



**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 31<sup>st</sup> 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 19<sup>th</sup> 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:

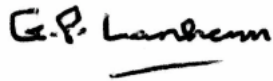
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed 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)

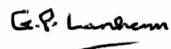
28<sup>th</sup> February 2024

**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
		£	£	£	£	£	£	£	£
<b>Income from:</b>									
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
<b>Total income</b>		<b>709,413</b>	<b>108,090</b>	<b>87,329</b>	<b>904,832</b>	<b>609,297</b>	<b>97,706</b>	<b>67,147</b>	<b>774,150</b>
<b>Expenditure on:</b>									
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
<b>Total expenditure</b>		<b>678,859</b>	<b>123,763</b>	<b>71,958</b>	<b>874,580</b>	<b>616,000</b>	<b>104,460</b>	<b>26,115</b>	<b>746,575</b>
<b>Net income/(expenditure)</b>		<b>30,554</b>	<b>(15,673)</b>	<b>15,371</b>	<b>30,252</b>	<b>(6,703)</b>	<b>(6,754)</b>	<b>41,032</b>	<b>27,575</b>
Transfer General Funds to Designated Funds	6	(35,920)	35,920	-	-	(20,000)	20,000	-	-
Transfer Restricted Funds to General Fund	6	-	-	-	-	-	-	-	-
<b>Net movement in funds</b>		<b>(5,366)</b>	<b>20,247</b>	<b>15,371</b>	<b>30,252</b>	<b>(26,703)</b>	<b>13,246</b>	<b>41,032</b>	<b>27,575</b>
<b>Reconciliation of Funds:</b>									
Funds brought forward		1,362,425	189,922	131,733	1,684,080	1,389,128	176,676	90,701	1,656,505
<b>Funds carried forward</b>		<b>1,357,059</b>	<b>210,169</b>	<b>147,104</b>	<b>1,714,332</b>	<b>1,362,425</b>	<b>189,922</b>	<b>131,733</b>	<b>1,684,080</b>

**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
		£	£	£	£	£	£	£	£
<b>Fixed Assets</b>									
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
<b>Sub Total - Fixed Assets</b>		<b>1,260,682</b>	<b>-</b>	<b>1,782</b>	<b>1,262,464</b>	<b>1,273,199</b>	<b>-</b>	<b>1,582</b>	<b>1,274,781</b>
<b>Current assets</b>									
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
<b>Sub Total - Current Assets</b>		<b>113,853</b>	<b>212,536</b>	<b>149,507</b>	<b>475,896</b>	<b>120,583</b>	<b>205,124</b>	<b>132,479</b>	<b>458,186</b>
<b>Liabilities: Falling due within one year</b>					-				-
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
<b>Sub Total - Liabilities</b>		<b>17,476</b>	<b>2,367</b>	<b>4,185</b>	<b>24,028</b>	<b>31,357</b>	<b>15,202</b>	<b>2,328</b>	<b>48,887</b>
<b>Sub Total - Net Current Assets</b>		<b>96,377</b>	<b>210,169</b>	<b>145,322</b>	<b>451,868</b>	<b>89,226</b>	<b>189,922</b>	<b>130,151</b>	<b>409,299</b>
<b>Total Net Assets</b>		<b>1,357,059</b>	<b>210,169</b>	<b>147,104</b>	<b>1,714,332</b>	<b>1,362,425</b>	<b>189,922</b>	<b>131,733</b>	<b>1,684,080</b>
<b>Funds</b>									
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
					-				-
<b>Total</b>		<b>1,357,059</b>	<b>210,169</b>	<b>147,104</b>	<b>1,714,332</b>	<b>1,362,425</b>	<b>189,922</b>	<b>131,733</b>	<b>1,684,080</b>

Approved by the Parochial Church Council on 28<sup>th</sup> 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 £
<b>Cash flows from operating activities:</b>								
Net movement in funds per SOFA	(5,366)	20,247	15,371	30,252	(26,703)	13,246	41,032	27,575
<b>Adjustments for:</b>								
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
<b>Net cash provided by (used in) operating activities</b>	<b>15,991</b>	<b>8,285</b>	<b>19,634</b>	<b>43,910</b>	<b>28,458</b>	<b>30,949</b>	<b>40,733</b>	<b>100,140</b>
<b>Cash flows from investing activities:</b>								
Purchases of fixed assets	(25,623)	-	-	(25,623)	(4,852)	-	-	(4,852)
Change in value of investments	-	-	(200)	(200)	-	-	160	160
<b>Net cash provided by (used in) investing activities</b>	<b>(25,623)</b>	<b>-</b>	<b>(200)</b>	<b>(25,823)</b>	<b>(4,852)</b>	<b>-</b>	<b>160</b>	<b>(4,692)</b>
<b>Change in cash and cash equivalents in the reporting period</b>	<b>(9,632)</b>	<b>8,285</b>	<b>19,434</b>	<b>18,087</b>	<b>23,606</b>	<b>30,949</b>	<b>40,893</b>	<b>95,448</b>
<b>Changes in cash and cash equivalents:</b>								
<b>Opening balances:</b>								
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
<b>Closing balances</b>								
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
<b>Increase/(decrease) in net cash holdings</b>	<b>(9,632)</b>	<b>8,285</b>	<b>19,434</b>	<b>18,087</b>	<b>23,606</b>	<b>30,949</b>	<b>40,893</b>	<b>95,448</b>

**I. Income analysis**

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £	2022 £
<b>1a Donations and legacies:</b>								
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
<b>Total</b>	<b>618,006</b>	<b>24,858</b>	<b>80,280</b>	<b>723,144</b>	<b>531,170</b>	<b>16,195</b>	<b>67,235</b>	<b>614,600</b>
<b>1b Income from Church Activities:</b>								
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
<b>Total</b>	<b>66,656</b>	<b>82,822</b>	<b>774</b>	<b>150,252</b>	<b>69,678</b>	<b>80,953</b>	<b>-</b>	<b>150,631</b>
<b>1c Other trading activities (incl. rentals)</b>	18,054	410	-	18,464	6,680	558	-	7,238
<b>1d Investment dividends/revaluation and interest</b>	6,697	-	6,275	12,972	1,769	-	(88)	1,681
<b>Total income</b>	<b>709,413</b>	<b>108,090</b>	<b>87,329</b>	<b>904,832</b>	<b>609,297</b>	<b>97,706</b>	<b>67,147</b>	<b>774,150</b>

**2. Expenditure analysis**

Funds	Unrestricted		Restricted	Total	Unrestricted		Restricted	Total
	General	Designated			General	Designated		
	2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £	2022 £
<b>2a Raising funds</b>								
Costs attributable (mainly to rents received)	1,365	43	-	1,408	5,797	385	-	6,182
<b>Sub-total</b>	<b>1,365</b>	<b>43</b>	<b>-</b>	<b>1,408</b>	<b>5,797</b>	<b>385</b>	<b>-</b>	<b>6,182</b>
<b>2b Charitable activities: Mission</b>								
Outside giving to charities (see note 7)	38,436	883	11,700	51,019	35,286	1,539	989	37,814
<b>2c Charitable activities: Ministry:</b>								
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
<b>Sub-total</b>	<b>677,494</b>	<b>123,720</b>	<b>71,958</b>	<b>873,172</b>	<b>610,203</b>	<b>104,075</b>	<b>26,115</b>	<b>740,393</b>
<b>Total expenditure</b>	<b>678,859</b>	<b>123,763</b>	<b>71,958</b>	<b>874,580</b>	<b>616,000</b>	<b>104,460</b>	<b>26,115</b>	<b>746,575</b>



### **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 31<sup>st</sup> 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
	£	£	£	£
<b>Cost or deemed cost</b>				
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
<b>Depreciation and impairments</b>				
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)
<b>Net book value at beginning of year</b>	1,232,769	40,431	-	1,273,200
<b>Net book value at end of year</b>	<b>1,229,776</b>	<b>30,906</b>	-	<b>1,260,682</b>

#### 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	
<b>Total</b>	<b>294,627</b>	<b>18</b>	<b>257,163</b>	<b>18</b>

(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
<b>Totals</b>	<b>131,733</b>	<b>87,177</b>	<b>152</b>	<b>(71,958)</b>	<b>147,104</b>

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
<b>Totals</b>	<b>189,922</b>	<b>108,090</b>	<b>35,920</b>	<b>(123,763)</b>	<b>210,169</b>

\*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
<b>Total</b>	<b>51,019</b>	<b>9,618</b>	<b>60,637</b>	<b>37,814</b>	<b>5,192</b>	<b>43,006</b>
Less collections made specifically for other charities		(9,618)	(9,618)		(5,192)	(5,192)
<b>Total giving by KPC (per accounts note 2)</b>	<b>51,019</b>		<b>51,019</b>	<b>37,814</b>		<b>37,814</b>

## 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

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I report to the charity trustees on my examination of the accounts of the charity for the year ended 31<sup>st</sup> 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: 28<sup>th</sup> March 2024

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