THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

England & Wales · Charity number 1131647

Details

Other names	ST ALPHEGE, SOLIHULL PCC
Status	Registered
Legal form	Previously excepted
Registered	2009-09-16
Register	View on the Charity Commission register

Contact

Address	Parish Office The Oliver Bird Hall Church Hill Road Solihull B91 3RQ
Phone	01217055350
Email	admin@solihullparish.org.uk
Website	www.solihullparish.org.uk

Activities

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

Activities: Church working in Solihull

Classification

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

Downloaded from opencharities.uk/ew/1131647

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL
- Solihull

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£828,840	£1,022,948	£3,795,370	19
2023-12-31	£832,189	£841,592	£3,931,566	19
2022-12-31	£937,173	£964,433	£3,750,644	20
2021-12-31	£766,316	£764,566	£4,072,073	22
2020-12-31	£643,689	£815,698	£3,774,019	26

Trustees

Name	Role	Appointed
Alan Keith Wilson		2011-11-27
Andrew Russell WILLIAMS		2018-04-26
Carol Mary Southworth BA, MPhil		2022-04-28
Christopher Barnes Carrington		2019-04-29
Deirdre Rowena Mary Moll		
Jaspal Singh Somi BA Hons		2020-12-07
Martin Finch		2024-07-17
Merrill Sylvia Flood		2024-04-22
Pamela Anne Price		2019-04-29
Rachael Marian Linstead BSc PGCE		
Rev Simon Hardy Marshall		
Rev Susan May Chandler		2020-07-30
TIMOTHY JOHN DRAKEFORD		2018-04-26

Downloaded from opencharities.uk/ew/1131647

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

England & Wales - Charity number 1131647

Accounts

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

(Charity number 1131647)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

The Parochial Church Council of the Ecclesiastical Parish of Solihull

Annual Report of the Parochial Church Council for 2024

Reference and Administrative Information

Charity Registration:

The Parochial Church Council of the Ecclesiastical Parish of Solihull (the PCC) is registered with the Charity Commission under registered charity number 1131647

Priest-in-Charge (Rector Designate):

Rev Nick Parker

Operational Address:

Parish Office, Oliver Bird Hall, Church Hill Road, Solihull B91 3RQ

Bankers:

Lloyds Bank, 9/14 Poplar Road, Solihull B91 3AN

Auditors:

Prime Accountants Group, Corner Oak,1 Homer Road, Solihull, B91 3QG

Investment Advisors

CCLA, One Angel Lane, London EC4R 3AB

Structure, governance and management

Governance

The parish of St Alphege, Solihull, is part of the Diocese of Birmingham. It comprises three churches which were formed into a Team Ministry by Pastoral Order in 1979. The churches, St Alphege, St Helen's and St Michael's, are governed by District Church Councils (DCCs) to which the PCC has delegated many of its functions. The PCC retains responsibility for certain reserved matters including those of a parish-wide nature. The rules for the proceedings of the PCC are set out in the Church Representation Rules and the same rules apply, as far as may be, to the DCCs.

Objectives and Activities

Object of the Church

The Parochial Church Council of the Ecclesiastical Parish of Solihull, ('the PCC') has the responsibility of co-operating with the Team Rector in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. Other duties include ultimate responsibility for a wide range of matters affecting the Parish, including compliance with health and safety, disability discrimination legislation, data protection and safeguarding, and arranging appropriate training for members and staff. It also has certain responsibilities for each of the churches within the parish, and other major fund holders, such as the Oliver Bird Hall and St Alphege Pre-School, although many of these responsibilities are delegated to the DCC's of each church and the committees of other fund holders.

Public Benefit

The PCC has referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the aim and objectives of the PCC and in planning its future activities.

The Parochial Church Council of the Ecclesiastical Parish of Solihull

Annual Report 2024 (continued)

Trustees and Management Committee

The members of the PCC (who are trustees for the purposes of Charity Law) who served during the year until the date this report was approved were:

	St Alphege	St Helen's	St Michael's	PCC
Clergy	Rev Nick Parker	Rev S Chandler	Rev S Marshall	Mrs S Maguire
Parish Churchwardens				Mrs P Price Mr A Williams
Deputy Churchwardens	Mrs S Gomm Mrs S Sayers	Mr C Carrington	Mr K Wilson	
Deanery Synod Representatives	Mrs D Moll Mrs R Linstead	Mrs J Norman	Mr K Wilson	
Church Centre Representatives	Mrs J Ladbrooke Mr T Drakeford	Mrs P Gates Mr L Prescot Mrs J Norman	Ms A Clomey Mr N Evans	
Lay members of Diocesan Synod	Mrs D Moll			
Co-options				Mrs V Dobson Rev S Chandler Mr M Finch
Readers	Mrs L Hicks			
Elected Lay Reps (max 5)				Mrs C Southworth Mrs E Diskin Mrs J Hanson Mr J Singh Mr A Halstead

Annual Report 2024 (continued)

Statement of responsibilities of the members of the PCC (the trustees)

The trustees of the PCC 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 and Wales requires the trustees of the PCC 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 the financial statements the trustees of the PCC are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice 2019 (FRS 102);
- make judgments 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The trustees of the PCC 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 and the provisions of the governing document. 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.

Appointment of Trustees

Members of the PCC, the trustees, are ex officio, or elected by the Annual Parochial Church Meeting ('the APCM') in accordance with the Church Representation Rules.

Committees

The PCC operates through a number of committees which meet between full meetings of the Council. These include the **Parish Standing Committee,** which is the only Committee required by law. It has the power to transact the business of the PCC between its meetings subject to any directions given by the PCC. Other committees include the **Employment and Safeguarding Group**; the **Finance Group**; the **Buildings and Plant Group**; and the **Communications Group;** and the **District Church Councils (DCCs**) of St Alphege, St Helen's and St Michael's to which the PCC has delegated many of its functions.

Risk Management

The major risks to which the PCC are exposed, including financial risk, reputational risk, statutory risk and legal requirements and operational risk, have been identified by PCC, are regularly reviewed, and systems and procedures have been established to manage those risks. Similar risk assessments and management of risks are regularly reviewed by DCCs and other fund holding committees.

Achievements and Performance

Church Attendance

As of the Annual Parochial Church Meeting held on 28 April 2025, there were 303 (2024:478) names on the electoral roll comprising:

- St Alphege's Section: 196 (2024:332)
- St Helen's Section: 58 (2924:73)
- St Michael's Section: 49 (2024:73)

Review of the year ending 31st December 2024

Throughout 2024 our three church centres, the Junction (meeting in Oliver Bird Hall), and our Pioneer Minister (working in community spaces), have continued to serve the people of Solihull with enthusiasm and joy. Our clergy, lay ministers and volunteers have worked hard to maintain, and indeed build upon, our programme of services and activities with good result in terms of attendance and participation at special services, as well as building reputation.

The PCC Committees cover all aspects of parish work and have continued to be effective in taking forward our policies and strategies, in particular those for Discipleship and Nurture, Employment and Safeguarding, Social Justice and Environment, Communications, Preschool, and Finance (the committee responsible for ensuring compliance, due diligence and financial strategy).

Project Turnaround has progressed with the new St. Alphege lighting scheme commissioned in September. PCC has approved spending towards detailed plans and costings sufficient to seek faculty approval and planning permission for the further phases of work planned for St. Alphege Church and grounds. The next immediate step is to carry out archaeological investigation to ascertain the feasibility of underfloor heating and construction of a narthex outside the west end of the church (which would serve as a welcoming/connecting space as well as providing toilets). The project aim remains to maximise the community benefit of our two main physical assets: St Alphege Church and the Oliver Bird Hall (OBH). The church works could commence as soon as summer 2026 with the OBH works following sometime after.

Financial Report of the Parochial Church Council for 2024

In 2024, expenditure exceeded income by £195,428. The figure for 2023 was £9,403 and the variation between the two years can be analysed as follows:

	£,000	£,000
Reduction in grants received	-35	
Reduction in legacies	-18	
Increase in fees	17	
Increase in giving	13	
Other income	19	
Total reduction in income		-4
Increase in major repairs	143	
Increase in Common Fund	20	
Increase in church maintenance	25	
Other	-6	
Total increase in expenditure		182
Net Increase in expenditure		186

This was financed largely from the sale of investment assets which raised £145,219.

.

Investment Policy

The PCC holds the vast majority of its investments with the CCLA and considers that its investment policy in all material respects meets the Charity Commission's recommendations. The PCC's general policy is, whenever possible, to invest in collective investment funds with an acceptable social, environmental and ethical policy, producing a regular income together with an element of capital growth. Other investments with similar characteristics may be considered.

Reserves Policy

The general reserves of the PCC are, in the main, represented by equity investments, property, including a house for our pioneer minister and the parish hall (Oliver Bird Hall), and cash balances. The 'free reserves' (excluding designated funds) are represented by net current assets, which at the end of the year amounted to £532,576 which equates to the sum required at current rates of spend to meet about six months of on-going costs. This is higher than the Charity Commission's recommended cover of three to four months but the PCC considers this level to be prudent and reasonable given the Parish's on-going history of deficits, the imminent development of St Alphege church, the probable need for further repairs to the parish hall, the impact of the recent surge in inflation on all costs, and a desire to limit the frequency with which we draw down from the reserves.

Auditors

Prime Accountants and Business Advisors Limited have expressed their willingness to continue in office and were re-appointment at the Annual Parish Church Meeting.



Revd R.N. Parker (Chairman)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

Opinion

We have audited the financial statements of The Parochial Church Council of the Eccesiastical Parish of Solihull (' the PCC') for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the PCC's affairs as at 31st December 2024, and of its incoming resources and application of resources, including its income and expenditure, 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 PCC 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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on work we have performed, we have not identified any material uncertainties relating to the events or conditions that, individually or collectively, may cast significant doubt on the PCC's ability to continue as a going concern for a period of at least 12 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the PCC and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us: or

- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of trustees' remuneration specified by law are not made; 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' Responsibilites , the trustees 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 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 PCC'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 PCC or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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:

- 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 group through discussions with directors and other management and from our commercial knowledge and experience;

- 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 company, including Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;

- 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 PCC; and

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL (continued)

We assessed the susceptibility of the PCC'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;

- 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;

- reading the minutes of meetings of those charged with governance

- enquiring of management as to actual and potential litigation and claims; and

- reviewing correspondence with HMRC and other relevant parties.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors

Use of our report

This report is made solely to the PCC , 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 PCC's trustees those matters we are required to state to them in an auditors' 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 PCC and the charity's trustees as a body, or for the opinions we have formed.



Jeremy Kitson BA FCA
Prime
Chartered Accountants
Statutory Auditor
Corner Oak
1 Homer Road
Solihull
B91 3QG

Date: 28.10.2025.

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2024**

Statement of Financial Activities (SOFA)

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2024 £	TOTAL FUNDS 2023 £
Income and endowments from:						
Donations and Legacies	2(a)	415,848	27		415,875	454,014
Charitable Activities	2(b)	194,780			194,780	178,636
Other Trading Activities	2(c)	114,314			114,314	98,289
Investments	2(d)	96,880	4,945	2,046	103,871	101,250
Other	2(e)					
Total income and endowments		821,822	4,972	2,046	828,840	832,189
Expenditure on:						
Raising funds	3(a)	80,092			80,092	87,364
Charitable activities:	3(b)	942,779	77		942,856	754,228
Total expenditure		1,022,871	77		1,022,948	841,592
Net (expenditure) / income		-201,049	4,895	2,046	-194,108	-9,403
Net (losses)/gains on revaluation of investments		48,202	3,288	1,687	53,177	190,325
Net (losses)/gains on disposal of investments		4,735			4,735	
Net transfers (out)/in between funds		2,046		-2,046		
Net movement in funds		-146,066	8,183	1,687	-136,196	180,922
Reconciliation of funds:						
Total funds brought forward as 1 January 2024		3,540,416	317,434	73,716	3,931,566	3,750,644
Total funds carried forward at 31 December 2024		3,394,350	325,617	75,403	3,795,370	3,931,566

There were no recognised gains or losses for 2024 or 2023 other than those recognised in the Statements of Financial Activities.

The Notes on pages 11 to 17 form part of this account

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2024**

Statement of Financial Activities (SOFA)
[Comparative figures for 2023]

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2023 £
Income and endowments from:					
Donations and Legacies	2(a)	453,991	23		454,014
Charitable Activities	2(b)	178,636			178,636
Other Trading Activities	2(c)	98,289			98,289
Investments	2(d)	96,866	4,384		101,250
Total income and endowments		827,782	4,407		832,189
Expenditure on:					
Raising funds	3(a)	87,364			87,364
Charitable activities:	3(b)	754,104	124		754,228
Total expenditure		841,468	124		841,592
Net (expenditure) / income		-13,686	4,283		-9,403
Net gains on revaluation of investments		171,484	12,451	6,390	190,325
Net gains on disposal of investments					
Net transfers (out)/in between funds		8,795		-8,795	
Net movement in funds		166,593	16,734	-2,405	180,922
Reconciliation of funds:					
Total funds brought forward at 1 January 2023		3,373,823	300,700	76,121	3,750,644
Total funds carried forward at 31 December 2023		3,540,416	317,434	73,716	3,931,566

There were no recognised gains or losses for 2023 or 2022 other than those recognised in the Statements of Financial Activities.

The Notes on pages 11 to 17 form part of this account

Balance Sheet

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	10	543,695	543,695
Investment assets	11	2,719,099	2,797,721
		3,262,794	3,341,416
Current assets			
Stocks		3,185	2,702
Debtors	12	41,939	43,852
Short-term deposits		326,905	305,160
Cash at bank and in hand		326,429	407,806
		698,458	759,520
Liabilities: amounts falling due within one year			
Creditors	13	-165,882	-169,370
Net assets		532,576	590,150
Total assets less current liabilities		3,795,370	3,931,566
Liabilities: amounts falling due after more than one year			
Loans to/from Parish/Funds			
Total assets	14	3,795,370	3,931,566
Funds			
Endowment funds	15(a)	75,403	73,716
Restricted funds	15(b)	325,618	317,434
Unrestricted and designated funds	15(c)	3,394,349	3,540,416
		3,795,370	3,931,566

Approved by the Standing Committee on 28/10/2025 and signed on its behalf by:

Revd R. N. Parker — Chairman

M Finch — Parish Treasurer

The Notes on pages 11 to 17 form part of this account

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2024**

Statement of cash flows

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (used in) operating activities	17	-300,037	90,436
Cash flows from investing activities			
Investment income		103,871	101,250
Proceeds from sale of properties			
Purchase of property			
(Purchase) / Sale of investments		136,534	
Sale of Tangible Fixed Assets			
		240,405	101,250
Change in cash and cash equivalents in the reporting period		-59,632	191,686
Cash and cash equivalents at the beginning of the reporting period		712,966	521,280
Cash and cash equivalents at the end of the reporting period	18	653,334	712,966

The Notes on pages 11 to 17 form part of this account

Notes to the financial statements

(1) **Accounting policies**

a) **Basis of preparation**
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) "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 2019)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling (£)

b) **Going concern**
The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

c) **Funds**
Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) **Income recognition**
All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Collections and planned giving is only recognised when received, although any income tax recoverable on Gift Aid donations is accrued for the period ended 31st December.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity where it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Rental income from the letting of church premises is recognised when the rental is due.

Income from investments includes dividends and interest, and is accounted for when receivable.

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation at 31st December each year.

e) **Expenditure recognition**
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

The Diocesan Common Fund is accounted for when paid and other expenditure is generally recognised when it is incurred and is accounted for gross.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance, then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

f) **Support cost allocation**
Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

g) **Tangible fixed assets**
Consecrated land and buildings and movable church furnishings
Consecrated and beneficed property (of St Alphege and St Helen's) is excluded from the financial statements by s.10(2)(a) of the Charities Act 2011. No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which requires a faculty for disposal since the PCC considers this to be an inalienable property.
All expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

Freehold land and buildings
Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

No depreciation is provided on freehold properties on the grounds that, in the opinion of the PCC, given the high residual value of properties, the depreciation charge and accumulated depreciation would be immaterial to these accounts.

Equipment
Equipment used within church buildings is written off when the asset is acquired.

h) **Investments**
Investments are valued at market value at 31st December.

i) **Debtors and creditors receivable / payable within one year**
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors, less provision for amounts that may prove uncollectible.

j) **Taxation**
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

k) **Stocks**
Stocks are stated at the lower of cost and net realisable value, after making due allowance for slow moving items.

l) **Cash and cash equivalent**
Cash for the purpose of the cash flow statement comprises cash in hand and deposits which may be accessed within 24 hours or without notice and penalty.

Liquid resources comprise term deposits of less than one year, other than cash and balances held by investment portfolio managers for reinvestment.

Notes to the financial statements (continued)

Statement of Financial Activities (SOFA)

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2024 £	2023 £
2	**Income and endowments from:**					
(a)	Donations and Legacies					
	Planned giving	205,349			205,349	201,310
	Income tax refunds	52,238			52,238	49,142
	Cash collections	20,461	27		20,488	14,271
	General purpose donations	7,792			7,792	4,532
	Grants received	122,774			122,774	157,451
	Donations and appeals	6,495			6,495	8,687
	Legacies	739			739	18,621
	Total	415,848	27		415,875	454,014
(b)	Charitable Activities					
	Bookstall	135			135	279
	Magazine sales	3,427			3,427	3,329
	Fees (Statutory)	12,713			12,713	13,295
	Fees (Other - Pre-school)	178,505			178,505	161,733
	Furlough claims					
	Total	194,780			194,780	178,636
(c)	Other Trading Activities					
	Bookstall	2,957			2,957	2,163
	Magazine advertising	8,460			8,460	9,337
	Church/Hall lettings	89,887			89,886	81,446
	Social and similar events	13,010			13,010	5,343
	Total	114,314			114,314	98,289
(d)	Investments					
	Dividends	81,206	3,988	2,046	87,240	86,504
	Interest received	15,674	957		16,631	14,746
	Rent received					
	Total	96,880	4,945	2,046	102,551	101,250
(e)	Other					
	Profit on sale of property					-
	Total					-
	Total income and endowments from:	821,822	4,972	2,046	827,520	832,189

Statement of Financial Activities (SOFA) (continued)

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2024 £	2023 £
3	**Expenditure on:**					
(a)	Raising funds					
	Bookstall					1,374
	Magazine	3,427			3,427	3,329
	Hall running costs	71,804			71,804	79,225
	Costs of fundraising events	4,861			4,861	3,436
	Total	80,092			80,092	87,364
(b)	Charitable activities:					
	Ministry:					
	Diocesan Common Fund	150,000			150,000	130,287
	Clergy working expenses	4,379			4,379	5,447
	Clergy housing	9,023			9,023	15,966
	Charity - running expenses	51,677	39		51,716	60,170
	Church maintenance	57,439			57,439	32,074
	Upkeep of services	12,392			12,392	4,226
	Upkeep of churchyard	11,161			11,161	9,193
	Cost of sales	4,121			4,121	2,951
	Support costs	1,180			1,180	9,040
	Major repairs	283,713			283,713	140,596
	Repairs & installations	13,443			13,443	1,587
	Salaries and wages	299,479			299,479	297,006
	Administration	21,643	38		21,681	25,295
	Missionary & charitable giving					
	Church overseas	3,817			3,817	1,200
	Home missions &c	14,977			14,977	17,093
	Secular charities	3,260			3,260	2,097
	Other activities	1,075			1,075	
	Total	942,779	77		942,856	754,228
	Total expenditure on:	1,022,871	77		1,022,948	841,592

Included in the 2023 total expenditure of £841592 was £841468 unrestricted and £124 restricted fund.

Notes to the financial statements (continued)

Statement of Financial Activities (SOFA) (continued)

	Activities directly undertaken £	Grant funding of activities £	Support Costs £	TOTAL 2024 £
4 **Analysis of expenditure including allocation of support costs (2024)**				
Raising funds	80,092			80,092
Charitable activities				
Resourcing Ministry	896,866		22,861	919,727
Resourcing Mission		23,129		23,129
	976,959	23,129	22,861	1,022,948

	Activities directly undertaken £	Grant funding of activities £	Support Costs £	TOTAL 2023 £
Analysis of expenditure including allocation of support costs (2023)				
Raising funds	87,364			87,364
Charitable activities				
Resourcing Ministry	699,503		34,335	733,838
Resourcing Mission		20,390		20,390
	786,867	20,390	34,335	841,592

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2024 £	2023 £
5 **Analysis of support costs**					
Resourcing Ministry	1,180			1,180	9,040
Administration costs	15,343	38		15,381	20,015
Audit fee	6,300			6,300	5,280
	22,823	38		22,861	34,335

6 **Auditors remuneration**

The auditors remuneration amounts to an audit fee of £6,300 (2023: £6300), which is included in administration costs.

7 **Trustees, key management personnel and related parties**

Although there are a number of different funds, there is no one body or committee, other than the PCC itsself, which has significant control or influence, financial or otherwise, over the running of the charity. There are, therefore, no key personnel, other than the trustees as a body.

8 **Staff costs**	£	£
Wages and salaries	276,092	274,831
Social security costs	16,559	15,969
Pension costs	6,518	6,206
	299,169	297,006

During the year the PCC employed an average of 1 pioneer minister (2023: 1), 2 youth and children's workers (2023: 2), 8 pre-school staff (2023: 8), 7 administration and support staff (2023: 7), and 1 other (2022: 1), the majority of whom worked part-time.

No Employee received remuneration in excess of £60,000.

9 **Pension**

The PCC operates defined contribution pension schemes for eligible employees, making payments into the National Employment Savings Trust (NEST). The amount recognised as an expense in the period was £9342 (2023: £6,206).

Notes to the financial statements (continued)

Balance Sheet **At 31st December 2024**

	Freehold property	Total 2024
Fixed assets		
10 Tangible fixed assets	£	£
Cost		
At 1 January 2024	543,695	543,695
At 31 December 2024	543,695	543,695
Depreciation		
At 1 January 2024		
At 31 December 2024		
Net book value		
At 1 January 2024	543,695	543,695
At 31 December 2024	543,695	543,695
Freehold property comprises:		
Oliver Bird Hall,Solihull at cost		230,551
Middlewood Close,Solihull at cost		313,144
		543,695

	2024
Investment Assets	
11 Quoted investments	£
Market value	
At 1 January 2024	2,797,721
Purchased	15,000
Sales	-145,219
	2,667,502
Gains/(losses) on realisations and revaluations	51,597
At 31 December 2024	2,719,099

	2024	2023
	£	£
Quoted investments comprise:		
Central Board of Finance of the Church of England (CBF):		
- 99006.67 Investment Fund income shares (Cost £1233400)	2,286,446	2,383,340
- 316,986.92 Property Fund shares (Cost £346,000)	390,497	388,340
COIF Charities:		
- 7662.52 Ethical Investment Fund shares (Cost £20,000)	23,698	13,327
- 7791.56 Global Equity Fund shares ((Cost £14606)	18,458	12,714
Total quoted investments	2,719,099	2,797,721

	2024	2023
12 Debtors: amounts falling due within one year	£	£
Income tax recoverable	2,840	9,246
Prepayments	2,097	5,155
Other debtors	37,002	29,451
	41,939	43,852

	2024	2023
13 Creditors: amounts falling due within one year	£	£
Accruals	22,775	21,185
Trade creditors	25,750	15,464
Other creditors	117,357	132,721
	165,882	169,370

14 Analysis of net assets by type of fund	Unrestricted Funds	Restricted Funds	Endowment Funds	TOTAL FUNDS 2024	2023
	£	£	£	£	£
Tangible fixed assets	423,695	120,000		543,695	543,695
Investment assets	2,496,760	146,936	75,403	2,719,099	2,797,721
Current assets	747,960	58,680		806,640	759,520
Current liabilities	-274,191			-274,191	-169,370
	3,394,224	325,616	75,403	3,795,243	3,931,566

14 Analysis of net assets by type of fund **[Comparative figures for 2023]**	Unrestricted Funds	Restricted Funds	Endowment Funds	TOTAL FUNDS 2023
	£	£	£	£
Tangible fixed assets	423,695	120,000		543,695
Investment assets	2,580,357	143,648	73,716	2,797,721
Current assets	705,734	53,786		759,520
Current liabilities	-169,370			-169,370
	3,540,416	317,434	73,716	3,931,566

Notes to the financial statements (continued)

15 Movement in Funds	Opening balance £	Incoming £	Gains and Losses £	Fund transfers £	Outgoing £	Closing balance £
(a) Endowment funds						
St Alphege:						
PW Harrison Bequest	73,716	2,046	1,687	-2,046		75,403
Total endowment funds	73,716	2,046	1,687	-2,046		75,403

Two Percy Harrison capital **endowment funds** arose from his 1967 legacies for non-routine maintenance of the churchyard. They were merged into a single fund in 1998.

(b) Restricted funds						
St Alphege:						
Fabric Fund	194,731	4,884	3,288			202,903
Small Restricted Funds	2,703	88			-77	2,714
SMBC Grant Fund	120,000					120,000
Total restricted funds	317,434	4,972	3,288		-77	325,617

Restricted funds have been set up to meet a specific purpose. The **Fabric Fund** exists for the repair and maintenance of the fabric of the Parish Church. The **Small Restricted Funds** consolidate the **New Door** and the long-established **Holbeche Memorial Fund.** The **SMBC Grant Fund** represents a grant received from Solihull Metropolitan Borough Council towards the cost of the Oliver Bird Hall extension.

(c) Unrestricted and designated funds						
Parish:						
St Francis Parish Fund	2,425,226	70,588	45,178		-161,292	2,379,700
Parish News	37,831	13,855			-8,159	43,527
Elizabeth Newton Fund	4,214	237				4,451
Staff Housing Fund	311,726	12,051	5,219			328,996
St Alphege Pre-School	78,984	189,576	402		-166,553	102,409
St Alphege:						
Oliver Bird Hall	55,723	63,097			-69,886	48,934
St Alphege Bookstall	9,258	3,203			-1,901	10,560
Organ Repair Fund	87,697	72		1,000	-197	88,572
PW Harrison Bequest	23,138	1,250		2,046		26,434
General Fund(consolidated)	225,623	331,786		-1,000	-490,432	65,977
St Helen's:						
General Fund (consolidated)	139,702	99,144	1,115		-86,897	153,064
St Michael's:						
General Fund (consolidated)	141,294	48,430	2,343		-50,341	141,726
Total unrestricted and designat	3,540,416	833,289	54,257	2,046	-1,035,658	3,394,350
Total Funds	3,931,566	840,307	59,232		-1,035,735	3,795,370

NB: Unrestricted funds can be used for any of the PCC's purposes; **Designated funds** only to the purpose set by the PCC.

Unrestricted funds: -

The **Parish News** fund is the operating account of the Parish News, the monthly parish magazine.
The **St Alphege Pre-School** fund is the operating account of the St Alphege Pre-School group.
The **General Funds** are used for running their day-to-day affairs of the three churches.
The **Oliver Bird Hall** fund is the operating account of the parish centre.
The **St Alphege Bookstall** fund is the operating account of the bookstall in St Alphege Church.

Designated funds: -

The **St Francis Parish Fund** originates from the net proceeds of the sale of the St Francis site. The PCC has designated the fund for parish mission, primarily the children's, youth and pioneer work.
The **Elizabeth Newton Fund** results from a legacy which has been designated for the benefit of children, families, and young people from the parish.
The **Staff Housing Fund** generates income which is designated to provide accommodation for ministers and other staff.
The **Organ Repair Fund** is designated for the maintenance and repair of the organ in St Alphege Church.

Notes to the financial statements (continued)

16 Movement in Funds **(Comparative figures for 2023)**	Opening balance £	Incoming £	Gains and Losses £	Fund transfers £	Outgoing £	Closing balance £
(a) Endowment funds						
St Alphege:						
PW Harrison Bequest	76,121		6,390	-8,795		73,716
Total endowment funds	76,121		6,390	-8,795		73,716

Two Percy Harrison capital **endowment funds** arose from his 1967 legacies for non-routine maintenance of the churchyard. They were merged into a single fund in 1998.

(b) Restricted funds						
St Alphege:						
Fabric Fund	177,932	4,348	12,451			194,731
Small Restricted Funds	2,768	59			-124	2,703
SMBC Grant Fund	120,000					120,000
Total restricted funds	300,700	4,407	12,451		-124	317,434

Restricted funds have been set up to meet a specific purpose. The **Fabric Fund** exists for the repair and maintenance of the fabric of the Parish Church. The **Small Restricted Funds** consolidate the **New Door**, the long-established **Holbeche Memorial Fund. T**he **SMBC Grant Fund** represents a grant received from Solihull Metropolitan Borough Council towards the cost of the Oliver Bird Hall extension.

(c) Unrestricted and designated funds						
Parish:						
St Francis Parish Fund	2,322,651	65,526	142,912	5,325	-111,188	2,425,226
Parish News	33,537	14,109			-9,815	37,831
Elizabeth Newton Fund	4,075	139				4,214
Staff Housing Fund	291,095	10,507	15,449	-5,325		311,726
St Alphege Pre-School	85,102	165,870	1,522	-12,107	-161,403	78,984
St Alphege:						
Oliver Bird Hall	59,233	45,205		12,107	-60,822	55,723
St Alphege Bookstall	8,181	2,506			-1,429	9,258
Organ Repair Fund	3,870	1,026		84,388	-1,587	87,697
PW Harrison Bequest	11,649	2,694		8,795		23,138
General Fund(consolidated)	305,953	372,345		-84,388	-368,287	225,623
St Helen's:						
General Fund (consolidated)	124,088	96,798	2,730		-83,914	139,702
St Michael's:						
General Fund (consolidated)	124,389	51,057	8,872		-43,024	141,294
	3,373,823	827,782	171,485	8,795	-841,469	3,540,416
Total funds (for 2023)	3,750,644	832,189	190,326		-841,593	3,931,566

NB: Unrestricted funds can be used for any of the PCC's purposes; **Designated funds** only to the purpose set by the PCC.

Unrestricted funds: -

The **Parish News** fund is the operating account of the Parish News, the monthly parish magazine.
The **St Alphege Pre-School** fund is the operating account of the St Alphege Pre-School group.
The **General Funds** are used for running their day-to-day affairs of the three churches.
The **Oliver Bird Hall** fund is the operating account of the parish centre.
The **St Alphege Bookstall** fund is the operating account of the bookstall in St Alphege Church.

Designated funds: -

The **St Francis Parish Fund** originates from the net proceeds of the sale of the St Francis site. The PCC has designated the fund for parish mission, primarily the children's, youth and pioneer work.
The **Elizabeth Newton Fund** results from a legacy which has been designated for the benefit of children, families, and young people from the parish.
The **Staff Housing Fund** generates income which is designated to provide accommodation for ministers and other staff.
The **Organ Repair Fund** is designated for the maintenance and repair of the organ in St Alphege Church.

17 Reconciliation of net income to net cash flow from operating activities	2024 £	2023 £
Net (expenditure) / income for the period (as per the statement of financial activities)	-136,196	180,922
Adjustments for		
Losses / (Gains) on investments	-57,912	-190,325
Income from investments	-103,871	-101,250
Profit on sale of investments		
Decrease / (Increase) in stocks	-483	-712
Decrease/ (Increase) in debtors	1,913	185,022
Increase in creditors	-3,488	16,779
Net cash (used in) provided by operating activities	-300,037	90,436

18 Analysis of cash and cash equivalents	2024 £	2023 £
Short term deposits	326,905	305,160
Cash at bank and in hand	326,428	407,806
Total cash and cash equivalents	653,333	712,966

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

England & Wales - Charity number 1131647

Accounts

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2023**

Statement of Financial Activities (SOFA)

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2023 £	TOTAL FUNDS 2022 £
Income and endowments from:						
Donations and Legacies	2(a)	453,991	23	-	454,014	417,928
Charitable Activities	2(b)	178,636	-	-	178,636	201,373
Other Trading Activities	2(c)	98,289	-	-	98,289	85,198
Investments	2(d)	96,866	4,384	-	101,250	89,514
Other	2(e)	-	-	-	-	143,160
Total income and endowments		827,782	4,407	-	832,189	937,173
Expenditure on:						
Raising funds	3(a)	87,364	-	-	87,364	95,722
Charitable activities:	3(b)	754,104	124	-	754,228	868,711
Total expenditure		841,468	124	-	841,592	964,433
Net (expenditure) / income		(13,686)	4,283	-	(9,403)	(27,260)
Net (losses)/gains on revaluation of investments		171,484	12,451	6,390	190,325	(293,849)
Net (losses)/gains on disposal of investments		-	-	-	-	(320)
Net transfers (out)/in between funds		8,795	-	(8,795)	-	
Net movement in funds		166,593	16,734	(2,405)	180,922	(321,429)
Reconciliation of funds:						
Total funds brought forward as 1 January 2023		3,373,823	300,700	76,121	3,750,644	4,072,073
Total funds carried forward at 31 December 2023		£3,540,416	£317,434	£73,716	£3,931,566	£3,750,644

There were no recognised gains or losses for 2023 or 2022 other than those recognised in the Statements of Financial Activities.

The Notes on pages 11 to 17 form part of this account

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2023**

Statement of Financial Activities (SOFA)
(Comparative figures for 2022)

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2022 £
Income and endowments from:					
Donations and Legacies	2(a)	417,848	80	-	417,928
Charitable Activities	2(b)	201,373	-	-	201,373
Other Trading Activities	2(c)	85,198	-	-	85,198
Investments	2(d)	85,458	4,056	-	89,514
Other	2(e)	143,160	-	-	143,160
Total income and endowments		933,037	4,136	-	937,173
Expenditure on:					
Raising funds	3(a)	95,722	-	-	95,722
Charitable activities:	3(b)	868,584	127	-	868,711
Total expenditure		964,306	127	-	964,433
Net (expenditure) / income		(31,269)	4,009	-	(27,260)
Net gains on revaluation of investments		(267,495)	(17,416)	(8,938)	(293,849)
Net gains on disposal of investments		(320)	-	-	(320)
Net transfers (out)/in between funds		-	-	-	-
Net movement in funds		(299,084)	(13,407)	(8,938)	(321,429)
Reconciliation of funds:					
Total funds brought forward as 1 January 2022		3,672,907	314,107	85,059	4,072,073
Total funds carried forward at 31 December 2022		£3,373,823	£300,700	£76,121	£3,750,644

There were no recognised gains or losses for 2023 or 2022 other than those recognised in the Statements of Financial Activities.

The Notes on pages 11 to 17 form part of this account

Balance Sheet

	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	10	543,695	543,695
Investment assets	11	2,797,721	2,607,396
		3,341,416	3,151,091
Current assets			
Stocks		2,702	1,990
Debtors	12	43,852	228,874
Short-term deposits		305,160	259,637
Cash at bank and in hand		407,806	261,643
		759,520	752,144
Liabilities: amounts falling due within one year			
Creditors	13	(169,370)	(152,591)
Net assets		590,150	599,553
Total assets less current liabilities		3,931,566	3,750,644
Liabilities: amounts falling due after more than one year			
Loans to/from Parish/Funds		-	-
Total assets	14	£3,931,566	£3,750,644
Funds			
Endowment funds	15(a)	73,716	76,121
Restricted funds	15(b)	317,434	300,700
Unrestricted and designated funds	15(c)	3,540,416	3,373,823
		£3,931,566	£3,750,644

Approved by the Parochial Church Council on 16th September 2024 and signed on its behalf by:

Revd R. N. Packer
Chairman

T. J. Drakeford
Acting Parish Treasurer

The Notes on pages 11 to 17 form part of this account

Statement of cash flows

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in) operating activities	17	90,436	(136,568)
Cash flows from investing activities			
Investment income		101,250	89,514
Proceeds from sale of properties		-	-
Purchase of property		-	-
(Purchase) / Sale of investments		-	(550,000)
Sale of Tangible Fixed Assets		-	518,160
		101,250	57,674
Change in cash and cash equivalents in the reporting period		191,686	(78,834)
Cash and cash equivalents at the beginning of the reporting period		521,280	600,114
Cash and cash equivalents at the end of the reporting period	18	712,966	521,280

The Notes on pages 11 to 17 form part of this account

Notes to the financial statements

(1) Accounting policies

a) Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) "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)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling (£)

b) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

c) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Collections and planned giving is only recognised when received, although any income tax recoverable on Gift Aid donations is accrued for the period ended 31st December.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity where it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Rental income from the letting of church premises is recognised when the rental is due.

Income from investments includes dividends and interest, and is accounted for when receivable.

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation at 31st December each year.

e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

The Diocesan Common Fund is accounted for when paid and other expenditure is generally recognised when it is incurred and is accounted for gross.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance, then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Notes to the financial statements (continued)

f) **Support cost allocation**
Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

g) **Tangible fixed assets**
Consecrated land and buildings and movable church furnishings
Consecrated and beneficed property (of St Alphege and St Helen's) is excluded from the financial statements by s.10(2)(a) of the Charities Act 2011. No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which requires a faculty for disposal since the PCC considers this to be an inalienable property.
All expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

Freehold land and buildings
Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

No depreciation is provided on freehold properties on the grounds that, in the opinion of the PCC, given the high residual value of properties, the depreciation charge and accumulated depreciation would be immaterial to these accounts.
The PCC has taken advice on the carrying value of the properties and a provision is not considered necessary.

Equipment
Equipment used within church buildings is written off when the asset is acquired.

h) **Investments**
Investments are valued at market value at 31st December.

i) **Debtors and creditors receivable / payable within one year**
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors, less provision for amounts that may prove uncollectible.

j) **Taxation**
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

k) **Stocks**
Stocks are stated at the lower of cost and net realisable value, after making due allowance for slow moving items.

l) **Cash and cash equivalent**
Cash for the purpose of the cash flow statement comprises cash in hand and deposits which may be accessed within 24 hours or without notice and penalty.

Liquid resources comprise term deposits of less than one year, other than cash and balances held by investment portfolio managers for reinvestment.

Notes to the financial statements (continued)

Statement of Financial Activities (SOFA)

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2023 £	2022 £
(2) **Income and endowments from:**						
(a) Donations and Legacies						
Planned giving		201,310	-	-	201,310	211,739
Income tax refunds		49,142	-	-	49,142	49,224
Cash collections		14,248	23	-	14,271	13,550
General purpose donations		4,532	-	-	4,532	9,285
Grants received		157,451	-	-	157,451	-
Donations and appeals		8,687	-	-	8,687	3,931
Legacies		18,621	-	-	18,621	130,199
	Total	453,991	23	-	454,014	417,928
(b) Charitable Activities						
Bookstall		279	-	-	279	457
Magazine sales		3,329	-	-	3,329	3,462
Fees (Statutory)		13,295	-	-	13,295	25,158
Fees (Other - Pre-school)		161,733	-	-	161,733	172,296
Furlough claims		-	-	-	-	-
	Total	178,636	-	-	178,636	201,373
(c) Other Trading Activities						
Bookstall		2,163	-	-	2,163	1,826
Magazine advertising		9,337	-	-	9,337	8,323
Church/Hall lettings		81,446	-	-	81,446	69,652
Social and similar events		5,343	-	-	5,343	5,397
	Total	98,289	-	-	98,289	85,198
(d) Investments						
Dividends		82,578	3,926	-	86,504	81,040
Interest received		14,288	458	-	14,746	8,474
Rent received		-	-	-	-	-
	Total	96,866	4,384	-	101,250	89,514
(e) Other						
Profit on sale of property		-	-	-	-	143,160
	Total	-	-	-	-	143,160
	Total income and endowments from:	£827,782	£4,407	-	£832,189	£937,173

Included in the 2022 total income of £937,173 was £933,037 unrestricted and £4,136 restricted fund.

The Parochial Church Council of the Ecclesiastical Parish of Solihull — Year ended 31st December 2023

Statement of Financial Activities (SOFA) (continued)

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2023 £	2022 £
(3) **Expenditure on:**						
(a) Raising funds						
Bookstall		1,374	-	-	1,374	1,604
Magazine		3,329	-	-	3,329	3,462
Hall running costs		79,225	-	-	79,225	86,998
Costs of fundraising events		3,436	-	-	3,436	3,658
Property management costs		-	-	-	-	-
	Total	87,364	-	-	87,364	95,722
(b) Charitable activities:						
Ministry:						
Diocesan Common Fund		130,287	-	-	130,287	176,071
Clergy working expenses		5,447	-	-	5,447	5,040
Clergy housing		15,966	-	-	15,966	13,914
Charity - running expenses		60,144	26	-	60,170	52,709
Church maintenance		32,074	-	-	32,074	23,840
Upkeep of services		4,226	-	-	4,226	3,554
Upkeep of churchyard		9,193	-	-	9,193	10,229
Cost of sales		2,951	-	-	2,951	2,497
Support costs		9,040	-	-	9,040	5,328
Major repairs		140,596	-	-	140,596	232,359
Repairs & installations		1,587	-	-	1,587	-
Salaries and wages		297,006	-	-	297,006	302,944
Administration		25,197	98	-	25,295	17,396
Missionary & charitable giving						
Church overseas		1,200	-	-	1,200	2,689
Relief & dev't agencies		-	-	-	-	-
Home missions &c		17,093	-	-	17,093	15,926
Secular charities		2,097	-	-	2,097	4,215
Other activities		-	-	-	-	-
	Total	754,104	124	-	754,228	868,711
	Total expenditure on:	£841,468	£124	-	£841,592	£964,433

Included in the 2022 total expenditure of £964,433 was £964,306 unrestricted and £127 restricted fund.

Notes to the financial statements (continued)
Statement of Financial Activities (SOFA) (continued)

	Activities directly undertaken £	Grant funding of activities £	Support Costs £	TOTAL 2023 £
(4) Analysis of expenditure including allocation of support costs (2023)				
Raising funds	87,364			87,364
Charitable activities				
Resourcing Ministry	699,503		34,335	733,838
Resourcing Mission		20,390		20,390
	786,867	20,390	34,335	841,592

	Activities directly undertaken £	Grant funding of activities £	Support Costs £	TOTAL 2022 £
Analysis of expenditure including allocation of support costs (2022)				
Raising funds	95,722			95,722
Charitable activities				
Resourcing Ministry	823,157		22,724	845,881
Resourcing Mission		22,830		22,830
	918,879	22,830	22,724	964,433

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2023 £	2022 £
(5) Analysis of support costs					
Resourcing Ministry	9,040			9,040	5,328
Administration costs	18,897	98	-	18,995	12,116
Audit fee	6,300			6,300	5,280
	34,237	98	-	34,335	22,724

(6) Auditors remuneration

The auditors remuneration amounts to an audit fee of £6,300 (2022: £5,280), which is included in administration costs.

(7) Trustees, key management personnel and related parties

Although there are a number of different funds, there is no one body or committee, other than the PCC itself, which has significant control or influence, financial or otherwise, over the running of the charity. There are, therefore, no key personnel, other than the trustees as a body.

Aggregate contributions to the charity's funds from all trustees amounted to £48,379 (2022: £46,268)

(8) Staff costs	£	£
Wages and salaries	274,831	279,501
Social security costs	15,969	16,991
Pension costs	6,206	6,452
	£297,006	£302,944

During the year the PCC employed an average of 1 pioneer minister (2022: 1), 2 youth and children's workers (2022: 2), 8 pre-school staff (2022: 10), 7 administration and support staff (2022: 6), and 1 other (2022: 1), the majority of whom worked part-time.

No Employee received remuneration in excess of £60,000.

(9) Pension

The PCC operates defined contribution pension schemes for eligible employees, making payments into the National Employment Savings Trust (NEST). The amount recognised as an expense in the period was £6,206 (2022: £6,452).

Notes to the financial statements (continued)

Balance Sheet — **At 31st December 2023**

Fixed assets

(10) Tangible fixed assets

	Freehold property £	Total 2023 £
Cost		
At 1 January 2023	543,695	543,695
At 31 December 2023	543,695	543,695
Depreciation		
At 1 January 2023	-	-
At 31 December 2023	-	-
Net book value		
At 31 December 2023	£543,695	£543,695
At 31 December 2022	£543,695	£543,695

Freehold property comprises:

Oliver Bird Hall,Solihull at cost	230,551
Middlewood Close,Solihull at cost	313,144
	£ 543,695

Investment Assets

(11) Quoted investments

	2023 £
Market value	
At 1 January 2023	2,607,396
Purchases	-
	2,607,396
Gains/(losses) on realisations and revaluations	190,325
At 31 December 2023	£2,797,721

	2023 £	2022 £
Quoted investments comprise:		
Central Board of Finance of the Church of England (CBF):		
- 105,432.80 Investment Fund income shares (Cost £1,313,462)	2,383,340	2,176,755
- 316,986.92 Property Fund shares (Cost £346,000)	388,340	407,329
COIF Charities:		
- 4,427.52 Ethical Investment Fund shares (Cost £10,000)	13,327	12,135
- 4,556.56 Global Equity Fund shares ((Cost £9,606)	12,714	11,177
Total quoted investments	£2,797,721	£2,607,396

(12) Debtors: amounts falling due within one year

	2023 £	2022 £
Income tax recoverable	9,246	8,093
Prepayments	5,155	662
Other debtors	29,451	20,119
Loan (repayable, with interest, by 31st December)	-	70,000
	£43,852	£98,874

Debtors: amounts falling due after one year

	2023 £	2022 £
Loan (repayable, with interest, by 31st December 2026)	-	130,000
	-	130,000
Total Debtors	£43,852	£228,874

(13) Creditors: amounts falling due within one year

	2023 £	2022 £
Accruals	21,185	19,036
Trade creditors	15,464	22,648
Other creditors	132,721	110,907
	£169,370	£152,591

(14) Analysis of net assets by type of fund

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2023 £	TOTAL FUNDS 2022 £
Tangible fixed assets	423,695	120,000	-	543,695	543,695
Investment assets	2,580,357	143,648	73,716	2,797,721	2,607,396
Current assets	705,734	53,786	-	759,520	752,144
Current liabilities	(169,370)	-	-	(169,370)	(152,591)
	£3,540,416	£317,434	£73,716	£3,931,566	£3,750,644

(14) Analysis of net assets by type of fund **[Comparative figures for 2022]**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2022 £
Tangible fixed assets	423,695	120,000	-	543,695
Investment assets	2,408,873	131,197	67,326	2,607,396
Current assets	728,846	14,503	8,795	752,144
Current liabilities	(187,591)	35,000	-	(152,591)
	£3,373,823	£300,700	£76,121	£3,750,644

Notes to the financial statements (continued)

(15) Movement in Funds	Opening balance £	Incoming £	Gains and Losses £	Fund transfers £	Outgoing £	Closing balance £
(a) Endowment funds						
St Alphege:						
PW Harrison Bequest	76,121	-	6,390	(8,795)	-	73,716
Total endowment funds	76,121	-	6,390	(8,795)	-	73,716
(b) Restricted funds						
St Alphege:						
Fabric Fund	177,932	4,348	12,451	-	-	194,731
Small Restricted Funds	2,768	59	-	-	(124)	2,703
SMBC Grant Fund	120,000	-	-	-	-	120,000
Total restricted funds	300,700	4,407	12,451	-	(124)	317,434
(c) Unrestricted and designated funds						
Parish:						
St Francis Parish Fund	2,322,651	65,526	142,912	5,325	(111,188)	2,425,226
Parish News	33,537	14,109	-	-	(9,815)	37,831
Elizabeth Newton Fund	4,075	139	-	-	-	4,214
Staff Housing Fund	291,096	10,507	15,449	(5,325)	-	311,726
St Alphege Pre-School	85,102	165,870	1,522	(12,107)	(161,403)	78,984
St Alphege:						
Oliver Bird Hall	59,233	45,705	-	12,107	(60,822)	55,723
St Alphege Bookstall	8,181	2,506	-	-	(1,429)	9,258
Organ Repair Fund	3,870	1,026	-	84,388	(1,587)	87,697
PW Harrison Bequest	11,649	2,694	-	8,795	-	23,138
General Fund(consolidated	305,953	372,345	-	(84,388)	(368,287)	225,623
St Helen's:						
General Fund (consolidatec	124,088	96,798	2,730	-	(83,914)	139,702
St Michael's:					-	
General Fund (consolidatec	124,389	51,057	8,872	-	(43,024)	141,294
Total unrestricted and designa	3,373,823	827,782	171,485	8,795	(841,469)	3,540,416
Total Funds	£3,750,644	£832,189	£190,326	-	(£841,593)	£3,931,566

NB: Unrestricted funds can be used for any of the PCC's purposes; **Designated funds** only to the purpose set by the PCC.

Two Percy Harrison capital **endowment funds** arose from his 1967 legacies for non-routine maintenance of the churchyard. They were merged into a single fund in 1998.

Restricted funds have been set up to meet a specific purpose. The **Fabric Fund** exists for the repair and maintenance of the fabric of the Parish Church. The **Small Restricted Funds** consolidate the **New Door** and the long-established **Holbeche Memorial Fund.** The **SMBC Grant Fund** represents a grant received from Solihull Metropolitan Borough Council towards the cost of the Oliver Bird Hall extension.

Unrestricted funds: -

The **Parish News** fund is the operating account of the Parish News, the monthly parish magazine.
The **St Alphege Pre-School** fund is the operating account of the St Alphege Pre-School group.
The **General Funds** are used for running their day-to-day affairs of the three churches.
The **Oliver Bird Hall** fund is the operating account of the parish centre.
The **St Alphege Bookstall** fund is the operating account of the bookstall in St Alphege Church.

Designated funds: -

The **St Francis Parish Fund** originates from the net proceeds of the sale of the St Francis site. The PCC has designated the fund for parish mission, primarily the children's, youth and pioneer work.
The **Elizabeth Newton Fund** results from a legacy which has been designated for the benefit of children, families, and young people from the parish.
The **Staff Housing Fund** generates income which is designated to provide accommodation for ministers and other staff.
The **Organ Repair Fund** is designated for the maintenance and repair of the organ in St Alphege Church.

Notes to the financial statements (continued)

(16) Movement in Funds (Comparative figures for 2022)	Opening balance £	Incoming £	Gains and Losses £	Fund transfers £	Outgoing £	Closing balance £
(a) Endowment funds						
St Alphege:						
PW Harrison Bequest	85,059	-	(8,938)	-	-	76,121
Total endowment funds	85,059	-	(8,938)	-	-	76,121

Two Percy Harrison capital **endowment funds** arose from his 1967 legacies for non-routine maintenance of the churchyard. They were merged into a single fund in 1998.

(b) Restricted funds						
St Alphege:						
Fabric Fund	191,308	4,040	(17,416)	-	-	177,932
Small Restricted Funds	2,799	96	-	-	(127)	2,768
SMBC Grant Fund	120,000	-	-	-	-	120,000
Total restricted funds	314,107	4,136	(17,416)	-	(127)	300,700

Restricted funds have been set up to meet a specific purpose. The **Fabric Fund** exists for the repair and maintenance of the fabric of the Parish Church. The **Small Restricted Funds** consolidate the **New Door**, the long-established **Holbeche Memorial Fund.** The **SMBC Grant Fund** represents a grant received from Solihull Metropolitan Borough Council towards the cost of the Oliver Bird Hall extension.

(c) Unrestricted and designated funds						
Parish:						
St Francis Parish Fund	2,060,576	61,214	(215,308)	518,160	(101,991)	2,322,651
Parish News	28,108	12,178	-	-	(6,749)	33,537
Elizabeth Newton Fund	4,019	56	-	-	-	4,075
Staff Housing Fund	700,383	152,716	(34,435)	(518,160)	(9,409)	291,095
St Alphege Pre-School	86,564	176,140	(2,130)	(11,723)	(163,749)	85,102
St Alphege:						
Oliver Bird Hall	81,961	29,010	-	11,723	(63,461)	59,233
St Alphege Bookstall	7,523	2,309	-	-	(1,651)	8,181
Organ Repair Fund	2,788	82	-	1,000	-	3,870
PW Harrison Bequest	9,389	2,260	-	-	-	11,649
General Fund(consolidated	446,534	326,747	-	(1,000)	(466,328)	305,953
St Helen's:						
General Fund (consolidatec	106,909	120,189	(3,532)	-	(99,478)	124,088
St Michael's:						
General Fund (consolidatec	138,153	50,136	(12,410)	-	(51,490)	124,389
	3,672,907	933,037	(267,815)	-	(964,306)	3,373,823
Total funds (for 2022)	£4,072,073	£937,173	(£294,169)	-	(£964,433)	£3,750,644

NB: Unrestricted funds can be used for any of the PCC's purposes; **Designated funds** only to the purpose set by the PCC.

Unrestricted funds: -

The **Parish News** fund is the operating account of the Parish News, the monthly parish magazine.
The **St Alphege Pre-School** fund is the operating account of the St Alphege Pre-School group.
The **General Funds** are used for running their day-to-day affairs of the three churches.
The **Oliver Bird Hall** fund is the operating account of the parish centre.
The **St Alphege Bookstall** fund is the operating account of the bookstall in St Alphege Church.

Designated funds: -

The **St Francis Parish Fund** originates from the net proceeds of the sale of the St Francis site. The PCC has designated the fund for parish mission, primarily the children's, youth and pioneer work.
The **Elizabeth Newton Fund** results from a legacy which has been designated for the benefit of children, families, and young people from the parish.
The **Staff Housing Fund** generates income which is designated to provide accommodation for ministers and other staff.
The **Organ Repair Fund** is designated for the maintenance and repair of the organ in St Alphege Church.

(17) Reconciliation of net income to net cash flow from operating activities	2023 £	2022 £
Net (expenditure) / income for the period (as per the statement of financial activities)	180,922	(321,429)
Adjustments for		
Losses / (Gains) on investments	(190,325)	294,169
Income from investments	(101,250)	(89,514)
Profit on sale of property	-	(143,160)
Decrease / (Increase) in stocks	(712)	211
Decrease/ (Increase) in debtors	185,022	93,475
Increase in creditors	16,779	29,740
Net cash (used in) provided by operating activities	£90,436	£(136,508)

(18) Analysis of cash and cash equivalents	2023 £	2022 £
Short term deposits	305,160	259,637
Cash at bank and in hand	407,806	261,643
Total cash and cash equivalents	£712,966	£521,280

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

Opinion

We have audited the financial statements of The Parochial Church Council of the Eccesiastical Parish of Solihull (' the PCC') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the PCC's affairs as at 31st December 2023, and of its incoming resources and application of resources, including its income and expenditure, 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 PCC 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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on work we have performed, we have not identified any material uncertainties relating to the events or conditions that, individually or collectively, may cast significant doubt on the PCC's ability to continue as a going concern for a period of at least 12 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the PCC and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us: or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made: 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 , the trustees 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 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 PCC'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 PCC or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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:

- 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 group through discussions with directors and other management and from our commercial knowledge and experience;
- 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 company, including Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- 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 PCC; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL (continued)

We assessed the susceptibility of the PCC'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;
- 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;
- reading the minutes of meetings of those charged with governance
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and other relevant parties.

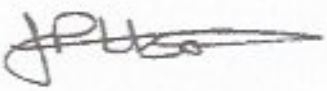
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance 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 for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors

Use of our report

This report is made solely to the PCC , 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 PCC's trustees those matters we are required to state to them in an auditors' 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 PCC and the charity's trustees as a body, or for the opinions we have formed.



Jeremy Kitson BA FCA
Prime
Chartered Accountants
Statutory Auditor
Corner Oak
1 Homer Road
Solihull
B91 3QG

Date: .....

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

(Charity number 1131647)

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

The Parochial Church Council of the Ecclesiastical Parish of Solihull

Annual Report of the Parochial Church Council for 2023

Reference and Administrative Information

Charity Registration:

The Parochial Church Council of the Ecclesiastical Parish of Solihull (the PCC) is registered with the Charity Commission under registered charity number 1131647

Priest-in-Charge (Rector Designate):

Rev Nick Parker

Operational Address:

Parish Office, Oliver Bird Hall, Church Hill Road, Solihull B91 3RQ

Bankers:

Lloyds Bank, 9/14 Poplar Road, Solihull B91 3AN

Auditors:

Prime Accountants Group, Corner Oak,1 Homer Road, Solihull, B91 3QG

Investment Advisors

CCLA, One Angel Lane, London EC4R 3AB

Structure, governance and management

Governance

The parish of St Alphege, Solihull, is part of the Diocese of Birmingham. It comprises three churches which were formed into a Team Ministry by Pastoral Order in 1979. The churches, St Alphege, St Helen's and St Michael's, are governed by District Church Councils (DCCs) to which the PCC has delegated many of its functions. The PCC retains responsibility for certain reserved matters including those of a parish-wide nature. The rules for the proceedings of the PCC are set out in the Church Representation Rules and the same rules apply, as far as may be, to the DCCs.

Objectives and Activities

Object of the Church

The Parochial Church Council of the Ecclesiastical Parish of Solihull, ('the PCC') has the responsibility of co-operating with the Team Rector in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. Other duties include ultimate responsibility for a wide range of matters affecting the Parish, including compliance with health and safety, disability discrimination legislation, data protection and safeguarding, and arranging appropriate training for members and staff. It also has certain responsibilities for each of the churches within the parish, and other major fund holders, such as the Oliver Bird Hall and St Alphege Pre-School, although many of these responsibilities are delegated to the DCC's of each church and the committees of other fund holders.

Public Benefit

The PCC has referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the aim and objectives of the PCC and in planning its future activities.

Annual Report 2023 (continued)

Trustees and Management Committee

The members of the PCC (who are trustees for the purposes of Charity Law) who served during the year until the date this report was approved were:

	St Alphege	St Helen's	St Michael's
Clergy	Rev Nick Parker	Rev S Chandler	Rev S Marshall
Parish Churchwardens	Mrs P Price Mr A Williams		
Deputy Churchwardens	Mrs S Gomm Mrs S Sayers	Mr P Godfrey	Mr K Wilson
Deanery Synod Representatives 2020-2023	Mrs D Moll Mrs R Linstead		Mr K Wilson
Church Centre Representatives	Mrs J Ladbrooke Mr T Drakeford	Mr C Carrington Mrs P Gates	
Lay members of Diocesan Synod	Mrs D Moll		
Co-options	Mrs V Dobson		
Readers		Mr C Carrington	
Elected Lay Reps (max 5)	Mr J Somi Mrs C Southworth		
Also served during the year	Mrs A Cloney Mr R Crowdy Mr N Evans Mrs J Fewins Mrs M Flood Rev H Greenham Mrs R Marshall Mrs L Naughton Mr M Owens Mrs R Owens Mr P Smith		

Annual Report 2023 (continued)

Statement of responsibilities of the members of the PCC (the trustees)

The trustees of the PCC 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 and Wales requires the trustees of the PCC 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 the financial statements the trustees of the PCC are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice 2015 (FRS 102);
- make judgments 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The trustees of the PCC 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 and the provisions of the governing document. 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.

Appointment of Trustees

Members of the PCC, the trustees, are ex officio, or elected by the Annual Parochial Church Meeting ('the APCM') in accordance with the Church Representation Rules.

Committees

The PCC operates through a number of committees which meet between full meetings of the Council. These include the **Parish Standing Committee,** which is the only Committee required by law. It has the power to transact the business of the PCC between its meetings subject to any directions given by the PCC. Other committees include the **Employment and Safeguarding Group;** the **Finance Group**; the **Buildings and Plant Group**; and the **Communications Group;** and the **District Church Councils (DCCs)** of St Alphege, St Helen's and St Michael's to which the PCC has delegated many of its functions.

Risk Management

The major risks to which the PCC are exposed, which include financial risk, reputational risk, statutory risk and legal requirements and operational risk have been identified by PCC, are regularly reviewed, and systems and procedures have been established to manage those risks. Similar risk assessments and management of risks are regularly reviewed by DCCs and other fund holding committees.

Achievements and Performance

Church Attendance

As of the Annual Parochial Church Meeting held on 25 April 2023, there were 480 (2022: 488) names on the electoral roll comprising:

- St Alphege's Section: 330 (2022: 330)
- St Helen's Section: 78 (2022: 83)
- St Michael's Section: 72 (2022: 75)

Annual Report 2023 (continued)

Review of the year ending 31st December 2023

The great news of 2023 is that we have a new Priest-in-Charge (Rector Designate). The Revd Nick Parker was installed in this role in a wonderful service at St Alphege Church on 5th September 2023. His title stems from the fact that a review of the legal structure of the Parish is currently in progress but it is hoped and intended that at the end of that process he will be installed as Rector of Solihull.

Throughout 2023 our three church centres, the Junction (meeting in Oliver Bird Hall), and our Pioneer Minister (working in community spaces), have continued to serve the people of Solihull with enthusiasm and joy. Our clergy, lay ministers and volunteers have worked hard to maintain our programme of services and activities both online and face-to-face.

The PCC Committees cover all aspects of the Parish work and have continued to be effective in taking forward our policies and strategies, in particular those for Mission, Safeguarding, Employment, the Environment, and Buildings Maintenance.

Project Turnaround has progressed with the aim of maximising the community benefit of our two main physical assets: St Alphege Church and the Oliver Bird Hall. To this end, feasibility studies and initial concept proposals have been received in 2023, with the first tangible result, a new lighting scheme, to be installed in St Alphege Church in the summer of 2024.

Financial Report of the Parochial Church Council for 2023

In 2023 total funds rose £180,922 from £3,750,644 to £3,931,566 and thereby achieved a partial recovery in the 2022 fall from 2021's total of £4,072,073.

While this is a very satisfactory result it was helped by some peculiar events. Of prime importance, the Guardians (a separately registered charity) contributed £124,800 in the year to offset the cost of the major repairs. The repair programme as defined in 2022 is now complete and the Guardians grants for these repairs, including those received after 31-Dec-2023, will exceed £225,000. The PCC is extremely grateful to the Guardians for their support and recognises that without it the repairs could not have been carried out.

The results also benefitted from a revival in the stock markets. In 2022 the capital value of the Parish's investments recorded a loss £(293,849) but in 2023 the investments achieved a capital gain of £190,325.

Removing from the total these plus the legacy income (£18,621), VAT recovery and other grants (£32,651) and adding back the major repairs (£140,596) reveals that the Parish lost £(44,879) on its day-to-day operations. While this was an improvement on the 2022 result £(68,260) there is no doubt that the parish has not yet recovered from the impacts of the COVID pandemic. Church attendance is still down, there are significantly fewer weddings and funerals, the hirers of our church halls have been slow to resume their activities, and working-from-home has reduced the demand for places in our Pre-School.

The 2023 operating loss joins a history of such losses. There are two major contributors to covering this loss: St Alphege Church and the St Francis Parish Fund (which covers the expenses of the Parish, such as the Pioneer Minister, which are not attributable to any other part of the Parish). The desire to invest in ministry and buildings puts significant pressure on the reserves held by both. The parish therefore faces significant strategic decisions regarding their future use and this in turn may affect our ability to subsidise such operating losses. The aim must be to grow our membership and income through such investment, but such a strategy is not without risk. A further risk is our over-dependence on investment income bearing in mind that stock markets can throw unhealthy surprises as in 2022.

The Parochial Church Council of the Ecclesiastical Parish of Solihull

Investment Policy

The PCC holds the vast majority of its investments with the CCLA and considers that its investment policy in all material respects meets the Charity Commission's recommendations. The PCC's general policy is, whenever possible, to invest in collective investment funds with an acceptable social, environmental and ethical policy, producing a regular income together with an element of capital growth. Other investments with similar characteristics may be considered.

Reserves Policy

The general reserves of the PCC are, in the main, represented by equity investments, property, including a house for our pioneer minister and the parish hall (Oliver Bird Hall), and cash balances. The 'free reserves' (excluding designated funds) are represented by net current assets, which at the end of the year amounted to £590,150, which equates to the sum required at current rates of spend to meet about ten months of on-going costs. This is higher than the Charity Commission's recommended cover of three to four months but the PCC considers this level to be prudent and reasonable given the Parish's on-going history of deficits, the imminent development of St Alphege church, the probable need for further repairs to the parish hall, the impact of the recent surge in inflation on all costs, and a desire to limit the frequency with which we draw down from the reserves.

Auditors

Prime Accountants and Business Advisors Limited have expressed their willingness to continue in office and will be proposed for re-appointment at the Annual Parish Church Meeting.

Approved by the PCC on 16th September 2024 and signed on its behalf by:



Revd R.N. Parker (Chairman)

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

England & Wales - Charity number 1131647

Accounts

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

(Charity number 1131647)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

The Parochial Church Council of the Ecclesiastical Parish of Solihull

Annual Report of the Parochial Church Council for 2022

Reference and Administrative Information

Charity Registration:

The Parochial Church Council of the Ecclesiastical Parish of Solihull (the PCC) is registered with the Charity Commission under registered charity number 1131647

Team Rector:

[Position currently vacant]

Operational Address:

Parish Office, Church Hill Road, Solihull. B91 3RQ

Bankers:

Lloyds Bank, 9/14 Poplar Road, Solihull B91 3AN

Auditors:

Prime Accountants Group, Corner Oak,1 Homer Road, Solihull, B91 3QG

Investment Advisors

CCLA, One Angel Lane, London EC4R 3AB

Structure, governance and management

Governance

The parish of St Alphege, Solihull, comprises three churches which were formed into a Team Ministry by Pastoral Order in 1979. The Parish is part of the Diocese of Birmingham.

St Alphege, St Helen's and St Michael's Churches are governed by District Church Councils (DCC's) to which the PCC has delegated many of its functions. The PCC retains responsibility for certain reserved matters including those of a parish wide nature. The rules for the proceedings of the PCC are set out in the Church Representation Rules and the same rules apply, as far as may be, to the DCC's

Objectives and Activities

Object of the Church

The Parochial Church Council of the Ecclesiastical Parish of Solihull, ('the PCC') has the responsibility of co-operating with the Team Rector in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. Other duties include ultimate responsibility for a wide range of matters affecting the Parish, including compliance with health and safety, disability discrimination legislation, data protection and safeguarding, and arranging appropriate training for members and staff. It also has certain responsibilities for each of the churches within the parish, and other major fund holders, such as the Oliver Bird Hall and St Alphege Pre-school, although many of these responsibilities are delegated to the DCC's of each church and the committees of other fund holders.

Public Benefit

The PCC has referred to the guidance contained in the Charity Commission's general guidance on Public benefit when reviewing the aim and objectives of the PCC and in planning its future activities.

The Parochial Church Council of the Ecclesiastical Parish of Solihull

Annual Report 2022 (continued)

Trustees and Management Committee

The members of the PCC (who are trustees for the purposes of Charity Law) who served during the year until the date this report was approved were:

	St Alphege	St Helen	St Michael
Clergy		The Rev. S. Chandler	The Rev. S Marshall
Parish Churchwardens	Mrs P Price Mr A Williams		
Deputy Churchwardens	Mrs S Gomm Mrs S Sayers	Mr P Godfrey	Mr K Wilson Mrs M Flood
Deanery Synod Representatives 2020-2023	Mrs D Moll Mrs R Linstead Mr M Owens	Mrs B Moppett	Mr K Wilson
Church Centre Representatives	Mrs J Ladbrooke Mr T Drakeford	Mr C Carrington Mrs P Gates	Mr N Evans Mrs A. Cloney
Lay members of Diocesan Synod	Mr M Owens Mrs D Moll		
Co-options	Mrs V Dobson		Mr R Crowdy
Readers		Mr C Carrington	Mr P Smith
Elected Lay Reps (max 5)	Mr J Somi Mrs C Southworth		
Also served during the year	Mrs J Fewins The Rev H. Greenham Mrs R Marshall Mrs B Moppet Mrs L Naughton Mrs R Owens Mr P Smith		

Annual Report 2022 (continued)

Statement of responsibilities of the members of the PCC (the trustees)

The trustees of the PCC 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 and Wales requires the trustees of the PCC 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 the financial statements the trustees of the PCC are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice 2015 (FRS 102);
- make judgments 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The trustees of the PCC 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 and the provisions of the governing document. 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.

Appointment of Trustees

Members of the PCC, the trustees, are ex officio, or elected by the Annual Parochial Church Meeting ('the APCM') in accordance with the Church Representation Rules.

Committees

The PCC operates through a number of committees which meet between full meetings of the Council. These include the **Parish Standing Committee,** which is the only Committee required by law. It has the power to transact the business of the PCC between its meetings subject to any directions given by the PCC. Other committees include the **Employment and Safeguarding Group**; the **Finance Group**; the **Buildings and Plant Group**; and the **Communications Group;** and St Alphege, St Helen's and St Michael's which are governed by **District Church Councils (DCCs)**, to which the PCC has delegated many of its functions.

Risk Management

The major risks to which the PCC are exposed, which include financial risk, reputational risk, statutory risk and legal requirements and operational risk have been identified by PCC, are regularly reviewed, and systems and procedures have been established to manage those risks. Similar risk assessments and management of risks are regularly reviewed by DCCs and other fund holding committees.

Achievements and Performance

Church Attendance

As of the Annual Parochial Church Meeting held on 28 April 2022, there were 488 (2021: 488) names on the electoral roll comprising:

- St Alphege's Section: 330 (2022: 330)
- St Helen's Section: 83 (2022: 83)
- St Michael's Section: 75 (2022: 75)

Annual Report 2022 (continued)

Review of the year ending 31st December 2022

During 2022 it has been good to see the continued life and vibrancy of our 3 church centres, the Junction and our Pioneer Minister's work in the north of the Parish. The Parish Profile was finished to enable advertising for the new Priest in Charge (Rector Designate) to take place. Some interviews did take place towards the end of 2022 but it was not possible to appoint at that stage. Advertising will take place again in early 2023 in the hope of appointing in 2023.

Our clergy and lay ministers and volunteers have done very good work both with online and in person ministry so that we have been able to keep a varied level of services and activities going.

The PCC Committees covering all aspects of the Parish work have proved to be effective and in particular have enabled some urgent repairs to be done for St Alphege Church; to take forward our Mission Strategy from our Transforming Church Action Plan (TCAP), our Safeguarding Policy, Employment Practices, and concern for the Environment.

Work has continued on our vision to develop new initiatives to reach out to the people of Solihull and involve them more in the ongoing work of our Churches – referred to as "Project Turnaround". In connection therewith, the Parish has now commissioned some detailed surveys and reports and is looking into major development plans to create new facilities at St Alphege church and to update the infrastructure and facilities at the Oliver Bird Hall – which is now over 60 years old, and in need of modernisation.

Financial Report of the Parochial Church Council for 2022

Overall, the parish had an operating deficit of £ (27,260) on total funds, but this included legacies of £130,199, and the profit on the sale of our former curate's house at Church Hill Road, of £143,160, and spending £ (232,359) on building works at St Alphege, so the "real" operating deficit amounted to £ (68,260).The comparative figures for 2021 showed an operating deficit of £ (153,200).

This year, because of falls in the value of Stock Market investments, our collective capital investment assets fell by £ (321,169) - compared with gains in 2021 of £296,304 – but they still produce a reasonable amount of income.

It should be noted that the amount of £ (232,359) spent on building works is the amount spent up to the end of 2022, but that further costs will be incurred in 2023 to complete the project. PCC are fortunate, and very grateful, that the Guardians of Solihull (a separately registered charity) have advised PCC that they will fund a significant amount of the total expenditure on the building works, which will be received in 2023.

There continued to be an operating deficit, of £ (40,777) this year- compared with £ (98,266) in 2021- on the St Francis Parish Fund, where our expenditure on Youth Work, Children's Work, Parish Support, and Outreach activities, including our Pioneer Ministry costs and a significant donation to the Deanery to fund their Mission outreach project in Bordesley Green, Birmingham. In recent years expenditure has consistently exceeded income, such that we are now completely reliant on income from investment gains (the so called "total income" concept} to fund all the outgoings from the St Francis Parish Fund, which is fine whilst we are producing investment gains, but not sustainable if we incur investment losses.

As a result of the Coronavirus situation, many things have changed – some probably permanently-, and it is still not certain what the future holds. St Alphege, the Oliver Bird Hall, and the St Francis Parish Fund have now recorded three consecutive years of operating deficits; and all three churches continue to suffer reductions in congregational giving and loss of other income.

Across the parish as a whole, we do still have adequate reserves at present to ensure that we can continue to fund known outgoings, but the ongoing situation is now becoming serious and financially "challenging", so some difficult decisions will need to be made soon as to what we can, and cannot, afford to fund.

Investment Policy

The PCC holds the vast majority of its investments with the CCLA and considers that its investment policy in all material respects meets the Charity Commission's recommendations. The PCC's general policy is, wherever possible, to invest in collective investment funds with an acceptable social, environmental and ethical policy, producing a regular income together with an element of capital growth. Other investments with similar characteristics may be considered.

Reserves Policy

The general reserves of the PCC are, in the main, represented by equity investments, property, including a house for our pioneer minister, and the parish hall (Oliver Bird Hall) and cash balances. The 'free reserves' (excluding designate funds) are represented by General Fund net current assets, which at the end of the year amounted to £350,769, which equates to the sum required historically to meet just over 4 months regular on-going costs. While this is higher than the Charity Commissions recommended amount of 3 to 4 months, in view of the significant deficits being incurred on a number of funds in the last threeyears; the age of St Alphege church and the parish hall –both of which could incur substantial expenditure at relatively short notice; the continuing effects of the Coronavirus situation and rising inflationary costs ; and the need for the St Francis fund to hold sufficient monies at the end of the financial year to fund its projected budget deficit for the following year, without being forced to realise investments when values may have fallen - the PCC considers that its free reserves are prudent and reasonable under all the circumstances.

Auditors

Prime Accountants and Business Advisors Limited have expressed their willingness to continue in office and will be proposed for re-appointment at the Annual Parish Church Meeting.

Approved by the PCC on 5th October 2023 and signed on its behalf by:

A. K. Wilson

A. K. Wilson (Chairman)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

Opinion

We have audited the financial statements of The Parochial Church Council of the Eccesiastical Parish of Solihull (' the PCC') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the PCC's affairs as at 31st December 2021, and of its incoming resources and application of resources, including its income and expenditure, 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 PCC 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 statemetns, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on work we have performed, we have not identified any material uncertainties relating to the events or conditions that, individually or collectively, may cast significant doubt on the PCC's ability to continue as a going concern for a period of at least 12 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the PCC and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us: or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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' Responsibilites , the trustees 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 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 PCC'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 PCC or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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:

- 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 group through discussions with directors and other management and from our commercial knowledge and experience;
- 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 company, including Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- 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 PCC; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL (continued)

We assessed the susceptibility of the PCC'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;
- 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;
- reading the minutes of meetings of those charged with governance
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and other relevant parties.

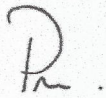
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance 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 for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors

Use of our report

This report is made solely to the PCC , 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 PCC's trustees those matters we are required to state to them in an auditors' 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 PCC and the charity's trustees as a body, or for the opinions we have formed.



Prime
Chartered Accountants
Statutory Auditor
Corner Oak
1 Homer Road
Solihull
B91 3QG

Date: 10/10/2023

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2022**

Statement of Financial Activities (SOFA)

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2022 £	2021 £
Income and endowments from:						
Donations and Legacies	2(a)	417,848	80	-	417,928	467,689
Charitable Activities	2(b)	201,373	-	-	201,373	164,199
Other Trading Activities	2(c)	85,198	-	-	85,198	55,471
Investments	2(d)	85,458	4,056	-	89,514	78,957
Other	2(e)	143,160	-	-	143,160	-
Total income and endowments		933,037	4,136	-	937,173	766,316
Expenditure on:						
Raising funds	3(a)	95,722	-	-	95,722	59,944
Charitable activities:	3(b)	868,584	127	-	868,711	704,622
Total expenditure		964,306	127	-	964,433	764,566
Net (Expenditure) / income		(31,269)	4,009	-	(27,260)	1,750
Net (losses)/gains on revaluation of investments		(267,495)	(17,416)	(8,938)	(293,849)	294,228
Net (losses)/gains on disposal of investments		(320)	-	-	(320)	2,076
Net movement in funds		(299,084)	(13,407)	(8,938)	(321,429)	298,054
Reconciliation of funds:						
Total funds brought forward as 1 January 2022		3,672,907	314,107	85,059	4,072,073	3,774,019
Total funds carried forward at 31 December 2022		£3,373,823	£300,700	£76,121	£3,750,644	£4,072,073

There were no recognised gains or losses for 2022 or 2021 other than those recognised in the Statements of Financial Activities.

The Notes on pages 11 to 17 form part of this account

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2021**

Statement of Financial Activities (SOFA)
[Comparative figures for 2021]

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2021 £
Income and endowments from:					
Donations and Legacies	2(a)	467,399	290	-	467,689
Charitable Activities	2(b)	164,199	-	-	164,199
Other Trading Activities	2(c)	55,471	-	-	55,471
Investments	2(d)	75,165	3,792	-	78,957
Total income and endowments		762,234	4,082	-	766,316
Expenditure on:					
Raising funds	3(a)	59,944	-	-	59,944
Charitable activities:	3(b)	704,259	363	-	704,622
Total expenditure		764,203	363	-	764,566
Net income		(1,969)	3,719	-	1,750
Net gains on revaluation of investments		265,959	18,682	9,587	294,228
Net gains on disposal of investments		2,076	-	-	2,076
Net movement in funds		266,066	22,401	9,587	298,054
Reconciliation of funds:					
Total funds brought forward as 1 January 2021		3,406,841	291,706	75,472	3,774,019
Total funds carried forward at 31 December 2021		£3,672,907	£314,107	£85,059	£4,072,073

There were no recognised gains or losses for 2021 or 2020 other than those recognised in the Statements of Financial Activities.

The Notes on pages 11 to 17 form part of this account

The Parochial Church Council of the Ecclesiastical Parish of Solihull **31st December 2022**

Balance Sheet

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	10	543,695	918,695
Investment assets	11	2,607,396	2,351,565
		3,151,091	3,270,260
Current assets			
Stocks		1,990	2,201
Debtors	12	228,874	322,349
Short-term deposits		259,637	206,097
Cash at bank and in hand		261,643	394,017
		752,144	924,664
Liabilities: amounts falling due within one year			
Creditors	13	(152,591)	(122,851)
Net assets		599,553	801,813
Total assets	14	£3,750,644	£4,072,073
Funds			
Endowment funds	15(a)	76,121	85,059
Restricted funds	15(b)	300,700	314,107
Unrestricted and designated funds	15(c)	3,373,823	3,672,907
		£3,750,644	£4,072,073

Approved by the Parochial Church Council on 5th October 2023 and signed on its behalf by:

A. K. Wilson

A. K. Wilson

Chairman

T. J. Drakeford

Acting Parish Treasurer

The Notes on pages 11 to 17 form part of this account

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2022**

Statement of cash flows

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash (used in) operating activities	17	(136,508)	(370,168)
Cash flows from investing activities			
Investment income		89,514	78,957
(Purchase) / Sale of investments		(550,000)	75,000
Sale of Tangible Fixed Assets		518,160	-
		57,674	153,957
Change in cash and cash equivalents in the reporting period		(78,834)	(216,211)
Cash and cash equivalents at the beginning of the reporting period		600,114	816,325
Cash and cash equivalents at the end of the reporting period	18	521,280	600,114

The Notes on pages 11 to 17 form part of this account

Notes to the financial statements

(1) **Accounting policies**

a) **Basis of preparation**

The financial statements of the charity , which is a public benefit entity under FRS 102,have been prepared in accordance with the Charities SORP (FRS 102) "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)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling (£)

b) **Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

c) **Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) **Income recognition**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Collections and planned giving is only recognised when received, although any income tax recoverable on Gift Aid donations is accrued for the period ended 31st December.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity where it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Rental income from the letting of church premises is recognised when the rental is due.

Income from investments includes dividends and interest,and is accounted for when receivable.

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation at 31st December each year.

e) **Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

The Diocesan Common Fund is accounted for when paid and other expenditure is generally recognised when it is incurred and is accounted for gross

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance, then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Notes to the financial statements (continued)

f) **Support cost allocation**
Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

g) **Tangible fixed assets**
Consecrated land and buildings and movable church furnishings
Consecrated and beneficed property (of St Alphege and St Helen's) is excluded from the financial statements by s.10(2)(a) of the Charities Act 2011. No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which requires a faculty for disposal since the PCC considers this to be an inalienable property.
All expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

Freehold land and buildings
Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

No depreciation is provided on freehold properties on the grounds that, in the opinion of the PCC, given the high residual value of properties, the depreciation charge and accumulated depreciation would be immaterial to these accounts.
The PCC has taken advice on the carrying value of the properties and a provision is not considered necessary.

Equipment
Equipment used within church buildings is written off when the asset is acquired.

h) **Investments**
Investments are valued at market value at 31st December 2022

i) **Debtors and creditors receivable / payable within one year**
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors, less provision for amounts that may prove uncollectible.

j) **Taxation**
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes

k) **Stocks**
Stocks are stated at the lower of cost and net realisable value,after making due allowance for slow moving items.

l) **Cash and cash equivalent**
Cash for the purpose of the cash flow statement comprises cash in hand and deposits which may be accessed within 24 hours or without notice and penalty.

Liquid resources comprise term deposits of less than one year, other than cash and balances held by investment portfolio managers for reinvestment.

Notes to the financial statements (continued)

Statement of Financial Activities (SOFA)

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2022 £	TOTAL FUNDS 2021 £
(2) **Income and endowments from:**						
(a) Donations and Legacies						
Planned giving		211,739	-	-	211,739	218,538
Income tax refunds		49,224	-	-	49,224	56,059
Cash collections		13,470	80	-	13,550	19,066
General purpose donations		9,285	-	-	9,285	9,116
Grants received		-	-	-	-	7,235
Donations and appeals		3,931	-	-	3,931	6,444
Legacies		130,199	-	-	130,199	151,231
	Total	417,848	80	-	417,928	467,689
(b) Charitable Activities						
Bookstall		457	-	-	457	594
Magazine sales		3,462	-	-	3,462	2,181
Fees (Statutory)		25,158	-	-	25,158	24,441
Fees (Other - Pre-school)		172,296	-	-	172,296	135,427
Furlough claims		-	-	-	-	1,556
	Total	201,373	-	-	201,373	164,199
(c) Other Trading Activities						
Bookstall		1,826	-	-	1,826	1,385
Magazine advertising		8,323	-	-	8,323	6,800
Church/Hall lettings		69,652	-	-	69,652	44,665
Social and similar events		5,397	-	-	5,397	2,621
	Total	85,198	-	-	85,198	55,471
(d) Investments						
Dividends		77,135	3,905	-	81,040	69,894
Interest received		8,323	151	-	8,474	3,168
Rent received		-	-	-	-	5,905
	Total	85,458	4,056	-	89,514	78,967
(e) Other						
Profit on sale of property		143,160	-	-	143,160	-
	Total	143,160	-	-	143,160	-
	Total income and endowments from:	£933,037	£4,136	-	£937,173	£766,326

Included in the 2021 total income of £766,316 was £762,234 unrestricted and £4,082 restricted fund.

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2022**

Statement of Financial Activities (SOFA) (continued)

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2022 £	TOTAL FUNDS 2021 £
(3) **Expenditure on:**						
(a) Raising funds						
Bookstall		1,604	-	-	1,604	853
Magazine		3,462	-	-	3,462	2,051
Hall running costs		86,998	-	-	86,998	56,164
Costs of fundraising events		3,658	-	-	3,658	167
Property management costs		-	-	-	-	709
	Total	95,722	-	-	95,722	59,944
(b) Charitable activities:						
Ministry:						
Diocesan Common Fund		176,071	-	-	176,071	176,067
Clergy working expenses		5,040	-	-	5,040	6,206
Clergy housing		13,914	-	-	13,914	15,260
Charity - running expenses		52,709	-	-	52,709	55,307
Church maintenance		23,840	-	-	23,840	8,624
Upkeep of services		3,554	-	-	3,554	1,999
Upkeep of churchyard		10,229	-	-	10,229	5,296
Cost of sales		2,497	-	-	2,497	2,181
Support costs		5,328	-	-	5,328	3,692
Major repairs (building work - 2021 boilers)		232,359	-	-	232,359	45,366
Salaries and wages		302,944	-	-	302,944	341,987
Administration		17,269	127	-	17,396	23,157
Missionary & charitable giving						
Church overseas		2,689	-	-	2,689	1,500
Relief & dev't agencies		-	-	-	-	
Home missions &c		15,926	-	-	15,926	14,963
Secular charities		4,215	-	-	4,215	3,017
	Total	868,584	127	-	868,711	704,622
	Total expenditure on:	£964,306	£127	-	£964,433	£764,566

Included in the 2021 total expenditure of £764,566 was £764,203 unrestricted and £363 resstricted fund.

Notes to the financial statements (continued)

Statement of Financial Activities (SOFA) (continued)

	Activities directly undertaken £	Grant funding of activities £	Support Costs £	TOTAL 2022 £
(4) **Analysis of expenditure including allocation of support costs (2022)**				
Raising funds	95,722			95,722
Charitable activities				
Resourcing Ministry	823,157		22,724	845,881
Resourcing Mission		22,830		22,830
	918,879	22,830	22,724	964,433

	Activities directly undertaken £	Grant funding of activities £	Support Costs £	TOTAL 2021 £
Analysis of expenditure including allocation of support costs (2021)				
Raising funds	59,944			59,944
Charitable activities				
Resourcing Ministry	658,293		26,849	685,142
Resourcing Mission		19,480		19,480
	718,237	19,480	26,849	764,566

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2022 £	2021 £
(5) **Analysis of support costs**					
Resourcing Ministry	5,328			5,328	3,692
Administration costs	11,989	127	-	12,116	17,877
Audit fee	5,280			5,280	5,280
	22,597	127	-	22,724	26,849

(6) **Auditors remuneration**

The auditors remuneration amounts to an audit fee of £5,280 (2021: £5,280), which is included in administration costs.

(7) **Trustees, key management personnel and related parties**

Although there are a number of different funds, there is no one body or committee, other than the PCC itsself, which has significant control or influence, financial or otherwise, over the running of the charity. There are, therefore, no key personnel, other than the trustees as a body.

Aggregate contributions to the charity's funds from all trustees amounted to £46,268 (2021: £46,268)

(8) **Staff costs**

	£	£
Wages and salaries	279,501	313,648
Social security costs	16,991	20,781
Pension costs	6,452	7,558
	£302,944	£341,987

During the year the PCC employed an average of 1 pioneer minister (2021-1), 2 youth and children's workers (2021 -3), 10 pre-school staff (2021-10), 6 administration and support staff (2021-7), and 1 other (2021-1), the majority of whom worked part-time.

No Employee received remuneration in excess of £60,000.

(9) **Pension**

The PCC operates defined contribution pension schemes for eligible employees, making payments into the National Employment Savings Trust (NEST). The amount recognised as an expense in the period was £6,452 (2021: £7,558).

Balance Sheet

At 31st December 2022

Fixed assets

(10) Tangible fixed assets

	Freehold property £	Total 2022 £
Cost		
At 1 January 2022	918,695	918,695
Disposals	(375,000)	(375,000)
At 31 December 2022	543,695	543,695
Depreciation		
At 1 January 2022	-	-
At 31 December 2022	-	-
Net book value		
At 31 December 2022	£543,695	£543,695
At 31 December 2021	£918,695	£918,695

Freehold property comprises:

Oliver Bird Hall,Solihull at cost	230,551
Middlewood Close,Solihull at cost	313,144
Church Hill Close,Solihull at cost	-
	£ 543,695

Investment Assets

(11) Quoted investments

	2022 £
Market value	
At 1 January 2022	2,351,565
Purchases	550,000
	2,901,565
(Losses) on realisations and revaluations	(294,169)
At 31 December 2022	£2,607,396

	2022 £	2021 £
Quoted investments comprise:		
Central Board of Finance of the Church of England (CBF):		
- 105,432.80 Investment Fund income shares (Cost £1,313,462)	2,176,755	1,863,252
- 316,986.92 Property Fund shares (Cost £346,000)	407,329	461,469
COIF Charities:		
- 4,427.52 Ethical Investment Fund shares (Cost £10,000)	12,135	13,857
- 4,556.56 Global Equity Fund shares ((Cost £9,606)	11,177	8,061
- 3,708.92 Fixed Interest Fund shares (Cost £5,000)	-	4,926
Total quoted investments	£2,607,396	£2,351,565

(12) Debtors: amounts falling due within one year

	2022 £	2021 £
Income tax recoverable	8,093	8,107
Prepayments	662	1,094
Other debtors	20,119	13,148
Loan (repayable, with interest, by 31st December 2022)	70,000	70,000
	£98,874	£92,349

Debtors: amounts falling due after one year	2022	2021 £
Loan (repayable, with interest, by 31st December 2026)	130,000	230,000
	£130,000	230,000
Total Debtors	£228,874	£322,349

(13) Creditors: amounts falling due within one year

	2022 £	2021 £
Accruals	19,036	15,438
Trade creditors	22,648	18,895
Other creditors	110,907	88,518
	£152,591	£122,851

(14) Analysis of net assets by type of fund

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2022 £	TOTAL FUNDS 2021 £
Tangible fixed assets	423,695	120,000	-	543,695	918,695
Investment assets	2,408,873	131,197	67,326	2,607,396	2,351,565
Current assets	728,846	14,503	8,795	752,144	924,664
Current liabilities	(187,591)	35,000	-	(152,591)	(122,851)
	£3,373,823	£300,700	£76,121	£3,750,644	£4,072,073

(14) Analysis of net assets by type of fund **[Comparative figures for 2021]**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2021 £
Tangible fixed assets	798,695	120,000	-	918,695
Investment assets	1,933,653	129,931	66,677	2,351,565
Current assets	789,419	41,775	8,795	924,664
Current liabilities	(114,926)	-	-	(122,851)
	£3,406,841	£291,706	£75,472	£4,072,073

Notes to the financial statements (continued)
Balance Sheet

(15) Movement in Funds	Opening balance £	Incoming £	Gains and Losses £	Fund transfers £	Outgoing £	Closing balance £
(a) Endowment funds						
St Alphege:						
PW Harrison Bequest	85,059	-	(8,938)	-	-	76,121
Total endowment funds	85,059	-	(8,938)	-	-	76,121

Two Percy Harrison capital **endowment funds** arose from his 1967 legacies for non-routine maintenance of the churchyard. They were merged into a single fund in 1998.

(b) Restricted funds						
St Alphege:						
Fabric Fund	191,308	4,040	(17,416)	-	-	177,932
Small Restricted Funds	2,799	96	-	-	(127)	2,768
SMBC Grant Fund	120,000	-	-	-	-	120,000
Total restricted funds	314,107	4,136	(17,416)	-	(127)	300,700

Restricted funds have been set up to meet a specific purpose. The **Fabric Fund** exists for the repair and maintenance of the fabric of the Parish Church. The **Small Restricted Funds** consolidate the **New Door** and the long-established **Holbeche Memorial Fund.** The **SMBC Grant Fund** represents a grant received from Solihull Metropolitan Borough Council towards the cost of the Oliver Bird Hall extension.

(c) Unrestricted and designated funds						
Parish:						
St Francis Parish Fund	2,060,576	61,214	(215,308)	518,160	(101,991)	2,322,651
Parish News	28,108	12,178	-	-	(6,749)	33,537
Elizabeth Newton Fund	4,019	56	-	-	-	4,075
Staff Housing Fund	700,383	152,716	(34,435)	(518,160)	(9,409)	291,095
St Alphege Pre-School	86,564	176,140	(2,130)	(11,723)	(163,749)	85,102
St Alphege:						
Oliver Bird Hall	81,961	29,010	-	11,723	(63,461)	59,233
St Alphege Bookstall	7,523	2,309	-	-	(1,651)	8,181
Organ Repair Fund	2,788	82	-	1,000	-	3,870
PW Harrison Bequest	9,389	2,260	-	-	-	11,649
General Fund(consolidated	446,534	326,747	-	(1,000)	(466,328)	305,953
St Helen's:						
General Fund (consolidatec	106,909	120,189	(3,532)	-	(99,478)	124,088
St Michael's:					-	
General Fund (consolidatec	138,153	50,136	(12,410)	-	(51,490)	124,389
Total unrestricted and designa	3,672,907	933,037	(267,815)	-	(964,306)	3,373,823
Total Funds	£4,072,073	£937,173	(£294,169)	-	(£964,433)	£3,750,644

Unrestricted funds can be used for any of the PCC's general purposes.

The **St Francis Parish Fund** represents the original net proceeds arising from the sale of the St Francis site and their subsequent investment. It is primarily to be used for parish mission purposes, including youth and childrens work.

The **Parish News** represents the operating fund of the Parish News, the monthly parish magazine.

The **Elizabeth Newton Fund** results from a legacy which has been used to support work with children, families, and young people from the parish.

The **Staff Housing Fund** generates income which is used to contribute towards the cost of running and maintaining clergy housing. Its assets are represented by various investments.

The **St Alphege Pre-School Fund** represents the operating fund of the St Alphege Pre-School group.

The **General Funds** of each of the three churches are used for running their day-to-day affairs , as are the **Oliver Bird Hall** and the **St Alphege Bookstall** funds.

The **Organ Repair Fund** is designated for specific purposes.

Notes to the financial statements (continued)

Balance Sheet

(16) Movement in Funds **(Comparative figures for 2021)**	Opening balance £	Incoming £	Gains and Losses £	Fund transfers £	Outgoing £	Closing balance £
(a) Endowment funds						
St Alphege:						
PW Harrison Bequest	75,472	-	9,587	-	-	85,059
	75,472	-	9,587	-	-	85,059

Two Percy Harrison capital **endowment funds** arose from his 1967 legacies for non-routine maintenance of the churchyard. They were merged into a single fund in 1998.

(b) Restricted funds						
St Alphege:						
Fabric Fund	168,834	3,792	18,682	-	-	191,308
Small Restricted Funds	2,872	290	-	-	(363)	2,799
SMBC Grant Fund	120,000	-	-	-	-	120,000
	291,706	4,082	18,682	-	(363)	314,107

Restricted funds have been set up to meet a specific purpose. The **Fabric Fund** exists for the repair and maintenance of the fabric of the Parish Church. The **Small Restricted Funds** consolidate the **New Door**, the long-established **Holbeche Memorial Fund.**The **SMBC Grant Fund** represents a grant received from Solihull Metropolitan Borough Council towards the cost of the Oliver Bird Hall extension.

(c) Unrestricted and designated funds						
Parish:						
St Francis Parish Fund	1,945,664	51,241	213,178	-	(149,507)	2,060,576
Parish News	24,534	8,993	-	-	(5,419)	28,108
Elizabeth Newton Fund	4,267	2	-	-	(250)	4,019
Staff Housing Fund	659,877	14,733	36,862	-	(11,089)	700,383
St Alphege Pre-School	112,413	139,620	2,285	(11,626)	(156,128)	86,564
St Alphege:						
Oliver Bird Hall	98,274	16,554	-	11,626	(44,493)	81,961
St Alphege Bookstall	6,475	1,980	-	-	(932)	7,523
Organ Repair Fund	1,052	1,030	-	1,000	(294)	2,788
PW Harrison Benefit	7,442	1,947				9,389
General Fund(consolidated	335,642	379,063	-	(1,000)	(267,171)	446,534
St Helen's:						
General Fund (consolidatec	93,244	87,285	2,398		(76,018)	106,909
St Michael's:						
General Fund (consolidatec	117,957	59,786	13,312		(52,902)	138,153
	3,406,841	762,234	268,035	-	(764,203)	3,672,907
Total funds(for 2021)	£3,774,019	£766,316	£296,304	-	(£764,566)	£4,072,073

Unrestricted funds can be used for any of the PCC's purposes.

The **St Francis Parish Fund** represents the original net proceeds arising from the sale of the St Francis site and their subsequent investment. It is primarily to be used for parish mission purposes, including youth and childrens work.

The **Parish News** represents the operating fund of the Parish News, the monthly parish magazine.

The **Elizabeth Newton Fund** results from a legacy which has been used to work with children, families, and young people from the parish.

The **Staff Housing Fund** generates income which is used to contribute towards the cost of running and maintaining clergy housing. Its assets are represented by various investments and the cost of Church Hill Close, Solihull.

The **St Alphege Pre-School Fund** representss the operating fund of the St Alphege Pre-School group.

The **General Funds** of each of the three churches are used for running their day-to-day affairs , as are the **Oliver Bird Hall** and the **St Alphege Bookstall** funds.

The **Organ Repair Fund** is designated for specific purposes.

(17) Reconciliation of net income to net cash flow from operating activities	2022 £	2021 £
Net (expenditure) / income for the period (as per the statement of financial activities)	(321,429)	298,054
Adjustments for		
Losses / (Gains) on investments	294,169	(296,304)
Income from investments	(89,514)	(78,957)
Profit on sale of property	(143,160)	-
Decrease / (Increase) in stocks	211	44
Decrease/ (Increase) in debtors	93,475	(300,900)
Increase in creditors	29,740	7,925
Net cash (used in) provided by operating activities	(136,508)	(370,138)

(18) Analysis of cash and cash equivalents	2022 £	2021 £
Short term deposits	259,637	206,097
Cash at bank and in hand	261,643	394,017
Total cash and cash equivalents	£521,280	£600,114

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

England & Wales - Charity number 1131647

Accounts

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

(Charity number 1131647)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

The Parochial Church Council of the Ecclesiastical Parish of Solihull

Annual Report of the Parochial Church Council for 2021

Reference and Administrative Information

Charity Registration:

The Parochial Church Council of the Ecclesiastical Parish of Solihull (the PCC) is registered with the Charity Commission under registered charity number 1131647

Team Rector:

[Position currently vacant]

Operational Address:

Parish Office, Church Hill Road, Solihull. B91 3RQ

Bankers:

Lloyds Bank, 9/14 Poplar Road, Solihull B91 3AN

Auditors:

Prime Accountants Group, Corner Oak,1 Homer Road, Solihull, B91 3QG

Investment Advisors

CCLA, Senator House,85 Queen Victoria Street, London EC4V 4ET

Structure, governance and management

Governance

The parish of St Alphege, Solihull, comprises three churches which were formed into a Team Ministry by Pastoral Order in 1979. The Parish is part of the Diocese of Birmingham.

St Alphege, St Helen's and St Michael's Churches are governed by District Church Councils (DCC's) to which the PCC has delegated many of its functions. The PCC retains responsibility for certain reserved matters including those of a parish wide nature. The rules for the proceedings of the PCC are set out in the Church Representation Rules and the same rules apply, as far as may be, to the DCC's

Objectives and Activities

Object of the Church

The Parochial Church Council of the Ecclesiastical Parish of Solihull, ('the PCC') has the responsibility of co-operating with the Team Rector in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. Other duties include ultimate responsibility for a wide range of matters affecting the Parish, including compliance with health and safety, disability discrimination legislation, data protection and safeguarding, and arranging appropriate training for members and staff. It also has certain responsibilities for each of the churches within the parish, and other major fund holders, such as the Oliver Bird Hall and St Alphege Pre-school, although many of these responsibilities are delegated to the DCC's of each church and the committees of other fund holders.

Public Benefit

The PCC has referred to the guidance contained in the Charity Commission's general guidance on Public benefit when reviewing the aim and objectives of the PCC and in planning its future activities.

The Parochial Church Council of the Ecclesiastical Parish of Solihull

Annual Report 2021 (continued)

Trustees and Management Committee

The members of the PCC (who are trustees for the purposes of Charity Law) who served during the year until the date this report was approved were:

	St Alphege	St Helen	St Michael
Clergy		The Rev. H Greenham The Rev. S Chandler	The Rev. S Marshall
Parish Churchwardens	Mrs P Price Mr A Williams		
Deputy Churchwardens	Mrs S Gomm Mrs S Sayers	Mr P Godfrey Mrs J Fewins	Mr K Wilson Mrs M Flood
Deanery Synod Representatives 2020-2023	Mrs D Moll Mrs R Linstead Mr M Owens Mrs R Owens	Mrs B Moppett	Mr K Wilson
Church Centre Representatives	Mrs J Ladbrooke Mr T Drakeford	Mr C Carrington Mrs P Gates	Mr N Evans Mr P Smith
Lay members of Diocesan Synod	Mr M Owens Mrs D Moll	Mrs B Moppett	
Co-options	Mrs V Dobson		Mr R Crowdy
Readers		Mrs B Moppett Mr C Carrington	Mr P Smith
Elected Lay Reps (max 5)	Mrs R Marshall Mr J Somi Mrs L Naughton		

Annual Report 2021 (continued)

Statement of responsibilities of the members of the PCC (the trustees)

The trustees of the PCC 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 and Wales requires the trustees of the PCC 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 the financial statements the trustees of the PCC are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice 2015 (FRS 102);
- make judgments 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The trustees of the PCC 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 and the provisions of the governing document. 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.

Appointment of Trustees

Members of the PCC, the trustees, are ex officio, or elected by the Annual Parochial Church Meeting ('the APCM') in accordance with the Church Representation Rules.

Committees

The PCC operates through a number of committees which meet between full meetings of the Council. These include the **Parish Standing Committee,** which is the only Committee required by law. It has the power to transact the business of the PCC between its meetings subject to any directions given by the PCC. Other committees include the **Employment Group**; the **Finance Group**; the **Buildings and Plant Group**; and the **Communications Group;** and St Alphege, St Helen's and St Michael's which are governed by **District Church Councils (DCCs)**, to which the PCC has delegated many of its functions.

Risk Management

The major risks to which the PCC are exposed, which include financial risk, reputational risk, statutory risk and legal requirements and operational risk have been identified by PCC, are regularly reviewed, and systems and procedures have been established to manage those risks. Similar risk assessments and management of risks are regularly reviewed by DCCs and other fund holding committees.

Achievements and Performance

Church Attendance

As of the Annual Parochial Church Meeting held on 28 April 2022, there were 488 (2021: 503) names on the electoral roll comprising:

- St Alphege's Section: 330 (2021: 336)
- St Helen's Section: 83 (2021: 89)
- St Michael's Section: 75 (2021: 78)

Review of the year ending 31st December 2021

2021 saw a gradual restarting of activities and meetings in person and it has been good to see the life and vibrancy in so much of the life of our 3 church centres, the Junction and our Pioneer Minister's work in the north of the Parish. Covid still had a big impact on the Parish but thankfully we have been able to ease the restrictions in line with UK Government and Church of England guidelines.

It was sad that our Rector Jane Kenchington had to take early retirement early in the year, and we thank her, and her husband Richard, for all they did for the Parish during her time as Rector. For various reasons the Diocese wishes to review the Parish structure, and this has precluded us from advertising and recruiting a new Rector, although by mid- 2022 we will be in a position to start the recruitment process by advertising for a Priest in Charge (Rector Designate).

Our clergy and lay ministers have done very good work both with online and in person ministry so that we have been able to keep a varied level of services going, many of which have been streamed to those unable to actually attend the services. We particularly thank Rev Simon Marshall and Rev Sue Chandler for heading up the clergy ministry and are also very grateful to Ven. Paul Taylor for his work in advising on the direction and maintenance of the Parish, and to our Readers who continue to give invaluable services in many areas.

The PCC Committees set up during the year to cover all aspects of the Parish work have proved to be effective.

During the year we also began to develop our Mission and our Transforming Church Action Plan (TCAP) which is continuing in 2022. Our particular desire is to see younger adults joining more fully into our fellowships, and see Mission, in its widest sense, as a key priority for our Parish.

Financial Report of the Parochial Church Council for 2021

Overall, the parish had an operating surplus of £ 1,750 on total funds, but this included legacies of £151,351, so the "real" operating deficit was £ (149,481). We did, however, make total investment gains of £296,304, so our overall funds increased to £4,072,073 by the end of the year.

Significant amounts of monies do need to be spent on necessary remedial work and repairs to St Alphege, the Oliver Bird Hall and St Helens (which will commence in 2022), and the Parish is looking into major development plans to create new facilities at St Alphege and to update the infrastructure and facilities at the Oliver Bird Hall – which will be 60 years old this year.

There continued to be an operating deficit, of £ (98,266) this year, £ (101,958) in 2020, on the St Francis Parish Fund, where our expenditure on Youth Work, Children's Work, Parish Support, and Outreach activities, including our Pioneer Ministry costs, in recent years has consistently exceeded income, such that we are now completely reliant on income from investment gains (the so called "total income" concept} to fund all the outgoings from the St Francis Parish Fund, more so because our "regular" investment income falls every time we realise some of our investment assets.

As a result of the Coronavirus situation, many things have changed – some probably permanently-, and it is still not certain what the future holds. St Alphege, the Oliver Bird Hall and Pre-school have now recorded two consecutive years of deficits; and all three churches continue to suffer reductions in congregational giving and loss of other income.

All fund holders do still have adequate reserves at present to ensure that they can continue to fund known outgoings, but the ongoing situation is now becoming serious and financially "challenging", so some difficult decisions will need to be made soon as to what we can, and cannot, afford to fund.

Investment Policy

The PCC holds the vast majority of its investments with the CCLA and considers that its investment policy in all material respects meets the Charity Commission's recommendations. The PCC's general policy is, whenever possible, to invest in collective investment funds with an acceptable social, environmental and ethical policy, producing a regular income together with an element of capital growth. Other investments with similar characteristics may be considered.

Reserves Policy

The general reserves of the PCC are, in the main, represented by equity investments, property, including houses for clergy and the parish hall (Oliver Bird Hall) and cash balances. The 'free reserves' (excluding designate funds) are represented by General Fund net current assets, which at the end of the year amounted to £350,324 , which equates to the sum required historically to meet about 5 months regular on-going costs. Whilst this is higher than the Charity Commissions recommended amount of 3 to 4 months, in view of significant deficits being incurred on a number of funds in the last two years; the age of St Alphege church and the parish hall –both of which could incur substantial expenditure at relatively short notice; the continuing uncertainties as a result of the Coronavirus situation and rising inflationary costs ; and the need for the St Francis fund to hold sufficient monies at the end of the financial year to fund its projected budget deficit for the following year, without being forced to realise investments when values may have fallen - the PCC considers that its free reserves are prudent and reasonable under all the circumstances.

Auditors

Prime Accountants and Business Advisors Limited have expressed their willingness to continue in office and will be proposed for re-appointment at the Annual Parish Church Meeting.

Approved by the PCC on 14th June 2022 and signed on its behalf by:

A.K. Wilson

A. K. Wilson (Chairman)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

Opinion

We have audited the financial statements of The Parochial Church Council of the Eccesiastical Parish of Solihull (' the PCC') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the PCC's affairs as at 31st December 2021, and of its incoming resources and application of resources, including its income and expenditure, 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 PCC 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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on work we have performed, we have not identified any material uncertainties relating to the events or conditions that, individually or collectively, may cast significant doubt on the PCC's ability to continue as a going concern for a period of at least 12 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the PCC and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us: or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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' Responsibilites , the trustees 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 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 PCC'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 PCC or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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:

- 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 group through discussions with directors and other management and from our commercial knowledge and experience;
- 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 company, including Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- 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 PCC; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL (continued)

We assessed the susceptibility of the PCC'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;
- 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;
- reading the minutes of meetings of those charged with governance
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and other relevant parties.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors

Use of our report

This report is made solely to the PCC , 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 PCC's trustees those matters we are required to state to them in an auditors' 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 PCC and the charity's trustees as a body, or for the opinions we have formed.



Prime
Chartered Accountants
Statutory Auditor
Corner Oak
1 Homer Road
Solihull
B91 3QG

Date: ..05/07/2022.....

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2021**

Statement of Financial Activities (SOFA)

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2021 £	2020 £
Income and endowments from:						
Donations and Legacies	2(a)	467,399	290	-	467,689	364,260
Charitable Activities	2(b)	164,199	-	-	164,199	153,774
Other Trading Activities	2(c)	55,471	-	-	55,471	44,169
Investments	2(d)	75,165	3,792	-	78,957	81,486
Total income and endowments		762,234	4,082	-	766,316	643,689
Expenditure on:						
Raising funds	3(a)	59,944	-	-	59,944	70,070
Charitable activities:	3(b)	704,259	363	-	704,622	745,628
Total expenditure		764,203	363	-	764,566	815,698
Net (Expenditure) / income		(1,969)	3,719	-	1,750	(172,009)
Net gains on revaluation of investments		265,959	18,682	9,587	294,228	90,832
Net gains on disposal of investments		2,076	-	-	2,076	780
Net movement in funds		266,066	22,401	9,587	298,054	(80,397)
Reconciliation of funds:						
Total funds brought forward as 1 January 2021		3,406,841	291,706	75,472	3,774,019	3,854,416
Total funds carried forward at 31 December 2021		£3,672,907	£314,107	£85,059	£4,072,073	£3,774,019

There were no recognised gains or losses for 2021 or 2020 other than those recognised in the Statements of Financial Activities.

The Notes on pages 11 to 17 form part of this account

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2020**

Statement of Financial Activities (SOFA)
[Comparative figures for 2020]

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2020 £
Income and endowments from:					
Donations and Legacies	2(a)	364,260	-	-	364,260
Charitable Activities	2(b)	153,774	-	-	153,774
Other Trading Activities	2(c)	44,169	-	-	44,169
Investments	2(d)	77,680	3,806	-	81,486
Total income and endowments		639,883	3,806	-	643,689
Expenditure on:					
Raising funds	3(a)	70,070	-	-	70,070
Charitable activities:	3(b)	745,628	-	-	745,628
Total expenditure		815,698	-	-	815,698
Net income		(175,815)	3,806	-	(172,009)
Net gains on revaluation of investments		78,132	8,393	4,307	90,832
Net gains on disposal of investments		780	-	-	780
Net movement in funds		(96,903)	12,199	4,307	(80,397)
Reconciliation of funds:					
Total funds brought forward as 1 January 2020		3,503,744	279,507	71,165	3,854,416
Total funds carried forward at 31 December 2020		£3,406,841	£291,706	£75,472	£3,774,019

There were no recognised gains or losses for 2020 or 2019 other than those recognised in the Statements of Financial Activities.

The Notes on pages 11 to 17 form part of this account

Balance Sheet

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	10	918,695	918,695
Investment assets	11	2,351,565	2,130,261
		3,270,260	3,048,956
Current assets			
Stocks		2,201	2,245
Debtors	12	322,349	21,419
Short-term deposits		206,097	439,520
Cash at bank and in hand		394,017	376,805
		924,664	839,989
Liabilities: amounts falling due within one year			
Creditors	13	(122,851)	(114,926)
Net assets		801,813	725,063
Total assets	14	£4,072,073	£3,774,019
Funds			
Endowment funds	15(a)	85,059	75,472
Restricted funds	15(b)	314,107	291,706
Unrestricted and designated funds	15(c)	3,672,907	3,406,841
		£4,072,073	£3,774,019

Approved by the Parochial Church Council on 14th June 2022 and signed on its behalf by:

A. K. Wilson — Chairman

R.A. Crowdy — Treasurer

The Notes on pages 11 to 17 form part of this account

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2021**

Statement of cash flows

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash (used in) provided by operating activities	17	(370,168)	(246,666)
Cash flows from investing activities			
Investment income		78,957	81,486
Sale of investments		75,000	75,000
		153,957	156,486
Change in cash and cash equivalents in the reporting period		(216,211)	(90,180)
Cash and cash equivalents at the beginning of the reporting period		816,325	906,505
Cash and cash equivalents at the end of the reporting period	18	600,114	816,325

The Notes on pages 11 to 17 form part of this account

Notes to the financial statements

(1) **Accounting policies**

a) **Basis of preparation**

The financial statements of the charity , which is a public benefit entity under FRS 102,have been prepared in accordance with the Charities SORP (FRS 102) "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)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling (£)

b) **Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

c) **Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) **Income recognition**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Collections and planned giving is only recognised when received, although any income tax recoverable on Gift Aid donations is accrued for the period ended 31st December.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity where it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Rental income from the letting of church premises is recognised when the rental is due.

Income from investments includes dividends and interest,and is accounted for when receivable.

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation at 31st December each year.

e) **Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

The Diocesan Common Fund is accounted for when paid and other expenditure is generally recognised when it is incurred and is accounted for gross

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance, then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Notes to the financial statements (continued)

f) **Support cost allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

g) **Tangible fixed assets**

Consecrated land and buildings and movable church furnishings

Consecrated and beneficed property (of St Alphege and St Helen's) is excluded from the financial statements by s.10(2)(a) of the Charities Act 2011. No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which requires a faculty for disposal since the PCC considers this to be an inalienable property.
All expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

Freehold land and buildings

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

No depreciation is provided on freehold properties on the grounds that, in the opinion of the PCC, given the high residual value of properties, the depreciation charge and accumulated depreciation would be immaterial to these accounts.
The PCC has taken advice on the carrying value of the properties and a provision is not considered necessary.

Equipment

Equipment used within church buildings is written off when the asset is acquired.

h) **Investments**

Investments are valued at market value at 31st December 2021

i) **Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors, less provision for amounts that may prove uncollectible.

j) **Taxation**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes

k) **Stocks**

Stocks are stated at the lower of cost and net realisable value,after making due allowance for slow moving items.

l) **Cash and cash equivalent**

Cash for the purpose of the cash flow statement comprises cash in hand and deposits which may be accessed within 24 hours or without notice and penalty.

Liquid resources comprise term deposits of less than one year, other than cash and balances held by investment portfolio managers for reinvestment.

Notes to the financial statements (continued)

Statement of Financial Activities (SOFA)

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2021 £	2020 £
(2) **Income and endowments from:**						
(a) Donations and Legacies						
Planned giving		218,538	-	-	218,538	251,138
Income tax refunds		56,059	-	-	56,059	63,365
Cash collections		18,776	290	-	19,066	19,352
General purpose donations		9,116	-	-	9,116	16,270
Grants received		7,235	-	-	7,235	4,618
Donations and appeals		6,444	-	-	6,444	3,767
Legacies		151,231	-	-	151,231	5,750
	Total	467,399	290	-	467,689	364,260
(b) Charitable Activities						
Bookstall		594	-	-	594	598
Magazine sales		2,181	-	-	2,181	1,709
Fees (Statutory)		24,441	-	-	24,441	9,703
Fees (Other - Pre-school)		135,427	-	-	135,427	121,314
Furlough claims		1,556	-	-	1,556	20,450
	Total	164,199	-	-	164,199	153,774
(c) Other Trading Activities						
Bookstall		1,385	-	-	1,385	1,106
Magazine advertising		6,800	-	-	6,800	5,481
Church/Hall lettings		44,665	-	-	44,665	33,528
Social and similar events		2,621	-	-	2,621	4,054
	Total	55,471	-	-	55,471	44,169
(d) Investments						
Dividends		66,108	3,776	-	69,884	70,954
Deposit account interest		3,152	16	-	3,168	1,261
Rent received		5,905	-	-	5,905	9,271
	Total	75,165	3,792	-	78,957	81,486
Total income and endowments from:		£762,234	£4,082	-	£766,316	£643,689

Included in the 2020 total income of £643,689 was £639,883 unrestricted and £3,806 restricted fund.

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2021**

Statement of Financial Activities (SOFA) (continued)

		Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2021 £	2020 £
(3) **Expenditure on:**						
(a) Raising funds						
Bookstall		853	-	-	853	1,033
Magazine		2,051	-	-	2,051	2,600
Hall running costs		56,164	-	-	56,164	64,195
Costs of fundraising events		167	-	-	167	1,279
Property management costs		709	-	-	709	963
	Total	59,944	-	-	59,944	70,070
(b) Charitable activities:						
Ministry:						
Diocesan Common Fund		176,067	-	-	176,067	224,781
Clergy working expenses		6,206	-	-	6,206	4,812
Clergy housing		15,260	-	-	15,260	17,415
Charity - running expenses		55,307	-	-	55,307	54,333
Church maintenance		8,624	-	-	8,624	21,912
Upkeep of services		1,999	-	-	1,999	2,787
Upkeep of churchyard		5,296	-	-	5,296	5,762
Cost of sales		2,181	-	-	2,181	1,709
Support costs		3,692	-	-	3,692	7,883
Major repairs (boilers)		45,366	-	-	45,366	-
Salaries and wages		341,987	-	-	341,987	368,601
Administration		22,794	363	-	23,157	21,267
Missionary & charitable giving						
Church overseas		1,500	-	-	1,500	4,223
Relief & dev't agencies		-	-	-	-	100
Home missions &c		14,963	-	-	14,963	7,302
Secular charities		3,017	-	-	3,017	2,741
	Total	704,259	363	-	704,622	745,628
Total expenditure on:		£764,203	£363	-	£764,566	£815,698

Included in the 2020 total expenditure of £815,698 was £815,698 unrestricted fund.

Notes to the financial statements (continued)

Statement of Financial Activities (SOFA) (continued)

	Activities directly undertaken £	Grant funding of activities £	Support Costs £	TOTAL 2021 £
(4) **Analysis of expenditure including allocation of support costs (2021)**				
Raising funds	59,944			59,944
Charitable activities				
Resourcing Ministry	658,293		26,849	685,142
Resourcing Mission		19,480		19,480
	718,237	19,480	26,849	764,566

	Activities directly undertaken £	Grant funding of activities £	Support Costs £	TOTAL 2020 £
Analysis of expenditure including allocation of support costs (2020)				
Raising funds	70,070			70,070
Charitable activities				
Resourcing Ministry	702,112		29,150	731,262
Resourcing Mission		14,366		14,366
	772,182	14,366	29,150	815,698

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2021 £	2020 £
(5) **Analysis of support costs**					
Resourcing Ministry	3,692			3,692	7,883
Administration costs	17,514	363	-	17,877	15,987
Audit fee	5,280			5,280	5,280
	26,486	363	-	26,849	29,150

(6) **Auditors remuneration**

The auditors remuneration amounts to an audit fee of £5,280 (2020: £5,280), which is included in administration costs.

(7) **Trustees, key management personnel and related parties**

Although there are a number of different funds, there is no one body or committee, other than the PCC iteself, which has significant control or influence, financial or otherwise, over the running of the charity. There are, therefore, no key personnel, other than the trustees as a body.

Aggregate contributions to the charity's funds from all trustees amounted to £46,268 (2020: £44,707)

(8) **Staff costs**	2021 £	2020 £
Wages and salaries	313,648	337,414
Social security costs	20,781	22,440
Pension costs	7,558	8,747
	£341,987	£368,601

During the year the PCC employed an average of 1 pioneer minister (2020-1), 3 youth and children's workers (2020 -3), 10 pre-school staff (2020-13), 7 administration and support staff (2020-9), and 1 other (2020-1), the majority of whom worked part-time.

No Employee received remuneration in excess of £60,000.

(9) **Pension**

The PCC operates defined contribution pension schemes for eligible employees, making payments into the National Employment Savings Trust (NEST). The amount recognised as an expense in the period was £7,558 (2020: £8,747).

Balance Sheet

At 31st December 2021

Fixed assets

(10) Tangible fixed assets

	Freehold property £	Total 2021 £
Cost		
At 1 January 2021	918,695	918,695
At 31 December 2021	918,695	918,695
Depreciation		
At 1 January 2021	-	-
At 31 December 2021	-	-
Net book value		
At 31 December 2021	£918,695	£918,695
At 31 December 2020	£918,695	£918,695

Freehold property comprises:

Oliver Bird Hall, Solihull at cost	230,551
Church Hill Close, Solihull at cost	375,000
Middlewood Drive, Solihull at cost	313,144
	£ 918,695

Investment Assets

(11) Quoted investments

	2021 £
Market value	
At 1 January 2021	2,130,261
Disposals	(75,000)
	2,055,261
Gains on realisations and revaluations	296,304
At 31 December 2021	£2,351,565

	2021 £	2020 £
Quoted investments comprise:		
Central Board of Finance of the Church of England (CBF):		
- 79,671.44 Investment Fund income shares (Cost £763,462)	1,863,252	1,701,942
- 316,986.92 Property Fund shares (Cost £346,000)	461,469	403,873
COIF Charities:		
- 4,427.52 Ethical Investment Fund shares (Cost £10,000)	13,857	12,212
- 2,820.23 Global Equity Fund shares ((Cost £5,000)	8,061	6,961
- 3,708.92 Fixed Interest Fund shares (Cost £5,000)	4,926	5,273
Total quoted investments	£2,351,565	£2,130,261

(12) Debtors: amounts falling due within one year

	2021 £	2020 £
Income tax recoverable	8,107	10,122
Prepayments	1,094	4,096
Other debtors	13,148	7,201
Loan (repayable, with interest, by 31st December 2022)	70,000	-
	£92,349	£21,419

Debtors: amounts falling due after one year	2021 £	2020 £
Loan (repayable, with interest, by 31st December 2026)	230,000	-
	£230,000	-
Total Debtors	£322,349	21,419

(13) Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals	15,438	15,361
Trade creditors	18,895	17,457
Other creditors	88,518	82,108
	£122,851	£114,926

(14) Analysis of net assets by type of fund

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2021 £	2020 £
Tangible fixed assets	798,695	120,000	-	918,695	918,695
Investment assets	2,126,688	148,613	76,264	2,351,565	2,130,261
Current assets	905,375	10,494	8,795	924,664	839,989
Current liabilities	(157,851)	35,000	-	(122,851)	(114,926)
	£3,672,907	£314,107	£85,059	£4,072,073	£3,774,019

(14) Analysis of net assets by type of fund **[Comparative figures for 2020]**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2020 £
Tangible fixed assets	798,695	120,000	-	918,695
Investment assets	1,933,653	129,931	66,677	2,130,261
Current assets	789,419	41,775	8,795	839,989
Current liabilities	(114,926)	-	-	(114,926)
	£3,406,841	£291,706	£75,472	£3,774,019

Notes to the financial statements (continued)
Balance Sheet

(15) Movement in Funds	Opening balance £	Incoming £	Gains and Losses £	Fund transfers £	Outgoing £	Closing balance £
(a) Endowment funds						
St Alphege:						
PW Harrison Bequest	75,472	-	9,587	-	-	85,059
Total endowment funds	75,472	-	9,587	-	-	85,059

Two Percy Harrison capital **endowment funds** arose from his 1967 legacies for non-routine maintenance of the churchyard. They were merged into a single fund in 1998.

(b) Restricted funds						
St Alphege:						
Fabric Fund	168,834	3,792	18,682	-	-	191,308
Small Restricted Funds	2,872	290	-	-	(363)	2,799
SMBC Grant Fund	120,000	-	-	-	-	120,000
Total restricted funds	291,706	4,082	18,682	-	(363)	314,107

Restricted funds have been set up to meet a specific purpose. The **Fabric Fund** exists for the repair and maintenance of the fabric of the Parish Church. The **Small Restricted Funds** consolidate the **New Door** and the long-established **Holbeche Memorial Fund.** The **SMBC Grant Fund** represents a grant received from Solihull Metropolitan Borough Council towards the cost of the Oliver Bird Hall extension.

(c) Unrestricted and designated funds						
Parish:						
St Francis Parish Fund	1,945,664	51,241	213,178	-	(149,507)	2,060,576
Parish News	24,534	8,993	-	-	(5,419)	28,108
Elizabeth Newton Fund	4,267	2	-	-	(250)	4,019
Staff Housing Fund	659,877	14,733	36,862	-	(11,089)	700,383
St Alphege Pre-School	112,413	139,620	2,285	(11,626)	(156,128)	86,564
St Alphege:						
Oliver Bird Hall	98,274	16,554	-	11,626	(44,493)	81,961
St Alphege Bookstall	6,475	1,980	-	-	(932)	7,523
Organ Repair Fund	1,052	1,030	-	1,000	(294)	2,788
PW Harrison Bequest	7,442	1,947	-	-	-	9,389
General Fund(consolidated)	335,642	379,063	-	(1,000)	(267,171)	446,534
St Helen's:						
General Fund (consolidated	93,244	87,285	2,398	-	(76,018)	106,909
St Michael's:					-	-
General Fund (consolidated	117,957	59,786	13,312	-	(52,902)	138,153
Total unrestricted and designat	3,406,841	762,234	268,035	-	(764,203)	3,672,907
Total Funds	£3,774,019	£766,316	£296,304	-	(£764,566)	£4,072,073

Unrestricted funds can be used for any of the PCC's general purposes.

The **St Francis Parish Fund** represents the original net proceeds arising from the sale of the St Francis site and their subsequent investment. It is primarily to be used for parish mission purposes, including youth and childrens work.

The **Parish News** represents the operating fund of the Parish News, the monthly parish magazine.

The **Elizabeth Newton Fund** results from a legacy which has been used to support work with children, families, and young people from the parish.

The **Staff Housing Fund** generates income which is used to contribute towards the cost of running and maintaining clergy housing. Its assets are represented by various investments and the cost of Church Hill Close, Solihull.

The **St Alphege Pre-School Fund** represents the operating fund of the St Alphege Pre-School group.

The **General Funds** of each of the three churches are used for running their day-to-day affairs , as are the **Oliver Bird Hall** and the **St Alphege Bookstall** funds.

The **Organ Repair Fund** is designated for specific purposes.

Notes to the financial statements (continued)

Balance Sheet

(16) Movement in Funds **(Comparative figures for 2020)**	Opening balance £	Incoming £	Gains and Losses £	Fund transfers £	Outgoing £	Closing balance £
(a) Endowment funds						
St Alphege:						
PW Harrison Bequest	71,165	-	4,307	-	-	75,472
	71,165	-	4,307	-	-	75,472

Two Percy Harrison capital **endowment funds** arose from his 1967 legacies for non-routine maintenance of the churchyard. They were merged into a single fund in 1998.

(b) Restricted funds						
St Alphege:						
Fabric Fund	156,639	3,802	8,393	-	-	168,834
Small Restricted Funds	2,868	4	-	-	-	2,872
SMBC Grant Fund	120,000	-	-	-	-	120,000
	279,507	3,806	8,393	-	-	291,706

Restricted funds have been set up to meet a specific purpose. The **Fabric Fund** exists for the repair and maintenance of the fabric of the Parish Church. The **Small Restricted Funds** consolidate the **New Door**, the long-established **Holbeche Memorial Fund.**The **SMBC Grant Fund** represents a grant received from Solihull Metropolitan Borough Council towards the cost of the Oliver Bird Hall extension.

(c) Unrestricted and designated funds						
Parish:						
St Francis Parish Fund	1,986,820	53,226	60,802	-	(155,184)	1,945,664
Parish News	24,892	7,284	-	-	(7,642)	24,534
Elizabeth Newton Fund	4,249	18	-	-	-	4,267
Staff Housing Fund	645,947	18,080	9,093	-	(13,243)	659,877
St Alphege Pre-School	130,817	143,641	1,026	(7,787)	(155,284)	112,413
St Alphege:						
Oliver Bird Hall	129,638	11,034	-	7,787	(50,185)	98,274
St Alphege Bookstall	5,869	1,712	-	-	(1,106)	6,475
Organ Repair Fund	14,196	4,786	-	(4,000)	(13,930)	1,052
PW Harrison Benefit	5,506	1,936				7,442
General Fund(consolidated)	350,032	257,339	-	4,000	(275,729)	335,642
St Helen's:						
General Fund (consolidated	93,235	83,916	2,011		(85,918)	93,244
St Michael's:						
General Fund (consolidated	112,543	56,911	5,980		(57,477)	117,957
	3,503,744	639,883	78,912	-	(815,698)	3,406,841
Total funds(for 2020)	£3,854,416	£643,689	£91,612	-	(£815,698)	£3,774,019

Unrestricted funds can be used for any of the PCC's purposes.

The **St Francis Parish Fund** represents the original net proceeds arising from the sale of the St Francis site and their subsequent investment. It is primarily to be used for parish mission purposes, including youth and childrens work.

The **Parish News** represents the operating fund of the Parish News, the monthly parish magazine.

The **Elizabeth Newton Fund** results from a legacy which has been used to work with children, families, and young people from the parish.

The **Staff Housing Fund** generates income which is used to contribute towards the cost of running and maintaining clergy housing. Its assets are represented by various investments and the cost of Church Hill Close, Solihull.

The **St Alphege Pre-School Fund** representss the operating fund of the St Alphege Pre-School group.

The **General Funds** of each of the three churches are used for running their day-to-day affairs , as are the **Oliver Bird Hall** and the **St Alphege Bookstall** funds.

The **Organ Repair Fund** is designated for specific purposes.

(17) Reconciliation of net income to net cash flow from operating activities	2021 £	2020 £
Net (expenditure) / income for the period (as per the statement of financial activities)	298,054	(80,397)
Adjustments for		
(Gains) on investments	(296,304)	(91,612)
Income from investments	(78,957)	(81,486)
Decrease / (Increase) in stocks	44	(695)
(Increase) / Decrease in debtors	(300,930)	3,062
Increase in creditors	7,925	4,462
Net cash (used in) provided by operating activities	(370,168)	(246,666)

(18) Analysis of cash and cash equivalents	2021 £	2020 £
Short term deposits	206,097	439,520
Cash at bank and in hand	394,017	376,805
Total cash and cash equivalents	£600,114	£816,325

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

England & Wales - Charity number 1131647

Accounts

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

(Charity number 1131647)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

The Parochial Church Council of the Ecclesiastical Parish of Solihull

Annual Report of the Parochial Church Council for 2020

Reference and Administrative Information

Charity Registration:

The Parochial Church Council of the Ecclesiastical Parish of Solihull (the PCC) is registered with the Charity Commission under registered charity number 1131647

Team Rector:

[Position currently vacant]

Operational Address:

Parish Office, Church Hill Road, Solihull, B91 3RQ

Bankers:

Lloyds Bank, 9/14 Poplar Road, Solihull, B91 3AN

Auditors:

Prime Accountants Group, Corner Oak,1 Homer Road, Solihull, B91 3QG

Investment Advisors

CCLA, Senator House,85 Queen Victoria Street, London, EC4V 4ET

Structure, governance and management

Governance

The parish of St Alphege, Solihull, comprises three churches which were formed into a Team Ministry by Pastoral Order in 1979. The Parish is part of the Diocese of Birmingham.

St Alphege, St Helen's and St Michael's Churches are governed by District Church Councils (DCC's) to which the PCC has delegated many of its functions. The PCC retains responsibility for certain reserved matters including those of a parish wide nature. The rules for the proceedings of the PCC are set out in the Church Representation Rules and the same rules apply, as far as may be, to the DCC's

Objectives and Activities

Object of the Church

The Parochial Church Council of the Ecclesiastical Parish of Solihull, ('the PCC') has the responsibility of co-operating with the Team Rector in promoting in the ecclesiastical parish the whole mission of the Church, pastoral, evangelistic, social and ecumenical. Other duties include ultimate responsibility for a wide range of matters affecting the Parish, including compliance with health and safety, disability discrimination legislation, data protection and safeguarding, and arranging appropriate training for members and staff. It also has certain responsibilities for each of the churches within the parish, and other major fund holders, such as the Oliver Bird Hall and St Alphege Pre-school, although many of these responsibilities are delegated to the DCC's of each church and the committees of other fund holders.

Public Benefit

The PCC has referred to the guidance contained in the Charity Commission's general guidance on Public benefit when reviewing the aim and objectives of the PCC and in planning its future activities.

The Parochial Church Council of the Ecclesiastical Parish of Solihull

Annual Report 2020 (continued)

Trustees and Management Committee

The members of the PCC (who are trustees for the purposes of Charity Law) who served during the year until the date this report was approved were:

	St Alphege	St Helen	St Michael
Clergy		The Rev. H Greenham	The Rev. S Marshall
	The Rev. S Chandler		
Parish Churchwardens	Mrs P Price Mr A Williams		
Deputy Churchwardens	Mrs S Gomm Mrs S Sayers	Mr P Godfrey Mrs J Fewins	Mr K Wilson Mrs M Flood
Deanery Synod Representatives 2020-2023	Mrs D Moll Mrs R Linstead Mr M Owens Mrs R Owens	Mrs B Moppett	Mr K Wilson
Church Centre Representatives	Mrs J Ladbrooke Mr T Drakeford	Mr C Carrington Mrs P Gates	Mr N Evans Mr P Smith
Lay members of Diocesan Synod	Mr M Owens Mrs D Moll	Mrs B Moppett	
Co-options	Mrs V Dobson		Mr R Crowdy
Readers		Mrs B Moppett Mr C Carrington	
Elected Lay Reps (5)	Mrs R Marshall Mr J Momi		
	Others who served during 2020 Mrs J Carrington Mr R Curtis The Rev J Kenchington		

Statement of responsibilities of the members of the PCC (the trustees)

The Trustees of the PCC 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 and Wales requires the trustees of the PCC 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 the financial statements the trustees of the PCC are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice 2015 (FRSS 102);
- make judgments 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; and
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The trustees of the PCC 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 and the provisions of the governing document. 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.

Appointment of Trustees

Members of the PCC, the trustees, are ex officio, or selected by the Annual Parochial Church Meeting ('the APCM') in accordance with the Church Representation Rules.

Committees

The PCC operates through a number of committees which meet between full meetings of the Council. These include the **Parish Standing Committee,** which is the only Committee required by law. It has the power to transact the business of the PCC between its meetings subject to any directions given by the PCC. Other committees include the **Staffing Group**; the **Finance Group**; the **Communications Group;** and St Alphege, St Helen's and St Michael's which are governed by **District Church Councils (DCCs)**, to which the PCC has delegated many of its functions.

Risk Management

The major risks to which the PCC are exposed, which include financial risk, reputational risk, statutory risk and legal requirements and operational risk have been identified by PCC, are regularly reviewed, and systems and procedures have been established to manage those risks. Similar risk assessments and management of risks are regularly reviewed by DCCs and other fund holding committees.

Achievements and Performance

Church Attendance

As required, a new electoral roll was produced for the Parish during 2019. As of the Annual Parochial Church Meeting held on 18 May 2021, there were 503 names on the new electoral roll comprising:

- St Alphege's Section: 336 (2020: 334)
- St Helen's Section: 89 (2020: 94)
- St Michael's Section: 78 (2020: 79)

The Parochial Church Council of the Ecclesiastical Parish of Solihull

Review of the year ending 31st December 2020

After the first two months, the year was dominated by the Covid-19 Pandemic which has resulted in dramatic changes to the functioning and activities of the Parish.

Lockdown occurred on 23rd March which closed the church buildings completely so that all services, activities and the Pre-school were closed for the second quarter.

This has resulted in a loss of revenue as reported elsewhere.

But the Parish has responded well in utilising technology to keep people in touch and able to worship through emails, zoom sessions and online services over Youtube, Facebook and other social media. There has been a steep learning curve and the PCC is very grateful to those who have devoted much time and effort in developing these skills as well as everyone who has continued with their hard work and imagination in so many other ways. The Parish has worked hard to communicate and give pastoral care, worship and learning opportunities to as many as possible. The summer and autumn allowed some opening up of facilities and the Pre-school, but at a very limited level.

Unfortunately, after a good start, the commemoration of 800 years of Christianity in Solihull had to be curtailed due to the Pandemic, which was sad as so much effort and imagination had been put into it.

PCC meetings were reduced considerably during the year too, but vital business was continued using zoom and email, and more regular meetings on zoom were held towards the end of the year, together with the belated APCM delayed from April.

Plans for the future

Since the beginning of 2021, the PCC has begun to review the structure and workings of the Parish, especially in the light of the considerable impact of the Pandemic, and the sad news of the early retirement of Jane Kenchington, the Rector, to whom are due grateful thanks for her leadership and hard work in the Parish. The Parish needs to pray and listen well to God for guidance for the future.

Annual Report 2020 (continued)

Financial Report of the Parochial Church Council for 2020

Overall, the parish had an operating deficit of £ (172,009) on total funds, although this was reduced by £90,832 of unrealised investment gains. Nevertheless, we actually had to spend £ (246,666) of our cash resources to continue to fund all our activities, although we did recoup £81,486, in cash terms, from investment income.

There continued to be an operating deficit, of £ (101,958) this year, £ (78,331) in 2019, on the St Francis Parish Fund, where our expenditure on Youth Work, Children's Work, Parish Support and Outreach activities in recent years has consistently exceeded income – a situation now exacerbated by a full year's costs arising from the appointments in late 2019 of a Pioneer Minister and a Director of Operations.

We are now completely reliant on income from investment gains (the so called "total income" concept) to fund all the outgoings from the St Francis Parish Fund, more so because our "regular" investment income falls every time we realise some of our investment assets.

As a result of the Coronavirus situation, many things have changed – some probably permanently-, and it is still not certain what the future holds. Hall lettings for the OBH and St Helens were badly affected in 2020 (and this continues to be the case in early 2021): Pre-school closed for periods of time, and many of their staff were furloughed; fees from weddings and funerals ceased; and all three churches suffered reductions in congregational giving and loss of other income. Despite all this, we continued to pay all our staff their full salaries throughout the year.

All fund holders do have adequate reserves at present to ensure that they can continue to fund known outgoings, but the ongoing situation is now becoming serious and financially "challenging", so some difficult decisions will need to be made soon as to what we can, and cannot, afford to fund.

Investment Policy

The PCC holds the vast majority of its investments with the CCLA and considers that its investment policy in all material respects meets the Charity Commission's recommendations. The PCC's general policy is, whenever possible, to invest in collective investment funds with an acceptable social, environmental and ethical policy, producing a regular income together with an element of capital growth. Other investments with similar characteristics may be considered.

Reserves Policy

The general reserves of the PCC are mainly represented by equity investments, property, including houses for clergy and the parish hall (Oliver Bird Hall) and cash balances. The 'free reserves' (excluding designate funds) are represented by General Fund net current assets, which at the end of the year amounted to £367,951 which equates to the sum required to meet about 5 months regular on-going costs. Whilst this is higher than the Charity Commissions recommended amount of 3 to 4 months, in view of the age of St Alphege church and the parish hall –both of which could incur substantial expenditure at relatively short notice-,the uncertainties arising from ongoing Coronavirus situation, and the need for the St Francis fund to hold sufficient monies at the end of the financial year to fund its projected budget deficit for the following year - the PCC considers that its free reserves are reasonable under all the circumstances.

Auditors

Prime Accountants and Business Advisors Limited have expressed their willingness to continue in office and will be proposed for re-appointment at the Annual Parish Church Meeting.

Approved by the PCC on 27 July 2021 and signed on its behalf by:

A. K. Wilson

A. K. Wilson (Chairman)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL

Opinion

We have audited the financial statements of The Parochial Church Council of the Eccesiastical Parish of Solihull (' the PCC') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the PCC's affairs as at 31st December 2020, and of its incoming resources and application of resources, including its income and expenditure, 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 PCC 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 statemetns, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on work we have performed, we have not identified any material uncertainties relating to the events or conditions that, individually or collectively, may cast significant doubt on the PCC's ability to continue as a going concern for a period of at least 12 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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

In the light of the knowledge and understanding of the PCC and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL (continued)

Matters on which we are required to report by exception (continued)

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us: or

- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of trustees' remuneration specified by law are not made; 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' Responsibilites , the trustees 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 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 PCC'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 PCC or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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:

- 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 group through discussions with directors and other management and from our commercial knowledge and experience;

- 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 company, including Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;

- 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 PCC; and

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SOLIHULL (continued)

We assessed the susceptibility of the PCC'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;

- 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;

- enquiring of management as to actual and potential litigation and claims; and

- reviewing correspondence with HMRC and other relevant parties.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors

Use of our report

This report is made solely to the PCC , 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 PCC's trustees those matters we are required to state to them in an auditors' 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 PCC and the charity's trustees as a body, or for the opinions we have formed.



Prime
Chartered Accountants
Statutory Auditor
Corner Oak
1 Homer Road
Solihull
B91 3QG

Date: 02/08/2021

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2020**

Statement of Financial Activities (SOFA)

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2020 £	2019 £
Income and endowments from:						
Donations and Legacies	2(a)	364,260	-	-	364,260	567,064
Charitable Activities	2(b)	153,774	-	-	153,774	214,218
Other Trading Activities	2(c)	44,169	-	-	44,169	100,349
Investments	2(d)	77,680	3,806	-	81,486	95,420
Total income and endowments		639,883	3,806	-	643,689	977,051
Expenditure on:						
Raising funds	3(a)	70,070	-	-	70,070	71,053
Charitable activities:	3(b)	745,628	-	-	745,628	786,380
Total expenditure		815,698	-	-	815,698	857,433
Net (Expenditure) / income		(175,815)	3,806	-	(172,009)	119,618
Net gains on revaluation of investments		78,132	8,393	4,307	90,832	254,376
Net gains on disposal of investments		780	-	-	780	61,821
Net movement in funds		(96,903)	12,199	4,307	(80,397)	435,815
Reconciliation of funds:						
Total funds brought forward as 1 January 2020		3,503,744	279,507	71,165	3,854,416	3,418,601
Total funds carried forward at 31 December 2020		£3,406,841	£291,706	£75,472	£3,774,019	£3,854,416

There were no recognised gains or losses for 2020 or 2019 other than those recognised in the Statements of Financial Activities.

The Notes on pages 11 to 17 form part of this account

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2019**

Statement of Financial Activities (SOFA)
[Comparative figures for 2019]

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2019 £
Income and endowments from:					
Donations and Legacies	2(a)	566,685	379	-	567,064
Charitable Activities	2(b)	214,218	-	-	214,218
Other Trading Activities	2(c)	100,349	-	-	100,349
Investments	2(d)	91,624	3,796	-	95,420
Total income and endowments		972,876	4,175	-	977,051
Expenditure on:					
Raising funds	3(a)	71,053	-	-	71,053
Charitable activities:	3(b)	786,115	265	-	786,380
Total expenditure		857,168	265	-	857,433
Net income		115,708	3,910	-	119,618
Net gains on revaluation of investments		225,371	19,168	9,837	254,376
Net gains on disposal of investments		61,821	-	-	61,821
Net movement in funds		402,900	23,078	9,837	435,815
Reconciliation of funds:					
Total funds brought forward as 1 January 2019		3,100,844	256,429	61,328	3,418,601
Total funds carried forward at 31 December 2019		£3,503,744	£279,507	£71,165	£3,854,416

There were no recognised gains or losses for 2019 or 2018 other than those recognised in the Statements of Financial Activities.

The Notes on pages 11 to 17 form part of this account

Balance Sheet

	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	10	918,695	918,695
Investment assets	11	2,130,261	2,113,649
		3,048,956	3,032,344
Current assets			
Stocks		2,245	1,550
Debtors	12	21,419	24,481
Short-term deposits		439,520	442,034
Cash at bank and in hand		376,805	464,471
		839,989	932,536
Liabilities: amounts falling due within one year			
Creditors	13	(114,926)	(110,464)
Net current assets		725,063	822,072
Total assets	14	£3,774,019	£3,854,416
Funds			
Endowment funds	15(a)	75,472	71,165
Restricted funds	15(b)	291,706	279,507
Unrestricted and designated funds	15(c)	3,406,841	3,503,744
		£3,774,019	£3,854,416

Approved by the Parochial Church Council on 27th July 2021 and signed on its behalf by:

A. K. Wilson A.K. Wilson
Chairman

R.A. Crowdy RACrowdy
Treasurer

The Notes on pages 11 to 17 form part of this account

Statement of cash flows

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (used in) provided by operating activities	17	(246,666)	6,324
Cash flows from investing activities			
Investment income		81,486	95,420
Sale of investments		75,000	450,000
(Purchase) of Tangible Fixed Assets		-	(313,144)
		156,486	232,276
Change in cash and cash equivalents in the reporting period		(90,180)	238,600
Cash and cash equivalents at the beginning of the reporting period		906,505	667,905
Cash and cash equivalents at the end of the reporting period	18	816,325	906,505

The Notes on pages 11 to 17 form part of this account

Notes to the financial statements

(1) **Accounting policies**

a) **Basis of preparation**

The financial statements of the charity , which is a public benefit entity under FRS 102,have been prepared in accordance with the Charities SORP (FRS 102) "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 2019)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling (£)

b) **Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

c) **Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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 particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) **Income recognition**

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Collections and planned giving is only recognised when received, although any income tax recoverable on Gift Aid donations is accrued for the period ended 31st December.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received At this point income is recognised. On occasion legacies will be notified to the charity where it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Rental income from the letting of church premises is recognised when the rental is due.

Income from investments includes dividends and interest,and is accounted for when receivable.

Realised gains or losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation at 31st December each year.

e) **Expenditure recognition**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

The Diocesan Common Fund is accounted for when paid and other expenditure is generally recognised when it is incurred and is accounted for gross

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance, then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Notes to the financial statements (continued)

f) **Support cost allocation**
Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management costs. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with the resources.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

g) **Tangible fixed assets**
Consecrated land and buildings and movable church furnishings
Consecrated and beneficed property (of St Alphege and St Helen's) is excluded from the financial statements by s.10(2)(a) of the Charities Act 2011. No value is placed on movable church furnishings held by the churchwardens on special trust for the PCC and which requires a faculty for disposal since the PCC considers this to be an inalienable property.
All expenditure incurred during the year on consecrated or beneficed buildings and movable church furnishings, whether maintenance or improvement, is written off as expenditure in the Statement of Financial Activities and separately disclosed.

Freehold land and buildings
Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

No depreciation is provided on freehold properties on the grounds that, in the opinion of the PCC, given the high residual value of properties, the depreciation charge and accumulated depreciation would be immaterial to these accounts.
The PCC has taken advice on the carrying value of the properties and a provision is not considered necessary.

Equipment
Equipment used within church buildings is written off when the asset is acquired.

h) **Investments**
Investments are valued at market value at 31st December 2020

i) **Debtors and creditors receivable / payable within one year**
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Amounts owing to the PCC at 31 December in respect of fees, rents or other income are shown as debtors, less provision for amounts that may prove uncollectible.

j) **Taxation**
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes

k) **Stocks**
Stocks are stated at the lower of cost and net realisable value,after making due allowance for slow moving items.

l) **Cash and cash equivalent**
Cash for the purpose of the cash flow statement comprises cash in hand and deposits which may be accessed within 24 hours or without notice and penalty.

Liquid resources comprise term deposits of less than one year, other than cash and balances held by investment portfolio managers for reinvestment.

Notes to the financial statements (continued)

Statement of Financial Activities (SOFA)

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2020 £	2019 £
(2) **Income and endowments from:**					
(a) Donations and Legacies					
Planned giving	251,138	-	-	251,138	280,371
Income tax refunds	63,365	-	-	63,365	68,349
Cash collections	19,352	-	-	19,352	18,778
General purpose donations	16,270	-	-	16,270	30,772
Grants received	4,618	-	-	4,618	22,325
Donations and appeals	3,767	-	-	3,767	4,505
Legacies	5,750	-	-	5,750	141,964
Total	364,260	-	-	364,260	567,064
(b) Charitable Activities					
Bookstall	598	-	-	598	496
Magazine sales	1,709	-	-	1,709	1,850
Fees (Statutory)	9,703	-	-	9,703	24,592
Fees (Other - Pre-school)	121,314	-	-	121,314	187,280
Furlough claims	20,450	-	-	20,450	-
Total	153,774	-	-	153,774	214,218
(c) Other Trading Activities					
Bookstall	1,106	-	-	1,106	4,729
Magazine advertising	5,481	-	-	5,481	7,091
Church/Hall lettings	33,528	-	-	33,528	77,392
Social and similar events	4,054	-	-	4,054	11,137
Total	44,169	-	-	44,169	100,349
(d) Investments					
Dividends	67,307	3,647	-	70,954	86,222
Deposit account interest	1,102	159	-	1,261	1,698
Rent received	9,271	-	-	9,271	7,500
Total	77,680	3,806	-	81,486	95,420
Total income and endowments from:	£639,883	£3,806	-	£643,689	£977,051

Included in the 2019 total income of £977,051 was £972,876 unrestricted and £4,175 restricted fund.

The Parochial Church Council of the Ecclesiastical Parish of Solihull **Year ended 31st December 2020**

Statement of Financial Activities (SOFA) (continued)

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2020 £	2019 £
(3) **Expenditure on:**					
(a) Raising funds					
Bookstall	1,033	-	-	1,033	3,819
Magazine	2,600	-	-	2,600	5,292
Hall running costs	64,195	-	-	64,195	57,219
Costs of fundraising events	1,279	-	-	1,279	4,723
Property management costs	963	-	-	963	-
Total	70,070	-	-	70,070	71,053
(b) Charitable activities:					
Ministry:					
Diocesan Common Fund	224,781	-	-	224,781	255,276
Clergy working expenses	4,812	-	-	4,812	7,307
Clergy housing	17,415	-	-	17,415	23,878
Charity - running expenses	54,333	-	-	54,333	69,363
Church maintenance	21,912	-	-	21,912	35,221
Upkeep of services	2,787	-	-	2,787	7,287
Upkeep of churchyard	5,762	-	-	5,762	4,895
Cost of sales	1,709	-	-	1,709	1,850
Support costs	7,883	-	-	7,883	14,946
Salaries and wages	368,601	-	-	368,601	320,778
Administration	21,267	-	-	21,267	21,443
Missionary & charitable giving					
Church overseas	4,223	-	-	4,223	6,277
Relief & dev't agencies	100	-	-	100	1,150
Home missions &c	7,302	-	-	7,302	8,290
Secular charities	2,741	-	-	2,741	8,419
Total	745,628	-	-	745,628	786,380
Total expenditure on:	£815,698	-	-	£815,698	£857,433

Included in the 2019 total expenditure of £857,433 was £857,168 unrestricted and £265 restricted fund.

Notes to the financial statements (continued)

Statement of Financial Activities (SOFA) (continued)

	Activities directly undertaken £	Grant funding of activities £	Support Costs £	TOTAL 2020 £
(4) **Analysis of expenditure including allocation of support costs (2020)**				
Raising funds	70,070	-	-	70,070
Charitable activities				
Resourcing Ministry	702,112	-	29,150	731,262
Resourcing Mission	-	14,366	-	14,366
	772,182	14,366	29,150	815,698

	Activities directly undertaken £	Grant funding of activities £	Support Costs £	TOTAL 2019 £
Analysis of expenditure including allocation of support costs (2019)				
Raising funds	71,053	-	-	71,053
Charitable activities				
Resourcing Ministry	725,855	-	36,389	762,244
Resourcing Mission	-	24,136	-	24,136
	796,908	24,136	36,389	857,433

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2020 £	2019 £
(5) **Analysis of support costs**					
Resourcing Ministry	7,883	-	-	7,883	14,946
Administration costs	15,987	-	-	15,987	16,163
Audit fee	5,280	-	-	5,280	5,280
	29,150	-	-	29,150	36,389

(6) **Auditors remuneration**

The auditors remuneration amounts to an audit fee of £5,280 (2019: £5,280), which is included in administration costs.

(7) **Trustees, key management personnel and related parties**

Although there are a number of different funds, there is no one body or committee, other than the PCC iteself, which has significant control or influence, financial or otherwise, over the running of the charity. There are, therefore, no key personnel, other than the trustees as a body.

Aggregate contributions to the charity's funds from all trustees amounted to £44,707 (2019: £48,425)

(8) **Staff costs**	£	£
Wages and salaries	337,414	299,414
Social security costs	22,440	15,589
Pension costs	8,747	5,775
	£368,601	£320,778

During the year the PCC employed an average of 3 youth and children's workers (2019 -3), 13 pre-school staff (2019-15), 9 administration and support staff (2019-10) and 1 other (2019-1), the majority of whom worked part-time.

No Employee received remuneration in excess of £60,000.

(9) **Pension**

The PCC operates defined contribution pension schemes for eligible employees, making payments into the National Employment Savings Trust (NEST). The amount recognised as an expense in the period was £8,747 (2019: £5,775).

Balance Sheet — At 31st December 2020

Fixed assets

(10) Tangible fixed assets

	Freehold property £	Total 2020 £
Cost		
At 1 January 2020	918,695	918,695
At 31 December 2020	918,695	918,695
Depreciation		
At 1 January 2020	-	-
At 31 December 2020	-	-
Net book value		
At 31 December 2020	£918,695	£918,695
At 31 December 2019	£918,695	£918,695

Freehold property comprises:

Oliver Bird Hall, Solihull at cost	230,551
Church Hill Close, Solihull at cost	375,000
Middlewood Drive, Solihull at cost	313,144
	£ 918,695

Investment Assets

(11) Quoted investments

	2020 £
Market value	
At 1 January 2020	2,113,649
Disposals	(75,000)
	2,038,649
Gains on realisations and revaluations	91,612
At 31 December 2020	£2,130,261

	2020 £	2019 £
Quoted investments comprise:		
Central Board of Finance of the Church of England (CBF):		
- 83,237.99 Investment Fund income shares (Cost £837,970)	1,701,942	1,666,230
- 316,986.92 Property Fund shares (Cost £346,000)	403,873	424,984
COIF Charities:		
- 4,427.52 Ethical Investment Fund shares (Cost £10,000)	12,212	11,489
- 2,820.23 Global Equity Fund shares ((Cost £5,000)	6,961	5,844
- 3,709.92 Fixed Interest Fund shares (Cost £5,000)	5,273	5,102
Total quoted investments	2,130,261	2,113,649

(12) Debtors

	2020 £	2019 £
Income tax recoverable	10,122	13,770
Prepayments	4,096	1,512
Other debtors	7,201	9,199
	£21,419	£24,481

(13) Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals	15,361	14,418
Trade creditors	17,457	9,348
Other creditors	82,108	86,698
	£114,926	£110,464

(14) Analysis of net assets by type of fund

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2020 £	TOTAL FUNDS 2019 £
Tangible fixed assets	798,695	120,000	-	918,695	918,695
Investment assets	1,933,653	129,931	66,677	2,130,261	2,113,649
Current assets	789,419	41,775	8,795	839,989	932,536
Current liabilities	(114,926)	-	-	(114,926)	(110,464)
	£3,406,841	£291,706	£75,472	£3,774,019	£3,854,416

(14) Analysis of net assets by type of fund **[Comparative figures for 2019]**

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	TOTAL FUNDS 2019 £
Tangible fixed assets	798,695	120,000	-	918,695
Investment assets	1,929,741	121,538	62,370	2,113,649
Current assets	885,772	37,969	8,795	932,536
Current liabilities	(110,464)	-	-	(110,464)
	£3,503,744	£279,507	£71,165	£3,854,416

Notes to the financial statements (continued)

Balance Sheet

(15) Movement in Funds	Opening balance £	Incoming £	Gains and Losses £	Fund transfers £	Outgoing	Closing balance £
(a) Endowment funds						
St Alphege:						
PW Harrison Bequest	71,165	-	4,307	-	-	75,472
Total endowment funds	71,165	-	4,307	-	-	75,472

Two Percy Harrison capital **endowment funds** arose from his 1967 legacies for non-routine maintenance of the churchyard. They were merged into a single fund in 1998.

(b) Restricted funds						
St Alphege:						
Fabric Fund	156,639	3,802	8,393	-	-	168,834
Small Restricted Funds	2,868	4	-	-	-	2,872
SMBC Grant Fund	120,000	-	-	-	-	120,000
Total restricted funds	279,507	3,806	8,393	-	-	291,706

Restricted funds have been set up to meet a specific purpose. The **Fabric Fund** exists for the repair and maintenance of the fabric of the Parish Church. The **Small Restricted Funds** consolidate the **New Door** and the long-established **Holbeche Memorial Fund.** The **SMBC Grant Fund** represents a grant received from Solihull Metropolitan Borough Council towards the cost of the Oliver Bird Hall extension.

(c) Unrestricted and designated funds						
Parish:						
St Francis Parish Fund	1,986,820	53,226	60,802	-	(155,184)	1,945,664
Parish News	24,892	7,284	-	-	(7,642)	24,534
Elizabeth Newton Fund	4,249	18	-	-	-	4,267
Staff Housing Fund	645,947	18,080	9,093	-	(13,243)	659,877
St Alphege Pre-School	130,817	143,641	1,026	(7,787)	(155,284)	112,413
St Alphege:						
Oliver Bird Hall	129,638	11,034	-	7,787	(50,185)	98,274
St Alphege Bookstall	5,869	1,712	-	-	(1,106)	6,475
Organ Repair Fund	14,196	4,786	-	(4,000)	(13,930)	1,052
PW Harrison Bequest	5,506	1,936	-	-	-	7,442
General Fund(consolidated)	350,032	257,339	-	4,000	(275,729)	335,642
St Helen's:						
General Fund (consolidated	93,235	83,916	2,011	-	(85,918)	93,244
St Michael's:					-	-
General Fund (consolidated	112,543	56,911	5,980	-	(57,477)	117,957
Total unrestricted and designat	3,503,744	639,883	78,912	-	(815,698)	3,406,841
Total Funds	£3,854,416	£643,689	£91,612	-	(£815,698)	£3,774,019

Unrestricted funds can be used for any of the PCC's general purposes.

The **St Francis Parish Fund** represents the original net proceeds arising from the sale of the St Francis site and their subsequent investment. It is primarily to be used for parish mission purposes, including youth and childrens work.

The **Parish News** represents the operating fund of the Parish News, the monthly parish magazine.

The **Elizabeth Newton Fund** results from a legacy which has been used to support work with children, families, and young people from the parish.

The **Staff Housing Fund** generates income which is used to contribute towards the cost of running and maintaining clergy housing. Its assets are represented by various investments and the cost of Church Hill Close, Solihull.

The **St Alphege Pre-School Fund** represents the operating fund of the St Alphege Pre-School group.

The **General Funds** of each of the three churches are used for running their day-to-day affairs , as are the **Oliver Bird Hall** and the **St Alphege Bookstall** funds.

The **Organ Repair Fund** is designated for specific purposes.

Notes to the financial statements (continued)

Balance Sheet

(16) Movement in Funds **(Comparative figures for 2019)**	Opening balance £	Incoming £	Gains and Losses £	Fund transfers £	Outgoing	Closing balance £
(a) Endowment funds						
St Alphege:						
PW Harrison Bequest	61,328	-	9,837	-	-	71,165
	61,328	-	9,837	-	-	71,165

Two Percy Harrison capital **endowment funds** arose from his 1967 legacies for non-routine maintenance of the churchyard. They were merged into a single fund in 1998.

(b) Restricted funds						
St Alphege:						
Fabric Fund	133,683	3,788	19,168	-	-	156,639
Small Restricted Funds	2,746	387	-	-	(265)	2,868
SMBC Grant Fund	120,000	-	-	-	-	120,000
	256,429	4,175	19,168	-	(265)	279,507

Restricted funds have been set up to meet a specific purpose. The **Fabric Fund** exists for the repair and maintenance of the fabric of the Parish Church. The **Small Restricted Funds** consolidate the **New Door**, the long-established **Holbeche Memorial Fund.T**he **SMBC Grant Fund** represents a grant received from Solihull Metropolitan Borough Council towards the cost of the Oliver Bird Hall extension.

(c) Unrestricted and designated funds						
Parish:						
St Francis Parish Fund	1,823,606	68,751	241,545	-	(147,082)	1,986,820
Parish News	24,242	9,101	-	-	(8,451)	24,892
Elizabeth Newton Fund	4,217	32	-	-	-	4,249
Staff Housing Fund	620,381	16,670	26,611	-	(17,715)	645,947
St Alphege Pre-School	94,581	191,334	2,344	(12,709)	(144,733)	130,817
St Alphege:						
Oliver Bird Hall	118,492	38,788	-	12,709	(40,351)	129,638
St Alphege Bookstall	7,479	5,246	-	-	(6,856)	5,869
Organ Repair Fund	7,657	-	-	6,539		14,196
PW Harrison Benefit	3,590	1,916				5,506
General Fund(consolidated)	211,735	473,715	-	(6,539)	(328,879)	350,032
St Helen's:						
General Fund (consolidated	88,939	102,659	3,034		(101,397)	93,235
St Michael's:						
General Fund (consolidated	95,925	64,664	13,658		(61,704)	112,543
	3,100,844	972,876	287,192	-	(857,168)	3,503,744
Total funds(for 2019)	£3,418,601	£977,051	£316,197	-	(£857,433)	£3,854,416

Unrestricted funds can be used for any of the PCC's purposes.

The **St Francis Parish Fund** represents the original net proceeds arising from the sale of the St Francis site and their subsequent investment. It is primarily to be used for parish mission purposes, including youth and childrens work.

The **Parish News** represents the operating fund of the Parish News, the monthly parish magazine.

The **Elizabeth Newton Fund** results from a legacy which has been used to work with children, families, and young people from the parish.

The **Staff Housing Fund** generates income which is used to contribute towards the cost of running and maintaining clergy housing. Its assets are represented by various investments and the cost of Church Hill Close, Solihull.

The **St Alphege Pre-School Fund** representss the operating fund of the St Alphege Pre-School group.

The **General Funds** of each of the three churches are used for running their day-to-day affairs , as are the **Oliver Bird Hall** and the **St Alphege Bookstall** funds.

The **Organ Repair Fund** is designated for specific purposes.

(17) Reconciliation of net income to net cash flow from operating activities	2020 £	2019 £
Net (expenditure) / income for the period (as per the SOFA)	(80,397)	435,815
Adjustments for		
(Gains) on investments	(91,612)	(316,197)
Income from investments	(81,486)	(95,420)
(Increase) / Decrease in stocks	(695)	370
Decrease / (Increase) in debtors	3,062	(224)
Increase / (Decrease) in creditors	4,462	(18,020)
Net cash (used in) provided by operating activities	(246,666)	6,324

(18) Analysis of cash and cash equivalents	2020 £	2019 £
Short term deposits	439,520	442,034
Cash at bank and in hand	376,805	464,471
Total cash and cash equivalents	816,325	906,505