises:

	£
Remainder of a 2018 grant from a legacy trust, given with a bias towards youth work	23,078
Balance of a 2021 gift not to be used to meet regular expenditure, but to be held at the discretion of the PCC for identifiable projects	12,682
A gift towards new chairs for the church	11,533
Gifts to the Local Support Fund for help with the Cost-of-Living Crisis	7,288
Gifts to the 2023 Weekend Away Hospitality Fund carried forward to next time	2,341
Others	21

The Local Support Fund, included within the Restricted Legacies and Donations Fund above, started the year with a balance of £7,273. Further income of £675 was received in 2024 and 5 grants totalling £660 were made to individuals. There is therefore a balance available of £7,288 for further grants to be made when appropriate.

The Property Repair and Renovation Fund consists of restricted donations received towards major property repairs. From 1.1.2024, donations and expenditures related to the Church Reordering Project have been separated out from this fund into the Reordering Fund.

The Reordering Fund was separately established on 1.1.24 by reallocating opening balances from within the Property Repair and Renovation Fund (£24,330) and the Restricted Donations Fund (£6,639). During the year, Pickerings Field Trust kindly made a grant of £30,000; gifts from individuals, with the associated Gift Aid, totalled £21,875; and interest of £3,216 was earned on deposit balances. Expenditure of £45,330 comprised architect's fees and the cost of associated surveys and reports.

The Pontifex Clock Fund consists of accumulated donations from the Knowle Church Clock Trust (a separate charity), also known as the Pontifex Clock Trust, towards repair and maintenance of the Knowle Parish Church clock and weathervane and for their eventual replacement.

The Organ Fund consists of restricted donations received towards major renovation and repairs to the organ which are being held for the future.

The Choir Fund consists of restricted donations received for the Choir, and also monies received from weddings in excess of the amounts distributed to choir members, and is available for choir activities.

6. Fund Details (continued)

Restricted Funds (continued)

The Soldiers Chapel Fund arose from a major project in c.2010 to restore the decorated plasterwork in the Soldiers Chapel, situated at the north-east corner of the nave in the church. Generous donations were gratefully received towards this project from a number of sources including the Royal British Legion. The fund now consists of the excess of donations received over the cost of the project and is being held over to fund any further restoration work that may be required in the future.

Grants to employ Children and Youth workers include a grant of £26k (2023: £22k) by Knowle United Charity towards payment of salaries which has been retained in the fund towards salaries in 2024.

The Restricted Gifts and Grants for Youth Activities Fund, formerly called the Youth Charity Fund, has been used to account for the dedicated gifts and fundraising income, and the costs incurred, for the mission trips which occurred in previous years; the remaining balance from these trips of £7,825 is being held over towards future trips, by agreement with the donors. Until 31.12.24, this fund was held in a separate bank account but to avoid increased bank charges for charity accounts, this account has been closed and the balance transferred to the main church bank account, incurring a one-off charge of £30.

Designated Funds

Designated Funds (PCC - Specified Funds)	Balance 01-Jan 2024	Movement in resources			Balance 31-Dec 2024
	£	Incoming £	Transfers £	Outgoing £	£
Organisations which operate their own finances*					
Stepping Stones	5,321	81,582		(77,644)	9,259
Others	18,344	9,357	(5,961)	(9,428)	12,312
Funds maintained within church finances:	-				-
Property Repair Fund	93,856	-	25,961	(17,218)	102,599
Churchyard Fund	11,796	-	-	(6,464)	5,332
Grant for use against future energy costs	6,120	-	-	(3,060)	3,060
Designated Legacies Fund	74,732	5,500	-	-	80,232
Totals	210,169	96,439	20,000	(113,814)	212,794

*There are a number of church organisations that operate their own finances. The Charities Act 2011 requires their figures to be included and they include Stepping Stones, Rainbow Tots, Bell Ringers, Friendship Club, Youth, Wedding & Funeral Fees, and the Flower Guild. During 2024, the bank account held by Rainbow Tots was closed and the balance transferred to the main church bank account, reflecting the fact that Rainbow Tots now operates as an integral part of the KPC Children's ministry and not as a separate organisation. The balance of £5,961 was transferred to the Property Repair Fund by request of the Rainbow Tots leaders so that it could be used towards the replacement of the hall floor in due course.

The Property Repair Fund has been designated by the PCC for major work to the church's properties. In 2024, the costs of completing the external redecoration of St John's Hall (£5,800) and rebuilding a boundary wall that had been undermined by tree roots (£11,418) were met from this fund. In view of further work that is planned for the coming years and the need to maintain the fund at a level which can sustain unexpected costs, the PCC transferred £20k (2023: £36K) from General Fund into this fund in 2024.

The Churchyard Fund has been designated by the PCC for any non-routine work that may be required in the churchyard. In 2024, expenditure of £6,464 has been made in relation to tree surveys and the removal of dangerous trees, in particular the cedar of the front of the church.

In 2022, a grant of £9,180 was received from the Archbishops' Council, via Birmingham Diocese, towards exceptional energy costs. The grant is to be offset against energy costs over the three-year period 2023-2025 and therefore £3,060 has been applied to energy costs in 2024 (2023: £3,060).

The Designated Legacies Fund was created in 2021 to hold the balances of legacies received but not yet allocated to specific purposes by PCC. During 2024, legacy income of £5,500 has been added to this fund.

Unrestricted Funds

Included with unrestricted funds is £386,923 of non-distributable reserves which arose on the revaluation of land and buildings on the implementation of FRS102.

7. Outside Giving & Retiring Collections

This year the church supported other charities, mission work and individuals to a total of £44k, a reduction of £7k in 2023 when there were significant cost-of-living grants made from the Local Support Fund. Within the grants, £2k is a share of the gross receipts of the “Cobbles” Saturday morning informal café, where the Cobbles leadership nominate a different charity every few months. In addition, £10k was given directly to other charities and mission work through the organisation of retiring collections and fundraising events for specific charities. This latter “pass-through” income was excluded from the accounts but included here to provide a more complete picture of the fundraising activity of the church. Details of these payments are shown below.

Charity	KPC Funds £	Pass through £	Total 2024 £	KPC Funds £	Pass through £	Total 2023 £
Tearfund	6,000	3,081	9,081	6,000	1,718	7,718
St Andrews Chelmsley Wood	3,700		3,700	3,300		3,300
St Christophers Missioner	3,700		3,700	3,300		3,300
St Johns Sparkhill	3,700		3,700	3,300		3,300
Kenya Mission Initiatives	2,600	1,060	3,660	2,000	458	2,458
International Needs	1,600	1,824	3,424	1,000		1,000
Birmingham City Mission	3,000		3,000			0
Christian Aid	1,800	1,172	2,972	1,200	635	1,835
Narthex Food Bank	2,400	118	2,518	2,000	1,102	3,102
Malawi Task Group, CofE Birmingham	2,400		2,400	2,000		2,000
Springfield Project	2,400		2,400	2,000		2,000
Social Life Opportunities (via Cobbles)	2,046		2,046			0
Urban Saints	1,900		1,900	1,500		1,500
Scripture Union	1,600		1,600	1,200		1,200
Shine	1,600		1,600	1,000		1,000
Christians Against Poverty	1,500		1,500	1,100		1,100
Blood Bikes (via Friendship Club)	500	980	1,480			0
Royal British Legion		824	824	25	584	609
Local Support Fund - Cost of Living grants to individuals	660		660	4,200		4,200
Birmingham and Solihull Women's aid		550	550		1,602	1,602
Satori House (via Bell Ringers)	154		154			0
Redditch Puppets	50		50			0
Grace Enterprises - curry night	197		197	75		75
Reachout Network Ministries			0	3,000		3,000
St Andrews Chelmsley Wood for Cost of Living grants			0	2,500		2,500
St Christophers Springfield for Cost of Living grants			0	2,500		2,500
St Johns Sparkhill for Cost of Living grants			0	2,500		2,500
Dreammakers			0	1,730		1,730
Catalyst International Vision			0	1,500		1,500
Solihull Welcome			0		1,440	1,440
St Basils			0	1,178	48	1,226
Other			0	911	2,032	2,943
			0			0
Total	43,507	9,609	53,116	51,019	9,618	60,637
Less collections made specifically for other charities		(9,609)	(9,609)		(9,618)	(9,618)
Total giving by KPC (per accounts note 2)	43,507	0	43,507	51,019	0	51,019

8. Contingent Liabilities

No contingent liabilities have been identified.

9. Related Parties

At each meeting of the PCC the council members are required to declare any conflicts of interest that may arise or have arisen and where there is such a conflict then that member will not vote on any proposal involving the related party. There are three related parties of significance in 2024:

- Pickering Fields Trust (PFT) which, with the Church, shares the vicar and two churchwardens as trustees. However, as Knowle PCC has approximately 20 members, there is not common control, as defined in the legislation.
- Knowle Church Clock Trust (also known as Pontifex Clock Trust - Registered Charity Number 514954) which, with the Church, shares the vicar and two churchwardens as trustees. However, as Knowle PCC has approximately 20 members, there is not common control, as defined in the legislation.
- Knowle United Charity which, with the Church, shares a member of clergy as a trustee.

Pickering Fields Trust has the official name 'Charities for Ecclesiastical and Other Purposes' - charity number 238492. Apart from a small amount of investment income, it derives all its income from the rental of its house to Knowle Parish Church for clergy use (see note 5) which amounted to £22,740 in 2024 (2023: £22,740). It, in turn, at the discretion of its 3 trustees and within its objectives, generally pays all its donations to the church, in support of renovation and fabric repair projects and the charitable work of the church. In 2024, the Trust made grants of £30,000 (2023: £0) towards the church reordering project, £7,500 (2023: £15,000) towards the cost of the curate and £13,200 (2023: £20,400) towards the cost of the expanded children's ministry team. Group accounts have not been prepared since neither the trustees of Knowle Parish Church nor the electorate of Knowle Parish Church have powers (i) to direct the decisions of the PFT trustees or (ii) to appoint or dismiss the PFT trustees.

Knowle Church Clock Trust's principal activity and achievement is the donation of the whole of the annual income from its investment funds to Knowle Parochial Church Council, which has the legal obligation of the upkeep of the church clock and weathervane. In 2024, the Trust made a donation to Knowle Parish Church of £74 (2023: £72).

Knowle United Charity makes grants to Knowle Parish Church towards children's and youth work.

Independent Examiner's Report

To the Trustees of The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31st December 2024 which are set out on pages 11 to 23.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

- accounting records were not kept in respect of the Charity as required by Section 130 Of the Act; or
- the accounts do not accord with those records ; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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:



Mark McLean FCA

Thomas & Young Limited, Chartered Accountants

Carleton House, 266-268 Stratford Rd, Shirley, B90 3AD

Date: 16th April 2025

Accounts



The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Charity number 1127404

Report and Accounts

Year ended 31 December 2023

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**2023 Annual Report and Accounts for
the Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull
(Charity number 1127404)**

The trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 31st December 2023.

The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1. Aim and purposes

Knowle PCC has the responsibility of cooperating with the incumbent in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Church and nearby buildings – the Guild House, St John's Hall and St Lawrence House – and two residential properties: St Anne's Cottage and 46 Crabmill Close.

2. Objectives and activities

The statement of purpose of Knowle Parish Church (KPC), agreed by the PCC and endorsed by the 2015 APCM, is: *'We are here to help people become lifelong followers of Jesus Christ'*. This statement of purpose is augmented by the Vision statement which was introduced in 2021 "A house of God's light for all peoples and generations"; more detail is on page 3.

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our church community to help resource their discipleship and equip them for service in the world. The PCC maintains an overview of worship in the church and in groups throughout the parish and beyond and makes suggestions on how our services and other activities can be for the benefit of everyone of whatever background. Our services and worship put faith into practice through prayer, scripture reading, teaching, music and sacrament.

When planning our activities for the year, we have considered the Charity Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. We seek to enable people to find and live out their faith in Jesus Christ in our community and beyond, and we also organise a number of activities that benefit the whole community of Knowle such as pre-school groups and a friendship club for senior citizens. We also promote practical and financial support to Christian mission beyond Knowle in the UK and overseas. To facilitate our work, it is important that we maintain the fabric of the Church and related buildings.

3. Achievements and performance

Continuing effect of Covid-19

KPC continues to offer social distancing in the side aisle in church and the outer reaches of the church hall. On occasions where the church is expected to be full, additional services have been arranged to mitigate risk and offer a level of assurance. The Sunday morning is no longer live streamed due to GDPR issues, but sermons are recorded and available to download via the website.

Worship and prayer

Following a two year delay the Tri-annual Church Weekend Away was held in February, the speaker was Dave Richards, a past curate from Knowle and now incumbent at St Pauls & St Georges, Edinburgh. He focussed on Generous God, Abundant Life over the 3 days. Over 300 from Knowle attended, including 60 youth and children. The year started by looking more deeply into Hebrews, followed by three lent courses, Focus on the Old Testament, What does it mean to be 'Chosen'? and The Sanctuary Course. After Easter, the sermon series concentrated on 'Soul Care' and 'Growing' through various life events. Themes on The Resurrection continued to the end of the year.

A weekly service on Wednesday mornings with Holy Communion continued throughout the year. The weekly 7.45am Sunday Holy Communion service continues to be well attended.

At the 9.30 am service, under 5s and children's groups thrive, and the monthly All-In service continues; this has half an hour all together followed by a further half-hour in zones – Worship, Discuss, Reflect, Create, Move – which are all well received.

Church prayer meetings took place most months in St John's Hall. Many other smaller groups also met to pray at various times throughout the year.

3. Achievements and performance (continued)

Ministry and evangelism

The Church maintained its aim of serving and reaching out to people in Knowle and beyond, seeking to reconnect with the community. A village Coronation event was held on Monday 8 May with various events taking place in and around Church. Although the weather wasn't kind, a good atmosphere with church and villagers coming together was achieved. On Saturday mornings, Cobbles opens, serving people in the Guild House and the church grounds (weather permitting) with coffee, tea and cake. Cobbles gives opportunity for people to meet with us in an informal setting. Friendship Club offers a cooked meal and a light lunch once a month, and coffee on the intervening Thursdays.

Events to which friends and colleagues were invited included, men's breakfasts in January, May and October and a men's Curry nights in March and November with engaging speakers on relevant current issues. These events were well attended and received. In January a 'Christmas' meal for our Ukrainian neighbours was held. Unfortunately, the ladies breakfast had to be cancelled in March and this activity has not resumed. We are actively seeking someone to lead this outreach.

In the Autumn, a Christianity Explored course was held at the Red Lion pub in Knowle attended by 14 participants.

Alpha was held on Tuesday evenings between January and March in the Guild House; 19 people enrolled. There was also an away day on the middle Saturday which was held in Lapworth Old School. KPC also ran an Alpha in Cantonese and this was held over 6 Friday nights during October and November. Each evening started with a meal and UK Alpha videos with Cantonese subtitles. In total 22 met and then broke into small groups where discussions were conducted in Cantonese. Prior to Alpha in Cantonese, KPC held a welcome course for our friends from Hong Kong, over 6 weeks ending with a summer barbecue. Many of the course attendees went on to join the Alpha course.

Geoff Lanham led a group from KPC and local churches to Bolivia to meet with clergy throughout the country and hold teaching seminars. The church in Bolivia is supported by KPC as part of the Global Mission giving.

The Mother's Union branch has 82 members, mostly from KPC. Prayer is at the heart of its activities, aiming to demonstrate and encourage Christian family life. MU has met regularly for prayer and worship, heard relevant Christian speakers and has stood against, gender-based violence and modern slavery. It has collected goods to help members in Malawi to support their families (also contributing to the freight costs), toiletries for Women's Aid and toys for prisoners to give to their children at Christmas, as well as signing Christmas cards for prisoners. Through KnitWits, it has knitted clothes for premature babies in Birmingham hospitals. The members have raised money for literacy and financial education projects overseas and holidays for those in our diocese, unable to afford it (Away From It All), and provided Lent and Advent lunches and a Tea. Individual members take full part in church activities, helping where possible.

Home Groups continue to grow and play a vital part of church life. There are more than 30 groups meeting and more than 360 people involved. Almost all the groups now meet in person rather than Zoom, and most are hosted in homes. A meeting for Home Group leaders has been held each term; our emphasis continues to be on equipping leaders to help group members to grow as disciples of Jesus in line with our vision goals. This year Jan Wilson stepped back from coordinating the groups to focus on her pastoring role to the Hong Kong folk who we have been delighted to welcome to Knowle. Ian and Sue Ralph have taken on the co-ordination role. The groups have studied a range of topics this year including the sermon series questions prepared by our clergy, as well as studies focused on Growing on the Front Line and the book of Romans. Pastoral support and care continue to be an important part of homegroup life. We are grateful to God for blessing our homegroups, and the faithful service of the group leaders.

The children's ministry team is now a team of 4 led by Sarah Covington, with Sarah Chapman and Clare Fillingham focussing on the under 5s and their families and then Barbara Carstairs and Sarah Covington focussing on the 5-11s and their families.

Pre-school children's ministry has grown this year. We currently have 120 mums on our Bumps and Babies 'radar' and have created a new 'Graduate bumps' event group. We have a new group that began this year called Caterpillars, replacing our Tots at Penny's group, with the aim to meet God in play – for both the children and the parents. Rainbow Tots is a flourishing group with great relationships being formed. We are currently oversubscribed, so we are going to begin a second Rainbow tots in the Easter term and review in the Summer. We are grateful to Dads and Toddlers to continue to support the local dads and provide space for new dads too. We have had large numbers of families attending our extra events – Pancake Party, Easter Celebration, Summer events, Light party, and our Christmas events in 2023 – To such an extent that next year we will have 2 Breakfast with Santas (although one will be renamed 'Tea with Santa'!) It is great to see many Stepping Stones families at these events too, supported enthusiastically by Sue Spencer. There is a lot of overlap amongst our groups which is encouraging to see. Our community is thriving. A couple of the families have started coming along to the 9.30am service on a Sunday as well.

With 5-11s we have focussed on the development of our Sunday groups provision which run 3 weeks out of 4. We have looked to embed our children's ministry values across all the Sunday groups, which at this point is split into under 5s, school years 1-4 and a year 5 & 6 group. We have run a series of very successful one-off events – Pancake Party, Light Party, Summer events, Christmas etc, all of which are enabling us to build relationship and community with the families. We have continued to explore what intergenerational worship looks like at KPC and how we can develop this further. Our work at Knowle Primary Academy has continued with us delivering Collective Worship weekly in each key stage, supporting teaching of some elements of the RE curriculum and through the seasonal services that take place at church throughout the year. In a year of change for the school,

3. Achievements and performance (continued)

Ministry and evangelism (continued)

with the retirement of Jenny Godsall, through the governance roles of Sarah Covington and Geoff Lanham, we were able to have a key role in the very successful recruitment process and we are looking forward to seeing how this work develops throughout 2024.

Emily Spencer started a Renew Café drop-in centre in March. Held weekly in Lower Guild House and open to all this is a safe place for anyone needing a quiet time or to chat over a coffee.

Youth work – During the first half of 2023 we continued to deliver most of our youth ministry at our Penny's Café premises in the precinct, including: Sunday morning Youth Church; Penny's Youth Café which was open each Monday to Thursday in term-time from 3.30-5pm; Discipleship Groups which were held each Tuesday, Wednesday and Thursday offering age-specific content and support with a focus on faith-related topics which help the young people develop their communication skills, teamwork and respect for other's views as well as creating the opportunity for the youth leader to offer pastoral support.

We held a church weekend away in February which had a youth stream running alongside. The youth stream ran on all 3 days and included accessible faith-based material, games, activities, team building, fellowship, prayer, and a space for personal reflection.

Following the weekend away, we launched an Older Youth Sunday session to run on a Sunday afternoon.

Alongside the usual weekly pattern of youth provision at KPC we have held one-off special events for Halloween, Christmas, Easter and in the summer holidays.

Summer 2023 saw a relocation of our youth activities to the church site. Due to the ongoing conversation around the redevelopment of the precinct we decided that it would be best to close the provision in the precinct and relocate our youth work to the church site. As part of this process, we reviewed what had worked well in the precinct and what we needed to rethink. Based on this we launched new groups on Thursdays; a Thursday Café at 3.30pm and Thursday Club at 7pm. The café was implemented to ensure the young people who thrived within the Penny's Café context would still have somewhere familiar that they could call home. The youth club has been designed with the intent of being livelier and more engaging for newcomers.

We have also redesigned our discipleship groups, so that there are now a Tuesday discipleship group for years 10-13 and a Thursday discipleship group for years 7-9.

Our Sunday groups have been relocated to the church site and are now split into 2 groups due to the large amount of young people in attendance. We have 30 young people on the books for Sunday morning youth church and 20 who attend weekly.

We currently have a strong relationship with Arden Academy who come to church for September and December assemblies with the youth minister acting as host. The youth minister also visits the school once a week for 3 hours to mentor young female students who are presenting with additional complications in their personal lives that are affecting their school life.

From November 23, Amy Dowdy our Youth Minister went on maternity leave. We have managed to appoint Geoff Harley-Mason as part time maternity cover (starting in January 24) and Ros Hardy as full time Assistant Youth Minister (starting Feb 24). The Youth team is overseen by Rev Steve Johnson (Associate Vicar).

All our groups rely on our dedicated team of youth ministry volunteers who have been an invaluable support in the transitioning from Penny's café, delivering ministry during the short gap between Amy and Geoff, and continuing to engage and disciple young people both from within and outside the church community.

Pastoral care

The ministry of the pastoral care team, led by David Pickering – covering prayer ministry, bereavement support and visiting the sick and elderly at home and in care and nursing homes continued throughout the year. Home Groups, which generally meet fortnightly, offer prayer and support to their group members. The annual Memorial Service for the relatives of people who have had funerals at church in the past year took place on Sunday 19th November.

KPC Vision and goals

We have continued to implement the church's vision statement which was developed in 2021:

Letting our light shine at the village centre as
A house of God's light for all peoples and generations.
 A beating heart of worship to God;
 generously serving Knowle, the deanery and wider world,
 to help transform lives and neighbourhoods for Jesus.

3. Achievements and performance (continued)

KPC Vision and goals (continued)

Towards the end of 2021, four groups were set up to develop specific goals in each of the areas of Worship, Discipleship, Evangelism and Mission, to help organise work on the initial priorities identified as part of the vision process. As they have met and worked on these, we have already seen changes to our life together. These include changes to help us become more welcoming as a church, enhance our Christian walk, setting up a Local Support Fund to help those hit by the cost-of-living crisis and attaining the Bronze Eco Church Award, as assessed by the A Rocha charity. During 2023 this award was updated to Silver and the Eco Group is actively working towards the Gold award. Further work continues in the background on longer term goals in each of four areas with more actions expected this coming year to strengthen our church life, impact and work in the Knowle area.

Church attendance and membership

Attendances at Sunday services returned to 'normal' and increased throughout the year to an average of 325 adults and 50 children and young people.

At the time of the 2023 Annual Meeting in March, the Church Roll was 532, of whom 303 lived in the parish and the remaining 229 outside the parish. Many additional people have links with the church in a less formal way.

During 2023, 28 Baptisms and 1 thanksgiving service were held and 8 marriages took place. 20 funerals took place in the church. A further 7 funeral services took place at the crematorium and 37 interments in the KPC churchyard.

Ecumenical relationships

Our clergy met during the year with the clergy and leaders of other churches in Knowle and Dorridge.

Christian mission beyond Knowle

During 2023, the Global Mission Committee was established with the intention of expanding and focussing the church's activity to support and participate in Christian ministry beyond Knowle.

This is being done through its support of various programmes at home and overseas through prayer, relationship building and finance. With delegated authority from the PCC the GMC is able to make certain grants and donations at its discretion from its annual budget of £35K.

The Committee, chaired by Bruce Richard, now meets every six weeks and currently comprises four members, one link member to the Youth and it is looking for a few more members to help with the increasing admin and networking necessary for the task.

In 2023 it has completed a Mission Policy and Vision document, met all three regional church leaders (St. Christopher's Springfield, St. Andrew's Chelmsley Wood and St. John's Sparkhill) and visited their churches and church projects.

It has considered and managed interactions with two emerging projects with a view to possible long term partnerships – the Cof E in Bolivia, in which a team of four from KPC partook through a visit there and Changing Tunes (helping people lead crime free lives through music and mentoring in prisons, secure facilities and special provision schools).

There are twenty-six partners that KPC have historically supported financially. In an effort to discern whether or not to continue our support, we have investigated and met with the leaderships of ten so far, resulting in the decision to cease the funding of four of them. We have however begun the funding of one new partner.

In order to raise the profile and importance of the church owning and involving themselves in Mission beyond Knowle, we are presently conducting a Church wide survey through the Home Group network to gather information about activity and opinions on Mission and Social Justice issues.

We were delighted that the Harvest Supper and Tear Fund Sundays are running again, and we enjoyed a paradigm shifting day of preaching from Andy Roberts, Mission Director of the Church Mission Society in November.

Social Justice and Action Group. (SJAG)

The SJAG began meeting formally in 2023 with an aim to help create a culture of engagement with issues of social injustice domestically and internationally. It works closely with the Environment and Climate Action group and the Global Mission Committee as there are multiple areas of overlap between these groups.

In the area of social justice and action through 2023, we would like to celebrate: the embedding and preaching of the 2023 verse of the year Mic 6:8; The significant response to the cost of living crisis in setting up our Local Support Fund – the gifts we received have enabled us to give 3 generous donations to partner churches and support 15 local people in need; Trialling

3. Achievements and performance (continued)

Social Justice and Action Group (continued)

the warm hub in the library and the contacts made; delivering service spotlights on the Windrush scandal and asylum seekers crossing the channel; Supporting Solihull Welcome with a Christmas gift enabling Christmas parcels to be given to asylum seekers; The joint survey with the GMC exploring mission and social action work being undertaken by the parish; The work of the Mothers Union; The Environment and Climate Action Group letter to MP signed by numerous parishioners.

This work is only slowly gathering pace and is now looking to find an appropriate rhythm for social action and justice within KPC.

The SJAG is chaired by Rev Steve Johnson (Associate Vicar)

Members in 2023: Deb Ment; Chris Welton; Angela Ditchfield; Alex Kalinzi-Ditchfield; Mark McGillicuddy; Malcolm Harbour; Greg Dengate.

Fabric

In 2023, the PCC Fabric committee comprised Nick Brown (Chair), Gareth Roberts-Davies (Facilities and Systems Manager) and Liz Welton and Ian Kay. The Committee now meets broadly monthly due to the volume of work, to review progress and to plan future works subject to approval by PCC. Roy Carr stood down earlier in the year and we are grateful for his diligence in serving the Church as a member of the Fabric Group.

Gareth reports to Helen Allen (Operations Manager), who receives all papers.

The fabric of the church buildings continues to remain in satisfactory condition. The Quinquennial architect has changed to James Phillips of APEC architects. Our previous architect had retired.

Status of works on KPC buildings

i. Church

- a) There are no new issues to report with regard to the Church building. Minor window repairs are in hand which unfortunately require scaffolding.
- b) The new boiler has been commissioned and is working satisfactorily. There is still some settling down of the heating controls required as we still have an outdated heating pipe distribution system. A major leak of the heating pipe system was repaired at the same time as boiler replacement.

ii. Churchyard & Grounds

A full tree survey was completed in 2021 and is the basis of a 3 year programme of maintenance for the trees throughout the Churchyard.

iii. Guild House

There were no issues of major significance or remedy required.

iv. St. John's Hall

- a) The Hall boiler has been replaced as it was condemned in its annual inspection. This had to be undertaken quickly so that continuity of use for the hall was maintained for its many uses.
- b) The hall floor continues to be problematic principally over the summer months. Despite further repair work to extend its life, this has not proved as effective as we had hoped. As reported last year, it is likely to require wholesale replacement in the next couple of years and certainly before the church interior is being renovated.
- c) The glazing and frames in the Hall were repaired, replaced and repainted.
- d) Plans are in hand to enhance the lighting at the end of the path to the car park.

v. Insurance

Insurance renewal is in hand as we come to the end of our 3 year cover with Ecclesiastical.

4. People

The work of the Church was undertaken by a wide group of people including Clergy, Staff, Readers and very many members of the Church. The principle of 'every member ministry' remains strong in the life of the church.

Rod Street was welcomed in May 2023 as a new church warden, taking over from Matt Baggott whose term of office had come to an end.

In Youth Ministry, Amy Dowdy started maternity leave in December 2023 and welcomed a son in January 2024. Geoff Harley-Mason stepped into the Youth Minister role to cover Amy's maternity leave. KPC is grateful to have such a willing and rich source of wisdom and support to call upon. The post of Assistant Youth Minister was filled in October 2023 with a start in February 2024.

Our Worship Minister, Alex Dengate was appointed in June 2023. Maddy Evans, Choir Master joined in January 2024.

The Parish Magazine continues to be a great resource to the church especially amongst the wider congregation and as an outreach to the community. Catherine Robinson's role in the Parish Office was expanded to Communications Officer, encompassing the editorship of the church magazine in addition to responsibility for all the church's communications.

Our grateful thanks are due to all these people and to many others for time, energy, care and prayer in all that has been contributed. In particular, the PCC warmly thanks all those who have left our employment during the year for their valuable contribution to the life of the church and wishes them well in their new endeavours.

Volunteers continue to play a central role in the work of the Church and are at the heart of most activities.

5. Financial review

The PCC is pleased to report that General Fund reserves remain at a healthy level, ending the year at £96k (2022: £89k) compared to the revised policy level of £70k (2022: £60k).

There have been very substantial increases in income through donations, legacies, grants and income from church activities. Costs have also increased because of higher energy costs, higher staff costs as vacancies have progressively been filled, major building projects such as the new church boiler being completed and substantial increases in charitable grants made to other organisations and individuals.

The General Fund, which covers the normal running expenditures of the church, showed a surplus of £31k in the year, compared to a deficit of £7k in 2022. The £31k surplus for the year is after charging depreciation of £38k, but before transferring £36k to the Designated Property Repair Fund and investing £26k in capital equipment; so net current assets, or reserves, increased from £89k to £96k. This level of reserves is above the revised policy level of £70k and provides a level of flexibility in readiness for increased costs in 2023 as staff vacancies are filled.

The Treasurer and the PCC as a whole warmly thank church members and others for their continued financial support, without which we would not be able to carry forward the ministry of Christ in Knowle.

Going concern

The trustees have considered the financial outlook for the charity in the context of the charity's plans and general economic conditions. While costs increased in 2023 due to inflation and increased activity, income also rose considerably so that reserves were maintained above the charity's approved policy level of £70k. Although costs are expected to further increase in 2024 because of increased staffing levels and inflation, the PCC considers that reserves will continue to be maintained at or above the policy level of £70k for a further 12 months. Accordingly, the PCC has determined that the current conditions do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern for at least twelve months following the date of signature of the balance sheet.

Income

Total income increased by £131k to £905k. There were increases in church members' donations (£87k), grants (£15k), legacies (£7k) and interest and rentals (£22k).

Income to General Funds increased by £100k to £709k. Donations by church members, including associated Gift Aid increased by £67k or 13%, including an increase of £13k in one-off donations. A new grant of £20k (2022: £0) was received from Pickering Fields Trust towards the cost of the expanded children's staff team, in addition to the PFT grant of £15k (2022: £15k) towards the cost of the full-time Curate. Income from rentals increased by £11k to £18k, mainly because the house at 46 Crabmill Close is now let full time. Other income from church activities decreased by £3k mainly because of a decrease in wedding and funeral fees. Interest income rose by £5k as interest rates increased.

Income to Designated Funds increased by £10k to £108k. Gifts and legacies to designated funds increased by £15k. Grant income reduced by £7k; in 2023 there was a £6k grant from the government's Listed Places of Worship Scheme towards the VAT on the new church boiler whereas in 2022 there were grants towards energy costs and Penny's Café operating

5. Financial review (continued)

Income (continued)

costs totalling £13k. Income of associated groups such as Stepping Stones nursery and Friendship Club increased by £2k.

Income to Restricted Funds increased by 20k to £87k. Donations to the Restricted Property Repair Fund of £41k (2022: £23k) included £12k of donations towards the church boiler, £24k towards the church reordering project and £5k towards general repairs. Other Restricted donations totalling £18k (2022: £22k) included £4k towards the Local Support Fund, £2k towards hospitality for the weekend away, a restricted legacy of £10k for new chairs for the church and a £2k grant towards youth work. Knowle United Charity (KUC) made a grant of £22k (2022: £22k) towards youth and children's workers' salaries. The PCC is very grateful for KUC's ongoing support over many years. Interest income of £6k (2022: £0) was allocated across major restricted funds.

Expenditure

Contributions to the Diocesan Common Fund of £189k (2022: £194k) were in line with the amount requested; of this, about £50k is used to support other parishes. The PCC also made contributions to the Church's wider ministry by continuing the policy of giving 5% of voluntary General Fund income to outside organisations, which amounted to £38k (2022: £35k) and also made gifts and grants from designated and restricted funds totalling £13k (2022: £3k) making a total of £101k (2022: £88k) towards mission and ministry work beyond Knowle. In 2023, retiring collections and other mission payments not included in the main church accounts totalled £10k (2022: £5k).

Total expenditure in 2023 increased by £128k to £875k.

General Fund expenditure increased by £63k to £679k. Salaries increased by £40k as vacancies were filled and there was a pay increase to meet the increased costs of living. The cost of operating the buildings increased by £17k, mainly because of higher gas and electricity prices. Higher levels of outside giving (£3k) and expenses on activities (£8k) were offset by the £5k reduction in the Common Fund request.

Designated Fund expenditure increased by £20k to £124k. The cost of property repairs that were met from the Designated Property Repair Fund increased by £12k mainly because of the cost of painting and repairs to the St John's Hall windows. Energy costs of £3k (2022: £0) were met from the designated grant for this purpose and the central costs of the weekend away of £5k (2022: £0) were met from the Weekend Away Fund.

Restricted Fund expenditure increased by £46k to £72k. Increases of £34k of building-related costs included £28k of the costs of the new church boiler that were met from the boiler fund, and £12k of grants (18 grants - 3 to church partners and 15 to individuals) to help with the cost of living were made from the Local Support Fund.

Financial Risk and Uncertainty

The principal area of risk and uncertainty is the responsibility for the upkeep of an ancient listed building, which can give rise to large and sometimes unexpected expenditure. This risk is mitigated by the maintenance of a Designated Property Repair Fund.

6. Reserves policy

The PCC has reconfirmed its policy to maintain a balance on General Fund of a least 10%, or 5 weeks, of annual payments from the Fund. Because of the general increase in the activity and cost levels in the church, this value has now been increased to £70,000 (2022: £60,000) and is as low as is prudent bearing in the mind the time taken to obtain tax refunds, and the amount of income that still comes as one-off donations. This does, however, mean that any money given to the Church will be put to good use immediately! The actual balances of net current assets in the General Fund at the year-end of £96,377 (2022: £89,226) are therefore in line with PCC policy.

The PCC also maintains a Designated Property Repair Fund to cover the costs of major repairs; the balance on this fund of £93,856 (2022: £74,953) is expected to be sufficient for any works necessary in 2023.

The Designated Legacies Fund, created to hold the balances of legacies received but not yet allocated to specific purposes by PCC, stands at £74,732 (2022: £61,732).

7. Fundraising practices

The church invites voluntary donations from the public which, together with the associated Gift Aid, comprise the majority of the church's income. The PCC has reviewed its fundraising activity to ensure compliance with the latest Charity Commission guidance. The church does not use any commercial fundraiser or commercial participator. Although the church does not subscribe to particular fundraising standards or to any scheme for fundraising regulation, it follows guidelines for fundraising set by the Church of England. Fundraising activities are normally limited to invitations by the Clergy and/or Treasurer for church members to prayerfully review their giving to charitable activities including the church, supported by information leaflets and presentations which set out the financial position of the church, normally given on "Stewardship Sunday". Particular care

7. Fundraising practices (continued)

Is taken to ensure the protection of vulnerable people and other members of the public from behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent, or places undue pressure on a person to give money or other property. No complaints have been received by the church related to its fundraising activity.

8. Plans for future periods

Our aim and purpose will remain as stated in I above. The Trustees will work to develop and implement our goals under our 2021 vision statement. We will continue to run and develop our programme of worship services, groups, activities and special events, with changes to meet needs and initiatives as they arise. Our motivation remains that, as KPC, 'We are here to help people become lifelong followers of Jesus Christ' and to be 'A house of God's light for all peoples and generations'.

9. Structure, governance and management

The PCC is a corporate body established by the Church of England governed by the Parochial Church Council (Powers) Measure 1956 and the Church Representation Rules. It is a registered charity with the Charity Commission (no. 1127404).

The trustees of the charity are the PCC members. The method of appointment of PCC members is set out in the Church Representation Rules. At KPC, the membership of the PCC consists of the incumbent and other appointed clergy, members (including a Reader and churchwardens) elected by members of the congregation who are on the Electoral Roll of the church.

Those who regularly attend services and participate in church activities are encouraged to register on the Electoral Roll. Only those on the Electoral Roll are eligible for election to PCC.

Members of the PCC are one of (i) co-opted, (ii) directly elected by the APCM, or (iii) members of our church who have been elected to Diocesan Synod to represent our Deanery.

As at the year-end, following the APCM on 3rd May, there were:

- 4 elected members with Deanery Synod membership and
- 10 elected members without Deanery Synod membership.

Any member of the Church may offer themselves for election to PCC at the APCM provided they qualify under the Church Representation Rules. Appropriate nomination forms may be obtained from the PCC Secretary via the Parish Office. Nominees to PCC can obtain appropriate information from the PCC Secretary on both the role of the PCC and the role of members.

The policies and procedures for the induction and training of trustees are as follows:

Prior to the PCC elections, prospective PCC members receive an information leaflet setting out the role of the trustees and particularly drawing attention to conflicts of interest. After election, PCC members receive the Charity Commission's "Essential Trustee" booklet, the Church of England booklet "Trusteeship – An Introduction for PCC Members" and an internally-produced document setting out the constraints on payments to PCC members or connected persons. Part of the PCC meeting which follows the PCC election is dedicated to trustee training.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent.

The PCC held 8 business meetings during the year. There are 9 permanent sub-committees: – Standing, Fabric, Finance, Health & Safety (who undertake risk reviews on behalf of the PCC), Vision Coordinating Group, Environment and Climate Action, Global Mission, Human Resources (Paid Staff), and Stepping Stones Pre-school Management.

The key management personnel of the charity is the Standing Committee, made up of the clergy, the churchwardens, the secretary, the treasurer and the operations manager. The Standing Committee may conduct urgent PCC business that arises from time to time between PCC meetings, in accordance with the Church Representation Rules. Of the key management personnel, only the operations manager (being an employee) receives remuneration from the charity.

All Sub-committees report to the PCC on a regular basis and provide recommendations to the PCC. All matters of policy and finance are determined by the PCC, and are not delegated to Sub-committees; however, detailed implementation of PCC decisions may be delegated to specific Sub-committees from time to time as determined by the PCC. Membership of the Sub-committees is approved by the PCC. Other groups exist on an ad hoc basis to deal with specific matters.

Safeguarding

The council has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults. The PCC has appointed a Parish Safeguarding Co-ordinator. Safeguarding is a standing item on the agenda at every PCC business meeting. Regular safeguarding reviews are held and updating of course attendance throughout the year.

10. Reference and Administrative details

The registered name of the charity is The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull, registered charity no. 1127404. In this report, for ease of reading, the charity is also referred to as "the PCC", "Knowle Parochial Church Council", "the Council", "Knowle Parish Church" and "KPC".

Knowle Parish Church is situated beside High Street and Kenilworth Road, Knowle. It is part of the Diocese of Birmingham in the Church of England. The correspondence address is Knowle Parish Office, St Lawrence House, 1717 High Street, Knowle, Solihull, B93 0LN.

The following members served on the council for all or part of the year; those serving in more than one capacity may appear more than once:

Incumbent:	Revd Geoffrey Lanham (Chairman)		
Associate Vicars:	Revd Steve Johnson		
Curate:	Revd Emily Spencer		
Churchwardens:	Liz Welton (lay deputy chair)	Rod Street	
Member of Diocesan Synod:	Julian Phillips (Reader)		
Elected Representatives to Deanery Synod:			
Susie Carter	Julian Phillips		
Carol Kay	David Pickering		

Elected members to PCC:

Lynn Brown (Secretary)	Claire Carter	Nick Houghton	James Thorne
Steve Mort (Treasurer)	Sarah Chapman	Victor Hu	
Chris Beard	Roxanne Chung	Kelly Purdy	

Helen Allen, Sarah Covington and Amy Dowdy attended PCC meetings in a non-voting capacity.

Bank:	HSBC Bank plc, 34 Poplar Road, Solihull, B91 3AF
Auditors:	Thomas & Young 266 - 268 Stratford Road, Solihull, B90 3AD

11. Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

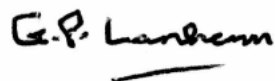
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011,

11. Statement of trustees' responsibilities (continued)

the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report approved by the PCC and signed on its behalf by

A handwritten signature in black ink, appearing to read 'G.P. Lanham', with a horizontal line underneath.

Revd Geoffrey Lanham (incumbent)

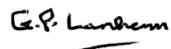
28th February 2024

**Statement of financial activities (incorporating the income and expenditure account)
for the year ended 31 December 2023**

Funds	Note	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		2023	2023	2023	2023	2022	2022	2022	2022
		£	£	£	£	£	£	£	£
Income from:									
Donations and legacies	1.a	618,006	24,858	80,280	723,144	531,170	16,195	67,235	614,600
Charitable activities	1.b	66,656	82,822	774	150,252	69,678	80,953	-	150,631
Other trading activities	1.c	18,054	410	-	18,464	6,680	558	-	7,238
Investments and deposits	1.d	6,697	-	6,275	12,972	1,769	-	(88)	1,681
Total income		709,413	108,090	87,329	904,832	609,297	97,706	67,147	774,150
Expenditure on:									
Raising funds	2a	1,365	43	-	1,408	5,797	385	-	6,182
Charitable activities	2b 2c	677,494	123,720	71,958	873,172	610,203	104,075	26,115	740,393
Total expenditure		678,859	123,763	71,958	874,580	616,000	104,460	26,115	746,575
Net income/(expenditure)		30,554	(15,673)	15,371	30,252	(6,703)	(6,754)	41,032	27,575
Transfer General Funds to Designated Funds	6	(35,920)	35,920	-	-	(20,000)	20,000	-	-
Transfer Restricted Funds to General Fund	6	-	-	-	-	-	-	-	-
Net movement in funds		(5,366)	20,247	15,371	30,252	(26,703)	13,246	41,032	27,575
Reconciliation of Funds:									
Funds brought forward		1,362,425	189,922	131,733	1,684,080	1,389,128	176,676	90,701	1,656,505
Funds carried forward		1,357,059	210,169	147,104	1,714,332	1,362,425	189,922	131,733	1,684,080

Balance sheet at 31 December 2023

Funds	Note	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		2023	2023	2023	2023	2022	2022	2022	2022
		£	£	£	£	£	£	£	£
Fixed Assets									
Tangible fixed assets	4.1	1,260,682	-	-	1,260,682	1,273,199	-	-	1,273,199
Investment assets	4.2	-	-	1,782	1,782	-	-	1,582	1,582
Sub Total - Fixed Assets		1,260,682	-	1,782	1,262,464	1,273,199	-	1,582	1,274,781
Current assets									
Debtors - HMRC gift aid tax recoverable		9,409	-	97	9,506	6,758	-	2,503	9,261
- Invoices outstanding at year-end			425	-	425		-	-	-
- Prepayments of insurance and other minor items		2,271	111	-	2,382	2,020	1,409	-	3,429
Cash and cash equivalents									
- Bank accounts		63,051	50,964	6,410	120,425	87,015	160,679	84,976	332,670
- Deposit accounts		39,062	160,706	143,000	342,768	24,514	42,706	45,000	112,220
- Cash		60	330	-	390	276	330	-	606
Sub Total - Current Assets		113,853	212,536	149,507	475,896	120,583	205,124	132,479	458,186
Liabilities: Falling due within one year					-				-
Creditors and accruals in respect of parochial activity		13,548	2,367	2,500	18,415	28,242	905	1,730	30,877
Charity collections and weekend away deposits not paid over		-	-	1,685	1,685	-	14,297	598	14,895
Deferred Income (rentals and mag adverts paid in advance)		3,928	-	-	3,928	3,115	-	-	3,115
Sub Total - Liabilities		17,476	2,367	4,185	24,028	31,357	15,202	2,328	48,887
Sub Total - Net Current Assets		96,377	210,169	145,322	451,868	89,226	189,922	130,151	409,299
Total Net Assets		1,357,059	210,169	147,104	1,714,332	1,362,425	189,922	131,733	1,684,080
Funds									
Unrestricted (General Fund)		1,357,059	-	-	1,357,059	1,362,425	-	-	1,362,425
Designated	6	-	210,169	-	210,169	-	189,922	-	189,922
Restricted	6	-	-	147,104	147,104	-	-	131,733	131,733
					-				-
Total		1,357,059	210,169	147,104	1,714,332	1,362,425	189,922	131,733	1,684,080

Approved by the Parochial Church Council on 28th February 2024 and signed on its behalf by:


Revd Geoff Lanham: Chair



Liz Welton: Vice Chair

Statement of Cash Flows**for the year ended 31 December 2023**

Funds Note	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £	2022 £
Cash flows from operating activities:								
Net movement in funds per SOFA	(5,366)	20,247	15,371	30,252	(26,703)	13,246	41,032	27,575
Adjustments for:								
Depreciation charges	38,141	-	-	38,141	34,886	-	-	34,886
(Increase)/decrease in debtors	(2,902)	873	2,406	377	13,371	3,443	(2,503)	14,311
Increase/(decrease) in creditors	(13,882)	(12,835)	1,857	(24,860)	6,904	14,260	2,204	23,368
Net cash provided by (used in) operating activities	15,991	8,285	19,634	43,910	28,458	30,949	40,733	100,140
Cash flows from investing activities:								
Purchases of fixed assets	(25,623)	-	-	(25,623)	(4,852)	-	-	(4,852)
Change in value of investments	-	-	(200)	(200)	-	-	160	160
Net cash provided by (used in) investing activities	(25,623)	-	(200)	(25,823)	(4,852)	-	160	(4,692)
Change in cash and cash equivalents in the reporting period	(9,632)	8,285	19,434	18,087	23,606	30,949	40,893	95,448
Changes in cash and cash equivalents:								
Opening balances:								
Current account	87,015	160,679	84,976	332,670	64,865	129,795	44,083	238,743
Deposit account	24,514	42,706	45,000	112,220	23,058	42,706	45,000	110,764
Cash	276	330	-	606	276	265	-	541
Total opening balances	111,805	203,715	129,976	445,496	88,199	172,766	89,083	350,048
Closing balances								
Current account	63,051	50,964	6,410	120,425	87,015	160,679	84,976	332,670
Deposit account	39,062	160,706	143,000	342,768	24,514	42,706	45,000	112,220
Cash	60	330	-	390	276	330	-	606
Total closing balances	102,173	212,000	149,410	463,583	111,805	203,715	129,976	445,496
Increase/(decrease) in net cash holdings	(9,632)	8,285	19,434	18,087	23,606	30,949	40,893	95,448

I. Income analysis

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £	2022 £
1a Donations and legacies:								
Envelope scheme	2,868	-	-	2,868	2,276	-	-	2,276
Regular Standing orders	417,049	-	-	417,049	381,083	-	-	381,083
One-off donations	21,283	10,380	-	31,663	8,550	-	600	9,150
Other Stewardship & CAF	26,475	-	-	26,475	26,724	-	-	26,724
Gift Aid Tax recoverable (GAT)	99,974	3,381	8,642	111,997	85,722	135	5,852	91,709
Cash collections	12,649	-	703	13,352	9,818	-	1,027	10,845
Other income	358	-	-	358	112	-	636	748
Collections for charities	-	-	-	-	-	-	-	-
Grants/donations towards church running costs	35,400	6,831	25,968	68,199	15,000	13,900	24,660	53,560
Donations, appeals, etc.	1,950	3,766	34,967	40,683	1,885	659	32,460	35,004
Legacies	-	500	10,000	10,500	-	1,501	2,000	3,501
Total	618,006	24,858	80,280	723,144	531,170	16,195	67,235	614,600
1b Income from Church Activities:								
Parish magazine	20,112	-	-	20,112	21,309	-	-	21,309
Bookstall	-	-	-	-	-	-	-	-
Ministry group contributions	19,511	-	-	19,511	15,755	-	-	15,755
Church and hall lettings	8,900	-	-	8,900	11,835	-	-	11,835
Wedding and Funeral Fees	13,872	-	-	13,872	20,186	-	-	20,186
Other Group Activities	4,261	82,822	774	87,857	593	80,953	-	81,546
Total	66,656	82,822	774	150,252	69,678	80,953	-	150,631
1c Other trading activities (incl. rentals)	18,054	410	-	18,464	6,680	558	-	7,238
1d Investment dividends/revaluation and interest	6,697	-	6,275	12,972	1,769	-	(88)	1,681
Total income	709,413	108,090	87,329	904,832	609,297	97,706	67,147	774,150

2. Expenditure analysis

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £	2022 £
2a Raising funds								
Costs attributable (mainly to rents received)	1,365	43	-	1,408	5,797	385	-	6,182
Sub-total	1,365	43	-	1,408	5,797	385	-	6,182
2b Charitable activities: Mission								
Outside giving to charities (see note 7)	38,436	883	11,700	51,019	35,286	1,539	989	37,814
2c Charitable activities: Ministry:								
Diocesan Common Fund	188,628	-	-	188,628	194,028	-	-	194,028
Clergy expenses	8,117	-	-	8,117	5,223	-	-	5,223
Clergy and youth worker housing costs	38,437	-	-	38,437	38,977	9,096	-	48,073
Ministry groups	6,264	-	-	6,264	4,833	-	-	4,833
Ministry services incl. books and sundries	10,754	-	-	10,754	7,797	-	-	7,797
Pastoral care expenses	-	-	-	-	30	-	-	30
Other Group Activities	44	11,599	1,083	12,726	-	6,163	-	6,163
Children's ministry	73,478	77,087	12,312	162,877	48,726	74,565	11,182	134,473
Youth ministry	27,472	3,580	14,850	45,902	38,192	6,796	9,583	54,571
Church running expenses	29,104	12,788	29,932	71,824	27,629	3,094	1,926	32,649
Parish magazine costs	23,749	-	-	23,749	23,051	-	-	23,051
Bookstall expenditure	-	-	-	-	-	-	-	-
Churchyard upkeep	9,076	-	-	9,076	9,480	-	-	9,480
St John's Hall expenses	68,268	14,120	-	82,388	50,164	-	-	50,164
Guild House expenses	10,874	-	-	10,874	10,005	-	-	10,005
Music & Choir expenses	32,566	609	-	33,175	12,448	131	390	12,969
Parish Office and Admin costs	94,751	-	-	94,751	88,220	-	-	88,220
Insurance	13,487	-	-	13,487	12,019	-	-	12,019
Other Expenses	809	3,054	2,081	5,944	495	2,691	2,045	5,231
Governance/audit/accounts costs	3,180	-	-	3,180	3,600	-	-	3,600
Sub-total	677,494	123,720	71,958	873,172	610,203	104,075	26,115	740,393
Total expenditure	678,859	123,763	71,958	874,580	616,000	104,460	26,115	746,575

3. Accounting Policies

3.1 Basis of Preparation

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members. The accounts include a number of church organisations that operate their own finances, as required by the Charities Act 2011; these organisations are listed at Note 6.

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' 'true and fair view' provisions, together with FRS 102 (2019) as the applicable accounting standards and the 2019 version of Accounting and Reporting by Charities: Statement of Recommended Practice - Charities SORP (FRS 102).

Knowle PCC meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in GBP, which is the functional currency of the charity, and are rounded to the nearest £1.

Going concern - the trustees have considered the financial outlook for the charity in the context of the charity's plans and general economic conditions. While costs increased in 2023 due to inflation and increased activity, income also rose considerably so that reserves were maintained above the charity's approved policy level of £70k. Although costs are expected to further increase in 2024 because of increased staffing levels and inflation, the PCC considers that reserves will continue to be maintained at or above the policy level of £70k for a further 12 months. Accordingly, the PCC has determined that the current conditions do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern for at least twelve months following the date of signature of the balance sheet.

3.2 Funds

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use. The PCC at its discretion has elected to designate certain unrestricted funds for a particular purpose. The practical operation of the funds is as follows:

The Parish General Fund

The PCC is responsible for all church funds, but this is the fund where income is received for the PCC to decide how it is best deployed to achieve the church's Christian charitable objectives. The General Fund balance is effectively unspent income and is retained as a cushion against uncertainties.

Designated Funds

Designated funds for Property and Churchyard repairs and renovation are maintained by the PCC to separately manage the high and irregular costs involved. Gifts for fabric repairs or renovation are taken to the designated Property Fund if they can be related to costs incurred during the year. If a gift is for a specific fabric related purpose which is not carried out in the current year, then they are allocated to the Restricted Property Repair Fund. A Designated Legacy Fund has been established to hold the balance of unrestricted legacies received until the PCC allocates them to a specific purpose. Designated funds also include the funds of the church organisations that operate their own finances; most of the income of these funds is payment for the provision of charitable activities. The designated funds are listed at Note 6.

Restricted Funds

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for specific purposes. The restricted funds are listed at Note 6.

3.3 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, the amount can be measured reliably and it is probable that the income will be received.

Voluntary income and planned giving are recognised when received by or on behalf of the PCC. Income tax recoverable on gift aid donations is recognised when the donations are received.

Most non-donation income is treated as income from charitable activities as the income derives from the provision of charitable (or Christian) services to local parishioners in pursuit of the Christian objectives of the church.

The amount of purely fundraising activity is small and normally consists of rental income from church facilities and residential property when these are not needed for church purposes.

Sales of books and other material from the bookstall and sales of the Parish Magazine are accounted for gross.

3. Accounting Policies (continued)

3.3 Income (continued)

Rental income is recognised according to the period to which it relates and is shown gross, even though some of the rental income comes from other PCC funds such as the Stepping Stones pre-school.

Dividends and interest from investments are accounted for when receivable except that interest on deposits with the Central Board of Finance for the Church of England are accrued.

Grants, legacies and donations to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount can be reliably estimated.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Realised gains or losses are recognised when investments are sold.

Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

3.4 Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, it is probable that the amount will be paid and the amount can be measured reliably. The charity is not registered for VAT purposes and expenditure is shown inclusive of VAT. Grants and donations by the PCC are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC. The Diocesan Common Fund is accounted for when paid.

Expenditure on Raising Funds is the directly attributable cost of renting out church facilities and residential property when these are not required for church purposes, plus an allocation of costs associated with administration. In practice for church facilities, this involves estimating the variable costs per session of operating the facilities and expressing this as a percentage of the average rental charge. For residential property that is normally held for clergy or staff housing, only those outgoings specifically related to the rental activity are identified as fundraising costs.

3.5 Fixed Assets

Consecrated and beneficed property

Consecrated and beneficed property is excluded from the accounts by Charities Act 2011 s.10 (2)(a). No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

Land and Buildings

Land and buildings are stated at cost (or deemed cost) less accumulated depreciation. Straight line depreciation lives are applied to components as follows:

- Building and roof structures 100 years
- Roof surfaces 70 to 80 years
- Windows, doors plumbing and cabling 40 to 50 years
- Internal facilities and integral equipment 15 years
- Land is not depreciated
- Grade II Listed buildings 900 years

Fittings, Furnishings and Equipment

- Furnishings and equipment are capitalized where the cost is above £1,500. However, lower value items, of immaterial value in total, may also be capitalized where the related records provide a control over the use and deployment of the assets (e.g., laptops). Straight-line depreciation is applied, with lives determined specifically to each type of asset, up to 10 years with computer equipment and related software at 5 years.

3.6 Investments

Investments are valued at market value at 31 December. Realised and unrealised gains or losses on investments are dealt with in the Statement of Financial Activities.

3. Accounting Policies (continued)

3.7 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Amounts owing to the PCC as at 31 December in respect of fees, rents or other income are shown as other debtors, net of any provision for amounts that may prove uncollectible. Short-term deposits include cash held on deposit either with the CBF Church of England Funds or at the bank or small balances of petty cash.

Creditors and accruals in respect of parochial activity comprise Trade Creditors of £5,519 (2022 - £4,049) and Accruals of £12,896 (2022 - £24,193).

3.8 Pension Schemes

The church provides defined contribution pension arrangements for auto-enrolment of staff via the Diocesan Scheme set up in compliance with current pension legislation. The assets of the schemes are held separately from those of the charity. The contributions payable are charged to the statement of financial activities.

4. Fixed Assets and Investments for use by the PCC

4.1 Fixed Assets

The majority of the fixed assets by value comprise the five freehold properties beneficially owned by the PCC as follows:

- Residential properties – St Anne's Cottage and 46 Crabmill Close
- Offices and meeting places – St John's Hall, St Lawrence House and the Guild House

Title to all the land on which the buildings are situated is held by Birmingham Diocesan Trustees Registered as custodian trustees, on behalf of the PCC because the PCC is not permitted by law to be the registered owner of land.

On the implementation of FRS102 the residential properties were valued at open market prices as at 31st December 2014 and the offices/meeting places at depreciated current replacement cost at the same date. The valuation of the Guild House included an impairment appraisal that wrote down to zero the structure of this medieval building that is very expensive to maintain and where the NPV of the related excess costs over a modern equivalent is equal to or greater than the undepreciated replacement cost of a modern equivalent.

	Land and buildings	Fittings, Furnishings and equipment	Projects in progress	Total
	£	£	£	£
Cost or deemed cost				
At beginning of the year	1,403,737	145,702	-	1,549,439
Additions	21,744	3,879	-	25,623
Disposals	(11,200)	(5,746)	-	(16,946)
Revaluations	-	-	-	-
Transfers	-	-	-	-
<i>At end of the year</i>	1,414,281	143,835	-	1,558,116
Depreciation and impairments				
At beginning of the year	(170,968)	(105,271)	-	(276,239)
Disposals	11,200	5,746	-	16,946
Depreciation	(24,737)	(13,404)	-	(38,141)
Impairment	-	-	-	-
Transfers	-	-	-	-
<i>At end of the year</i>	(184,505)	(112,929)	-	(297,434)
Net book value at beginning of year	1,232,769	40,431	-	1,273,200
Net book value at end of year	1,229,776	30,906	-	1,260,682

4. Fixed Assets and Investments for use by the PCC (continued)

4.1 Fixed Assets (continued)

Land and Buildings

Included within Land and buildings is £300,000 (2022: £300,000) of freehold land which is not depreciated. The additions comprised new central heating boilers for St John's Hall (£19,080) and 46 Crabmill Close (£2,664). The new boiler in the church was not added to fixed assets as it forms part of the consecrated structure which is not owned by the PCC.

Fittings, Furnishings and Equipment

The additions comprised two computers for use by staff and a new computer for AV in the church.

4.2 Investments

Investments of £1,782 represent shares in the CBF's Investment Fund at market value as at 31 December 2023 (2022: £1,582). The historic cost of these shares was £950 (2022: £903).

5. Staff Costs and Numbers Employed

	2023	Average Numbers Employed	2022	Average Numbers Employed
	£		£	
Youth & children's leadership	106,964	5	87,648	4
Parish Office staff	108,419	6	93,012	6
Stepping Stones	61,344	7	63,191	8
National insurance	13,056		9,057	
Pension	4,844		4,254	
Total	294,627	18	257,163	18

(Note: Facilities & Systems Manager and Music Minister are included in Parish Office staff)

Parish workers and clergy received £6,781 (2022: £3,650) by way of reimbursement of expenses whilst on PCC business. In addition, clergy housing costs amounted to £31,799 (2022: £31,456). Of the clergy accommodation costs, £22,740 (2022: £23,594) was paid to Pickering Fields Trust for the rental of a property on Newton Road which normally houses the Associate Vicar.

The average head count during the year was 18 (2022: 18). No employees received employee benefits of more than £60,000.

The key management personnel of the charity is the Standing Committee, made up of the clergy, churchwardens, the secretary, the treasurer and the operations manager. Of the key management personnel, only the operations manager (being an employee) receives remuneration from the charity and their employee benefits in 2023 totalled £30,739 (2022: £32,831) including employers pension contributions of £714 (2022: £774) but not including employers National Insurance contributions of £2,888 (2022: £3,345). The operations manager's employment changed from 5 days per week to 4 in July 2022.

One trustee, Sarah Chapman, is employed as a part-time Children and Families Minister and was previously Assistant Children's Minister. Her employee benefits in 2023 totalled £14,586 (2022: £8,186) including employers pension contributions of £243 (2022: £60) but not including employers National Insurance contributions of £725 (2022: £185).

Clergy are not employees of the charity.

6. Fund Details

Restricted Funds

The restricted funds arise where donations have been made for a specific purpose and funds are retained awaiting disbursement. In 2023, approximately £6,000 of bank deposit interest has been generated on the restricted fund balances and this is included in the “incoming” column for major funds in the table below.

Restricted Funds (Donor-specified funds awaiting disbursement)	Balance 01-Jan 2023 £	Movement in resources			Balance 31-Dec 2023 £
		Incoming £	Gains and losses £	Outgoing £	
R.A.C.K. Roof Fund	1,581	48	152	-	1,781
Restricted Legacies and Donations Fund	68,235	20,013	-	(16,555)	71,693
Property Repair/Renovation Fund	20,838	42,819	-	(30,508)	33,149
Pontifex Clock Fund	1,716	72	-	(234)	1,554
Organ Fund	876	200	-	-	1,076
Soldiers' Chapel	7,535	-	-	-	7,535
Choir Fund	935	-	-	-	935
Grants to employ Children and Youth Workers	22,162	24,025	-	(24,661)	21,526
Restricted Gifts and Grants for Youth Activities	7,855	-	-	-	7,855
Totals	131,733	87,177	152	(71,958)	147,104

The RACK Roof Fund consists of donations received many (30+) years ago towards major roof repairs which are being held for the future. The income and gains/losses arise from investments related to the fund.

The Restricted Legacies and Donations Fund consists of various gifts and legacies where the donor has specified a specific use. The balance on the fund now comprises:

	£
Balance of a 2021 gift not to be used to meet regular expenditure, but to be held at the discretion of the PCC for identifiable projects	23,541
Remainder of a 2018 grant from a legacy trust, given with a bias towards youth work	21,256
A gift towards new chairs for the church	10,622
Gifts to the Local Support Fund for help with the Cost-of-Living Crisis	7,273
A 2021 gift towards the Vision project	6,639
Gifts to the 2023 Weekend Away Hospitality Fund carried forward to next time	2,341
Others	21

The Local Support Fund, included within the Restricted Legacies and Donations Fund above, started the year with a balance of £15,355, being gifts received from church members in 2022. Further income of £3,618 was received in 2023 and 18 grants were made totalling £11,700 – 3 to partner churches and 15 to individuals. There is therefore a balance available of £7,273 for further grants to be made when appropriate.

The Property Repair and Renovation Fund consists of restricted donations received towards major property repairs, including the new church boiler, and towards the potential reordering of the church interior. The balance of the fund at 31.12.23 comprises £24,330 towards reordering and £8,819 towards general repairs.

The Pontifex Clock Fund consists of accumulated donations from the Knowle Church Clock Trust (a separate charity), also known as the Pontifex Clock Trust, towards repair and maintenance of the Knowle Parish Church clock and weathervane and for their eventual replacement.

The Organ Fund consists of restricted donations received towards major renovation and repairs to the organ which are being held for the future.

The Choir Fund consists of restricted donations received for the Choir, and also monies received from weddings in excess of the amounts distributed to choir members, and is available for choir activities.

The Soldiers Chapel Fund arose from a major project in c.2010 to restore the decorated plasterwork in the Soldiers Chapel, situated at the north-east corner of the nave in the church. Generous donations were gratefully received towards this project from a number of sources including the Royal British Legion. The fund now consists of the excess of donations received over the cost of the project and is being held over to fund any further restoration work that may be required in the future.

6. Fund Details (continued)

Restricted Funds (continued)

Grants to employ Children and Youth workers include a grant of £22k by Knowle United Charities towards payment of salaries which has been retained in the fund towards salaries in 2024.

The Restricted Gifts and Grants for Youth Activities Fund, formerly called the Youth Charity Fund, has been used to account for the dedicated gifts and fundraising income, and the costs incurred, for the mission trips which occurred in previous years; the remaining balance from these trips of £7,855 is being held over towards future trips, by agreement with the donors.

Designated Funds

Designated Funds (PCC - Specified Funds)	Balance 01-Jan 2023	Movement in resources			Balance 31-Dec 2023
	£	Incoming £	Transfers £	Outgoing £	£
Organisations which operate their own finances*					
Stepping Stones	9,734	72,717		(77,130)	5,321
Others	21,537	11,089		(14,282)	18,344
Funds maintained within church finances:	-				-
Church Away Weekend	990	4,453	-	(5,443)	-
Property Repair Fund	74,953	6,831	35,920	(23,848)	93,856
Churchyard Fund	11,796	-	-	-	11,796
Grant for use against future energy costs	9,180	-	-	(3,060)	6,120
Designated Legacies Fund	61,732	13,000	-	-	74,732
Totals	189,922	108,090	35,920	(123,763)	210,169

*There are a number of church organisations that operate their own finances. The Charities Act 2011 requires their figures to be included and they include Rainbow Tots, Stepping Stones, Bell Ringers, Friendship Club, Youth, Wedding & Funeral Fees, and the Flower Guild.

Church Away Weekend – this was the surplus arising from the last church away weekend in 2018, which was carried forward to be used for the operating costs of the church away weekend in 2023. Further income of £4,453 was raised at the event so that the net cost of £5,443 could be met and the fund is now closed.

The Property Repair Fund has been designated by the PCC for major work to the church's properties. In 2023, costs of painting and repairing the windows of St John's Hall of £14,120 were met from this fund. Additionally, of the total cost of £37,986 for the new boiler in the church, £9,728 was met from this fund and the remaining £28,258 from specific donations from church members to the Boiler Fund within the Restricted Property Repair Fund. A grant of £6,331 was received from the government's Listed Places of Worship Scheme towards the VAT for the new boiler and this forms the majority of the 2023 income to this fund. In view of further work that is planned for the coming years and the need to maintain the fund at a level which can sustain unexpected costs, the PCC transferred £36k (2022: £20K) from General Fund into this fund in 2023.

The Churchyard Fund has been designated by the PCC for any non-routine work that may be required in the churchyard.

In 2022, a grant of £9,180 was received from the Archbishops' Council, via Birmingham Diocese, towards exceptional energy costs. The grant is to be offset against energy costs over the three-year period 2023-2025 and therefore £3,060 has been applied to energy costs in 2023 (2022: £0).

The Designated Legacies Fund was created in 2021 to hold the balances of legacies received but not yet allocated to specific purposes by PCC. During 2023, legacy income of £13,000 has been added to this fund.

Unrestricted Funds

Included with unrestricted funds is £386,923 of non-distributable reserves which arose on the revaluation of land and buildings on the implementation of FRS102.

7. Outside Giving & Retiring Collections

This year the church supported other charities, mission work and individuals to a total of £51k, with £3k of this being a share of the gross receipts of the “Cobbles” Saturday morning informal café, where the Cobbles leadership nominate a different charity every few months. In addition, £10k was given directly to other charities and mission work through the organisation of retiring collections and fundraising events for specific charities. This latter “pass-through” income was excluded from the accounts but included here to provide a more complete picture of the fundraising activity of the church. Details of these payments are shown below.

Charity	KPC Funds £	Pass through £	Total 2023 £	KPC Funds £	Pass through £	Total 2022 £
Tearfund	6,000	1,718	7,718	6,180	10	6,190
Local Support Fund - Cost of Living grants to individual	4,200		4,200			
St Andrews Chelmsley Wood	3,300		3,300	3,989		3,989
St Christophers Springfield	3,300		3,300	3,000		3,000
St Johns Sparkhill	3,300		3,300	2,000		2,000
Narthex Food Bank	2,000	1,102	3,102	4,483		4,483
Reachout Network Ministries	3,000		3,000	3,000		3,000
St Andrews Chelmsley Wood for Cost of Living grants	2,500		2,500			
St Christophers Springfield for Cost of Living grants	2,500		2,500			
St Johns Sparkhill for Cost of Living grants	2,500		2,500			
Kenya Mission - Education for Life, IcFEM	2,000	458	2,458	2,000	811	2,811
Malawi Task Group, CofE Birmingham	2,000		2,000	2,000		2,000
Springfield Project	2,000		2,000	1,000		1,000
Christian Aid	1,200	635	1,835		1,217	1,217
Dreammakers	1,730		1,730	478	632	1,110
Birmingham and Solihull Women's aid		1,602	1,602			
Catalyst International Vision	1,500		1,500			
Urban Saints	1,500		1,500	1,500		1,500
Solihull Welcome		1,440	1,440			
St Basils	1,178	48	1,226		1,062	1,062
Scripture Union	1,200		1,200	1,200		1,200
Christians Against Poverty	1,100		1,100	2,000		2,000
International Needs	1,000		1,000	1,000		1,000
Parkinsons UK	318	882	1,200			
Shine - local schools counselling	1,000		1,000			
Mother's Union Birmingham		692	692			
Royal British Legion	25	584	609		590	590
Cancer Research		458	458			
Samaritans	205		205			
Central Fast Response	148		148			
Compassion	140		140	672		672
Mind	100		100			
A Rocha UK	75		75			
Diocese of Bolivia				2,000		2,000
Family Care Trust - Newlands Bishop Farm				685		685
Lily Mae				627		627
Restore - Birmingham Churches Together					475	475
The Bible Society					395	395
Total	51,019	9,618	60,637	37,814	5,192	43,006
Less collections made specifically for other charities		(9,618)	(9,618)		(5,192)	(5,192)
Total giving by KPC (per accounts note 2)	51,019		51,019	37,814		37,814

8. Contingent Liabilities

No contingent liabilities have been identified.

9. Related Parties

At each meeting of the PCC the council members are required to declare any conflicts of interest that may arise or have arisen and where there is such a conflict then that member will not vote on any proposal involving the related party. There are three related parties of significance in 2023:

- Pickering Fields Trust (PFT) which, with the Church, shares the vicar and two churchwardens as trustees. However, as Knowle PCC has approximately 20 members, there is not common control, as defined in the legislation.
- Knowle Church Clock Trust (also known as Pontifex Clock Trust - Registered Charity Number 514954) which, with the Church, shares the vicar and two churchwardens as trustees. However, as Knowle PCC has approximately 20 members, there is not common control, as defined in the legislation.
- Knowle United Charity which, with the Church, shares a member of clergy as a trustee.

Pickering Fields Trust has the official name 'Charities for Ecclesiastical and Other Purposes' - charity number 238492. Apart from a small amount of investment income, it derives all its income from the rental of its house to Knowle Parish Church for clergy use (see note 5) which amounted to £22,740 in 2023 (2022: £23,594). It, in turn, at the discretion of its 3 trustees and within its objectives, generally pays all its donations to the church, in support of renovation and fabric repair projects and the charitable work of the church. In 2023, the Trust made a grant of £15,000 (2022: £15,000) towards the cost of the full-time curate and a further £20,400 (2022: £0) towards the cost of the expanded children's ministry team. Group accounts have not been prepared since neither the trustees of Knowle Parish Church nor the electorate of Knowle Parish Church have powers (i) to direct the decisions of the PFT trustees or (ii) to appoint or dismiss the PFT trustees.

Knowle Church Clock Trust's principal activity and achievement is the donation of the whole of the annual income from its investment funds to Knowle Parochial Church Council, which has the legal obligation of the upkeep of the church clock and weathervane. In 2023, the Trust made a donation to Knowle Parish Church of £72 (2022: £72).

Knowle United Charity makes grants to Knowle Parish Church towards children's and youth work.

Independent Examiner's Report

To the Trustees of The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31st December 2023 which are set out on pages 11 to 23.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

- accounting records were not kept in respect of the Charity as required by Section 130 Of the Act; or
- the accounts do not accord with those records ; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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:



Mark McLean FCA

Thomas & Young Limited, Chartered Accountants

Carleton House, 266-268 Stratford Rd, Shirley, B90 3AD

Date: 28th March 2024

Accounts



The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Charity number 1127404

Report and Accounts

Year ended 31 December 2022

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**2022 Annual Report and Accounts for
the Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull
(Charity number 1127404)**

The trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 31st December 2022.

The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

1. Aim and purposes

Knowle PCC has the responsibility of cooperating with the incumbent in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Church and nearby buildings – the Guild House, St John's Hall and St Lawrence House – and two residential properties: St Anne's Cottage and 46 Crabmill Close.

2. Objectives and activities

The statement of purpose of Knowle Parish Church (KPC), agreed by the PCC and endorsed by the 2015 APCM, is: *'We are here to help people become lifelong followers of Jesus Christ'*. This statement of purpose is augmented by the Vision statement which was introduced in 2021 "A house of God's light for all peoples and generations"; more detail is on page 3.

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our church community to help resource their discipleship and equip them for service in the world. The PCC maintains an overview of worship in the church and in groups throughout the parish and beyond and makes suggestions on how our services and other activities can be for the benefit of everyone of whatever background. Our services and worship put faith into practice through prayer, scripture reading, teaching, music and sacrament.

When planning our activities for the year, we have considered the Charity Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. We seek to enable people to find and live out their faith in Jesus Christ in our community and beyond, and we also organise a number of activities that benefit the whole community of Knowle such as pre-school groups and a friendship club for senior citizens. We also promote practical and financial support to Christian mission beyond Knowle in the UK and overseas. To facilitate our work, it is important that we maintain the fabric of the Church and related buildings.

3. Achievements and performance

Continuing effect of Covid-19

With the lifting of covid restrictions in February 2022, full capacity of the church could again be enjoyed and church activities have largely been restored to pre-Covid levels. However, KPC continues to offer social distancing in the side aisle in church and the outer reaches of the church hall. On occasions where the church is expected to be full, additional services have been arranged to mitigate risk and offer a level of assurance; for example, the two Crib Services at Christmas were changed to four. The Sunday morning family service continues to be live streamed.

Worship and prayer

The year started by looking more deeply into Colossians, followed by a "Following Jesus" series which continued until Easter. After Easter, the sermon series concentrated on "Talking about Jesus; A Trinitarian Life" and a deeper dive into Colossians. Over the summer we looked at ourselves as a church and preached on "Restore-Renew-Rebuild". "Grace, Hope and Love" then continued to be themes for the rest of the year.

A weekly service on Wednesday mornings with Holy Communion continued throughout the year. The weekly 7.45am Sunday Holy Communion service continues to be well attended.

At the 9.30 am service, under 5s and children's groups thrive, and the monthly All-In service continues; this has half an hour all together followed by a further half-hour in zones – Worship, Discuss, Reflect, Create, Move – which are all well received.

Church prayer meetings took place most months in St John's Hall. Many other smaller groups also met to pray at various times throughout the year.

3. Achievements and performance (continued)

Ministry and evangelism

The Church maintained its aim of serving and reaching out to people in Knowle and beyond, seeking to reconnect with the community who had not returned following the easing of Covid restrictions. On Saturday mornings, Cobbles opens, serving people in the Guild House and the church grounds (weather permitting) with coffee, tea and cake. Cobbles gives opportunity for people to meet with us in an informal setting. Friendship Club offers a cooked meal and a light lunch once a month, and coffee on the intervening Thursdays.

Events to which friends and colleagues were invited included a women's breakfast in March, men's breakfasts in January, May and October and a men's Curry nights in March and November with engaging speakers on relevant current issues. These events were well attended and received.

An Alpha course was held at the start of 2022 with 10 participants in one single group. The Saturday away group was once again held in person at the Old School in Lapworth.

In the Autumn, a Christianity Explored course was held at the Red Lion pub in Knowle attended by 20 participants.

The Knowle branch of Mothers' Union (MU) meet monthly and have a wide variety of speakers.

Home groups continue to grow and play a vital part of church life. There are now 30 groups meeting, including two groups which have restarted this year, two large groups of church members from Hong Kong, a newly formed group led by Steve Johnson and a Discovery group with people from 2021/22 Christianity Explored and Alpha course attendees. About 50 people who are new to KPC have joined home groups this year. Most groups now meet in person although a few still use the Zoom facility. Some are using Church facilities, but most are hosted in homes. A meeting for Homegroup leaders has been held each term; our emphasis has been on equipping leaders to help group members to grow as disciples of Jesus in line with our vision goals. We thank God for the time, energy and commitment of leaders to provide a range of support and challenge to approximately 300+ group members.

Pre-school children's ministry has been encouraging. Our Connect groups – Rainbow Tots, Bumps and Babies, Dads and Toddlers and Tots at Penny's, have all been back up and running since September 2021. The aim of all these groups is to give people a space to belong, to build relationships with each other and develop an even greater sense of community, which has been even more important post pandemic. We are looking to continue to build on the work of these groups to develop further our relationships with the children and families of our community. This will involve a range of different activities – some around the significant festivals of the year and others more tailored to specific groups. For example, we were able to host a Connect BBQ in July for all those who had attended our Connect groups over the previous year and we are looking to do more of this. We were also able to provide some summer holiday events – a family event tied into the Queen's Baton Relay for the Commonwealth Games as it came through Knowle and the second a 'drop-off' event for children. Our Stepping Stones preschool received an outstanding Ofsted report in the summer, under the excellent leadership of Sue Spencer.

Children's ministry continued under the leadership of Sarah Covington. After almost 18 months of working online throughout the worst of the pandemic, we were pleased to be able to re-start all our children's ministry in person from September 2021 and they have continued throughout 2022. We have Sunday groups, 3 weeks out of 4, and in these groups, we provide age-appropriate spaces for those under 11. We have been really pleased to welcome many families from Hong Kong who have joined our church community. We have continued with our monthly All-in service, which is an intergenerational service, aimed at bringing the whole church together across every age group. There is a short 30-minute lively and engaging service section followed by 30 minutes of different zones where people can continue to explore the theme in ways that fit with different learning styles. Over the coming year, we want to continue to develop this further as a welcoming place for those who might be newer to church. We have continued to provide weekly Collective Worship for Knowle Primary Academy, in both Key Stage 1 and 2. Across the 2021-2022 school year, we were able to support the school in special Harvest, Christmas, and Easter services as well as the Year 6 Leavers service at the end of July. We will be continuing this across the next school year. We have also been able to support the school with various aspects of its RE curriculum from debates on creation and science, to looking at the day-to-day life of the church and how that impacts the community.

Youth work has benefitted greatly from the easing of all COVID-19 restrictions. Each week, we hold a Sunday morning Youth Church service at Penny's Youth Café involving breakfast, games and an accessible youth church service for young people who might not have been to church before; we are now seeing attendance of about 20 at these services. A significant number of these young people have recently arrived from Hong Kong. Penny's Youth Café is open each Tuesday to Thursday in term-time from 3.30-5pm. The emphasis is on welcome, fun and laughter, offering drinks, cakes, ice-cream, games and mentoring support to young people from the local area. The café is open to all young people, regardless of faith or background. Regular café attenders number 30+ with another 30-40 who come every so often. Discipleship Groups are held each Tuesday and Thursday, offering age-specific content and support with a focus on faith-related topics which help the young people develop their communication skills, teamwork and respect for other's views as well as creating the opportunity for the youth leader to offer pastoral support. These groups have a regular attendance of about 20 young people across the week; this is a different group from those who join us for Youth Church at Penny's on Sundays. During spring term, we held

3. Achievements and performance (continued)

Ministry and evangelism(continued)

a series of sixth-form lunches, providing a space for sixth formers to meet, with visiting speakers from the community sharing their work and life stories. As in previous years, our young people have gone on various trips, including an Alpha weekend away at Barston, cinema, bowling, ice skating and we also held movie nights and board game evenings. Over the summer, we took 30 young people, including some of our children from Hong Kong, to the Satellites Youth Festival for a week. A major innovation was our summer intern programme. Three young people (aged 16, 18 and 20) joined us for 6 weeks learning leadership and life lessons, taking opportunities to serve and help their peers and provide good role models for the younger children. The partnership with St Andrews Chelmsley Wood has continued apace. This has included supporting them in their vision for a youth café like Penny's, which is now up and running one day a week and is going well. Seeing another setting was a highlight for the interns during the summer.

Pastoral care

The ministry of the pastoral care team, led by David Pickering – covering prayer ministry, bereavement support and visiting the sick and elderly at home and in care and nursing homes continued throughout the year. Home Groups, which generally meet fortnightly, offer prayer and support to their group members. The annual Service of Thanksgiving and Celebration of Life for the relatives of people who have had funerals at church in the past year took place on Sunday 16th October.

KPC Vision and goals

We have continued to implement the church's vision statement which was developed in 2021:

Letting our light shine at the village centre as
A house of God's light for all peoples and generations.
A beating heart of worship to God;
generously serving Knowle, the deanery and wider world,
to help transform lives and neighbourhoods for Jesus.

Towards the end of 2021, four groups were set up to develop specific goals in each of the areas of Worship, Discipleship, Evangelism and Mission, to help organise work on the initial priorities identified as part of the vision process. As they have met and worked on these, we have already seen changes to our life together. These include changes to help us become more welcoming as a church, enhance our Christian walk, setting up a Local Support Fund to help those hit by the cost-of-living crisis and attaining the Bronze Eco Church Award, as assessed by the A Rocha charity. Further work continues in the background on longer term goals in each of four areas with more actions expected this coming year to strengthen our church life, impact and work in the Knowle area.

Church attendance and membership

Attendances at Sunday services returned to 'normal' and increased throughout the year to an average of 325 adults and 42 children and young people. KPC YouTube (live-streamed or recorded) covers the Sunday morning family service – average 'views' were around 100.

At the time of the 2022 Annual Meeting in March, the Church Roll was 519, of whom 304 lived in the parish and the remaining 215 outside the parish. Many additional people have links with the church in a less formal way.

During 2022, 18 Baptisms and 1 thanksgiving service was held, 18 marriages and 3 services of prayer and dedication after civil marriage were held. 36 funerals took place in the church. A further 18 funeral services took place at the crematorium and 23 interments in the KPC Garden of Remembrance.

Ecumenical relationships

Our clergy met during the year with the clergy and leaders of other churches in Knowle and Dorridge.

Christian mission beyond Knowle

Our church continues to support and participate in Christian ministry beyond Knowle through its support of various programmes at home and overseas with both prayer and finance. All grants and donations made are specifically approved by the PCC. During 2022, we established a Global Mission Committee with the intention of expanding and focussing the church's activity in this important area.

3. Achievements and performance (continued)

Christian mission beyond Knowle(continued)

During 2022, we contributed to Tearfund 'where the need is greatest'. Our previous involvement in Kenya continued with support and prayer for the IcFEM project in Kimilili in West Kenya and Education for Life in Timbuni. We also gave to International Needs, the Malawi Task Force of the Diocese of Birmingham and to the Diocese of Bolivia to support church pastors. In the UK, we gave to Christians Against Poverty, Urban Saints, and Scripture Union. In the Birmingham area, we supported local church links with St Christopher's Springfield, St Andrews Chelmsley Wood and St John's Sparkhill and local charities Reachout Network Ministries, The Springfield Project and the Narthex project, including food collections for its foodbank in co-operation with Tesco in Knowle. We continue to provide significant financial support to the Diocese of Birmingham.

Fabric

During 2022, necessary general maintenance to church buildings and grounds was carried out, including a tower inspection as required following the quinquennial inspection of the church building by the church architect in 2020. Extensive repairs were carried out at the church's house at 46 Crabmill Close, formerly occupied by the Youth Minister, in preparation for commercial letting and possible future occupation by church staff. The church boiler needs replacement and was taken out of service for a time in late 2022 before temporary repairs and recertification enabled it to be brought back into temporary use; it will be replaced in 2023 and the PCC expresses thanks for many contributions to the Boiler Fund which will make this possible.

4. People

The work of the Church was undertaken by a wide group of people including Clergy, Staff, Readers and very many members of the Church. The principle of 'every member ministry' remains strong in the life of the church.

Paul Holden, Youth Minister, and Anna Holden, Family and Children's Missioner, left KPC at the end of August so that Paul could begin training for ordained ministry in the Church of England.

In Youth Ministry, Amy Dowdy joined us in October as Youth Minister. Jon Wilton left his post of Assistant Youth Minister at the end of May and this position was still vacant at the end of 2022.

The Children and Families Ministry has been restructured with the joint appointment of Sarah Chapman (formerly Assistant Children's Minister) and Clare Fillingham to the post of Children and Families Minister. The part-time post of Assistant Children's Minister was vacant at year-end, but Barbara Carstairs was appointed to this role in January 2023.

Our Music Minister, Stewart Wallace, left KPC at the end of June after 10 years of service to the church. The recruitment process for a Worship Minister was still in progress at the end of 2022.

The Magazine Editor, Rosemary Watts, retired from her role at the end of October. Catherine Robinson's role in the Parish Office was expanded to Communications Officer, encompassing the editorship of the church magazine in addition to responsibility for all the church's communications.

Sally Soane joined the Parish Office staff in June as Administrator.

Our grateful thanks are due to all these people and to many others for time, energy, care and prayer in all that has been contributed. In particular, the PCC warmly thanks all those who have left our employment during the year for their valuable contribution to the life of the church and wishes them well in their new endeavours.

Volunteers continue to play a central role in the work of the Church and are at the heart of most activities.

5. Financial review

The PCC is pleased to report that General Fund reserves remain at a healthy level, ending the year at £89k (2021: £86k) compared to the policy level of £60k.

There have been very substantial increases in income through donations, grants and income from church activities. In particular, the PCC welcomes the generous donations to the Local Support Fund (£15k) and the Boiler Fund (£16k). Costs have also increased because of higher clergy costs – there has been a full team, for a full year – and as church activities have expanded.

The General Fund, which covers the normal running expenditures of the church, showed a deficit of £7k in the year, compared to a deficit of £24k in 2021. The £7k deficit for the year is after charging depreciation of £35k, but before transferring £20k to the Designated Property Repair Fund and investing £5k in capital equipment; so net current assets, or reserves, increased from £85k to £88k. This level of reserves is above the policy level of £60k and provides a level of flexibility in readiness for increased costs in 2023 as staff vacancies are filled.

The Treasurer and the PCC as a whole warmly thank church members and others for their continued financial support, without which we would not be able to carry forward the ministry of Christ in Knowle.

5. Financial review (continued)

Going concern

The trustees have considered the financial outlook for the charity in the context of the charity's plans and general economic conditions. While costs increased in 2022 due mainly to increased clergy costs, income also rose considerably so that reserves were maintained above the charity's approved policy level of £60k. Although costs are expected to further increase in 2023 because of increased staffing levels and inflation, the PCC considers that reserves will continue to be maintained at or above the policy level of £60k for a further 12 months. Accordingly, the PCC has determined that the current conditions do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern for at least twelve months following the date of signature of the balance sheet.

Income

Total income increased by £108k to £774k. Increases in church members' donations (£42k), grants (£28k), income from increased activities (£40k) and interest (£2k) were offset by a reduction in legacy income of £4k.

Income to General Funds increased by £72k to £609k. Donations by church members increased by £30k, mainly as a result of an appeal for increased giving at the end of 2021. A grant of £15k (2021: £0) was received from Pickering Fields Trust towards the cost of a full-time Curate. Income from church activities, such as wedding and funeral fees, hall lettings and the Cobbles café increased by £25k. Interest income rose by £2k as interest rates increased.

Income to Designated Funds increased by £17k to £98k. A £9k grant was received from the Archbishops' Council towards exceptional energy costs; since these exceptional costs will occur in 2023, the grant has been placed in a designated fund for this purpose. A grant of £4k was received for Penny's Youth Café from Solihull Metropolitan Borough Council. Legacy income placed in the Designated Legacies Fund reduced to £1k (2021: £7k). Other grant income reduced by £5k. Stepping Stones income increased by £8k and other group activity income increased by £7k.

Income to Restricted Funds increased by £19k to £67k. Donations to the Restricted Property Repair Fund of £23k (2021: £0) included £16k of donations towards the church boiler, a £2k legacy and £5k of other gifts. Other Restricted donations from church members totalling £19k (2021: £28k) included £15k towards the Local Support Fund and these have been placed in the Restricted Legacies and Donations Fund. Knowle United Charity (KUC) made a grant of £22k (2021: £17k) towards youth and children's workers' salaries. The PCC is very grateful for KUC's ongoing support over many years.

Expenditure

Contributions to the Diocesan Common Fund of £194k (2021: £170k) were in line with the amount requested; of this, about £50k is used to support other parishes. The PCC also made contributions to the Church's wider ministry by continuing the policy of giving 5% of voluntary General Fund income to outside organisations, which amounted to £35k (2021: £32k), making a total of £85k (2021: £82k) towards mission and ministry work beyond Knowle. In 2022, retiring collections and other mission payments not included in the main church accounts totalled £5k (2021: £3k).

Total expenditure in 2022 increased by £53k to £747k.

General Fund expenditure increased by £55k to £616k. The Common Fund contribution increased by £24k because our curate was in place for a full year in 2022 but only half of 2021. Clergy Housing costs increased by £19k principally because our Associate Vicar occupied his house for 12 months in 2022 but only 4 in 2021. The costs of running church activities increased by £17k as these returned to pre-Covid levels. Outside Giving increased by £3k as the church responded to the conditions faced by partner organisations. These increases were offset by reductions of £12k in salary costs, mainly because of positions being vacant during 2022.

Designated Fund expenditure reduced by £8k to £104k. The cost of property repairs that were met from the Designated Property Repair Fund reduced by £22k because of the cost of church repairs in 2021 following the quinquennial inspection. Stepping Stones costs were £7k higher and the cost of associated groups such as the Friendship Club and the Flower Guild increased by £7k as activities expanded following the lifting of Covid restrictions.

Restricted Fund expenditure increased by £6k to £26k. £2k of expenses related to the Jubilee activities were met from a prior restricted gift; £2k of tree maintenance expenditure at 46 Crabmill Close was funded by a gift for that purpose, and there was an increase in the amount of youth and children's staff salaries which were funded by a generous gift from Knowle United Charity.

Principal risks and uncertainties

The principal area of risk and uncertainty is the responsibility for the upkeep of an ancient listed building, which can give rise to large and sometimes unexpected expenditure. This risk is mitigated by the maintenance of a Designated Property Repair Fund.

6. Reserves policy

The PCC has reconfirmed its policy to maintain a balance on General Fund of a least 10%, or 5 weeks, of annual payments from the Fund. This is equivalent to £60,000 and is as low as is prudent bearing in the mind the time taken to obtain tax refunds, and the amount of income that still comes as one-off donations. This does, however, mean that any money given to the Church will be put to good use immediately! The actual balances of net current assets in the General Fund at the year-end of £89,226 (2021: £85,895) are therefore in line with PCC policy. The funds held by designated organisations such as Stepping Stones are proportionately larger because their income is less certain than that of the church.

The PCC also maintains a Designated Property Repair Fund to cover the costs of major repairs; the balance on this fund of £74,953 (2021: £67,143) is expected to be sufficient for any works necessary in 2023.

The Designated Legacies Fund, created to hold the balances of legacies received but not yet allocated to specific purposes by PCC, stands at £61,732 (2021: £60,432).

7. Fundraising practices

The church invites voluntary donations from the public which, together with the associated Gift Aid, comprise the majority of the church's income. The PCC has reviewed its fundraising activity to ensure compliance with the latest Charity Commission guidance. The church does not use any commercial fundraiser or commercial participator. Although the church does not subscribe to particular fundraising standards or to any scheme for fundraising regulation, it follows guidelines for fundraising set by the Church of England. Fundraising activities are normally limited to invitations by the Clergy and/or Treasurer for church members to prayerfully review their giving to charitable activities including the church, and supported by information leaflets and presentations which set out the financial position of the church, normally given on "Stewardship Sunday". Particular care is taken to ensure the protection of vulnerable people and other members of the public from behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent, or places undue pressure on a person to give money or other property. No complaints have been received by the church related to its fundraising activity.

8. Plans for future periods

Our aim and purpose will remain as stated in I above. The Trustees will work to develop and implement our goals under our 2021 vision statement. We will continue to run and develop our programme of worship services, groups, activities and special events, with changes to meet needs and initiatives as they arise. Our motivation remains that, as KPC, *'We are here to help people become lifelong followers of Jesus Christ'*.

9. Structure, governance and management

The PCC is a corporate body established by the Church of England governed by the Parochial Church Council (Powers) Measure 1956 and the Church Representation Rules. It is a registered charity with the Charity Commission (no. 1127404).

The trustees of the charity are the PCC members. The method of appointment of PCC members is set out in the Church Representation Rules. At KPC, the membership of the PCC consists of the incumbent and other appointed clergy, members (including a Reader and churchwardens) elected by members of the congregation who are on the Electoral Roll of the church.

Those who regularly attend services and participate in church activities are encouraged to register on the Electoral Roll. Only those on the Electoral Roll are eligible for election to PCC.

Members of the PCC are one of (i) co-opted, (ii) directly elected by the APCM, or (iii) members of our church who have been elected to Diocesan Synod to represent our Deanery.

As at the year-end, following the APCM on 20th March, there were:

- 5 elected members with Deanery Synod membership and
- 10 elected members without Deanery Synod membership.

Any member of the Church may offer themselves for election to PCC at the APCM provided they qualify under the Church Representation Rules. Appropriate nomination forms may be obtained from the PCC Secretary via the Parish Office. Nominees to PCC can obtain appropriate information from the PCC Secretary on both the role of the PCC and the role of members.

The policies and procedures for the induction and training of trustees are as follows:

Prior to the PCC elections, prospective PCC members receive an information leaflet setting out the role of the trustees and particularly drawing attention to conflicts of interest. After election, PCC members receive the Charity Commission's "Essential Trustee" booklet, the Church of England booklet "Trusteeship – An Introduction for PCC Members" and an internally-produced document setting out the constraints on payments to PCC members or connected persons. Part of the PCC meeting which follows the PCC election is dedicated to trustee training.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent.

9. Structure, governance and management (continued)

The PCC held 9 business meetings during the year. There are 9 permanent sub-committees: – Standing, Fabric, Finance, Health & Safety (who undertake risk reviews on behalf of the PCC), Vision Coordinating Group, Environment and Climate Action, Global Mission, Human Resources (Paid Staff), and Stepping Stones Pre-school Management.

The key management personnel of the charity is the Standing Committee, made up of the clergy, the churchwardens, the secretary, the treasurer and the operations manager. The Standing Committee may conduct urgent PCC business that arises from time to time between PCC meetings, in accordance with the Church Representation Rules. Of the key management personnel, only the operations manager (being an employee) receives remuneration from the charity.

All Sub-committees report to the PCC on a regular basis and provide recommendations to the PCC. All matters of policy and finance are determined by the PCC, and are not delegated to Sub-committees; however, detailed implementation of PCC decisions may be delegated to specific Sub-committees from time to time as determined by the PCC. Membership of the Sub-committees is approved by the PCC. Other groups exist on an ad hoc basis to deal with specific matters.

Safeguarding

The council has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults. The PCC has appointed a Parish Safeguarding Co-ordinator. Safeguarding is a standing item on the agenda at every PCC business meeting. Time was spent in 2022 considering the implementation of new procedures announced during the year. Regular safeguarding reviews are held and updating of course attendance throughout the year.

10. Reference and Administrative details

The registered name of the charity is The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull, registered charity no. 1127404. In this report, for ease of reading, the charity is also referred to as "the PCC", "Knowle Parochial Church Council", "the Council", "Knowle Parish Church" and "KPC".

Knowle Parish Church is situated beside High Street and Kenilworth Road, Knowle. It is part of the Diocese of Birmingham in the Church of England. The correspondence address is Knowle Parish Office, St Lawrence House, 1717 High Street, Knowle, Solihull, B93 0LN.

The following members served on the council for all or part of the year; those serving in more than one capacity may appear more than once:

Incumbent:	Revd Geoffrey Lanham (Chairman)	
Associate Vicars:	Revd Steve Johnson	
Curate:	Revd Emily Spencer	
Churchwardens:	Matt Baggott (lay deputy chair)	Liz Welton
Member of Diocesan Synod:	Julian Phillips (Reader)	

Elected Representatives to Deanery Synod:

Nick Brown	Nick Humby	
Carol Kay	Julian Phillips	David Pickering

Elected members to PCC:

Lynn Brown (Secretary)	Sarah Chapman	Nick Houghton
Victor Hu	Steve Mort (Treasurer)	Benjamin Neudorfer
Claire Carter (formerly co-opted)	Susi Carter	Anne Smith
Rod Street		

Helen Allen, Sarah Covington and Paul Holden (to September); Amy Dowdy (from October) attended PCC meetings in a non-voting capacity.

Bank:	HSBC Bank plc, 34 Poplar Road, Solihull, B91 3AF
Auditors:	Thomas & Young 266 - 268 Stratford Road, Solihull, B90 3AD

11. Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report approved by the PCC and signed on its behalf by



Revd Geoffrey Lanham (incumbent)

22nd March 2023

**Statement of financial activities
for the year ended 31 December 2022**

Funds	Note	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		2022	2022	2022	2022	2021	2021	2021	2021
		£	£	£	£	£	£	£	£
Income from:									
Donations and legacies	1.a	531,170	16,195	67,235	614,600	486,086	13,398	48,280	547,764
Charitable activities	1.b	69,678	80,953	-	150,631	49,149	65,926	-	115,075
Other trading activities	1.c	6,680	558	-	7,238	1,976	1,308	-	3,284
Investments and deposits	1.d	1,769	-	(88)	1,681	74	-	330	404
Total income		609,297	97,706	67,147	774,150	537,285	80,632	48,610	666,527
Expenditure on:									
Raising funds	2a	5,797	385	-	6,182	2,707	198	-	2,905
Charitable activities	2b 2c	610,203	104,075	26,115	740,393	558,710	112,453	19,988	691,151
Total expenditure		616,000	104,460	26,115	746,575	561,417	112,651	19,988	694,056
Net income/(expenditure)		(6,703)	(6,754)	41,032	27,575	(24,132)	(32,019)	28,622	(27,529)
Transfer General Funds to Designated Funds	6	(20,000)	20,000	-	-	(20,000)	20,000	-	-
Transfer Restricted Funds to General Fund	6	-	-	-	-	-	-	-	-
Net movement in funds		(26,703)	13,246	41,032	27,575	(44,132)	(12,019)	28,622	(27,529)
Reconciliation of Funds:									
Funds brought forward		1,389,128	176,676	90,701	1,656,505	1,433,260	188,695	62,079	1,684,034
Funds carried forward		1,362,425	189,922	131,733	1,684,080	1,389,128	176,676	90,701	1,656,505

Balance sheet at 31 December 2022

Funds	Note	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		2022	2022	2022	2022	2021	2021	2021	2021
		£	£	£	£	£	£	£	£
Fixed Assets									
Tangible fixed assets	4.1	1,273,199	-	-	1,273,199	1,303,233	-	-	1,303,233
Investment assets	4.2	-	-	1,582	1,582	-	-	1,742	1,742
Sub Total - Fixed Assets		1,273,199	-	1,582	1,274,781	1,303,233	-	1,742	1,304,975
Current assets									
Debtors - HMRC gift aid tax recoverable		6,758	-	2,503	9,261	7,190	-	-	7,190
- Legacy - outstanding settlement			-	-	-	13,177	-	-	13,177
- Prepayments of insurance and other minor items		2,020	1,409	-	3,429	1,782	4,852	-	6,634
Cash and cash equivalents									
- Bank accounts		87,015	160,679	84,976	332,670	64,865	129,795	44,083	238,743
- Deposit accounts		24,514	42,706	45,000	112,220	23,058	42,706	45,000	110,764
- Cash		276	330	-	606	276	265	-	541
Sub Total - Current Assets		120,583	205,124	132,479	458,186	110,348	177,618	89,083	377,049
Liabilities: Falling due within one year					-				-
Creditors and accruals in respect of parochial activity		28,242	905	1,730	30,877	21,472	942	-	22,414
Charity collections and weekend away deposits not paid over		-	14,297	598	14,895	-	-	124	124
Deferred Income (rentals and mag adverts paid in advance)		3,115	-	-	3,115	2,981	-	-	2,981
Sub Total - Liabilities		31,357	15,202	2,328	48,887	24,453	942	124	25,519
Sub Total - Net Current Assets		89,226	189,922	130,151	409,299	85,895	176,676	88,959	351,530
Total Net Assets		1,362,425	189,922	131,733	1,684,080	1,389,128	176,676	90,701	1,656,505
Funds									-
Unrestricted (General Fund)		1,362,425	-	-	1,362,425	1,389,128	-	-	1,389,128
Designated	6	-	189,922	-	189,922	-	176,676	-	176,676
Restricted	6	-	-	131,733	131,733	-	-	90,701	90,701
					-				-
Total		1,362,425	189,922	131,733	1,684,080	1,389,128	176,676	90,701	1,656,505

Approved by the Parochial Church Council on 22nd March 2023 and signed on its behalf by:


Revd Geoff Lanham: Chairman



Matt Baggott: Vice Chairman

Statement of Cash Flows
for the year ended 31 December 2022

Funds Note	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2022 £	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £	2021 £
Cash flows from operating activities:								
Net movement in funds per SOFA	(26,703)	13,246	41,032	27,575	(44,132)	(12,019)	28,622	(27,529)
Adjustments for:								
Depreciation charges	34,886	-	-	34,886	36,073	-	-	36,073
(Increase)/decrease in debtors	13,371	3,443	(2,503)	14,311	10,686	(3,495)	-	7,191
Increase/(decrease) in creditors	6,904	14,260	2,204	23,368	6,963	(1,721)	1	5,243
Net cash provided by (used in) operating activities	28,458	30,949	40,733	100,140	9,590	(17,235)	28,623	20,978
Cash flows from investing activities:								
Purchases of fixed assets	(4,852)	-	-	(4,852)	(3,561)	-	-	(3,561)
Change in value of investments	-	-	160	160	-	-	(260)	(260)
Net cash provided by (used in) investing activities	(4,852)	-	160	(4,692)	(3,561)	-	(260)	(3,821)
Change in cash and cash equivalents in the reporting period	23,606	30,949	40,893	95,448	6,029	(17,235)	28,363	17,157
Changes in cash and cash equivalents:								
Opening balances:								
Current account	64,865	129,795	44,083	238,743	78,963	99,736	42,720	221,419
Deposit account	23,058	42,706	45,000	110,764	2,706	90,000	18,000	110,706
Cash	276	265	-	541	501	265	-	766
Total opening balances	88,199	172,766	89,083	350,048	82,170	190,001	60,720	332,891
Closing balances								
Current account	87,015	160,679	84,976	332,670	64,865	129,795	44,083	238,743
Deposit account	24,514	42,706	45,000	112,220	23,058	42,706	45,000	110,764
Cash	276	330	-	606	276	265	-	541
Total closing balances	111,805	203,715	129,976	445,496	88,199	172,766	89,083	350,048
Increase/(decrease) in net cash holdings	23,606	30,949	40,893	95,448	6,029	(17,235)	28,363	17,157

I. Income analysis

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2022 £	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £	2021 £
1a Donations and legacies:								
Envelope scheme	2,276	-	-	2,276	1,982	-	-	1,982
Regular Standing orders	381,082	-	-	381,082	354,751	-	-	354,751
One-off donations	8,550	-	600	9,150	20,551	-	23,000	43,551
Other Stewardship & CAF	26,724	-	-	26,724	21,456	-	-	21,456
Gift Aid Tax recoverable (GAT)	85,722	135	5,852	91,709	84,614	305	5,750	90,669
Cash collections	9,818	-	1,027	10,845	1,892	-	-	1,892
Other income	112	-	636	748	120	-	-	120
Collections for charities	-	-	-	-	-	-	-	-
Grants/donations towards church running costs	15,000	13,900	24,660	53,560	-	1,100	19,480	20,580
Donations, appeals, etc.	1,885	659	32,460	35,004	720	4,561	50	5,331
Legacies	-	1,501	2,000	3,501	-	7,432	-	7,432
Total	531,169	16,195	67,235	614,599	486,086	13,398	48,280	547,764
1b Income from Church Activities:								
Parish magazine	21,309	-	-	21,309	19,884	-	-	19,884
Bookstall	-	-	-	-	-	-	-	-
Ministry group contributions	15,756	-	-	15,756	8,439	-	-	8,439
Church and hall lettings	11,835	-	-	11,835	9,333	-	-	9,333
Wedding and Funeral Fees	20,186	-	-	20,186	11,256	-	-	11,256
Other Group Activities	593	80,953	-	81,546	237	65,926	-	66,163
Total	69,679	80,953	-	150,632	49,149	65,926	-	115,075
1c Other trading activities (incl. rentals)	6,680	558	-	7,238	1,976	1,308	-	3,284
1d Investment dividends/valuation and interest	1,769	-	(88)	1,681	74	-	330	404
Total income	609,297	97,706	67,147	774,150	537,285	80,632	48,610	666,527

2. Expenditure analysis

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2022 £	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £	2021 £
2a Raising funds								
Costs attributable (mainly to rents received)	5,797	385	-	6,182	2,707	198	-	2,905
Sub-total	5,797	385	-	6,182	2,707	198	-	2,905
2b Charitable activities: Mission								
Outside giving to charities (see note 7)	35,286	1,539	989	37,814	31,685	816	-	32,501
2c Charitable activities: Ministry:								
Diocesan Common Fund	194,028	-	-	194,028	170,160	-	-	170,160
Clergy expenses	5,223	-	-	5,223	3,433	-	-	3,433
Clergy and youth worker housing costs	38,977	9,096	-	48,073	20,106	6,767	-	26,873
Ministry groups	4,833	-	-	4,833	2,882	-	-	2,882
Ministry services incl. books and sundries	7,797	-	-	7,797	3,273	-	-	3,273
Pastoral care expenses	30	-	-	30	-	-	-	-
Other Group Activities	-	6,163	-	6,163	-	1,654	-	1,654
Children's ministry	48,726	74,565	11,182	134,473	51,496	69,374	8,863	129,733
Youth ministry	38,192	6,796	9,583	54,571	47,353	2,338	10,574	60,265
Church running expenses	27,629	3,094	1,926	32,649	26,476	27,235	551	54,262
Parish magazine costs	23,051	-	-	23,051	22,595	-	-	22,595
Bookstall expenditure	-	-	-	-	-	-	-	-
Churchyard upkeep	9,480	-	-	9,480	10,025	3,114	-	13,139
St John's Hall expenses	50,164	-	-	50,164	45,412	-	-	45,412
Guild House expenses	10,005	-	-	10,005	7,534	-	-	7,534
Music & Choir expenses	12,448	131	390	12,969	17,420	563	-	17,983
Parish Office and Admin costs	88,220	-	-	88,220	80,975	-	-	80,975
Insurance	12,019	-	-	12,019	12,759	-	-	12,759
Other Expenses	495	2,691	2,045	5,231	996	592	-	1,588
Governance/audit/accounts costs	3,600	-	-	3,600	4,130	-	-	4,130
Sub-total	610,203	104,075	26,115	740,393	558,710	112,453	19,988	691,151
Total expenditure	616,000	104,460	26,115	746,575	561,417	112,651	19,988	694,056

3. Accounting Policies

3.1 Basis of Preparation

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members. The accounts include a number of church organisations that operate their own finances, as required by the Charities Act 2011; these organisations are listed at Note 6.

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' 'true and fair view' provisions, together with FRS 102 (2019) as the applicable accounting standards and the 2019 version of Accounting and Reporting by Charities: Statement of Recommended Practice - Charities SORP (FRS 102).

Knowle PCC meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in GBP, which is the functional currency of the charity, and are rounded to the nearest £1.

Going concern - the trustees have considered the financial outlook for the charity in the context of the charity's plans and general economic conditions. While costs increased in 2022 due mainly to increased clergy costs, income also rose considerably so that reserves were maintained above the charity's approved policy level of £60k. Although costs are expected to further increase in 2023 because of increased staffing levels and inflation, the PCC considers that reserves will continue to be maintained at or above the policy level of £60k for a further 12 months. Accordingly, the PCC has determined that the current conditions do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern for at least twelve months following the date of signature of the balance sheet.

3.2 Funds

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use. The PCC at its discretion has elected to designate certain unrestricted funds for a particular purpose. The practical operation of the funds is as follows:

The Parish General Fund

The PCC is responsible for all church funds, but this is the fund where income is received for the PCC to decide how it is best deployed to achieve the church's Christian charitable objectives. The General Fund balance is effectively unspent income and is retained as a cushion against uncertainties.

Designated Funds

Designated funds for Property and Churchyard repairs and renovation are maintained by the PCC to separately manage the high and irregular costs involved. Gifts for fabric repairs or renovation are taken to the designated Property Fund if they can be related to costs incurred during the year. If a gift is for a specific fabric related purpose which is not carried out in the current year, then they are allocated to the restricted Property Repair Fund. A Designated Legacy Fund has been established to hold the balance of unrestricted legacies received until the PCC allocates them to a specific purpose. Designated funds also include the funds of the church organisations that operate their own finances; most of the income of these funds is payment for the provision of charitable activities. The designated funds are listed at Note 6.

Restricted Funds

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for specific purposes. The restricted funds are listed at Note 6.

3.3 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, the amount can be measured reliably and it is probable that the income will be received.

Voluntary income and planned giving, including covenants, are recognised when received by or on behalf of the PCC. Income tax recoverable on gift aid donations is recognised when the donations are received.

Most non-donation income is treated as income from charitable activities as the income derives from the provision of charitable (or Christian) services to local parishioners in pursuit of the Christian objectives of the church.

The amount of purely fundraising activity is small and normally consists of rental income from church facilities and residential property when these are not needed for church purposes.

Sales of books and other material from the bookstall and sales of the Parish Magazine are accounted for gross.

3. Accounting Policies (continued)

Rental income is recognised according to the period to which it relates and is shown gross, even though some of the rental income comes from other PCC funds such as the Stepping Stones pre-school.

Dividends and interest from investments are accounted for when receivable except that interest on deposits with the Central Board of Finance for the Church of England are accrued.

Grants, legacies and donations to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount can be reliably estimated.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Realised gains or losses are recognised when investments are sold.

Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

3.4 Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, it is probable that the amount will be paid and the amount can be measured reliably. The charity is not registered for VAT purposes and expenditure is shown inclusive of VAT. Grants and donations by the PCC are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC. The Diocesan Common Fund is accounted for when paid.

Expenditure on Raising Funds is the directly attributable cost of renting out church facilities and residential property when these are not required for church purposes, plus an allocation of costs associated with administration. In practice for church facilities, this involves estimating the variable costs per session of operating the facilities and expressing this as a percentage of the average rental charge. For residential property that is normally held for clergy or staff housing, only those outgoings specifically related to the rental activity are identified as fundraising costs.

3.5 Fixed Assets

Consecrated and beneficed property

Consecrated and beneficed property is excluded from the accounts by Charities Act 2011 s.10 (2)(a). No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

Land and Buildings

Land and buildings are stated at cost (or deemed cost) less accumulated depreciation. Straight line depreciation lives are applied to components as follows:

- Building and roof structures 100 years
- Roof surfaces 70 to 80 years
- Windows, doors plumbing and cabling 40 to 50 years
- Internal facilities and integral equipment 15 years
- Land is not depreciated
- Grade II Listed buildings 900 years

Fittings, Furnishings and Equipment

- Furnishings and equipment are capitalized where the cost is above £1,500. However, lower value items, of immaterial value in total, may also be capitalized where the related records provide a control over the use and deployment of the assets (e.g., laptops). Straight-line depreciation is applied, with lives determined specifically to each type of asset, up to 10 years with computer equipment and related software at 5 years.

3.6 Investments

Investments are valued at market value at 31 December. Realised and unrealised gains or losses on investments are dealt with in the Statement of Financial Activities.

3. Accounting Policies (continued)

3.7 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Amounts owing to the PCC as at 31 December in respect of fees, rents or other income are shown as other debtors, net of any provision for amounts that may prove uncollectible. Short-term deposits include cash held on deposit either with the CBF Church of England Funds or at the bank or small balances of petty cash.

Creditors and accruals in respect of parochial activity comprise Trade Creditors of £4,049 (2021 - £2,558) and Accruals of £24,193 (2021 - £18,914).

3.8 Pension Schemes

The church contributed to a defined contribution pension for one longer standing employee who left during 2022 and also provides defined contribution pension arrangements for auto-enrolment of staff via the Diocesan Scheme set up in compliance with current pension legislation. The assets of the schemes are held separately from those of the charity. The contributions payable are charged to the statement of financial activities.

4. Fixed Assets and Investments for use by the PCC

4.1 Fixed Assets

The majority of the fixed assets by value comprise the five freehold properties beneficially owned by the PCC as follows:

- Residential properties – St Anne's Cottage and 46 Crabmill Close
- Offices and meeting places – St John's Hall, St Lawrence House and the Guild House

Title to all the land on which the buildings are situated is held by Birmingham Diocesan Trustees Registered as custodian trustees, on behalf of the PCC because the PCC is not permitted by law to be the registered owner of land.

On the implementation of FRS102 the residential properties were valued at open market prices and the offices/meeting places at depreciated current replacement cost. The valuation of the Guild House included an impairment appraisal that wrote down to zero the structure of this medieval building that is very expensive to maintain and where the NPV of the related excess costs over a modern equivalent is equal to or greater than the undepreciated replacement cost of a modern equivalent.

	Land and buildings	Fittings, Furnishings and equipment	Projects in progress	Total
	£	£	£	£
Cost or deemed cost				
At beginning of the year	1,403,737	145,075	-	1,548,812
Additions	-	4,853	-	4,853
Disposals	-	(4,226)	-	(4,226)
Revaluations	-	-	-	-
Transfers	-	-	-	-
<i>At end of the year</i>	1,403,737	145,702	-	1,549,439
Depreciation and impairments				
At beginning of the year	(149,901)	(95,678)	-	(245,579)
Disposals	-	4,226	-	4,226
Depreciation	(21,067)	(13,819)	-	(34,886)
Impairment	-	-	-	-
Transfers	-	-	-	-
<i>At end of the year</i>	(170,968)	(105,271)	-	(276,239)
Net book value at beginning of year	1,253,836	49,397	-	1,303,233
Net book value at end of year	1,232,769	40,431	-	1,273,200

4. Fixed Assets and Investments for use by the PCC (continued)

4.1 Fixed Assets (continued)

Land and Buildings

Included within Land and buildings is £300,000 (2021 - £300,000) of freehold land which is not depreciated.

Fittings, Furnishings and Equipment

The additions comprised a replacement dishwasher for St John's Hall.

4.2 Investments

Investments of £1,582 represent shares in the CBF's Investment Fund at market value as at 31 December 2022 (2021 - £1,742). The historic cost of these shares was £903 (2021 - £856).

5. Staff Costs and Numbers Employed

	2022	Average Numbers Employed	2021	Average Numbers Employed
	£		£	
Youth & children's leadership	87,648	4	96,339	4
Parish Office staff	93,012	6	94,722	6
Stepping Stones	63,191	8	52,304	7
National insurance	9,057		10,734	
Pension	4,254		4,550	
Total	257,163	18	258,650	17

(Note: Facilities & Systems Manager and Music Minister are included in Parish Office staff)

Parish workers and clergy received £3,650 (2021: £2,289) by way of reimbursement of expenses whilst on PCC business. In addition, clergy housing costs amounted to £31,456 (2021: £14,923) and accommodation was also provided for the former Youth Minister to carry out his duties effectively. £23,594 (2021: £7,200) of the clergy accommodation costs was paid to Pickering Fields Trust for the rental of a property on Newton Road which normally houses the Associate Vicar. The higher level is because the Associate Vicar, Steve Johnson, occupied the property for a full year in 2022 but for only four months in 2021.

The average head count during the year was 18 (2021: 17). No employees received employee benefits of more than £60,000.

The key management personnel of the charity is the Standing Committee, made up of the clergy, churchwardens, the secretary, the treasurer and the operations manager. Of the key management personnel, only the operations manager (being an employee) receives remuneration from the charity and their employee benefits in 2022 totalled £32,831 (2021: £35,095) including employers pension contributions of £774 (2021: £841) but not including employers National Insurance contributions of £3,345 (2021: £3,509). The operations manager's employment changed from 5 days per week to 4 in July 2022.

One trustee, Sarah Chapman, is employed as Children and Families Minister and previously Assistant Children's Minister. Her employee benefits in 2022 totalled £8,186 (2021: £6,042) including employers pension contributions of £60 (2021: £0) but not including employers National Insurance contributions of £185 (2021: £7).

Clergy are not employees of the charity.

6. Fund Details

Restricted Funds

The restricted funds arise where donations have been made for a specific purpose and funds are retained awaiting disbursement.

Restricted Funds (Donor-specified funds awaiting disbursement)	Balance 01-Jan 2022	Movement in resources			Balance 31-Dec 2022
	£	Incoming £	Gains and losses £	Outgoing £	£
R.A.C.K. Roof Fund	1,741	46	(206)	-	1,581
Restricted Legacies and Donations Fund	53,070	19,102	-	(3,937)	68,235
Property Repair/Renovation Fund	-	22,573	-	(1,735)	20,838
Pontifex Clock Fund	1,842	72	-	(198)	1,716
Organ Fund	576	300	-	-	876
Soldiers' Chapel	7,535	-	-	-	7,535
Choir Fund	725	600	-	(390)	935
Grants to employ Children and Youth Workers	16,781	24,660	-	(19,279)	22,162
Restricted Gifts and Grants for Youth Activities	8,431	-	-	(576)	7,855
Totals	90,701	67,353	(206)	(26,115)	131,733

The RACK Roof Fund consists of donations received many (30+) years ago towards major roof repairs which are being held for the future. The income and gains/losses arise from investments related to the fund.

The Restricted Legacies and Donations Fund consists of various gifts and legacies where the donor has specified a specific use. The balance on the fund now comprises:

	£
Balance of a 2021 gift not to be used to meet regular expenditure, but to be held at the discretion of the PCC for identifiable projects	22,662
Remainder of a 2018 grant from a legacy trust, given with a bias towards youth work	20,011
A 2021 gift towards the Vision project	6,250
Gifts to the Local Support Fund for help with the Cost-of-Living Crisis	15,355
A gift towards Penny's Youth Café	2,500
Gifts to the Hospitality Fund for the Weekend Away	1,437
Others	20

The Property Repair and Renovation Fund consists of restricted donations received towards major property repairs. In 2022, these included £16,073 in gifts towards the replacement of the church boiler, a legacy of £2,000 and other gifts totalling £4,500.

The Pontifex Clock Fund consists of accumulated donations from the Knowle Church Clock Trust (a separate charity), also known as the Pontifex Clock Trust, towards repair and maintenance of the Knowle Parish Church clock and weathervane and for their eventual replacement.

The Organ Fund consists of restricted donations received towards major renovation and repairs to the organ which are being held for the future.

The Choir Fund consists of restricted donations received for the Choir, and also monies received from weddings in excess of the amounts distributed to choir members, and is available for choir activities.

The Soldiers Chapel Fund arose from a major project in c.2010 to restore the decorated plasterwork in the Soldiers Chapel, situated at the north-east corner of the nave in the church. Generous donations were gratefully received towards this project from a number of sources including the Royal British Legion. The fund now consists of the excess of donations received over the cost of the project and is being held over to fund any further restoration work that may be required in the future.

Grants to employ Children and Youth workers include a grant of £22k by Knowle United Charities towards payment of salaries which has been retained in the fund towards salaries in 2023.

The Restricted Gifts and Grants for Youth Activities Fund, formerly called the Youth Charity Fund, has been used to account for the dedicated gifts and fundraising income, and the costs incurred, for the mission trips which occurred in previous years; the remaining balance from these trips of £7,855 is being held over towards future trips, by agreement with the donors.

6. Fund Details (continued)

Designated Funds

Designated Funds (PCC - Specified Funds)	Balance 01-Jan 2022	Movement in resources			Balance 31-Dec 2022
	£	Incoming £	Transfers £	Outgoing £	£
Organisations which operate their own finances*					
Stepping Stones	13,887	70,797		(74,950)	9,734
Others	22,220	16,229		(16,912)	21,537
Funds maintained within church finances:	-				-
Church Away Weekend	1,198	-	-	(208)	990
Property Repair Fund	67,143	-	20,000	(12,190)	74,953
Churchyard Fund	11,796	-	-	-	11,796
Grant for use against future energy costs	-	9,180	-	-	9,180
Designated Legacies Fund	60,432	1,500	-	(200)	61,732
Totals	176,676	97,706	20,000	(104,460)	189,922

*There are a number of church organisations that operate their own finances. The Charities Act 2011 requires their figures to be included and they include Rainbow Tots, Stepping Stones, Bell Ringers, Friendship Club, Youth, Wedding & Funeral Fees, and the Flower Guild.

Church Away Weekend – this is the surplus arising from the last church away weekend in 2018, which is being carried forward to be used for the church away weekend in 2023.

The Property Repair Fund has been designated by the PCC for any major work to the church's properties. In 2022, the costs of the church tower inspection and repairs to the church's house at 46 Crabmill Close were met from this fund. In view of further work that is planned for the coming years and the need to maintain the fund at a level which can sustain unexpected costs, the PCC has transferred £20k (2021: £20K) from General Fund into this fund expects to make transfers of a similar amount in the future.

The Churchyard Fund has been designated by the PCC for any non-routine work that may be required in the churchyard.

In 2022, a grant of £9,180 was received from the Archbishops' Council, via Birmingham Diocese, towards exceptional energy costs. Since these exceptional costs will occur in 2023, the grant has been placed in a designated fund for this purpose.

The Designated Legacies Fund was created in 2021 to hold the balances of legacies received but not yet allocated to specific purposes by PCC. During 2022, legacy income of £1,500 has been added to this fund.

Unrestricted Funds

Included with unrestricted funds is £386,923 of non-distributable reserves which arose on the revaluation of land and buildings on the implementation of FRS102.

7. Outside Giving & Retiring Collections

This year the church supported other charities, mission work and individuals to a total of £38k, with £1,250 of this being a share of the gross receipts of the “Cobbles” Saturday morning informal café, where the Cobbles leadership nominate a different charity every few months. In addition, £5k was given directly to other charities and mission work through the organisation of retiring collections and fundraising events for specific charities. This latter “pass-through” income was excluded from the accounts but included here to provide a more complete picture of the fundraising activity of the church. Details of these payments are shown below.

Charity	KPC Funds £	Pass through £	Total 2022 £	KPC Funds £	Pass through £	Total 2021 £
Tearfund	6,180	10	6,190	4,336	452	4,788
Narthex Food Bank	4,483		4,483	1,020		1,020
St Andrews Chelmsley Wood	3,989		3,989	1,500		1,500
Reachout Network Ministries	3,000		3,000	3,000		3,000
St Christophers Missioner	3,000		3,000	3,000		3,000
Kenya Mission Initiatives	2,000	811	2,811	3,000		3,000
Diocese of Bolivia	2,000		2,000	4,029		4,029
Christians Against Poverty	2,000		2,000			
Malawi Task Group, CofE Birmingham	2,000		2,000	2,000		2,000
St Johns Sparkhill	2,000		2,000	3,000		3,000
Urban Saints	1,500		1,500	1,300		1,300
Christian Aid		1,217	1,217	100	789	889
Scripture Union	1,200		1,200	1,000		1,000
Dreammakers	478	632	1,110			
St Basils		1,062	1,062		1,428	1,428
International Needs	1,000		1,000	1,000		1,000
Springfield Project	1,000		1,000			
Compassion	672		672	516		516
Lily Mae Foundation	627		627			
Family Care Trust - Newlands Bishop Farm	685		685			
The Royal British Legion		591	591			
Restore - Birmingham Churches Together		475	475			
The Bible Society		395	395			
IAM Afghanistan				3,500		3,500
Royal Voluntary Service (dementia support)				200		200
Total	37,814	5,194	43,007	32,501	2,669	35,170
Less collections made specifically for other charities		(5,194)	(5,194)		(2,669)	(2,669)
Total giving by KPC (per accounts note 2)	37,814		37,814	32,501		32,501

8. Contingent Liabilities

No contingent liabilities have been identified.

9. Related Parties

At each meeting of the PCC the council members are required to declare any conflicts of interest that may arise or have arisen and where there is such a conflict then that member will not vote on any proposal involving the related party. There are three related parties of significance in 2022:

- Pickering Fields Trust (PFT) which, with the Church, shares the vicar and two churchwardens as trustees. However, as Knowle PCC has approximately 20 members, there is not common control, as defined in the legislation.
- Knowle Church Clock Trust (also known as Pontifex Clock Trust - Registered Charity Number 514954) which, with the Church, shares the vicar and two churchwardens as trustees. However, as Knowle PCC has approximately 20 members, there is not common control, as defined in the legislation.
- Knowle United Charity which, with the Church, shares a member of clergy as a trustee.

9. Related Parties (continued)

Pickering Fields Trust has the official name 'Charities for Ecclesiastical and Other Purposes' - charity number 238492. Apart from a small amount of investment income, it derives all its income from the rental of its house to Knowle Parish Church for clergy use (see note 5) which amounted to £23,594 in 2022 (2021 £7,200; the increase is because the house was occupied for 12 months in 2022 compared with 4 months in 2021, and there has been an increase in the monthly rental). It, in turn, at the discretion of its 3 trustees and within its objectives, generally pays all its donations to the church, in support of renovation and fabric repair projects and the charitable work of the church. In 2022, the Trust made a grant of £15,000 towards the cost of the full-time curate; there were no payments from the Trust to the church in 2021. Group accounts have not been prepared since neither the trustees of Knowle Parish Church nor the electorate of Knowle Parish Church have powers (i) to direct the decisions of the PFT trustees or (ii) to appoint or dismiss the PFT trustees.

Knowle Church Clock Trust's principal activity and achievement is the donation of the whole of the annual income from its investment funds to Knowle Parochial Church Council, which has the legal obligation of the upkeep of the church clock and weathervane. In 2022, the Trust made a donation to Knowle Parish Church of £72 (2021 £70).

Knowle United Charity makes grants to Knowle Parish Church towards children's and youth work.

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31st December 2022 which are set out on pages 9 to 21

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the accounts do not accord with those records ; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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:



Mark McLean FCA

Thomas & Young Limited, Chartered Accountants

Carleton House, 266-268 Stratford Rd, Shirley, B90 3AD

Date:

31/5/23

Accounts



The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Charity number 1127404

Report and Accounts

Year ended 31 December 2021

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**2021 Annual Report and Accounts for
the Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull
(Charity number 1127404)**

The trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 31st December 2021.

The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016).

1. Aim and purposes

Knowle PCC has the responsibility of cooperating with the incumbent in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Church and nearby buildings – the Guild House, St John's Hall and St Lawrence House – and two residential properties: St Anne's Cottage and 46 Crabmill Close.

2. Objectives and activities

The statement of purpose of Knowle Parish Church (KPC), agreed by the PCC and endorsed by the 2015 APCM, is: *'We are here to help people become lifelong followers of Jesus Christ'*. During 2021, PCC worked to build on this mission statement by engaging in an exercise to establish a fresh vision for KPC with related goals – more detail on page 3.

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our church community to help resource their discipleship and equip them for service in the world. The PCC maintains an overview of worship in the church and in groups throughout the parish and beyond and makes suggestions on how our services and other activities can be for the benefit of everyone of whatever background. Our services and worship put faith into practice through prayer, scripture reading, teaching, music and sacrament.

When planning our activities for the year, we have considered the Charity Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. We seek to enable people to find and live out their faith in Jesus Christ in our community and beyond, and we also organise a number of activities that benefit the whole community of Knowle such as pre-school groups and a friendship club for senior citizens. We also promote practical and financial support to Christian mission beyond Knowle in the UK and overseas. To facilitate our work, it is important that we maintain the fabric of the Church and related buildings.

3. Achievements and performance

Continuing effect of Covid-19

Services and activities remained constrained by Covid restrictions particularly in the early part of the year. By mid-year, social distancing rules were relaxed and singing at services became permissible. Some other activities recommenced in suitable formats. By the autumn, a wider range of services, without pre-booking, and other events became possible. However, the surge in Covid cases at the end of the year caused some of our planned Christmas activities to be curtailed.

Worship and prayer

On each Sunday up to August, a Sunday morning service with limited numbers was held in church and livestreamed with the majority of people accessing this on YouTube live or later in the day or week. The theme followed up to March was 'Taking a fresh look at Church'. The focus was then on Easter, followed by a series on Prayer, then a theme of The Kingdom of God through until early autumn.

A weekly service on Wednesday mornings with Holy Communion restarted in January and continued throughout the year. An online Lent course with four sessions was held in March by Zoom. A monthly 8am Sunday Holy Communion service took place in St John's Hall from May to August. Occasional Sunday evening services were held outside in the church grounds, weather permitting, between June and August. These were well attended and appreciated.

From September, with a considerable effort to re-establish the necessary support teams, a new pattern of four Sunday services began – 7.45am Holy Communion, 9.30am family service (also live-streamed), 11.15am morning prayer and 6.30pm evening service. At the 9.30 am service, under 5s and children's groups re-commenced, with a new format of an All-In service on the fourth Sunday of each month; this had half an hour all together followed by a further half hour in zones – worship, discuss, reflect, creative – all well received. Initial All-In services had been trialled on Sunday afternoons on Zoom in April and May and in-person in June.

In the summer and autumn, sermon themes at morning services were: 'The Kingdom of God' and 'Giving' with special services around Harvest, Remembrance and Christmas. At evening services, themes were Paul's 2nd letter to Timothy and 'Friendship'.

3. Achievements and performance (continued)

Church prayer meetings took place most months – by Zoom until the summer and in St John's Hall from September. Many other smaller groups also met to pray at various times throughout the year.

Ministry and evangelism

The Church maintained its aim of serving and reaching out to people in Knowle and beyond, seeking to rebuild as Covid constraints eased. On Saturday mornings from April to early September, Cobbles reopened (weather permitting), serving people socially-distanced in the church grounds with coffee, tea and cake. From September, they restarted serving in the Guild House as well as outside. Cobbles gives opportunity for people to meet with us in an informal setting. Friendship Club leaders kept in touch with members by various appropriate means throughout the year and re-commenced providing coffee and lunches from September.

Events to which friends and colleagues were invited included a virtual event by Zoom in March, a men's breakfast in St John's Hall in September and a men's Curry night in November with engaging speakers on relevant current issues. These events were well attended and received.

An Alpha course was held by Zoom at the start of 2021 with 18 participants logging in.

In the Autumn, a Christianity Explored course was held at the Red Lion pub in Knowle attended by 20 participants.

The Knowle branch of Mothers' Union (MU) met monthly by Zoom until in-person meetings were restarted in the Autumn.

Up to 250 people 'met' in 26 home groups in various ways in the first half of 2021 – Zoom meetings, regular phone calls, distributions of study materials (physically or by email). From September onwards, an increasing number of groups re-started meeting – generally fortnightly – on a variety of days midweek (daytime or evening) for bible study, prayer and mutual support. The home group leaders perform an important role in discipleship and pastoral care. We are grateful for their ongoing and innovative commitment to the groups.

Stepping Stones operated in every term throughout 2021 on a Covid-secure basis (in line with other early years pre-schools). Of the other Connect groups for under 5s and their parents and carers, Bumps & Babies restarted in June and a new Tots @ Penny's began operating at Penny's Cafe. Rainbow Tots and Dads & Toddlers restarted in September.

Children's ministry continued under the leadership of Sarah Covington. Online children's ministry continued until the end of August – with Zoom services, pre-recorded YouTube services and other material to support families in nurturing the faith of their children at home. Online Collective Worship for Knowle C of E Primary Academy was also delivered. During the summer months some outdoor church gatherings were held to encourage families to meet together again. On site children's ministry restarted in September. Collective Worship also returned to being delivered on site. We supported various Key Stage 2 RE lessons and continue to work closely with the school, supporting the children and families of our community.

Youth ministry at KPC continued in 2021 based mainly at Penny's Youth Cafe – with due regard to Covid guidance in the café environment. Young people met on weekday evenings for courses including Youth Alpha, SOUL and Awesome on the Inside. Good numbers engaged in the Youth Church events on Sunday mornings and evenings at Penny's Café, which included Bible studies and videos about Jesus and His disciples. A well-attended Lit Residential took place in the summer. Support was given to Church on the Wood (a pioneering church project at St Andrews in Chelmsley Wood) by helping lead their monthly church services. Penny's Youth Cafe was open Monday to Thursday during the week and 3 sixth form lunches were held, which enable outreach to young people outside of the church community. Thanks are due to the committed team of volunteers who keep all our KPC Youth activities running, as well as the young people, parents and guardians who diligently support what we do.

Pastoral care

The ministry of the pastoral care team, led by David Pickering – covering prayer ministry, bereavement support and visiting the sick and elderly at home and in care and nursing homes – was affected by the restrictions imposed by Covid, but contacts with vulnerable people were maintained by telephone and in other ways, and there was ongoing support via home groups. The special Service of Thanksgiving and Celebration of Life for the relatives of people who have had funerals at church in the past year took place on Sunday 21st November 2021.

KPC Vision and goals

Starting in January 2021, the PCC met to pray and develop a vision and related goals for KPC over the years immediately ahead, starting from the base of our Mission Statement: *'We are here to help people become lifelong followers of Jesus Christ'*.

Following consultations with various groups across KPC, the following Vision was presented to the Church in October:

Letting our light shine at the village centre as
A house of God's light for all peoples and generations.
 A beating heart of worship to God;
 generously serving Knowle, the deanery and wider world,
 to help transform lives and neighbourhoods for Jesus.

Four groups were set up to develop specific 'Goals' in each of the areas of: Worship, Discipleship, Evangelism and Mission.

3. Achievements and performance (continued)

Church attendance and membership

Attendances at Sunday services up to August were limited to a maximum of 70 to 90. Many more logged into KPC YouTube (live-streamed or recorded) – average 'views' were around 400. Zoom events were also well attended. When four Sunday services started in September, attendances built up rapidly with weekly averages of just under 300 adults and about 50 children and young people. In addition there were around 200 'views' of live-streamed or recorded services.

At the time of the 2021 Annual Meeting in April, the Church Roll was 532, of whom 312 lived in the parish and the remaining 220 outside the parish. Many additional people have links with the church in a less formal way.

During 2021, 13 Baptisms, 7 marriages and 16 funerals took place in the church. A further 20 funeral services took place at the crematorium and 22 interments in the KPC Garden of Remembrance.

Ecumenical relationships

Our clergy met during the year – virtually or in-person – with the clergy and leaders of other churches in Knowle and Dorridge.

Christian mission beyond Knowle

Our church continues to support and participate in Christian ministry beyond Knowle through its support of various programmes at home and overseas with both prayer and finance. All grants and donations made are specifically approved by the PCC.

During 2021, we contributed to Tearfund 'where the need is greatest' and to relief in Afghanistan. Our previous involvement in Kenya continued with support and prayer for the IcfEM project in Kimilili in West Kenya and Education for Life in Timbuni. We also gave to International Needs, the Malawi Task Force of the Diocese of Birmingham and to the Diocese of Bolivia to support church pastors. In the UK, we gave to Reachout Network Ministries, Urban Saints, and Scripture Union. In the Birmingham area, we supported links with St Christopher's, Springfield, St Andrews, Chelmsley Wood and St John's, Sparkhill and the Narthex project, including food collections for their foodbank in co-operation with Tesco in Knowle. We continue to provide significant financial support to the Diocese of Birmingham.

Fabric

During 2021, necessary general maintenance to church buildings and grounds was carried out. Planned repair works to the church building following the quinquennial inspection of the church building by the church architect in 2020 were carried out and completed.

4. People

The work of the Church was undertaken by a wide group of people including Clergy, Staff, Readers and very many members of the Church. The principle of 'every member ministry' remains strong in the life of the church.

In June, we welcomed Emily Spencer as our Curate. In September, our Clergy team was completed when we welcomed Steve Johnson as our new Associate Vicar.

In the Youth team, Anna Holden returned in January from maternity leave as part-time Assistant Youth Minister until the summer, when she transitioned to Family and Children's Missioner. Jon Wilton joined as Assistant Youth Minister in September. In the Children's team, in July, we thanked and said farewell to Lizzie Goodall after her 6 years' of service as Assistant Children's Minister. From September, Sarah Chapman took on the role of part-time Assistant Children's Minister.

Our grateful thanks are due to all these people and to many others for time, energy, care and prayer in all that has been contributed. Volunteers continue to play a central role in the work of the Church and are at the heart of most activities.

5. Financial review

The PCC is pleased to report that despite the continued effect of the Covid-19 pandemic in 2021, General Fund reserves remain at a healthy level, ending the year at £85k compared to the policy level of £60k.

The Covid-19 pandemic continued to result in depressed levels of income related to curtailed church activities, but this improved towards the end of 2021 and is expected to improve further as things return to normal. An appeal for increased giving at the end of October resulted in substantial one-off gifts and in pledges to increase regular giving, which will help to meet the increased costs that will be faced in 2022, caused by inflation and the full-year costs of our Curate who joined us in June 2021. The PCC is very grateful that regular giving by standing order from church members has largely been maintained throughout a very difficult time.

Further, in 2021 restricted gifts were received totalling £28k which will be used for special projects in the future.

The General Fund, which covers the normal running expenditures of the church, showed a deficit of £24k in the year, compared to a surplus of £28k in 2020, which included a legacy of £53k. The £24k deficit for the year is after charging depreciation of £36k, but before transferring £20k to the Designated Property Repair Fund and investing £4k in capital equipment; so net

5. Financial review (continued)

current assets, or reserves, reduced from £97k to £85k. This level of reserves is above the policy level of £60k and provides a level of flexibility in readiness for increased costs in 2022.

The Treasurer and the PCC as a whole warmly thank church members and others for their continued financial support, without which we would not be able to carry forward the ministry of Christ in Knowle.

Going concern

The trustees have considered the ongoing financial situation of the church, particularly in the light of the consequences of Covid-19 and other events and conditions. Despite the curtailment of activities in 2021 relative to pre-pandemic conditions, general fund reserves remain at a healthy level; and while costs are expected to increase in 2022 because of inflation and the full-year costs of our Curate who joined us in June 2021, the PCC considers that reserves will continue to be maintained at or above the policy level of £60k for a further 12 months.

Accordingly, the PCC has determined that the current conditions do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern for at least twelve months following the date of signature of the balance sheet.

Income

Total income decreased by £22k to £666k. Large reductions in legacy income (£46k) and grant income (£20k) were offset by increases in one-off donations (£27k) and income from church activities (£17k) as activities restarted in the later part of the year.

Income to General Funds decreased by £47k to £537k, principally because of the reduction in legacy income of £53k; the £53k received in 2020 was included in the General Fund whereas income of £7k in 2021 was included in Designated Funds. Further, other donations reduced by £6k although it was encouraging that regular standing orders increased in November and December following a giving appeal at the end of October. These reductions were offset by increases in income arising from gradually increasing activity levels; hall lettings increased by £5k, income from church activities such as fees for weddings and funerals and the Cobbles café increased by £7k. Planned regular giving, which represents over 80% of general fund income, was maintained at about the same level as in 2020 and is of great benefit in financial planning.

Income to Designated Funds increased by £17k to £81k. Legacy income of £7k was included in Designated Funds in 2021, whereas the £53k received in 2020 was included in the General Fund. Grant income of £5k (2020: £0) was received government's Listed Places of Worship Scheme, Stepping Stones income increased by £3k and other group activity income increased by £2k.

Income to Restricted Funds increased by £8k to £48k. Restricted donations from church members totalled £28k (2020: £1k) and these have been placed in the Restricted Legacies and Donations Fund. Knowle United Charity (KUC) made a grant of £17k (2020: £29k, covering two years) towards youth and children's workers' salaries and a further grant of £200 (2020: £2,700) towards Penny's Youth Café. The PCC is very grateful for KUC's ongoing support over many years. In 2020, Solihull Metropolitan Borough Council kindly made a grant of £4,400 towards Penny's Youth Café.

Expenditure

Contributions to the Diocesan Common Fund of £170k (2020 £169k) were in line with the amount requested; of this, about £50k is used to support other parishes. The PCC also made contributions to the Church's wider ministry by continuing the policy of giving 5% of voluntary General Fund income to outside organisations, which amounted to £32k (2020: £33k), making a total of £82k (2020: £84k) towards mission and ministry work beyond Knowle. In 2021, retiring collections and other mission payments not included in the main church accounts totalled £3k, but there were no such collections in 2020 because of the Covid restrictions.

Total expenditure in 2021 increased by £46k to £694k.

General Fund expenditure increased by £5k to £561k. Parish Office costs increased by £19k as the strengthened team was in place for a full year, having been recruited in stages during 2020. This was offset by a reduction in clergy housing costs of £10k because we only accommodated the new Associate Vicar for 3 months and a £4k reduction in buildings maintenance and running costs.

Designated Fund expenditure increased by £44k to £113k. The cost of church repairs (£27k) and exceptional churchyard maintenance (£3k) following the quinquennial inspection, and of preparing the interior of St Anne's Cottage for occupation by the new Curate (£7k) were met from designated funds. Stepping Stones costs were £5k higher because it was possible to open for a full year.

5. Financial review (continued)

Expenditure (continued)

Restricted Fund expenditure reduced by £3k to £20k. The vacancy for a Youth Assistant for part of the year resulted in a lower amount of youth department salary costs being charge against restricted income.

Principal risks and uncertainties

The principal area of risk and uncertainty is the responsibility for the upkeep of an ancient listed building, which can give rise to large and sometimes unexpected expenditure. This risk is mitigated by the maintenance of a Designated Property Repair Fund.

6. Reserves policy

The PCC has reconfirmed its policy to maintain a balance on General Fund of a least 10%, or 5 weeks, of annual payments from the Fund. This is equivalent to £60,000 and is as low as is prudent bearing in the mind the time taken to obtain tax refunds, and the amount of income that still comes as one-off donations. This does, however, mean that any money given to the Church will be put to good use immediately! The actual balances of net current assets in the General Fund at the year-end of £85,895 are therefore in line with PCC policy. The funds held by designated organisations such as Stepping Stones are proportionately larger because their income is less certain than that of the church.

The PCC also maintains a Designated Property Repair Fund to cover the costs of major repairs; the balance on this fund of £67,143 is expected to be sufficient for any works necessary in 2022.

The Designated Legacies Fund, created to hold the balances of legacies received but not yet allocated to specific purposes by PCC, stands at £60,432.

7. Fundraising practices

The church invites voluntary donations from the public which, together with the associated Gift Aid, comprise the majority of the church's income. The PCC has reviewed its fundraising activity to ensure compliance with the latest Charity Commission guidance. The church does not use any commercial fundraiser or commercial participator. Although the church does not subscribe to particular fundraising standards or to any scheme for fundraising regulation, it follows guidelines for fundraising set by the Church of England. Fundraising activities are normally limited to invitations by the Clergy and/or Treasurer for church members to prayerfully review their giving to charitable activities including the church, and supported by information leaflets and presentations which set out the financial position of the church, normally given on "Stewardship Sunday". Particular care is taken to ensure the protection of vulnerable people and other members of the public from behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent, or places undue pressure on a person to give money or other property. No complaints have been received by the church related to its fundraising activity.

8. Plans for future periods

Our aim and purpose will remain as stated in 1 above. The Trustees will work to develop and implement our goals under our 2021 vision statement. We will continue to run and develop our programme of worship services, groups, activities and special events, with changes to meet needs and initiatives as they arise. Our motivation remains that, as KPC, 'We are here to help people become lifelong followers of Jesus Christ'.

9. Structure, governance and management

The PCC is a corporate body established by the Church of England governed by the Parochial Church Council (Powers) Measure 1956 and the Church Representation Rules. It is a registered charity with the Charity Commission (no. 1127404).

The trustees of the charity are the PCC members. The method of appointment of PCC members is set out in the Church Representation Rules. At KPC, the membership of the PCC consists of the incumbent and other appointed clergy, members (including a Reader and churchwardens) elected by members of the congregation who are on the Electoral Roll of the church.

Those who regularly attend services and participate in church activities are encouraged to register on the Electoral Roll and may also to stand for election to the PCC.

Members of the PCC are one of (i) co-opted, (ii) directly elected by the APCM, or (iii) members of our church who have been elected to Diocesan Synod to represent our Deanery.

As at the year-end, following the APCM on 28th April, there were:

- 6 elected members with Deanery Synod membership and
- 9 elected members without Deanery Synod membership.
- 1 co-opted member was appointed from June

9. Structure, governance and management (continued)

Any member of the Church may offer themselves for election to PCC at the APCM provided they qualify under the Church Representation Rules. Appropriate nomination forms may be obtained from the PCC Secretary via the Parish Office. Nominees to PCC can obtain appropriate information from the PCC Secretary on both the role of the PCC and the role of members.

The policies and procedures for the induction and training of trustees are as follows:

Prior to the PCC elections, prospective PCC members receive an information leaflet setting out the role of the trustees and particularly drawing attention to conflicts of interest. After election, PCC members receive the Charity Commission's "Essential Trustee" booklet, the Church of England booklet "Trusteeship – An Introduction for PCC Members" and an internally-produced document setting out the constraints on payments to PCC members or connected persons. Part of the PCC meeting which follows the PCC election is dedicated to trustee training.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent.

The PCC held 8 business meetings during the year plus 2 consultation meetings about vision and goals. There are 6 permanent Sub-committees: – Standing, Fabric, Finance, Health & Safety (who undertake risk reviews on behalf of the PCC), Human Resources (Paid Staff), and Stepping Stones Pre-school Management. A vision Co-ordinating Group was set up in September and subsequently four groups to address each of the vision goal areas.

The key management personnel of the charity is the Standing Committee, made up of the senior clergy, the churchwardens, the secretary, the treasurer and the operations manager. The Standing Committee may conduct urgent PCC business that arises from time to time between PCC meetings, in accordance with the Church Representation Rules. Of the key management personnel, only the operations manager (being an employee) receives remuneration from the charity.

All Sub-committees report to the PCC on a regular basis and provide recommendations to the PCC. All matters of policy and finance are determined by the PCC, and are not delegated to Sub-committees; however, detailed implementation of PCC decisions may be delegated to specific Sub-committees from time to time as determined by the PCC. Membership of the Sub-committees is approved by the PCC. Other groups exist on an ad hoc basis to deal with specific matters. Effort was again put into monitoring the balance between spending and income, so as to achieve a balanced budget, with appropriate provision for forthcoming fabric expenditure.

Safeguarding

The council has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults. The PCC has appointed a Parish Safeguarding Co-ordinator. Safeguarding is a standing item on the agenda at every PCC business meeting. Time was spent in 2021 considering the implementation of new procedures announced during the year.

10. Reference and Administrative details

The registered name of the charity is The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull, registered charity no. 1127404. In this report, for ease of reading, the charity is also referred to as "the PCC", "Knowle Parochial Church Council", "the Council", "Knowle Parish Church" and "KPC".

Knowle Parish Church is situated beside High Street and Kenilworth Road, Knowle. It is part of the Diocese of Birmingham in the Church of England. The correspondence address is Knowle Parish Office, St Lawrence House, 1717 High Street, Knowle, Solihull, B93 0LN.

The following members served on the council for all or part of the year; those serving in more than one capacity may appear more than once:

Incumbent:	Revd Geoffrey Lanham (Chairman)	
Associate Vicars:	Revd Steve Johnson (<i>from September</i>)	
Curate:	Revd Emily Spencer (<i>from July</i>)	
Churchwardens:	Matt Baggott (lay deputy chair)	Liz Welton (<i>from February</i>)
Member of Diocesan Synod:	Julian Phillips (Reader)	

Elected Representatives to Deanery Synod:

Nick Brown	Roy Carr (Secretary)	Nick Humby
Carol Kay	Julian Phillips	David Pickering

Elected members to PCC:

Lynn Brown	Sarah Chapman	Nick Houghton
Victor Hu (<i>from April</i>)	Steve Mort (Treasurer)	Benjamin Neudorfer

10. Reference and Administrative details (continued)

Anne Smith

Rod Street

Kay Todman

Liz Welton (*until February*)

Co-opted member:

Claire Carter (*from June*)

Helen Allen, Sarah Covington and Paul Holden attended PCC meetings in a non-voting capacity.

Bank:

HSBC Bank plc, 34 Poplar Road, Solihull, B91 3AF

Auditors:

Azets Audit Services

First Floor, Copthall House, 1 New Road, Stourbridge, West Midlands, DY8 1PH

11. Statement of trustees' responsibilities

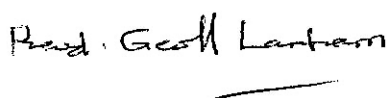
The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report approved by the PCC and signed on its behalf by



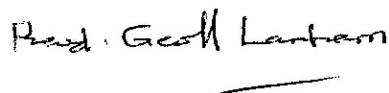
Revd Geoffrey Lanham (incumbent)

**Statement of financial activities
for the year ended 31 December 2021**

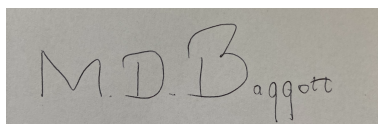
Funds		Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		2021	2021	2021	2021	2020	2020	2020	2020
		£	£	£	£	£	£	£	£
		<i>Note</i>							
Income from:									
Donations and legacies	1.a	486,086	13,398	48,280	547,764	545,508	1,823	40,116	587,447
Charitable activities	1.b	49,149	65,926	-	115,075	35,951	61,295	-	97,246
Other trading activities	1.c	1,976	1,308	-	3,284	1,985	971	-	2,956
Investments and deposits	1.d	74	-	330	404	580	-	205	785
Total income		537,285	80,632	48,610	666,527	584,024	64,089	40,321	688,434
Expenditure on:									
Raising funds	2a	2,707	198	-	2,905	2,459	478	-	2,937
Charitable activities	2b 2c	558,710	112,453	19,988	691,151	553,727	68,147	23,285	645,159
Total expenditure		561,417	112,651	19,988	694,056	556,186	68,625	23,285	648,096
Net income/(expenditure)		(24,132)	(32,019)	28,622	(27,529)	27,838	(4,536)	17,036	40,338
Transfer General Funds to Designated Funds	6	(20,000)	20,000	-	-	(63,000)	63,000	-	-
Transfer Restricted Funds to General Fund	6	-	-	-	-	-	-	-	-
Net movement in funds		(44,132)	(12,019)	28,622	(27,529)	(35,162)	58,464	17,036	40,338
Reconciliation of Funds:									
Funds brought forward		1,433,260	188,695	62,079	1,684,034	1,468,422	130,231	45,043	1,643,696
Funds carried forward		1,389,128	176,676	90,701	1,656,505	1,433,260	188,695	62,079	1,684,034

Balance sheet at 31 December 2021

Funds	Note	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		2021	2021	2021	2021	2020	2020	2020	2020
		£	£	£	£	£	£	£	£
Fixed Assets									
Tangible fixed assets	4.1	1,303,233	-	-	1,303,233	1,335,745	-	-	1,335,745
Investment assets	4.2	-	-	1,742	1,742	-	-	1,482	1,482
Sub Total - Fixed Assets		1,303,233	-	1,742	1,304,975	1,335,745	-	1,482	1,337,227
Current assets									
Debtors - HMRC gift aid tax recoverable		7,190	-	-	7,190	8,053	-	-	8,053
- Legacy - outstanding settlement		13,177	-	-	13,177	23,000	-	-	23,000
- Prepayments of insurance and other minor items		1,782	4,852	-	6,634	1,782	1,357	-	3,139
Cash and cash equivalents									
- Bank accounts		64,865	129,795	44,083	238,743	78,963	99,736	42,720	221,419
- Deposit accounts		23,058	42,706	45,000	110,764	2,706	90,000	18,000	110,706
- Cash		276	265	-	541	501	265	-	766
Sub Total - Current Assets		110,348	177,618	89,083	377,049	115,005	191,358	60,720	367,083
Liabilities: Falling due within one year					-				-
Creditors and accruals in respect of parochial activity		21,472	942	-	22,414	14,756	2,663	-	17,419
Charity collections not paid over		-	-	124	124	-	-	123	123
Deferred Income (rentals and mag adverts paid in advance)		2,981	-	-	2,981	2,734	-	-	2,734
Sub Total - Liabilities		24,453	942	124	25,519	17,490	2,663	123	20,276
Sub Total - Net Current Assets		85,895	176,676	88,959	351,530	97,515	188,695	60,597	346,807
Total Net Assets		1,389,128	176,676	90,701	1,656,505	1,433,260	188,695	62,079	1,684,034
Funds									-
Unrestricted (General Fund)		1,389,128	-	-	1,389,128	1,433,260	-	-	1,433,260
Designated	6	-	176,676	-	176,676	-	188,695	-	188,695
Restricted	6	-	-	90,701	90,701	-	-	62,079	62,079
					-				-
Total		1,389,128	176,676	90,701	1,656,505	1,433,260	188,695	62,079	1,684,034

Approved by the Parochial Church Council on 23rd February 2022 and signed on its behalf by:


Revd Geoff Lanham: Chairman



Matt Baggott: Vice Chairman

Statement of Cash Flows
for the year ended 31 December 2021

Funds Note	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2021 £	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £	2020 £
Cash flows from operating activities:								
Net movement in funds per SOFA	(44,132)	(12,019)	28,622	(27,529)	(35,162)	58,464	17,036	40,338
Adjustments for:								
Depreciation charges	36,073	-	-	36,073	39,365	-	-	39,365
(Increase)/decrease in debtors	10,686	(3,495)	-	7,191	(9,956)	(139)	-	(10,095)
Increase/(decrease) in creditors	6,963	(1,721)	1	5,243	(4,512)	1,470	(5,426)	(8,468)
Net cash provided by (used in) operating activities	9,590	(17,235)	28,623	20,978	(10,265)	59,795	11,610	61,140
Cash flows from investing activities:								
Purchases of fixed assets	(3,561)	-	-	(3,561)	(2,902)	-	-	(2,902)
Purchases of investments	-	-	(260)	(260)	-	-	(136)	(136)
Net cash provided by (used in) investing activities	(3,561)	-	(260)	(3,821)	(2,902)	-	(136)	(3,038)
Change in cash and cash equivalents in the reporting period	6,029	(17,235)	28,363	17,157	(13,167)	59,795	11,474	58,102
Changes in cash and cash equivalents:								
Opening balances:								
Current account	78,963	99,736	42,720	221,419	52,657	79,631	31,246	163,534
Deposit account	2,706	90,000	18,000	110,706	42,238	50,000	18,000	110,238
Cash	501	265	-	766	442	575	-	1,017
Total opening balances	82,170	190,001	60,720	332,891	95,337	130,206	49,246	274,789
Closing balances								
Current account	64,865	129,795	44,083	238,743	78,963	99,736	42,720	221,419
Deposit account	23,058	42,706	45,000	110,764	2,706	90,000	18,000	110,706
Cash	276	265	-	541	501	265	-	766
Total closing balances	88,199	172,766	89,083	350,048	82,170	190,001	60,720	332,891
Increase/(decrease) in net cash holdings	6,029	(17,235)	28,363	17,157	(13,167)	59,795	11,474	58,102

I. Income analysis

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2021 £	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £	2020 £
1a Donations and legacies:								
Envelope scheme	1,982	-	-	1,982	2,121	-	-	2,121
Regular Standing orders	354,751	-	-	354,751	360,155	-	-	360,155
One-off donations	20,551	-	23,000	43,551	15,985	-	-	15,985
Other Stewardship & CAF	21,456	-	-	21,456	22,200	-	-	22,200
Gift Aid Tax recoverable (GAT)	84,614	305	5,750	90,669	88,600	440	135	89,175
Cash collections	1,892	-	-	1,892	3,085	-	-	3,085
Other income	120	-	-	120	140	-	-	140
Collections for charities	-	-	-	-	-	-	-	-
Grants/donations for young people's work	-	1,100	19,480	20,580	-	1,021	39,281	40,302
Donations, appeals, etc.	720	4,561	50	5,331	141	362	700	1,203
Legacies	-	7,432	-	7,432	53,081	-	-	53,081
Total	486,086	13,398	48,280	547,764	545,508	1,823	40,116	587,447
1b Income from Church Activities:								
Parish magazine	19,884	-	-	19,884	19,423	-	-	19,423
Bookstall	-	-	-	-	618	-	-	618
Ministry group contributions	8,439	-	-	8,439	5,098	-	-	5,098
Church and hall lettings	9,333	-	-	9,333	3,589	-	-	3,589
Wedding and Funeral Fees	11,256	-	-	11,256	7,183	-	-	7,183
Other Group Activities	237	65,926	-	66,163	40	61,295	-	61,335
Total	49,149	65,926	-	115,075	35,951	61,295	-	97,246
1c Other trading activities (incl. rentals)	1,976	1,308	-	3,284	1,985	971	-	2,956
1d Investment dividends and interest	74	-	330	404	580	-	205	785
Total income	537,285	80,632	48,610	666,527	584,024	64,089	40,321	688,434

2. Expenditure analysis

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2021 £	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £	2020 £
2a Raising funds								
Costs attributable (mainly to rents received)	2,707	198	-	2,905	2,459	478	-	2,937
Sub-total	2,707	198	-	2,905	2,459	478	-	2,937
2b Charitable activities: Mission								
Outside giving to charities (see note 7)	31,685	816	-	32,501	33,062	507	-	33,569
2c Charitable activities: Ministry:								
Diocesan Common Fund	170,160	-	-	170,160	169,335	-	-	169,335
Clergy expenses	3,433	-	-	3,433	3,777	-	-	3,777
Clergy and youth worker housing costs	20,106	6,767	-	26,873	29,720	-	-	29,720
Ministry groups	2,882	-	-	2,882	2,557	-	-	2,557
Ministry services incl. books and sundries	3,273	-	-	3,273	5,609	-	-	5,609
Pastoral care expenses	-	-	-	-	-	-	200	200
Other Group Activities	-	1,654	-	1,654	-	945	-	945
Children's ministry	51,496	69,374	8,863	129,733	55,633	61,995	8,278	125,906
Youth ministry	47,353	2,338	10,574	60,265	42,141	4,305	14,807	61,253
Church running expenses	26,476	27,235	551	54,262	34,949	-	-	34,949
Parish magazine costs	22,595	-	-	22,595	22,452	-	-	22,452
Bookstall expenditure	-	-	-	-	428	-	-	428
Churchyard upkeep	10,025	3,114	-	13,139	11,660	-	-	11,660
St John's Hall expenses	45,412	-	-	45,412	39,275	-	-	39,275
Guild House expenses	7,534	-	-	7,534	7,826	-	-	7,826
Music & Choir expenses	17,420	563	-	17,983	16,802	-	-	16,802
Parish Office and Admin costs	80,975	-	-	80,975	61,825	-	-	61,825
Insurance	12,759	-	-	12,759	11,921	-	-	11,921
Other Expenses	996	592	-	1,588	855	395	-	1,250
Governance/audit/accounts costs	4,130	-	-	4,130	3,900	-	-	3,900
Sub-total	558,710	112,453	19,988	691,151	553,727	68,147	23,285	645,159
Total expenditure	561,417	112,651	19,988	694,056	556,186	68,625	23,285	648,096

3. Accounting Policies

3.1 Basis of Preparation

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members. The accounts include a number of church organisations that operate their own finances, as required by the Charities Act 2011; these organisations are listed at Note 6.

The financial statements have been prepared in accordance with the Church Accounting Regulations 2006 governing the individual accounts of PCCs, and with the Regulations' 'true and fair view' provisions, together with FRS 102 (2019) as the applicable accounting standards and the 2019 version of the Statement of Recommended Practice, Accounting and Reporting by Charities SORP (FRS 102).

Knowle PCC meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in GBP, which is the functional currency of the charity, and are rounded to the nearest £1.

Going concern - the trustees have considered the ongoing consequences of Covid-19 and other events and conditions. Despite the continued curtailment of activities in 2021, reserves have been maintained above the charity's approved policy level of £60k; and while costs are expected to increase in 2022 because of increased clergy levels, the PCC considers that reserves will continue to be maintained at or above the policy level of £60k for a further 12 months, notwithstanding the ongoing effects of Covid-19. Accordingly, the PCC has determined that the current conditions do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern for at least twelve months following the date of signature of the balance sheet.

3.2 Funds

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use. The PCC at its discretion has elected to designate certain unrestricted funds for a particular purpose. The practical operation of the funds is as follows:

The Parish General Fund

The PCC is responsible for all church funds, but this is the fund where income is received for the PCC to decide how it is best deployed to achieve the church's Christian charitable objectives. The General Fund balance is effectively unspent income and is retained as a cushion against uncertainties.

Designated Funds

Designated funds for Property and Churchyard repairs and renovation are maintained by the PCC to separately manage the high and irregular costs involved. Gifts for fabric repairs or renovation are taken to the designated Property Fund if they can be related to costs incurred during the year. If a gift is for a specific fabric related purpose which is not carried out in the current year, then they are allocated to the restricted Property Repair Fund. A Designated Legacy Fund has been established to hold the balance of unrestricted legacies received until the PCC allocates them to a specific purpose. Designated funds also include the funds of the church organisations that operate their own finances; most of the income of these funds is payment for the provision of charitable activities. The designated funds are listed at Note 6.

Restricted Funds

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for specific purposes. The restricted funds are listed at Note 6.

3.3 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, the amount can be measured reliably and it is probable that the income will be received.

Voluntary income and planned giving, including covenants, are recognised when received by or on behalf of the PCC. Income tax recoverable on gift aid donations is recognised when the donations are received.

Most non-donation income is treated as income from charitable activities as the income derives from the provision of charitable (or Christian) services to local parishioners in pursuit of the Christian objectives of the church.

The amount of purely fundraising activity is small and normally consists of rental income from church facilities and residential property when these are not needed for church purposes.

Sales of books and other material from the bookstall and sales of the Parish Magazine are accounted for gross.

3. Accounting Policies (continued)

Rental income is recognised according to the period to which it relates and is shown gross, even though some of the rental income comes from other PCC funds such as the Stepping Stones pre-school.

Dividends and interest from investments are accounted for when receivable except that interest on deposits with the Central Board of Finance for the Church of England are accrued.

Grants, legacies and donations to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount can be reliably estimated.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Realised gains or losses are recognised when investments are sold.

Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

3.4 Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, it is probable that the amount will be paid and the amount can be measured reliably. The charity is not registered for VAT purposes and expenditure is shown inclusive of VAT. Grants and donations by the PCC are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC. The Diocesan Common Fund is accounted for when paid.

Expenditure on Raising Funds is the directly attributable cost of renting out church facilities and residential property when these are not required for church purposes, plus an allocation of costs associated with administration. In practice for church facilities, this involves estimating the variable costs per session of operating the facilities and expressing this as a percentage of the average rental charge. For residential property that is normally held for clergy or staff housing, only those outgoings specifically related to the rental activity are identified as fundraising costs.

3.5 Fixed Assets

Consecrated and beneficed property

Consecrated and beneficed property is excluded from the accounts by Charities Act 2011 s.10 (2)(a). No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

Land and Buildings

Land and buildings are stated at cost (or deemed cost) less accumulated depreciation. Straight line depreciation lives are applied to components as follows:

- Building and roof structures 100 years
- Roof surfaces 70 to 80 years
- Windows, doors plumbing and cabling 40 to 50 years
- Internal facilities and integral equipment 15 years
- Land is not depreciated
- Grade II Listed buildings 900 years

Fittings, Furnishings and Equipment

- Furnishings and equipment are capitalized where the cost is above £1,500. However, lower value items, of immaterial value in total, may also be capitalized where the related records provide a control over the use and deployment of the assets (e.g., laptops). Straight-line depreciation is applied, with lives determined specifically to each type of asset, up to 10 years with computer equipment and related software at 5 years.

3.6 Investments

Investments are valued at market value at 31 December. Realised and unrealised gains or losses on investments are dealt with in the Statement of Financial Activities.

3. Accounting Policies (continued)

3.7 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Amounts owing to the PCC as at 31 December in respect of fees, rents or other income are shown as other debtors, net of any provision for amounts that may prove uncollectible. Short-term deposits include cash held on deposit either with the CBF Church of England Funds or at the bank or small balances of petty cash.

Creditors and accruals in respect of parochial activity comprise Trade Creditors of £2,558 (2020 - £1,943) and Accruals of £18,914 (2020 - £12,813).

3.8 Pension Schemes

The church contributes to defined contribution pensions for one longer standing employee and also provides pension arrangements for auto-enrolment of staff via the Diocesan Scheme set up in compliance with current pension legislation. The assets of the schemes are held separately from those of the charity. The contributions payable are charged to the statement of financial activities.

4. Fixed Assets and Investments for use by the PCC

4.1 Fixed Assets

The majority of the fixed assets by value comprise the five properties beneficially owned by the PCC as follows:

- Residential properties – St Anne's Cottage and 46 Crabmill Close
- Offices and meeting places – St John's Hall, St Lawrence House and the Guild House

Title to all the land on which the buildings are situated is held by Birmingham Diocesan Trustees Registered as custodian trustees, on behalf of the PCC because the PCC is not permitted by law to be the registered owner of land.

On the implementation of FRS102 the residential properties were valued at open market prices and the offices/meeting places at depreciated current replacement cost. The valuation of the Guild House included an impairment appraisal that wrote down to zero the structure of this medieval building that is very expensive to maintain and where the NPV of the related excess costs over a modern equivalent is equal to or greater than the undepreciated replacement cost of a modern equivalent.

	Land and buildings	Fittings, Furnishings and equipment	Projects in progress	Total
	£	£	£	£
Cost or deemed cost				
At beginning of the year	1,403,737	142,057	-	1,545,794
Additions	-	3,561	-	3,561
Disposals	-	(543)	-	(543)
Revaluations	-	-	-	-
Transfers	-	-	-	-
<i>At end of the year</i>	1,403,737	145,075	-	1,548,812
Depreciation and impairments				
At beginning of the year	(128,834)	(81,215)	-	(210,049)
Disposals	-	543	-	543
Depreciation	(21,067)	(15,006)	-	(36,073)
Impairment	-	-	-	-
Transfers	-	-	-	-
<i>At end of the year</i>	(149,901)	(95,678)	-	(245,579)
Net book value at beginning of year	1,274,903	60,842	-	1,335,745
Net book value at end of year	1,253,836	49,397	-	1,303,233

4. Fixed Assets and Investments for use by the PCC (continued)

4.1 Fixed Assets (continued)

Land and Buildings

Included within Land and buildings is £300,000 (2020 - £300,000) of freehold land which is not depreciated.

Fittings, Furnishings and Equipment

The additions comprised three computers.

4.2 Investments

Investments of £1,742 represent shares in the CBF's Investment Fund at market value as at 31 December 2021 (2020 - £1,482). The historic cost of these shares was £856 (2020 - £813).

5. Staff Costs and Numbers Employed

	2021	Average Numbers Employed	2020	Average Numbers Employed
	£		£	
Youth & children's leadership	96,339	4	91,514	4
Parish Office staff	94,722	6	80,371	5
Stepping Stones	52,304	7	53,836	7
National insurance	10,734		10,645	
Pension	4,550		4,079	
Total	258,650	17	240,444	16

(Note: Facilities & Systems Manager and Music Minister are included in Parish Office staff)

Youth and Children's leadership costs include redundancy costs of £2,833 (2020: nil) following the reorganisation of the team. The part-time Assistant Youth Minister returned from maternity leave at the beginning of the year. The Parish Office was fully staffed for the whole of 2021, having been only partly staffed for a significant part of 2020.

Parish workers and clergy received £2,289 (2020: £2,168) by way of reimbursement of expenses whilst on PCC business. In addition, clergy housing costs amounted to £14,923 (2020: £20,134) and accommodation was also provided for a member of the Youth team to carry out his duties effectively. £7,200 (2020: £16,200) of the clergy accommodation costs was paid to Pickering Fields Trust for the rental of a property on Newton Road which normally houses the Associate Vicar; the lower level is because the new Associate Vicar, Steve Johnson, arrived in August 2021 whereas his predecessor was in place for the period January to September 2020.

The average head count during the year was 17 (2020: 17). No employees received employee benefits of more than £60,000.

The key management personnel of the charity is the Standing Committee, made up of the senior clergy, churchwardens, the secretary, the treasurer and the operations manager. Of the key management personnel, only the operations manager (being an employee) receives remuneration from the charity and their employee benefits in 2021 totalled £35,095 (2020: £26,901) including employers pension contributions of £841 (2020: £486) but not including employers National Insurance contributions of £3,509 (2020: £2,635). The operations manager commenced employment with the charity on 23rd March 2020, so the 2020 comparative figures represent about 9 months' employee benefits.

One trustee, Sarah Chapman, is employed as Assistant Children's Minister and, until 31.12.21, as a member of Stepping Stones staff. Her employee benefits in 2021 totalled £6,042 (2020: £5,765) including employers pension contributions of £0 (2020: £0) but not including employers National Insurance contributions of £7 (2020: £0).

Clergy are not employees of the charity.

6. Fund Details

Restricted Funds

The restricted funds arise where donations have been made for a specific purpose and funds are retained awaiting disbursement.

Restricted Funds	Balance	Movement in resources			Balance
	01-Jan 2021	Incoming	Gains and losses	Outgoing	31-Dec 2021
	£	£	£	£	£
R.A.C.K. Roof Fund	1,482	43	216	-	1,741
Restricted Legacies and Donations Fund	24,320	28,750	-	-	53,070
Property Repair/Renovation Fund	551	-	-	(551)	-
Pontifex Clock Fund	1,772	70	-	-	1,842
Organ Fund	576	-	-	-	576
Soldiers' Chapel	7,535	-	-	-	7,535
Choir Fund	675	50	-	-	725
Grants to employ Children and Youth Workers	15,225	19,281	-	(17,725)	16,781
Restricted Gifts and Grants for Youth Activities	9,943	200	-	(1,712)	8,431
Totals	62,079	48,394	216	(19,988)	90,701

The RACK Roof Fund consists of donations received many (30+) years ago towards major roof repairs which are being held for the future. The income and gains/losses arise from investments related to the fund.

The Restricted Legacies and Donations Fund consists of various gifts and legacies where the donor has specified a specific use. The balance on the fund now comprises:

	£
A 2021 gift not to be used to meet regular expenditure, but to be held at the discretion of the PCC for identifiable projects	22,500
Remainder of a 2018 grant from a legacy trust, given with a bias towards youth work	21,000
A 2021 gift towards the Vision project	6,250
Others	3,320

The Property Repair and Renovation Fund consists of restricted donations received in the past towards major property repairs. In 2021, some of the costs arising from the quinquennial inspection of the church building by the church architect were met from this fund, with the balance being met from the Designated Property Repair Fund.

The Pontifex Clock Fund consists of accumulated donations from the Knowle Church Clock Trust (a separate charity), also known as the Pontifex Clock Trust, towards repair and maintenance of the Knowle Parish Church clock and weathervane and for their eventual replacement.

The Organ Fund consists of restricted donations received towards major renovation and repairs to the organ which are being held for the future.

The Choir Fund consists of restricted donations received for the Choir, and also monies received from weddings in excess of the amounts distributed to choir members, and is available for choir activities.

The Soldiers Chapel Fund arose from a major project in c.2010 to restore the decorated plasterwork in the Soldiers Chapel, situated at the north-east corner of the nave in the church. Generous donations were gratefully received towards this project from a number of sources including the Royal British Legion. The fund now consists of the excess of donations received over the cost of the project and is being held over to fund any further restoration work that may be required in the future.

Grants to employ Children and Youth workers include a grant of £17k by Knowle United Charities towards payment of salaries which has been retained in the fund towards salaries in 2022.

The Restricted Gifts and Grants for Youth Activities Fund, formerly called the Youth Charity Fund, has been used to account for the dedicated gifts and fundraising income, and the costs incurred, for the mission trips which occurred in previous years; the remaining balance from these trips of £7,849 is being held over towards future trips, by agreement with the donors. This fund also holds restricted grants towards Penny's Youth Café; during 2021, café expenditure of £1,712 was met from a prior grant from Knowle United Charity, which kindly made a further grant of £200, leaving £582 available to help with costs in 2022.

6. Fund Details (continued)

Designated Funds

Designated Funds	Balance 01-Jan 2021	Movement in resources			Balance 31-Dec 2021
	£	Incoming £	Transfers £	Outgoing £	£
Organisations which operate their own finances*					
Stepping Stones	19,629	62,304		(68,046)	13,887
Others	23,274	6,436		(7,490)	22,220
Funds maintained within church finances:					-
Church Away Weekend	1,198	-	-	-	1,198
Property Repair Fund	76,684	4,460	20,000	(34,001)	67,143
Churchyard Fund	14,910	-	-	(3,114)	11,796
Designated Legacies Fund	53,000	7,432	-	-	60,432
Totals	188,695	80,632	20,000	(112,651)	176,676

*There are a number of church organisations that operate their own finances. The Charities Act 2011 requires their figures to be included and they include Rainbow Tots, Stepping Stones, Bell Ringers, Friendship Club, Youth, Wedding & Funeral Fees, and the Flower Guild.

Church Away Weekend – this is the surplus arising from the last church away weekend in 2018, which is being carried forward to be used for the next church away weekend.

The Property Repair Fund has been designated by the PCC for any major work to the church's properties. Grant income of £4,460 was received into this fund from the government's Listed Places of Worship Scheme, and most of the costs arising from the quinquennial inspection of the church building by the church architect were met from this fund. In view of further work that is planned for the coming years and the need to maintain the fund at a level which can sustain unexpected costs, the PCC has transferred £20k (2020: £10K) from General Fund into this fund expects to make transfers of a similar amount in the future.

The Churchyard Fund has been designated by the PCC for any non-routine work that may be required in the churchyard. During 2021, a tree survey has been carried out; the costs of the survey and the resultant remedial work were met from this fund.

The Designated Legacies Fund was created in 2021 to hold the balances of legacies received but not yet allocated to specific purposes by PCC. During 2021, legacy income of £7,432 has been added to this fund.

Unrestricted Funds

Included with unrestricted funds is £386,923 of non-distributable reserves which arose on the revaluation of land and buildings on the implementation of FRS102.

7. Outside Giving & Retiring Collections

This year the church supported other charities, mission work and individuals to a total of £33k, with £1,020 of this being a share of the gross receipts of the “Cobbles” Saturday morning informal café, where the Cobbles leadership nominate a different charity every few months. In addition, £2.7k was given directly to other charities and mission work through the organisation of retiring collections and fundraising events for specific charities. This latter “pass-through” income was excluded from the accounts but included here to provide a more complete picture of the fundraising activity of the church. Details of these payments are shown below.

Charity	Gen/Desig Funds £	Pass through £	Total 2021 £	Gen/Desig Funds £	Pass through £	Total 2020 £
Tearfund (including £2000 for Yemen Appeal)	4,336	452	4,788	2,180		2,180
Diocese of Bolivia	4,029		4,029	6,025		6,025
International Assistance Mission - Afghanistan	3,500		3,500			
Kenya Mission Initiatives	3,000		3,000	3,000		3,000
St Johns Sparkhill	3,000		3,000	3,000		3,000
St Christophers Springfield	3,000		3,000	3,000		3,000
Reachout Network Ministries	3,000		3,000	2,000	93	2,093
Malawi Task Group, CoFE Birmingham	2,000		2,000	2,000		2,000
St Andrews Chelmsley Wood	1,500		1,500	1,500		1,500
St Basils		1,428	1,428			
Urban Saints	1,300		1,300	1,310		1,310
Narthex Food Bank	1,020		1,020			
International Needs	1,000		1,000	1,000		1,000
Scripture Union	1,000		1,000	1,000		1,000
Christian Aid	100	789	889	100		100
Compassion	516		516	654		654
Royal Voluntary Service (dementia support)	200		200			
St Philips & St James Dorridge - Building Project				2,000		2,000
Aston Parish Church				500		500
Holy Trinity Smethwick				500		500
St Germain's Edgbaston				500		500
St Gabriel Weoley Castle				500		500
St Johns Ladywood				500		500
St. Margaret Short Heath				500		500
St. Thomas Garretts Green				500		500
Chaplaincy Plus - Birmingham				500		500
Matt Roberts-Davies (Kenya)				500		500
Others				300	354	654
Total	32,501	2,669	35,170	33,569	447	34,016
Less collections made specifically for other charities		(2,669)	(2,669)		(447)	(447)
Total giving by KPC (per accounts note 2)	32,501		32,501	33,569		33,569

8. Contingent Liabilities

No contingent liabilities have been identified.

9. Related Parties (as required by Charities Act 2011 and FRS 102 Section 33)

At each meeting of the PCC the council members are required to declare any conflicts of interest that may arise or have arisen and where there is such a conflict then that member will not vote on any proposal involving the related party. There are three related parties of significance in 2021:

- Pickering Fields Trust (PFT) which, with the Church, shares the vicar and two churchwardens as trustees. However, as Knowle PCC has approximately 20 members, there is not common control, as defined in the legislation.
- Knowle Church Clock Trust (also known as Pontifex Clock Trust - Registered Charity Number 514954) which, with the Church, shares the vicar and two churchwardens as trustees. However, as Knowle PCC has approximately 20 members, there is not common control, as defined in the legislation.
- Knowle United Charity which, with the Church, shares a member of clergy as a trustee.

9. Related Parties (continued)

Pickering Fields Trust has the official name 'Charities for Ecclesiastical and Other Purposes' - charity number 238492. Apart from a small amount of investment income, it derives all its income from the rental of its house to Knowle Parish Church for clergy use (see note 5) which amounted to £7,200 in 2021 (2020 £16,200). It, in turn, at the discretion of its 3 trustees and within its objectives, generally pays all its donations to the church, in support of renovation and fabric repair projects and the charitable work of the church. There were no payments from the Trust to the church in 2021 or 2020. Group accounts have not been prepared since neither the trustees of Knowle Parish Church nor the electorate of Knowle Parish Church have powers (i) to direct the decisions of the PFT trustees or (ii) to appoint or dismiss the PFT trustees.

Knowle Church Clock Trust's principal activity and achievement is the donation of the whole of the annual income from its investment funds to Knowle Parochial Church Council, which has the legal obligation of the upkeep of the church clock and weathervane. In 2021, the Trust made a donation to Knowle Parish Church of £70 (2020 £69).

Knowle United Charity makes grants to Knowle Parish Church towards children's and youth work.

Independent Examiner's Report

To the Trustees of The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Independent Examiner's Report to the Trustees of the Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021, which are set out on pages 8 to 20.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 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

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.



Jane Swann BA(Hons) BFP FCA

ICAEW

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Dated: 25 August 2022

Accounts



The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Charity number 1127404

Report and Accounts

Year ended 31 December 2020

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**2020 Annual Report and Accounts for
the Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull
(Charity number 1127404)**

The trustees are pleased to present their annual report together with the financial statements of the charity for the year ended 31st December 2020.

The financial statements comply with the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

1. Aim and purposes

Knowle PCC has the responsibility of cooperating with the incumbent in promoting in the ecclesiastical parish, the whole mission of the Church, pastoral, evangelistic, social and ecumenical. The PCC is also specifically responsible for the maintenance of the Church and nearby buildings – the Guild House, St John's Hall and St Lawrence House – and two residential properties: St Anne's Cottage and 46 Crabmill Close.

2. Objectives and activities

The statement of purpose of Knowle Parish Church (KPC), agreed by the PCC and endorsed by the 2015 APCM, is: *'We are here to help people become lifelong followers of Jesus Christ'*.

The PCC is committed to enabling as many people as possible to worship at our church and to become part of our church community to help resource their discipleship and equip them for service in the world. The PCC maintains an overview of worship in the church and in groups throughout the parish and beyond and makes suggestions on how our services and other activities can be for the benefit of everyone of whatever background. Our services and worship put faith into practice through prayer, scripture reading, teaching, music and sacrament.

When planning our activities for the year, we have considered the Charity Commission's guidance on public benefit and, in particular, the supplementary guidance on charities for the advancement of religion. We seek to enable people to find and live out their faith in Jesus Christ in our community and beyond, and we also organise a number of activities that benefit the whole community of Knowle such as pre-school groups and a friendship club for senior citizens. We also promote practical and financial support to Christian mission beyond Knowle in the UK and overseas. To facilitate our work, it is important that we maintain the fabric of the Church and related buildings.

3. Achievements and performance

Effect of Covid-19

In the early part of the year, services and activities continued in the pattern of the previous year. With 'lockdown' due to Covid-19 from Sunday 22nd March, we had to adapt to a completely new environment – restricted mainly to meetings and worship by electronic means.

Worship and prayer

On Sundays up to mid-March, five services were held with differing styles of worship and preaching, focused on 'Exploring Worship'.

From late March, thanks to a fast learning curve on electronic communications, a recorded service was broadcast on YouTube each Sunday. These were watched and appreciated by large numbers of church members and others. In the week leading up to Easter, there were also worship and prayer events using Zoom. From the end of March, a pastoral letter from the Vicar was posted most weeks on the KPC website and in the newssheet; these were greatly appreciated.

Themes of sermons after Easter were 'Our God is here' and 'Hope in uncertain times'. A week of prayer was held in late May based on 'Thy Kingdom Come', with resources on the KPC website. This included 48 hours of continuous prayer and a prayer event by Zoom on Easter Sunday. Prayer evenings by Zoom were held in most of the following months.

In the summer and autumn, sermon themes were successively: 'Re-discover Church in the Book Acts', 'Gideon the unlikely leader' and 'Unmasking hidden idols'.

It became possible in late July to re-open the church building and have services with limited numbers, subject to Covid-19 controls, but with the majority of people still accessing a recorded version of each service on YouTube. By October, thanks to a new internet connection into church and other technical developments by a dedicated team, live-streaming of services began. A further lockdown closed the church to worshippers in November, but congregations with limited numbers resumed in December. A series of special Christmas events took place in Church and online by Zoom and YouTube.

3. Achievements and performance (continued)

Ministry and evangelism

The Church continued with its aim of serving and reaching out to people in Knowle and beyond. On Saturday mornings until lockdown in mid-March, 'Cobbles' served coffee and cake in the Guild House, giving opportunity for people to meet with us in an informal setting. After careful planning, Cobbles reopened for 6 Saturdays in August and September, serving people socially-distanced in the church grounds. Friendship Club ran on Thursdays providing coffee and lunches until mid-March. Since then, leaders have kept in touch with members by various appropriate means.

Events to which friends and colleagues were invited included a men's breakfast in St John's Hall in January and, following lockdown two events by Zoom with engaging speakers on relevant current issues. These events were well attended and received.

The Alpha course at the start of 2020 was attended by 25 people and led to a new discovery group (by Zoom) being formed at its conclusion. In the Autumn, a Christianity Explored course was held by Zoom with 30 participants logging in.

The Knowle branch of Mothers' Union (MU) met monthly until March, then later in the year by Zoom.

More than 300 people met in 26 home groups in various ways throughout 2020. Generally fortnightly meetings, on a variety of days midweek, daytime or evening, for bible study, prayer and mutual support took place until March. Thereafter, various means of keeping in contact happened – Zoom meetings, regular phone calls, distributions of study materials (physically or by email) and gatherings in smaller groups in gardens in summer. The home group leaders perform an important role in discipleship and pastoral care. We are grateful for their ongoing and innovative commitment to the groups.

Connect groups for under 5s and their parents and carers – Rainbow Tots, Bumps & Babies, Dads & Toddlers and Stepping Stones Pre-school – all functioned successfully until 20th March, when they had to close due to lockdown. Stepping Stones re-opened in September on a Covid-secure basis, in line with schools. The other Connect groups had to remain suspended.

Children's work under the leadership of Sarah Covington continued until lockdown in March with KPC Kids on Sundays, operating crèche, Toddlers and Scramblers for 0-5s and 'Initi8, Gener8 and Reson8' for 5-11s. Throughout lockdown and various levels of Covid restrictions, support was given to families to nurture the faith of their children at home. Following feedback, a 3-weekly cycle on Sundays was established with one live Zoom service, one pre-recorded YouTube service and one week sending material home. In place of the various lunchtime clubs run at Knowle Academy (covering years 1-4), a weekly collective Worship on YouTube was delivered, which is then used in each class 'bubble'. The relationship with the school remains strong.

Penny's Youth Café – opened in September 2019 – is a place which is intended for young people from the local area to come and find out more about the Christian faith in a relaxed context. It remained open for young people Monday to Thursday from 3.30 to 6pm, with evening groups and events also held there, until lockdown in March. During lockdown the relationships developed with young people were sustained by offering daily Instagram video recordings as well as a Sunday evening service on YouTube. Penny's Youth Café re-opened as a Covid-secure café in July 2020 with an amended timetable to support the work of Arden Academy in limiting the contact young people have with students from different year groups. Two discipleship groups were run, which took place in both the Youth Café and on Zoom while young people are needing to self-isolate. On Sundays a Youth Alpha course was run in the morning and a Youth Service in the evening – both well attended.

Pastoral care

The pastoral care teams, led by David Pickering – covering prayer ministry, bereavement counselling and support and visiting the sick and elderly at home and in care and nursing homes – continued to serve people until lockdown in March. In lockdown, a pastoral care helpline was established and operated. Contacts with vulnerable people were maintained by telephone and in other ways, and there was ongoing support via home groups.

Church attendance and membership

Attendances at Sunday services pre-lockdown continued at the previous level of 350-400 adults and about 50 children and young people. When church attendance was again possible later in the year, maximum attendance allowed was 70. Large numbers of people logged into YouTube services – average 'views' were around 500. Zoom events were also well attended. At the time of the (postponed due to Covid) 2020 Annual Meeting in October, the Church Roll was 528, of whom 309 lived in the parish and the remaining 219 outside the parish. Many additional people have links with the church in a less formal way.

During 2020, 6 Baptisms, 4 marriages and 8 funerals took place in the church. A further 29 funeral services took place at the crematorium and 13 interments in the KPC Garden of Remembrance.

Ecumenical relationships

Our clergy met in the early part of the year with the clergy and leaders of other churches in Knowle and Dorridge. A 'churches together' service was held in January at KPC.

3. Achievements and performance (continued)

Christian mission beyond Knowle

Our church continues to support and participate in Christian ministry beyond Knowle through its support of various programmes at home and overseas with both prayer and finance. All grants and donations made are specifically approved by the PCC.

During 2020, we contributed to Tearfund 'where the need is greatest'. Our previous involvement in Kenya continued with support and prayer for the IcFEM project in Kimilili in West Kenya and Education for Life in Timbawani. We also gave to International Needs, the Malawi Task Force of the Diocese of Birmingham; also to the Diocese of Bolivia to support church pastors during the Covid emergency. In the UK, we gave to Reachout Network Ministries, Chaplaincy Plus, Urban Saints, and Scripture Union. In the Birmingham area, we supported links with St Christopher's, Springfield and with St John's, Sparkhill and the Narthex project, including food collections for their foodbank in co-operation with Tesco in Knowle. Gifts were also made to a total of 8 other churches in Birmingham to meet the needs of people there. We continue to provide significant financial support to the Diocese of Birmingham.

Fabric

During 2020, necessary general maintenance to church buildings and grounds was carried out. A quinquennial inspection of the church was carried out by the church architect and a report thereon was received. Plans for necessary work were formulated to begin in 2021.

4. People

The work of the Church was undertaken by a wide group of people including Clergy, Staff, Readers and very many members of the Church. The principle of 'every member ministry' remains strong in the life of the church.

In June, our Curate Ann Peachey completed her curacy at Knowle and left to take up a new post in the Coventry Diocese. In September, our Associate Vicar Matt Simpson left Knowle to take up a new post in Dorset. We expressed our thanks to both Ann and Matt for their ministries at Knowle.

Following vacancies that had arisen in the previous Parish Office team in 2019, a new church management team was put in place during 2020. Helen Allen took up the new post of Operations Manager in March. Gareth Roberts-Davis transitioned from his former role to Facilities and Systems Manager. Natalie Smith and Catherine Robinson joined the office team in January and November respectively.

In the Youth team, Anna Holden was on maternity leave for the year. Natasha Godfrey joined and served as part-time Youth Assistant from January until May.

Our grateful thanks are due to all these people and to many others for time, energy, care and prayer in all that has been contributed. Volunteers continue to play a central role in the work of the Church and are at the heart of most activities.

5. Financial review

The PCC is pleased to report that despite the effect of the pandemic, General Fund reserves have been maintained at a healthy level.

The curtailment of activities because of the Covid-19 pandemic has resulted in substantial reductions in income. The PCC is very grateful that regular giving by standing order from church members has been maintained throughout; but receipts such as donations at church services, fees for weddings and funerals and contributions towards activities are much reduced. However, operating expenses have also been contained to fully offset the loss in income.

In addition, in 2020 the church has become entitled to an unrestricted legacy from a former parishioner of £53,000. The PCC has transferred this to a Designated Legacies Fund until it is allocated to a specific purpose.

The General Fund, which covers the normal running expenditures of the church, showed a surplus of £28k in the year, compared to a deficit of £3k in 2019. The £28k surplus for the year is after charging depreciation of £39k, but before transferring £53k to the Designated Legacies Fund and £10k to the Designated Property Repair Fund and investing £3k in capital equipment; so net current assets, or reserves, have increased from £96k to £97k. This level of reserves is above the policy level of £60k and provides a level of flexibility in readiness for an uncertain 2021.

The Treasurer and the PCC as a whole warmly thank church members and others for their continued financial support, without which we would not be able to carry forward the ministry of Christ in Knowle.

5. Financial review (continued)

Going concern

The trustees have considered the ongoing consequences of Covid-19 and other events and conditions. Despite the curtailment of activities in 2020, reserves have been maintained; and while costs are expected to increase in 2021 because of increased staff levels, the PCC considers that reserves will continue to be maintained at or above the policy level of £60k for a further 12 months, notwithstanding the effects of Covid-19.

Accordingly, the PCC has determined that the current conditions do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern for at least twelve months following the date of signature of the balance sheet.

Income

Total income decreased by £22k to £688k, due to large decreases in donations and income from activities as a result of the Covid-19 restrictions, offset by a significant bequest and the timing of a grant towards children's and young people's work.

Income to General Funds decreased by £1k to £584k. The large increase of £46k in legacy income to £53k (2019: £7k) was offset by reductions in income that are all attributable to reduced availability of the church buildings because of the Covid restrictions; hall lettings were down by £4k, income from church activities such as fees for weddings and funerals were down by £24k and donations were down by £19k, principally because of reduced collections at church services. Planned regular giving, which represents over 80% of general fund income, was maintained at about the same level as in 2019 and is of great benefit in financial planning. The legacy income of £53k has been transferred to a Designated Legacies Fund until the PCC allocates it for specific purposes.

Income to Designated Funds decreased by £37k to £64k, again as a result of much-reduced activity in those groups which operate their own finances as listed in Note 6 to the accounts. The Youth Department had reduced income of £17k and the Stepping Stones pre-school group saw an income reduction of £10k despite continued support from the local education authority and a grant of £10k from the government's Coronavirus Job Retention Scheme which covered the costs of staff who were furloughed when the group was closed for part of the Easter term and the whole of the Summer Term.

Income to Restricted Funds increased by £16k to £40k. In 2020, grants were received towards youth and children's work totalling £39k compared to £23k in 2019. The principal reason for the increase is that grants towards youth and children's workers' salaries from Knowle United Charity (KUC) were received for both for 2020 and 2021 and in addition, KUC made a grant of £2,700 towards Penny's Youth Café. The PCC is very grateful for KUC's ongoing support over many years. A grant of £4,400 was also received from Solihull Metropolitan Borough Council towards equipment purchases for Penny's and the PCC thanks the Council for its support.

Expenditure

Contributions to the Diocesan Common Fund of £169k (2019 £167k) were in line with the amount requested; of this, about £50k is used to support other parishes. The PCC also made contributions to the Church's wider ministry by continuing the policy of giving 5% of voluntary General Fund income to outside organisations, which amounted to £34k (2019: £32k), making a total of £84k (2019: £95k) towards mission and ministry work beyond Knowle. In 2019, retiring collections and other mission payments not included in the main church accounts totalled £13k, but there were no such collections in 2020 because of the Covid restrictions.

Total expenditure in 2020 decreased by £100k to £648k.

General Fund expenditure decreased by £32k to £556k. Salaries of youth and children's workers charged to general fund decreased by £19k; of this, £9k was because one of the youth workers was on maternity leave and £10k was due to increased funding from restricted funds. There was a £23k saving in general expenses across a range of activities and a £6k saving in clergy housing costs as Matt Simpson vacated the property leased from Pickering Fields Trust. Parish Office salary costs increased by £12k as we strengthened the team, principally by the recruitment of a full-time Operations Manager, and giving to other charities including the Diocese increased by £4k.

Designated Fund expenditure decreased by £64k to £69k. The majority of this decrease is because of exceptional expenditure items in 2019, namely a special gift to the Diocesan Common Fund (£25k) and improvements to the choir vestry (£14k). The remainder of the decrease is due to Covid-related reduced activity levels in a range of associated groups, such as Stepping Stones and Friendship Club.

Restricted Fund expenditure reduced by £4k to £23k. Because of the timing of the grant funding from Knowle United Charity, there was a £10k increase in the costs of youth and children's workers' salaries that were paid from restricted grants, and £6k of expenditure on Penny's Youth Café was funded from restricted grants. By comparison, 2019 expenditure from restricted funds included £5k for the choir vestry improvements and £15k for the Moldova mission trip.

5. Financial review (continued)

Principal risks and uncertainties

The principal area of risk and uncertainty is the responsibility for the upkeep of an ancient listed building, which can give rise to large and sometimes unexpected expenditure. This risk is mitigated by the maintenance of a Designated Property Repair Fund.

6. Reserves policy

The PCC has reconfirmed its policy to maintain a balance on General Fund of a least 10%, or 5 weeks, of annual payments from the Fund. This is equivalent to £60,000 and is as low as is prudent bearing in the mind the time taken to obtain tax refunds, and the amount of income that still comes as one-off donations. This does, however, mean that any money given to the Church will be put to good use immediately! The actual balances of net current assets in the General Fund at the year-end of £97,515 are therefore in line with PCC policy. The funds held by designated organisations such as Stepping Stones are proportionately larger because their income is less certain than that of the church.

The PCC also maintains a Designated Property Repair Fund to cover the costs of major repairs; the balance on this fund of £76,684 is expected to be sufficient for any works necessary in 2021.

The Designated Legacies Fund, created to hold the balances of legacies received but not yet allocated to specific purposes by PCC, stands at £53,000.

7. Fundraising practices

The church invites voluntary donations from the public which, together with the associated Gift Aid, comprise the majority of the church's income. The PCC has reviewed its fundraising activity to ensure compliance with the latest Charity Commission guidance. The church does not use any commercial fundraiser or commercial participator. Although the church does not subscribe to particular fundraising standards or to any scheme for fundraising regulation, it follows guidelines for fundraising set by the Church of England. Fundraising activities are normally limited to invitations by the Clergy and/or Treasurer for church members to prayerfully review their giving to charitable activities including the church, and supported by information leaflets and presentations which set out the financial position of the church, normally given on "Stewardship Sunday". Particular care is taken to ensure the protection of vulnerable people and other members of the public from behaviour which is an unreasonable intrusion on a person's privacy, is unreasonably persistent, or places undue pressure on a person to give money or other property. No complaints have been received by the church related to its fundraising activity.

8. Plans for future periods

Our aim and purpose will remain as stated in 1 above. We will continue to run and develop our programme of worship services, groups, activities and special events, with changes depending on the Covid-19 situation, to meet needs and initiatives as they arise. In 2021 we are seeking to recruit a new Associate Vicar and look ahead to the arrival of a new Curate in July. Our motivation continues to be that, as KPC, 'We are here to help people become lifelong followers of Jesus Christ'. The Trustees regularly consider issues of direction and furtherance of our mission at PCC meetings, with renewal of our vision for the years ahead a specific focus in the first part of the year.

9. Structure, governance and management

The PCC is a corporate body established by the Church of England governed by the Parochial Church Council (Powers) Measure 1956 and the Church Representation Rules. It is a registered charity with the Charity Commission (no. 1127404).

The trustees of the charity are the PCC members. The method of appointment of PCC members is set out in the Church Representation Rules. At KPC, the membership of the PCC consists of the incumbent and other appointed clergy, members (including a Reader and churchwardens) elected by members of the congregation who are on the Electoral Roll of the church.

Those who regularly attend services and participate in church activities are encouraged to register on the Electoral Roll and may also stand for election to the PCC.

Members of the PCC are one of (i) co-opted, (ii) directly elected by the APCM, or (iii) members of our church who have been elected to Diocesan Synod to represent our Deanery.

As at the year-end, following the APCM on 14th October (*postponed from March due to Covid-19*), there were:

6 elected members with Deanery Synod membership and

9 elected members without Deanery Synod membership.

Any member of the Church may offer themselves for election to PCC at the APCM provided they qualify under the Church Representation Rules. Appropriate nomination forms may be obtained from the PCC Secretary via the Parish Office. Nominees to PCC can obtain appropriate information on both the role of the PCC and the role of members from the PCC Secretary.

9. Structure, governance and management (continued)

The policies and procedures for the induction and training of trustees are as follows:

Prior to the PCC elections, prospective PCC members receive an information leaflet setting out the role of the trustees and particularly drawing attention to conflicts of interest. After election, PCC members receive the Charity Commission's "Essential Trustee" booklet, the Church of England booklet "Trusteeship – An Introduction for PCC Members" and an internally-produced document setting out the constraints on payments to PCC members or connected persons. Part of the PCC meeting which follows the PCC election is dedicated to trustee training.

The PCC members are responsible for making decisions on all matters of general concern and importance to the parish including deciding on how the funds of the PCC are to be spent.

The PCC held 7 business meetings during the year. There are 6 permanent Sub-committees: – Standing, Fabric, Finance, Health & Safety (who undertake risk reviews on behalf of the PCC), Human Resources (Paid Staff), and Stepping Stones Pre-school Management.

The key management personnel of the charity is the Standing Committee, made up of the senior clergy, churchwardens, the secretary, the treasurer and the operations manager (from April 2020). The Standing Committee may conduct urgent PCC business that arises from time to time between PCC meetings, in accordance with the Church Representation Rules. Of the key management personnel, only the operations manager (being an employee) receives remuneration from the charity.

All Sub-committees report to the PCC on a regular basis and provide recommendations to the PCC. All matters of policy and finance are determined by the PCC, and are not delegated to Sub-committees; however, detailed implementation of PCC decisions may be delegated to specific Sub-committees from time to time as determined by the PCC. Membership of the Sub-committees is approved by the PCC. Other groups exist on an ad hoc basis to deal with specific matters. Effort was again put into monitoring the balance between spending and income, so as to achieve a balanced budget, with appropriate provision for forthcoming fabric expenditure.

The council has complied with its duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have due regard to House of Bishops' guidance on safeguarding children and vulnerable adults.

10. Reference and Administrative details

The registered name of the charity is The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull, registered charity no. 1127404. In this report, for ease of reading, the charity is also referred to as "the PCC", "Knowle Parochial Church Council", "the Council", "Knowle Parish Church" and "KPC".

Knowle Parish Church is situated beside High Street and Kenilworth Road, Knowle. It is part of the Diocese of Birmingham in the Church of England. The correspondence address is Knowle Parish Office, St Lawrence House, 1717 High Street, Knowle, Solihull, B93 0LN.

The following members served on the council for all or part of the year; those serving in more than one capacity may appear more than once:

Incumbent:	Revd Geoffrey Lanham (Chairman)	
Associate Vicars:	Revd Matt Simpson (<i>until September</i>)	
Curate:	Revd Ann Peachey (<i>until June</i>)	
Churchwardens:	Matt Baggott (lay deputy chair)	Bill Wilson (<i>until October</i>)
Member of Diocesan Synod:	Julian Phillips (Reader)	

Elected Representatives to Deanery Synod:

Nick Brown	Roy Carr (Secretary)	Nick Humby
Carol Kay (<i>from October</i>)	Lindsay Melvin (<i>until October</i>)	Julian Phillips
David Pickering (<i>from October</i>)	Derek Sheldon (<i>until October</i>)	

Elected members to PCC:

Lynn Brown	Sarah Chapman (<i>from October</i>)	Nick Houghton (<i>from October</i>)
Margaret Johnson (<i>until July</i>)	Steve Mort (Treasurer)	Benjamin Neudorfer (<i>from October</i>)
Lucy Saunders (<i>until October</i>)	Anne Smith (<i>from October</i>)	Carol Street (<i>until October</i>)
Rod Street (<i>from October</i>)	Kay Todman	Liz Welton
Zoe Wilbourne (<i>until October</i>)		

No co-opted members.

Helen Allen, Sarah Covington and Paul Holden attended PCC meetings in a non-voting capacity.

10. Reference and Administrative details (continued)

Bank: HSBC Bank plc, 34 Poplar Road, Solihull, B91 3AF
Auditors: Azets Audit Services
First Floor, Copthall House, 1 New Road, Stourbridge, West Midlands, DY8 1PH

11. Statement of trustees' responsibilities

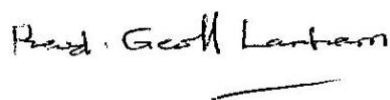
The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report approved by the PCC and signed on its behalf by



Revd Geoffrey Lanham (incumbent)

**Statement of financial activities
for the year ended 31 December 2020**

Funds		Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		2020	2020	2020	2020	2019	2019	2019	2019
		£	£	£	£	£	£	£	£
Income from:									
Donations and legacies	1.a	545,508	1,823	40,116	587,447	518,483	5,688	16,758	540,929
Charitable activities	1.b	35,951	61,295	-	97,246	59,819	91,556	3,954	155,329
Other trading activities	1.c	1,985	971	-	2,956	5,574	3,915	3,091	12,580
Investments and deposits	1.d	580	-	205	785	994	-	314	1,308
Total income		584,024	64,089	40,321	688,434	584,870	101,159	24,117	710,146
Expenditure on:									
Raising funds	2a	2,459	478	-	2,937	5,388	617	-	6,005
Charitable activities	2b 2c	553,727	68,147	23,285	645,159	582,437	132,154	26,993	741,584
Total expenditure		556,186	68,625	23,285	648,096	587,825	132,771	26,993	747,589
Net income/(expenditure)		27,838	(4,536)	17,036	40,338	(2,955)	(31,612)	(2,876)	(37,443)
Transfer General Funds to Designated Funds	6	(63,000)	63,000	-	-	(10,000)	10,000	-	-
Transfer Restricted Funds to General Fund	6	-	-	-	-	-	-	-	-
Net movement in funds		(35,162)	58,464	17,036	40,338	(12,955)	(21,612)	(2,876)	(37,443)
Reconciliation of Funds:									
Funds brought forward		1,468,422	130,231	45,043	1,643,696	1,481,377	151,843	47,919	1,681,139
Funds carried forward		1,433,260	188,695	62,079	1,684,034	1,468,422	130,231	45,043	1,643,696

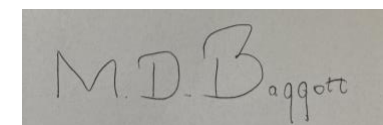
Balance sheet at 31 December 2020

Funds	Note	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
		General	Designated			General	Designated		
		2020	2020	2020	2020	2019	2019	2019	2019
		£	£	£	£	£	£	£	£
Fixed Assets									
Tangible fixed assets	4.1	1,335,745	-	-	1,335,745	1,372,209	-	-	1,372,209
Investment assets	4.2	-	-	1,482	1,482	-	-	1,346	1,346
Sub Total - Fixed Assets		1,335,745	-	1,482	1,337,227	1,372,209	-	1,346	1,373,555
Current assets									
Debtors - HMRC gift aid tax recoverable		8,053	-	-	8,053	21,797	-	-	21,797
- Legacy - outstanding settlement		23,000	-	-	23,000	-	-	-	-
- Prepayments		1,782	1,357	-	3,139	1,081	1,218	-	2,299
Cash and cash equivalents									
- Bank accounts		78,963	99,736	42,720	221,419	52,657	79,631	31,246	163,534
- Deposit accounts		2,706	90,000	18,000	110,706	42,238	50,000	18,000	110,238
- Cash		501	265	-	766	442	575	-	1,017
Sub Total - Current Assets		115,005	191,358	60,720	367,083	118,215	131,424	49,246	298,885
Liabilities: Falling due within one year					-				-
Creditors and accruals in respect of parochial activity		14,756	2,663	-	17,419	18,462	1,193	-	19,655
Charity collections not paid over		-	-	123	123	-	-	5,549	5,549
Deferred Income (rentals and mag adverts paid in advance)		2,734	-	-	2,734	3,540	-	-	3,540
Sub Total - Liabilities		17,490	2,663	123	20,276	22,002	1,193	5,549	28,744
Sub Total - Net Current Assets		97,515	188,695	60,597	346,807	96,213	130,231	43,697	270,141
Total Net Assets		1,433,260	188,695	62,079	1,684,034	1,468,422	130,231	45,043	1,643,696
Funds					-				-
Unrestricted (General Fund)		1,433,260	-	-	1,433,260	1,468,422	-	-	1,468,422
Designated	6	-	188,695	-	188,695	-	130,231	-	130,231
Restricted	6	-	-	62,079	62,079	-	-	45,043	45,043
					-				-
Total		1,433,260	188,695	62,079	1,684,034	1,468,422	130,231	45,043	1,643,696

Approved by the Parochial Church Council on 24th February 2021 and signed on its behalf by:


Revd Geoff Lanham: Chairman

Matt Baggott: Vice Chairman



Statement of Cash Flows
for the year ended 31 December 2020

Funds <i>Note</i>	Unrestricted Designated Restricted Total				Unrestricted Designated Restricted Total			
	2020 £	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £	2019 £
Cash flows from operating activities:								
Net movement in funds per SOFA	(35,162)	58,464	17,036	40,338	(12,955)	(21,612)	(2,876)	(37,443)
Adjustments for:								
Depreciation charges	39,365	-	-	39,365	39,401	-	-	39,401
(Increase)/decrease in debtors	(9,956)	(139)	-	(10,095)	3,091	(206)	-	2,885
Increase/(decrease) in creditors	(4,512)	1,470	(5,426)	(8,468)	5,058	(259)	607	5,406
Net cash provided by (used in) operating activities	(10,265)	59,795	11,610	61,140	34,595	(22,077)	(2,269)	10,249
Cash flows from investing activities:								
Purchases of fixed assets	(2,902)	-	-	(2,902)	(1,262)	-	-	(1,262)
Purchases of investments	-	-	(136)	(136)	-	-	(246)	(246)
Net cash provided by (used in) investing activities	(2,902)	-	(136)	(3,038)	(1,262)	-	(246)	(1,508)
Change in cash and cash equivalents in the reporting period	(13,167)	59,795	11,474	58,102	33,333	(22,077)	(2,515)	8,741
Changes in cash and cash equivalents:								
Opening balances:								
Current account	52,657	79,631	31,246	163,534	20,188	112,022	23,761	155,971
Deposit account	42,238	50,000	18,000	110,238	41,415	40,000	28,000	109,415
Cash	442	575	-	1,017	401	261	-	662
Total opening balances	95,337	130,206	49,246	274,789	62,004	152,283	51,761	266,048
Closing balances								
Current account	78,963	99,736	42,720	221,419	52,657	79,631	31,246	163,534
Deposit account	2,706	90,000	18,000	110,706	42,238	50,000	18,000	110,238
Cash	501	265	-	766	442	575	-	1,017
Total closing balances	82,170	190,001	60,720	332,891	95,337	130,206	49,246	274,789
Increase/(decrease) in net cash holdings (equals A)	(13,167)	59,795	11,474	58,102	33,333	(22,077)	(2,515)	8,741

I. Income analysis

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2020 £	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £	2019 £
1a Donations and legacies:								
Envelope scheme	2,121	-	-	2,121	5,355	-	-	5,355
Regular Standing orders	360,155	-	-	360,155	355,787	-	-	355,787
One-off donations	15,985	-	-	15,985	18,250	-	-	18,250
Other Stewardship & CAF	22,200	-	-	22,200	28,260	-	-	28,260
Gift Aid Tax recoverable (GAT)	88,600	440	135	89,175	88,890	-	-	88,890
Cash collections	3,085	-	-	3,085	11,526	-	-	11,526
Other income	140	-	-	140	524	-	-	524
Collections for charities	-	-	-	-	-	-	-	-
Grants/donations for young people's work	-	1,021	39,281	40,302	-	4,812	11,072	15,884
Donations, appeals, etc.	141	362	700	1,203	3,034	876	5,686	9,596
Legacies	53,081	-	-	53,081	6,857	-	-	6,857
Total	545,508	1,823	40,116	587,447	518,483	5,688	16,758	540,929
1b Income from Church Activities:								
Parish magazine	19,423	-	-	19,423	19,742	-	-	19,742
Bookstall	618	-	-	618	1,320	-	-	1,320
Ministry group contributions	5,098	-	-	5,098	15,889	-	-	15,889
Church and hall lettings	3,589	-	-	3,589	10,450	-	-	10,450
Wedding and Funeral Fees	7,183	-	-	7,183	12,269	-	-	12,269
Other Group Activities	40	61,295	-	61,335	149	91,556	3,954	95,659
Total	35,951	61,295	-	97,246	59,819	91,556	3,954	155,329
1c Other trading activities (incl. rentals)	1,985	971	-	2,956	5,574	3,915	3,091	12,580
1d Investment dividends and interest	580	-	205	785	994	-	314	1,308
Total income	584,024	64,089	40,321	688,434	584,870	101,159	24,117	710,146

2. Expenditure analysis

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2020 £	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £	2019 £
2a Raising funds								
Costs attributable (mainly to rents received)	2,459	478	-	2,937	5,388	617	-	6,005
Sub-total	2,459	478	-	2,937	5,388	617	-	6,005
2b Charitable activities: Mission								
Outside giving to charities (see note 7)	33,062	507	-	33,569	30,446	1,233	-	31,679
2c Charitable activities: Ministry:								
Diocesan Common Fund	169,335	-	-	169,335	167,002	25,000	-	192,002
Clergy expenses	3,777	-	-	3,777	6,497	-	-	6,497
Clergy and youth worker housing costs	29,720	-	-	29,720	36,196	-	-	36,196
Ministry groups	2,557	-	-	2,557	4,761	-	-	4,761
Ministry services incl. books and sundries	5,609	-	-	5,609	9,645	-	-	9,645
Pastoral care expenses	-	-	200	200	328	-	-	328
Other Group Activities	-	945	-	945	357	5,516	-	5,873
Children's ministry	55,633	61,995	8,278	125,906	59,717	67,897	3,375	130,989
Youth ministry	42,141	4,305	14,807	61,253	60,739	14,981	18,566	94,286
Church running expenses	34,949	-	-	34,949	25,273	13,713	4,495	43,481
Parish magazine costs	22,452	-	-	22,452	22,362	-	-	22,362
Bookstall expenditure	428	-	-	428	1,411	-	-	1,411
Churchyard upkeep	11,660	-	-	11,660	10,876	-	-	10,876
St John's Hall expenses	39,275	-	-	39,275	45,137	-	-	45,137
Guild House expenses	7,826	-	-	7,826	9,587	-	-	9,587
Music & Choir expenses	16,802	-	-	16,802	17,746	1,988	-	19,734
Parish Office and Admin costs	61,825	-	-	61,825	58,010	-	-	58,010
Insurance	11,921	-	-	11,921	10,653	-	557	11,210
Other Expenses	855	395	-	1,250	1,739	1,826	-	3,565
Governance/audit/accounts costs	3,900	-	-	3,900	3,955	-	-	3,955
Sub-total	553,727	68,147	23,285	645,159	582,437	132,154	26,993	741,584
Total expenditure	556,186	68,625	23,285	648,096	587,825	132,771	26,993	747,589

3. Accounting Policies

3.1 Basis of Preparation

The accounts include all transactions, assets and liabilities for which the PCC is responsible in law. They do not include the accounts of church groups that owe their main affiliation to another body nor those that are informal gatherings of Church members. The accounts include a number of church organisations that operate their own finances, as required by the Charities Act 2011; these organisations are listed at Note 6.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Knowle PCC meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are prepared in GBP, which is the functional currency of the charity, and are rounded to the nearest £1.

Going concern - the trustees have considered the ongoing consequences of Covid-19 and other events and conditions. Despite the curtailment of activities in 2020, reserves have been maintained; and while costs are expected to increase in 2021 because of increased staff levels, the PCC considers that reserves will continue to be maintained at or above the policy level of £60k for a further 12 months, notwithstanding the effects of Covid-19. Accordingly, the PCC has determined that the current conditions do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern for at least twelve months following the date of signature of the balance sheet.

3.2 Funds

Unrestricted funds represent the funds of the PCC that are not subject to any restrictions regarding their use. The PCC at its discretion has elected to designate certain unrestricted funds for a particular purpose. The practical operation of the funds is as follows:

The Parish General Fund

The PCC is responsible for all church funds, but this is the fund where income is received for the PCC to decide how it is best deployed to achieve the church's Christian charitable objectives. The General Fund balance is effectively unspent income and is retained as a cushion against uncertainties.

Designated Funds

Designated funds for Property and Churchyard repairs and renovation are maintained by the PCC to separately manage the high and irregular costs involved. Gifts for fabric repairs or renovation are taken to the designated Property Fund if they can be related to costs incurred during the year. If a gift is for a specific fabric related purpose which is not carried out in the current year, then they are allocated to the restricted Property Repair Fund. A Designated Legacy Fund has been established to hold the balance of unrestricted legacies received until the PCC allocates them to a specific purpose. Designated funds also include the funds of the church organisations that operate their own finances; most of the income of these funds is payment for the provision of charitable activities. The designated funds are listed at Note 6.

Restricted Funds

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for specific purposes. The restricted funds are listed at Note 6.

3.3 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, the amount can be measured reliably and it is probable that the income will be received.

Voluntary income and planned giving, including covenants, are recognised when received by or on behalf of the PCC. Income tax recoverable on gift aid donations is recognised when the donations are received.

Most non-donation income is treated as income from charitable activities as the income derives from the provision of charitable (or Christian) services to local parishioners in pursuit of the Christian objectives of the church.

The amount of purely fundraising activity is small and normally consists of rental income from church facilities and residential property when these are not needed for church purposes.

Sales of books and other material from the bookstall and sales of the Parish Magazine are accounted for gross.

Rental income is recognised according to the period to which it relates and is shown gross, even though some of the rental income comes from other PCC funds such as the Stepping Stones pre-school.

3. Accounting Policies (continued)

Dividends and interest from investments are accounted for when receivable except that interest on deposits with the Central Board of Finance for the Church of England are accrued.

Grants, legacies and donations to the PCC are accounted for as soon as the PCC is notified of its legal entitlement and the amount can be reliably estimated.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

During the year the company has received support from the HMRC scheme, known as the Coronavirus Job Retention Scheme (CJRS), which has been used to pay the wages of furloughed Stepping Stones staff.

Realised gains or losses are recognised when investments are sold.

Unrealised gains or losses are accounted for on revaluation of investments at 31 December.

3.4 Expenditure

Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, it is probable that the amount will be paid and the amount can be measured reliably. The charity is not registered for VAT purposes and expenditure is shown inclusive of VAT. Grants and donations by the PCC are accounted for when paid over, or when awarded, if that award creates a binding obligation on the PCC. The Diocesan Common Fund is accounted for when paid.

Expenditure on Raising Funds is the directly attributable cost of renting out church facilities and residential property when these are not required for church purposes, plus an allocation of costs associated with administration. In practice for church facilities, this involves estimating the variable costs per session of operating the facilities and expressing this as a percentage of the average rental charge. For residential property that is normally held for clergy or staff housing, only those outgoings specifically related to the rental activity are identified as fundraising costs.

3.5 Fixed Assets

Consecrated and beneficed property

Consecrated and beneficed property is excluded from the accounts by Charities Act 2011 s.10 (2)(a). No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which require a faculty for disposal since the PCC considers this to be inalienable property.

Land and Buildings

Land and buildings are stated at cost (or deemed cost) less accumulated depreciation. Straight line depreciation lives are applied to components as follows:

- Building and roof structures 100 years
- Roof surfaces 70 to 80 years
- Windows, doors plumbing and cabling 40 to 50 years
- Internal facilities and integral equipment 15 years
- Land is not depreciated
- Grade II Listed buildings 900 years

Fittings, Furnishings and Equipment

- Furnishings and equipment are capitalized where the cost is above £1,500. However, lower value items, of immaterial value in total, may also be capitalized where the related records provide a control over the use and deployment of the assets (e.g., laptops). Straight-line depreciation is applied, with lives determined specifically to each type of asset, up to 10 years with computer equipment and related software at 5 years.

3.6 Investments

Investments are valued at market value at 31 December. Realised and unrealised gains or losses on investments are dealt with in the Statement of Financial Activities.

3. Accounting Policies (continued)

3.7 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Amounts owing to the PCC as at 31 December in respect of fees, rents or other income are shown as other debtors, net of any provision for amounts that may prove uncollectible. Short-term deposits include cash held on deposit either with the CBF Church of England Funds or at the bank or small balances of petty cash.

Creditors and accruals in respect of parochial activity comprise Trade Creditors of £1,943 (2019 - £4,154) and Accruals of £12,813 (2019 - £15,501).

3.8 Pension Schemes

The church contributes to defined contribution pensions for one longer standing employee and also provides pension arrangements for auto-enrolment of staff via the Diocesan Scheme set up in compliance with current pension legislation. The assets of the schemes are held separately from those of the charity. The contributions payable are charged to the statement of financial activities.

4. Fixed Assets and Investments for use by the PCC

4.1 Fixed Assets

The majority of the fixed assets by value comprise the five properties beneficially owned by the PCC as follows:

- Residential properties – St Anne's Cottage and 46 Crabmill Close
- Offices and meeting places – St John's Hall, St Lawrence House and the Guild House

Title to all the land on which the buildings are situated is held by Birmingham Diocesan Trustees Registered as custodian trustees, on behalf of the PCC because the PCC is not permitted by law to be the registered owner of land.

On the implementation of FRS102 the residential properties were valued at open market prices and the offices/meeting places at depreciated current replacement cost. The valuation of the Guild House included an impairment appraisal that wrote down to zero the structure of this medieval building that is very expensive to maintain and where the NPV of the related excess costs over a modern equivalent is equal to or greater than the undepreciated replacement cost of a modern equivalent.

	Land and buildings	Fittings, Furnishings and equipment	Projects in progress	Total
	£	£	£	£
Cost or deemed cost				
At beginning of the year	1,403,697	142,051	-	1,545,749
Additions	2,040	862	-	2,902
Disposals	-	(2,857)	-	(2,857)
Revaluations	-	-	-	-
Transfers	-	-	-	-
<i>At end of the year</i>	1,405,737	140,056	-	1,545,794
Depreciation and impairments				
At beginning of the year	(106,933)	(66,607)	-	(173,540)
Disposals	-	2,857	-	2,857
Depreciation	(23,901)	(15,465)	-	(39,366)
Impairment	-	-	-	-
Transfers	-	-	-	-
<i>At end of the year</i>	(130,834)	(79,215)	-	(210,049)
Net book value at beginning of year	1,296,764	75,444	-	1,372,209
Net book value at end of year	1,274,903	60,841	-	1,335,745

4. Fixed Assets and Investments for use by the PCC (continued)

4.1 Fixed Assets (continued)

Land and Buildings

Included within Land and buildings is £300,000 (2019 - £300,000) of freehold land which is not depreciated.

Fittings, Furnishings and Equipment

The additions comprised a replacement boiler in St Lawrence House and a replacement staff computer.

4.2 Investments

Investments of £1,482 represent shares in the CBF's Investment Fund at market value as at 31 December 2020 (2019 - £1,346). The historic cost of these shares was £813 (2019 - £771).

5. Staff Costs and Numbers Employed

	2020 £	Average Numbers Employed	2019 £	Average Numbers Employed
Youth & children's leadership	91,514	4	100,629	4
Parish Office staff	80,371	5	68,251	6
Stepping Stones	53,836	7	50,063	7
National insurance	10,645		10,155	
Pension	4,079		3,854	
Total	240,444	16	232,952	17

(Note: Facilities & Systems Manager and Music Minister are included in Parish Office staff)

During 2020, one of the youth leaders was on maternity leave and the full-time Operations Manager replaced a part-time post. Stepping Stones costs include those for staff who were furloughed during the Covid shutdown; grants totalling £10,042 were received from the Coronavirus Job Retention Scheme for 80% of these costs.

Parish workers and clergy received £2,168 (2019: £10,025) by way of reimbursement of expenses whilst on PCC business. The large reduction is because of the Covid-related travel restrictions in 2020. In addition, clergy housing costs amounted to £20,134 (2019: £26,875) and accommodation was also provided for a member of the Youth team to carry out his duties effectively. The reduction in clergy housing costs this year was mainly due to the Associate Vicar Matt Simpson leaving for a new post in September. £16,200 (2019: £21,600) of the clergy accommodation costs was paid to Pickering Fields Trust for the rental of a property on Newton Road which normally houses the Associate Vicar.

The average head count during the year was 16 (2019: 17). No employees received employee benefits of more than £60,000.

The key management personnel of the charity is the Standing Committee, made up of the senior clergy, churchwardens, the secretary, the treasurer and the operations manager who was appointed in March 2020. Of the key management personnel, only the operations manager (being an employee) receives remuneration from the charity and their employee benefits in 2020 totalled £27,063 (2019: £nil) including pension contributions of £648 (2019: £nil); note that clergy are not employees of the charity.

6. Fund Details

Restricted Funds

The restricted funds arise where donations have been made for a specific purpose and funds are retained awaiting disbursement.

Restricted Funds	Balance 01-Jan 2020 £	Movement in resources			Balance 31-Dec 2020 £
		Incoming £	Gains and losses £	Outgoing £	
R.A.C.K. Roof Fund	1,346	41	95	-	1,482
Restricted Legacies and Donations Fund	24,020	500	-	(200)	24,320
Property Repair/Renovation Fund	551	-	-	-	551
Pontifex Clock Fund	1,703	69	-	-	1,772
Organ Fund	576	-	-	-	576
Soldiers' Chapel	7,535	-	-	-	7,535
Choir Fund	340	335	-	-	675
Grants to employ Children and Youth Workers	-	31,781	-	(16,556)	15,225
Restricted Gifts and Grants for Youth Activities	8,972	7,500	-	(6,529)	9,943
Totals	45,043	40,226	95	(23,285)	62,079

6. Fund Details (continued)

Restricted Funds (continued)

The RACK Roof Fund consists of donations received many (30+) years ago towards major roof repairs which are being held for the future. The income and gains/losses arise from investments related to the fund.

The Restricted Legacies and Donations Fund consists of various gifts and legacies where the donor has specified a specific use. The balance on the fund now consists mainly of the remainder of a 2018 grant from a legacy trust, given with a bias towards youth work.

The Property Repair and Renovation Fund consists of restricted donations received in the past towards major property repairs which are being held for the future.

The Pontifex Clock Fund consists of accumulated donations from the Knowle Church Clock Trust (a separate charity), also known as the Pontifex Clock Trust, towards repair and maintenance of the Knowle Parish Church clock and weathervane and for their eventual replacement.

The Organ Fund consists of restricted donations received towards major renovation and repairs to the organ which are being held for the future.

The Choir Fund consists of restricted donations received for the Choir, and also monies received from weddings in excess of the amounts distributed to choir members, and is available for choir activities.

The Soldiers Chapel Fund arose from a major project in c.2010 to restore the decorated plasterwork in the Soldiers Chapel, situated at the north-east corner of the nave in the church. Generous donations were gratefully received towards this project from a number of sources including the Royal British Legion. The fund now consists of the excess of donations received over the cost of the project and is being held over to fund any further restoration work that may be required in the future.

Grants to employ Children and Youth workers include two grants totalling £29k by Knowle United Charities towards payment of salaries; of this, £15k has been retained in the fund towards salaries in 2021.

The Restricted Gifts and Grants for Youth Activities Fund, formerly called the Youth Charity Fund, has been used to account for the dedicated gifts and fundraising income, and the costs incurred, for the mission trips which occurred in previous years; the remaining balance from these trips of £7,849 (which includes a new donation in 2020 of £400) is being held over towards future trips, by agreement with the donors. This fund also holds restricted grants towards Penny's Youth Café; during 2020, grants of £2,700 and £4,400 were received from Knowle United Charity and Solihull Metropolitan Borough Council respectively. The grant from SMBC was spent in 2020 and £2,094 of the KUC grant remains available for use in 2021.

Designated Funds

Designated Funds	Balance	Movement in resources			Balance
	01-Jan	Incoming	Transfers	Outgoing	31-Dec
	2020				2020
	£	£	£	£	£
Organisations which operate their own finances*					
Stepping Stones	22,930	59,137		(62,438)	19,629
Others	24,509	4,952		(6,187)	23,274
Funds maintained within church finances:					
Church Away Weekend	1,198	-	-	-	1,198
Property Repair Fund	66,684	-	10,000	-	76,684
Churchyard Fund	14,910	-	-	-	14,910
Designated Legacies Fund	-	-	53,000	-	53,000
Totals	130,231	64,089	63,000	(68,625)	188,695

*There are a number of church organisations that operate their own finances. The Charities Act 2011 requires their figures to be included and they include Rainbow Tots, Stepping Stones, Bell Ringers, Friendship Club, Youth, Wedding & Funeral Fees, and the Flower Guild.

Church Away Weekend – this is the surplus arising from the last church away weekend in 2018, which is being carried forward to be used for the next church away weekend.

The Property Repair Fund has been designated by the PCC for any major work to the church's properties. Over recent years, £10k annually has been transferred from General Funds and the PCC keeps this level under review. There have been no other incomings or outgoings in 2020, but major works will be undertaken in 2021 resulting from the quinquennial inspection of the church building which took place in 2020.

The Churchyard Fund has been designated by the PCC for any major work that may be required in the churchyard.

6. Fund Details (continued)

Designated Funds (continued)

The Designated Legacies Fund has been created to hold the balances of legacies received but not yet allocated to specific purposes by PCC, and holds the value of a legacy of £53,000 to which the church became entitled in 2020.

Unrestricted Funds

Included with unrestricted funds is £386,923 of non-distributable reserves which arose on the revaluation of land and buildings on the implementation of FRS102.

7. Outside Giving & Retiring Collections

This year the church supported other charities, mission work and individuals to a total of £34k, with £300 of this being a share of the gross receipts of the “Cobbles” Saturday morning informal café, where the Cobbles leadership nominate a different charity every few months. In 2019, £13k was given directly to other charities and mission work through the organisation of retiring collections and fundraising events for specific charities. This latter income was excluded from the accounts but included here to provide a more complete picture of the fundraising activity of the church; however, the Covid restrictions on church services and other events has meant that there have been very few such collections in 2020, amounting to £447. Details of these payments are shown below.

Charity	Gen/Desig Funds £	Restricted Funds £	Total 2020 £	Gen/Desig Funds £	Restricted Funds £	Total 2019 £
Diocese of Bolivia	6,025		6,025			
Kenya Mission Initiatives	3,000		3,000	3,000		3,000
St Johns Sparkhill	3,000		3,000	3,000		3,000
St Christophers Springfield	3,000		3,000	3,000		3,000
Tearfund	2,180		2,180	2,240	657	2,897
Reachout Network Ministries	2,000	93	2,093	2,000		2,000
Malawi Task Group, CofE Birmingham	2,000		2,000	1,000		1,000
St Philips & St James Dorridge - Building Project	2,000		2,000			
St Andrews Chelmsley Wood	1,500		1,500	3,500		3,500
Urban Saints	1,310		1,310	1,240		1,240
International Needs	1,000		1,000	1,000		1,000
Scripture Union	1,000		1,000	1,000		1,000
Compassion	654		654	540		540
Aston Parish Church	500		500			
Chaplaincy Plus - Birmingham	500		500	1,000		1,000
Holy Trinity Smethwick	500		500			
Matt Roberts-Davies	500		500	700		700
St Germain's Edgbaston	500		500			
St Gabriel Weoley Castle	500		500			
St Johns Ladywood	500		500			
St. Margaret Short Heath	500		500			
St.Thomas Garretts Green	500		500			
Mad Hatters Tea Party for disabled children - Cobbles	300		300	225		225
Springfield Project		229	229		472	472
Knowle & Dorridge Churches Together		125	125		203	203
Christian Aid	100		100	100	2,591	2,691
Christians Against Poverty (Carol services)					1,857	1,857
The Feast (Carol services)					1,847	1,847
This Way Up				1,500		1,500
Outreach Angels				565	835	1,400
Agape				1,250		1,250
LEADS Sri Lankan Christian Charity				521	657	1,178
Urban Devotion					1,012	1,012
Royal British Legion					790	790
Shine (from Cobbles)				645		645
Solihull Mind				608		608
KPC Youth Mission				595		595
Betel (UK)					523	523
Restore- Birmingham Churches Together					523	523
CPAS				500		500
Fusion				500		500
Solihull Welcome				500		500
UCCF				500		500
Others				450	1,191	1,641
Total	33,569	447	34,016	31,679	13,158	44,837
Less collections made specifically for other charities		(447)	(447)		(13,158)	(13,158)
Total giving by KPC (per accounts note 2)	33,569		33,569	31,679		31,679

8. Contingent Liabilities

No contingent liabilities have been identified.

9. Related Parties (as required by Charities Act 2011 and FRS 102 Section 33)

At each meeting of the PCC the council members are required to declare any conflicts of interest that may arise or have arisen and where there is such a conflict then that member will not vote on any proposal involving the related party. There are three related parties of significance in 2020:

- Pickering Fields Trust (PFT) which, with the Church, shares the vicar and two churchwardens as trustees. However, as Knowle PCC has approximately 20 members, there is not common control, as defined in the legislation.
- Knowle Church Clock Trust (also known as Pontifex Clock Trust - Registered Charity Number 514954) which, with the Church, shares the vicar and two churchwardens as trustees. However, as Knowle PCC has approximately 20 members, there is not common control, as defined in the legislation.
- Knowle United Charity which, with the Church, shares a member of clergy as a trustee.

Pickering Fields Trust has the official name 'Charities for Ecclesiastical and Other Purposes' - charity number 238492. Apart from a small amount of investment income, it derives all its income from the rental of its house to Knowle Parish Church for clergy use (see note 5) which amounted to £16,200 in 2020 (2019 £21,600). It, in turn, at the discretion of its 3 trustees and within its objectives, generally pays all its donations to the church, in support of renovation and fabric repair projects and the charitable work of the church. There were no payments from the Trust to the church in 2020 or 2019. Group accounts have not been prepared since neither the trustees of Knowle Parish Church nor the electorate of Knowle Parish Church have powers (i) to direct the decisions of the PFT trustees or (ii) to appoint or dismiss the PFT trustees.

Knowle Church Clock Trust's principal activity and achievement is the donation of the whole of the annual income from its investment funds to Knowle Parochial Church Council, which has the legal obligation of the upkeep of the church clock and weathervane. In 2019, the Trust made a donation to Knowle Parish Church of £69 (2019 £68).

Knowle United Charity makes grants to Knowle Parish Church towards children's' and youth work.

Independent Auditors Report

To the Trustees of The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull (the 'charity') for the year ended 31 December 2020 which comprise Trustees Report, Statement of Financial Activities, Balance Sheet, Statement of Cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditors Report

To the Trustees of The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;

Independent Auditors Report

To the Trustees of The Parochial Church Council of the Ecclesiastical Parish of Knowle, Solihull

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Dawn Owen BA (Hons) BFP FCA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

Statutory Auditor

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1st Floor, Copthall House
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West Midlands
DY8 1PH

Azets Audit Services is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.