

**THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL
PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

The names of those who have served as trustees from 1 January 2021 until the date this report was approved are:

Ex officio members of the PCC

Licensed clergy Rev'd Roderick Corke (Vicar) (Chairman)
 Rev'd Jonny Gordon (Curate)

Deanery Synod Members

*(Elected October 2020,
retiring July 2023)* Mr Semer La Fontaine (Vice-Chairman until May 2021)
 Mr Derek Valentine
 Mr Nick Jackson
 Mr Richard Weatherill
*(As member of General
Synod)* Miss Sarah Maxfield-Phillips (retired July 2021)

Churchwardens

Mr Neill Paulley
Dr David Guy

Ordinary Members of the PCC

*(Elected April 2018, retired
April 2021)* Mrs Rebecca Caskie
 Mrs Rosamund Ponting
 Mr Phillip Weatherill
 Mr Howard Wells

*(Elected April 2019, retiring
April 2022)* Mr Nick Logan
 Mrs Glenda Pocock
 Dr Alistair Sawers (Secretary)
 Mr Jeremy Wray

*(Elected October 2020,
retiring April 2023)* Dr Thrisha John (Treasurer)
 Mrs Gillian Maxim
 Mrs Helen Wall (Vice-Chairman from May 2021)
 Mr Timothy Wolff

*(Elected October 2020,
resigned September 2021)* Mrs Sarah Goodbody

*(Elected May 2021, retiring
April 2024)* Mrs Judith Butler
 Mrs Rachel Huntley
 Mr Robert Sykes

*(Elected May 2021, resigned
July 2021)* Miss Catherine Ponting

*(Elected May 2021, resigned
January 2022)* Mrs Jan Nielsen

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

LEGAL AND ADMINISTRATIVE INFORMATION

Principal Officers

Rev'd Roderick Corke (Chairman of the PCC)
Mr Semer La Fontaine (Vice-Chairman of the PCC until May 2021)
Mrs Helen Wall (Vice-Chairman of the PCC from May 2021)
Mr Neil Paulley (Churchwarden)
Dr David Guy (Churchwarden)
Dr Thrisha John (Treasurer to the PCC)
Dr Alistair Sawers (Secretary to the PCC)

Charity number 1128064

Principal address

The Parish Office
Church House
Church Street
Malvern
WR14 2AY

Auditor

Kendall Wadley LLP
Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Bankers

Lloyds Bank Plc
48 Belle Vue Terrace
Malvern
Worcestershire
WR14 4QG

HSBC Bank plc
1 Church Street
Malvern
Worcestershire
WR14 2AB

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

Investment advisors

CCLA Investment Management Limited
85 Queen Victoria Street
London
EC4V 4ET

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

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THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their report and accounts for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Church of England Measures (the Parochial Church Councils (Powers) Measure 1956 as amended and the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969, as amended)), the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The objectives of the PCC are as set out in the Church of England Measures detailed above.

The PCC co-operates with the incumbent in "promoting in the ecclesiastical parish the whole mission of the Church" and is responsible for supporting its clergy and staff in the organisation of religious services and other events, as well as the provision of pastoral care for the congregation and the parish in general.

During 2021 the Priory's Vicar was the Revd Roderick Corke. He was assisted by a Curate, the Revd Jonny Gordon, a number of retired clergy with permission to officiate and three Licensed Lay Ministers (formerly known as Licensed Readers).

Ms Anne Rich continued in the post of Church Manager responsible for managing the staff and developing the work of the Priory, assisted by the Head Verger/Custos, James Walker.

The Priory is a place of worship for both the parish and the wider community. It holds civic services and also acts as a venue for concerts and other events. It is sometimes used for memorial services for those deceased whose home churches are too small to accommodate the number of mourners anticipated, as well as for its own members. Divine services are normally held every day and at least three times on Sundays, with a regular midweek service of Holy Communion on Wednesday mornings (they were held on Thursday mornings until July 2021).

During the pandemic restrictions, until July pre-recorded services and sometimes live-streamed services were offered alongside the services provided each Sunday. When restrictions were eased in August pre-recorded services ceased but some services were still streamed live. Until July three services were provided each Sunday morning, each strictly limited in size to ensure a Covid-secure environment in accordance with Government and Church of England guidelines. Services during August reverted broadly to the pre-pandemic pattern, with two Sunday morning services, still with some restrictions on numbers. Those restrictions were lifted in September. The Priory has generally been open for private prayer every day.

The Priory is a Grade 1 Listed Building of national significance. The PCC provides a paid full-time Custos and part-time Deputy and Assistant Custodes to ensure that the building is open as much as possible. Initially in 2021 the church was open for private prayer only and for limited periods. However, as Government restrictions have allowed the Priory has again opened up for visitors so that normally the Priory is open every day from 9.00 am to 5.00pm. Volunteers acted as guides and welcomers. The Friends of Malvern Priory provide guided tours for interested groups. Pre-pandemic the Priory attracted around 40,000 visitors annually; in 2020 this reduced to 9,200 but since the easing of restrictions annual visitor numbers in 2021 are increasing back to pre-pandemic levels, with particularly high numbers of visitors recorded during the summer months.

Promoting the Whole Mission of the Church

In recognition of its wider responsibilities in promoting the whole mission of the Church, the PCC makes grants to national and international mission and charitable organisations. The grant making policy established by the PCC certifies and makes grants to those organisations demonstrating similar objectives and outreach to Great Malvern Priory. Grants allocated during the year are shown within the accounts.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

In late 2020/early 2021 the Priory established its Vision and Strategy that will form the basis of the Priory's mission over the next few years. A booklet has been produced that sets out strategic objectives, the key aims and mission action priorities. These will form a pathway to realise the Priory's vision to restore, refresh and inspire the building and community.

The Priory Development Plan to support this is to see Great Malvern Priory as welcoming, accessible to all and an important part of the community of Malvern and the wider world. It is our desire that it is a place where all, regardless of background, can learn about our heritage and the relevance of the Christian faith today. It is our desire to see the Priory and its heritage: the windows, misericords, structure, tiles and other features, tell the story of the Christian faith and its relevance to all.

A Conservation Management Plan (CMP) has been produced, with the initial encouragement and assistance of the Church Buildings Council in 2014. The plan links the future development of the Priory building to appropriate additional uses, whilst respecting, conserving and explaining its built heritage. The first issue was published in March 2015 under the title of The Priory Plan and copies were made available to relevant organisations in the town as well as being made available to all through the Priory's website. The Priory Development Plan, as it is now called, is an evolving process and work has continued with a PCC Committee overseeing the process. A revised edition of the CMP was issued in 2017, to take account of the significant conservation work described later, and further revision was undertaken in 2020.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the P.C.C. should undertake.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

Regular Public Worship and other services

From the commencement of lockdown in 2020 until July 2021 a pre-recorded service has been provided every Sunday via the Priory website. Pre-recorded services then ceased, although some services were still live streamed. Until July three services were provided each Sunday morning. The 8.00 am services were communion with BCP, and services at 9.30 am and 11.00 am both alternating between Parish Communion and Morning Worship. The numbers permitted at these services were considerably constrained by the need for Covid-secure arrangements, and those wishing to attend had to register beforehand. In August services reverted to two each Sunday morning with some increases in numbers allowed. All restrictions were removed in September, with services following the pre-pandemic pattern of Holy Communion (BCP) at 8.00 am every Sunday, followed by the main service at 10.30 am. These comprised Communion services (based on Common Worship) generally on the 1st and 3rd Sundays of each month, Altogether Worship (a less formal service for all ages) on the 2nd Sunday and Morning Worship on the 4th Sunday. Since September Evening services at 6.30 pm have again comprised informal Evening Worship or The Gathering, Holy Communion, Evensong or Choral Evensong. There was a midweek Communion service at 11.30 am initially on Thursdays, changing to Wednesdays from July.

Because of the pandemic the average attendance at weekly services in church in 2021 over the year was considerably lower than before the pandemic. The average attendance at regular weekly services until September when the church returned to its normal pattern of worship with no restrictions on numbers was 145 adults and 6 under 16s. From September until the end of the year the average attendance was 221 adults and 15 under 16s (these compare with pre-pandemic figures of 268 adults and 25 under 16s). Not only were numbers attending regular services lower than before, but our numbers are normally significantly increased by attendance at services at major festivals or special events; many of these have not been possible this year in their normal form. Comparing service attendance figures for October 2021 with those for 2019 shows a fall of around 20%.

There were 9 funerals in the church in 2021 (24 in 2020). There were 4 weddings (one in 2020) and 4 baptisms (one in 2020).

Morning Prayer is usually said every weekday morning; before easing of restrictions these moved to on-line, being conducted via Zoom. When restrictions allowed these resumed in church. Many visitors leave written prayer requests, which are remembered in prayer on the following morning, and there is increasing use of the prayer candle stand. St Anne's Chapel is also set aside for private prayer and reflection and is used for prayer ministry to individuals during Sunday services.

During Advent a series of midweek evening compline services was held in church.

Ministry of music

This is led by a Director of Music, Piers Maxim, to enhance public worship, assisted by an Assistant Organist and other organists as necessary. At present we do not have any organ scholars in post.

In normal times the Priory Choir of junior choristers, lady altos and men sing at most Sunday morning services, except for most of the Altogether Worship services which are usually led by the Priory Orchestra, made up of adults and children. Junior Choir numbers have been adversely affected by the pandemic but are gradually recovering now. The Priory Singers, a mixed adult choir, sing at evening services of Holy Communion, Evensong and Choral Evensong. An informal Praise Group of singers and instrumentalists sings before some Sunday morning services and during occasional main services. A Worship Band plays at The Gathering.

During Covid restrictions the Priory choirs and other groups provided music for the on-line services. This was achieved by singers and musicians recording individually in their own homes, and the recordings then being stitched together electronically.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Pastoral Work

Residential and nursing homes within the parish continue to be visited regularly, and services are held for the residents. Both clergy and lay people also undertake regular pastoral visiting of the housebound and the sick.

A team of regular members of the congregation called Priory Area Links (PALS) welcome Priory newcomers who live near to them and look out for anyone who may need some extra support due to illness, bereavement, moving house etc. The PALS' work and other initiatives are co-ordinated by a small Pastoral Team. The PALS have had an important role during the pandemic in keeping in touch with church members, looking out for their needs and trying to off-set the sense of loneliness and isolation that is felt in particular by many of the elderly.

Two members of retired clergy, with permission to officiate at the Priory, act as chaplains in the local community. Revd Tony Whalley is Chaplain to the Police and Fire services in Malvern, while the Revd Peter Lawrence is Chaplain to the local farming community.

Teaching of Christianity through sermons, courses and small groups

As well as the regular Sunday teaching ministry (for all ages) the Priory has 9 Home Groups, varying in size. These follow planned courses of study during the year and are co-ordinated by Revd Tony Whalley. Teaching has also been provided to small groups and individuals through confirmation classes and baptism preparation.

Provision of Children's & Youth Work with a Christian ethos

The current Priory C&Y groups are: Junior Choir (ages 7-18, incorporating Junior Handbells (all ages) and Choir Sunday School for children under 11); Jesus and Me (JAM) for the 3 - 11 ages; Identity (for ages 11-18, meeting in the Porch Room during Sunday morning communion services) and Sunday evening all ages Badminton Club.

2021 was a challenging year for C&Y work. The ongoing COVID pandemic meant that in-person groups could not meet for the majority of the year.

Junior Choir met weekly, initially on Zoom and then from Easter relaxing restrictions meant that the children were able to meet in-person for Friday rehearsals and to sing for some Sunday morning services (well in advance of the adult choir being able to return). We were delighted to welcome three new choristers in the autumn term, and to have some return that had not been able to join us online. Junior Handbells also returned in September, although currently numbers are very low. Choir Sunday School was still 'furloughed' as most children are now in secondary school.

Messy Church continued online from January to July. The team did a fantastic job of putting together a monthly digital version while unable to meet in person. In September we began to meet together with a picnic, attended by some of our regular families. The Light Party on Saturday 30th October exceeded all expectations with 40 children attending, many new families to Messy Church. The Christmas Messy Church saw a number of younger children join us for the first time.

JAM also returned in September, initially meeting outside. Numbers remain very low with 3-4 regular families attending. Families have been under a huge amount of pressure from all angles and are taking longer to return to some activities.

In September we launched our new Youth Group – Identity – for those in secondary school and college. The group has begun well with 8-10 children attending regularly, both from choir and non-choir backgrounds. They meet during the sermon in communion services. The young people thoroughly enjoy themselves and are always happy that it is 'Identity' week. We would like to enhance the leadership of this group and take on some of the ideas to expand the time and place they meet.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Lifepath usually takes place during a week in June, when a large team of volunteers (many of whom come from other local churches) welcome more than 700 local primary school children to the Priory for lively worship and a wide variety of activities, drawing on the Priory's Benedictine roots to help explore different aspects of life and faith. Lifepath 2021 was an online video version, with links to activities schools could complete in their classrooms. This used some of the video footage filmed during Lifepath 2018, as well as some new footage specific to this year. This was welcomed by schools but all look forward to being able to attend a 'live' event again.

Promotion of Christianity through events, meetings, and the distribution of literature

Local schools and other groups regularly visit the Priory for talks and a tour of the building. Special interest groups often book tours, led by volunteer guides.

Links with the town and traders have remained strong despite the enforced cancellation of events in accordance with COVID restrictions. The Priory joined with Malvern Town and District Councils to bring cheer to the town through flowers and lights in the spring and around Christmas time respectively. We again hosted a remembrance garden designed and laid out by Yarnbomb Great Malvern and held, within permitted guidelines, a service on Armistice Day in collaboration with Malvern Town Council. We hosted 7 farmers' markets in the grounds. We also hosted 3 Arts and Crafts markets. The Christmas Festival Market was cancelled due to very bad weather but the church remained open with music and activities for all ages.

The majority of organ recitals and concerts held in the Priory, which often fill the church, had to be either cancelled or held with much reduced audience capacity. Highlights included concerts by the ESO, The English Touring Opera and Ardingly College Schola Cantorum.

Lunch Box is a series of fortnightly lunchtime talks and concerts held jointly with The Friends of Malvern Priory in the autumn, winter and early spring. This activity was curtailed until September 2021 because of the pandemic but then resumed.

The regular Sunday lunches at a local hotel have been discontinued until it is safe to resume them again. Prior to the pandemic these were very popular, with around 50 people attending each lunch. They have enabled members of the congregation to get to know each other better and have been most enjoyable. It is hoped to start these again as soon as it is safe to do so.

The Priory Shop was transferred to The Friends of Malvern Priory in January 2017 and continues to sell books, cards, CDs of the Priory Choir and organ, as well as a variety of gifts with local or Christian connections. A team of volunteers staff the shop, which is well known as a good source of greetings cards at reasonable prices.

Supporting other charities in the UK and overseas

The Priory supports 15 charities, both in Britain and overseas, financially and by our prayer and interest. We have a number of mission partner links – missionaries working in overseas fields - and maintain regular communication with them.

We also have an informal link with an inner-city church – St Luke's, Wolverhampton – with reciprocal visits by members of the two congregations. The day visit to the Priory normally occurring during August was not possible this year. Similarly Malvern's regular welcome, in which many Priory people are involved, to children from an area of Belarus was cancelled this year.

The Priory has kept close links with the retired Bishop of Marsabit, Northern Kenya and with that Diocese where a group from the Priory had assisted in work to provide a schoolroom, two water storage tanks and in health work in October 2015. The Priory has also maintained its links with St Katharina's Church in Wolmirstedt, Germany.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Friends of Malvern Priory

The Friends is a separate charity established by the PCC to assist with the maintenance and enhancement of the Priory and with the church's outreach to the community. Its membership is drawn from within the congregation and the wider community, including overseas.

The Friends provided grants to the PCC during 2021 to enable works to be carried out on the structure. In support of the restoration of the Medieval Creation Window (described below) the Friends embarked on a successful fundraising campaign, raising over £100k towards the required costs.

The Friends now helps the Priory communicate regularly with local businesses by offering free Associate Membership to businesses which advertise in the Priory magazine. They run The Friends Shop and regular guided tours, which, with the regular Lunch Box events supported by the Friends, were discontinued during lockdown. Other events have been an annual outing, a Friends Choral Evensong, a Heritage and Faith Lecture and a community carol service. It is particularly encouraging that organisers of other Priory events are starting to use The Friends to help them reach more people in the community.

Fabric Matters

General Condition of the Fabric

Following the fall of a number of pieces of stonework in 2014 and 2015, a survey of the external and internal stonework was commissioned from Sally Strachey Historic Conservation (SSHC) in 2016. The survey was extremely thorough and the report indicated some 600 repair items of various sizes and degrees of urgency. It was advised that almost all these repairs should be completed within five years. The cost is estimated to be in the region of £2M - £3M. Around £200k of urgent repairs have now been undertaken as described below.

The windows of Great Malvern Priory contain a remarkable collection of fine stained and painted glass dating from the 15th to the 21st centuries. The unique and beautiful medieval glass dates from c.1430-1502 and is regarded by experts as being of national significance. A recent report on the glass stated: 'The Malvern windows are generally regarded as probably the finest collection of English 15th and early 16th century stained glass outside York Minster'.

In 2015 conservators from York Glaziers Trust were employed to undertake a thorough survey of the Priory's stained glass windows. Their report, delivered in February 2016, identified that the Priory's medieval stained glass was facing damage from corrosion of the glass itself due to rain and internal condensation, and was covered with soot and other dirt. They recommended that 'the immediate requirement is the installation of protective glazing to inhibit ongoing cycles of corrosion that are damaging this historic and unique collection'. While the leadwork was generally found to be sound, the windows should be cleaned in the studio under a microscope while removed. The cost of conserving the 14 main medieval windows in this way was estimated to be £2 million, plus the cost of access (scaffolding), and VAT.

The lead on the aisle roofs dates from the 1860s. It has suffered splits and has been patched many times and requires replacement.

In 2017 Historic England added the Priory to its 'Heritage at Risk Register' with condition 'very bad' due to the condition of the stonework and glass.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Recent Stonework repairs

In 2018 and 2019 some of the most urgent repairs identified in the SSHC survey were completed:

- The top section (20 feet) of the South West Buttress was rebuilt to remove the risk of falling stone.
- A section of the West Wall that was bowing and behind the N Aisle was rebuilt with new stone.
- The pinnacles of the North Porch were stabilised and the entire stonework of the Porch was cleaned and restored.
- Substantial cracks in the walls at the west and east ends were pointed.

Offers of grants were obtained from the National Lottery Heritage Fund (NLHF), the Garfield Weston Foundation, the Wolfson Foundation in association with Church Care, the Droitwich Preservation Trust and The Friends of Great Malvern Priory. During the first quarter of 2020 an evaluation report on the stonework repairs was prepared for NLHF and accounts with invoices were submitted to the grant bodies to obtain their grants.

An interesting discovery made during the cleaning of the North Porch was that the elaborate limestone carved canopy above the statue of the Virgin and Child bore substantial traces of historic red paint suggesting it could be medieval in origin.

Despite these repairs, the Priory remains on the Heritage at Risk Register. Work to address further major repairs and conservation work falls under the Priory Development Plan described below.

In other work during 2021:

- A contract to improve fire safety for the bellringers including a new fire escape route from the ringing chamber onto the S Chancel roof, and improved restraint bars at the muster point on the roof was let, to be undertaken in 2022.
- Minor repairs identified in the 2018 QI report and via regular inspections have been undertaken, and also the planned cycle of painting gutters and downpipes.
- A leaking inspection hatch on the south aisle roof above St Anne's chapel has been temporarily repaired.
- The tower clock, which had become unreliable, has been serviced and minor repairs and adjustments carried out.
- The annual round of servicing and inspections has been completed.

Priory Development Plan

As well as undertaking major conservation work to protect and enhance the Priory building, the Priory Development Plan (PDP) aims to make the Priory a focal point for the local community with improved facilities that will enable it to be more widely used, both for church services and for other events. It is an ongoing project and the work being planned will take several years to come to fruition. The Plan has set a number of objectives, developed from those previously identified in the Priory's Mission Action Plan (2012-14) and its updating during 2021.

As set out in the Plan the Priory building needs development to provide modern facilities including improved toilet and baby changing provision, access for all, a servery, level floors, improved heat distribution and general purpose meeting rooms. As noted above, the extensive repairs to the stonework, stained glass and aisle roofs also need attention and these concerns are being addressed.

In January 2019 the PCC requested expressions of interest from 8 national architectural practices for work to develop, repair and conserve the building. A shortlist of three practices was selected and each was given an honorarium to make proposals for how they would take forward the Priory Development Plan. They presented their detailed proposals, containing original ideas and designs, in November 2019. All the practices calculated the cost of meeting the full Plan as being £10M - £12M.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Using their and other reports, during 2021 we continued the process of refining what is required under the Plan, reducing its scope to that which might be achievable within an affordable budget. Because the PCC expects to apply for grants from public bodies for more than 50% of the cost, the PCC will need to procure the services of an architect in accordance with public procurement rules against this reduced scope in 2022.

In April the PCC decided to embark on a pilot project for the restoration of the 14 medieval windows – the restoration of the Creation Window (sIII) in St Anne's chapel. This is part of the programme of work in the PDP, but undertaking such a pilot project will demonstrate, and hopefully validate, the conservation techniques involved; it will provide experience of dealing with the DAC and Historic England in the matter of conservation of medieval glass, and it will act as a focus for community engagement. As noted above, The Friends of Malvern Priory took on the task of raising the majority of funds for the project. There has been rapid progress on the project and it is hoped that all the relevant permissions and authorisations can be in place to allow a start in the Summer of 2022.

In June the PCC agreed to authorise progress on another part of the PDP, that of lowering the two raised pew plinths in the nave which both result in a trip hazard and severely restrict flexible use of the building. Preliminary investigations have been carried out and an architect appointed to undertake the design and management of the project, including the installation of underfloor heating below the plinth areas, connected to the existing church heating source. The design is ongoing.

Both the window and floor projects were the subject of a Harvest, Prayer and Gift weekend in October, the outcomes of which in terms of financial support were extremely encouraging.

Church House

The conversion of Church House from Custos accommodation to parish offices began in 2018 and the work was completed that year. Further alterations to improve disability access were undertaken, with widening of an internal door and the creation of a new external door with ramp access and handrails on the north side of the building. The area outside has been landscaped and the parking area has been remarked, with inclusion of a disabled parking space and a cycle rack.

Plans for the Future

As previously mentioned, the first edition of the Priory Development Plan (Conservation Management Plan) was published in March 2015 and revised in 2017 and again in 2020. The Plan is an evolving process and work has continued throughout 2021, overseen by a PCC Committee. It has been recognised that major conservation work to protect and enhance the Priory building will be needed in addition to work to develop the Priory building and grounds. This requires longer term planning to meet the needs of both the church and the wider community and this process will continue in 2022.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

At the end of 2021 the PCC had an annual deficit of c.£29,000 on its operating budget (day-to-day unrestricted income and expenditure), compared to deficit of c.£6,000 that was originally budgeted. Income was c.£11,000 under budget and expenditure c.£19,000 above budget, the shortfall being partially offset by investment gains of £7,000. Congregational stewardship giving has held up reasonably well throughout the pandemic, but the restrictions on visitor numbers and hence on donations resulted in an overall reduction of Unrestricted Donations & Gifts of a further £9,000 over 2020 (2020 over 2019 down £17,000). PCC is focused on improving the level of income received both through improving the level of stewardship giving from church members as well as that received from visitors.

A revised method of calculating Parish Share based on costs with an assessed wealth factor is to be introduced by Diocese of Worcester in 2022 (delayed from 2021 due to the pandemic) and the PCC expects the new scheme will enable it to revert to paying the Parish Share request in full. In 2021, at the request of the Diocese, the PCC felt able to maintain its Parish Share contribution at £128,100, in line with the 2020 contribution.

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which lies in the range £ 110,000 to £130,000 (aiming at an average of £120,000). This provides funds to enable the charity:

- To be able to make short and medium term expenditure commitments without the risk of short-term fluctuations in income forcing reduction in, or cancellation of, planned activity.
- To cover the risk of unforeseen emergency or other unexpected need for funds.
- In the event of a material and sustained fall in income to provide sufficient reserves to enable the charity to make the changes in its organisation and activities necessary to respond to this in an orderly and planned way, over a reasonable period of months.
- To cover the need to fund short-term deficits in cash budget, e.g. money may need to be spent before a funding grant is received.

In view of the challenges of obtaining income during the pandemic, the PCC has again agreed to cover the operating shortfall by re-designating funds received through legacies in order to maintain the unrestricted reserves at the range midpoint of £120,000.

At 31 December 2021, after effecting the transfer of £22,930 to cover the operating shortfall, the PCC held unrestricted legacies of £359,721. These have been designated by the PCC to support the Priory Development Plan project. Legacies and other donations are always gratefully received to support the ministry and mission of the Priory

The Trustees have assessed the major risks to which the P.C.C. is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Asset cover for funds

Note 24 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management

The Parochial Church Council (PCC) has two Approved Governing Documents:

- The Parochial Church Councils (Powers) Measure 1956, as amended
- The Church Representation Rules 2020

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and may stand for election to the PCC. The electoral roll had a total of 314 at the time of the Annual Meeting, 6th May 2021 (compared to 326 at the preceding APCM).

The Trustees who served during the year are as described in the legal and administrative information section of these financial statements.

In 2019 the PCC reviewed the way in which it operates and implemented a new structure with four Committees reporting to it (Finance, Building and Grounds, Worship and Mission). In 2020 the Priory Plan Steering Group was elevated to the status of a Committee, separate from the Buildings and Ground Committee. Individual Groups then report to one of these five Committees and the Committees report to the PCC. This enables the PCC to spend time on policy and direction rather than on day-to-day issues.

The PCC normally meets four times a year, supplemented by extra meetings to address specific issues.

There is a Management Team consisting of the Principal Officers (Vicar, Curate, PCC Vice Chair, PCC Secretary, Treasurer, Churchwardens) an additional elected member of the PCC and the Church Manager. Also in attendance is the Parish Administrator, as minute-taker. The Team normally meets every three weeks to take day-to-day management decisions, and to make other decisions which do not have significant implications for governance or policy. Reports from the meetings are circulated to the PCC.

A Standing Committee, consisting of the Principal Officers (Vicar, Curate, PCC Vice Chair, PCC Secretary, Treasurer and Churchwardens) meets when urgent decisions are required and which are reported to the PCC when it next meets. The Principal Officers (with the exception of the Vicar and Curate) are subject to re-election each year.

A PCC Handbook sets out the remit and procedures to be followed for each part of the organisational structure.

The PCC receives advice and information from its representatives on other external bodies: Malvern and Upton Deanery Synod, Worcester Diocesan Synod, The Friends of Malvern Priory, and the Lyttelton Well Ltd.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Safeguarding

The PCC has complied with the duty under section 5 of the Safeguarding and Clergy Discipline Measure 2016 to have due regard to the House of Bishops' guidance on safeguarding of children and vulnerable adults. The Church Manager, Ms Anne Rich, is the Appointed Safeguarding Officer reporting to the PCC.

Screening procedures regarding the protection of children and vulnerable adults are employed. Disclosure and Barring Service (DBS) checks have been obtained as necessary for both paid and volunteer workers. During 2021 11 DBS checks were processed. There was no advice sought from DSA/ADSA during 2021. The PCC has adopted a further revision of the Diocesan Safer Recruiting Policy 2016 (derived from that of the Church of England) and the scope of these checks extends to cover all volunteers working with children and many of those working with vulnerable adults. It is a requirement that those working with children and vulnerable adults, in a paid or voluntary capacity, attend a Diocesan Basic Safeguarding Awareness Training course every three years and during 2021 three levels of training (C0 – introduction; C1 – basic; C2 – leadership) were carried out online by volunteers and office holders as appropriate.

In 2021 the PCC used the Diocesan Safeguarding Dashboard to monitor progress and as a means of self-assessment to ensure that it fulfils that duty. An action plan was drawn up and is being implemented.

The PCC recognises its responsibility in relation to health and safety and disability legislation.

- The role of Parish Safeguarding Officer is to oversee the recruitment, management and training of all staff, paid and voluntary. This took effect from 31st August 2017. She ensures that role descriptions are given for all volunteers, application forms and references are sought where required and that all volunteers will receive letters of appointment before starting work. This work is still ongoing.
- The Annual PCC Review of Safeguarding occurs at the March PCC meeting in order that any policy update can be adopted prior to the Archdeacon's Visitation in May.

The Trustees' report was approved by the Board of Trustees.

Reverend R Corke

Dated: 17 March 2022

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

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

Law applicable to charities in England and Wales requires the Trustees to prepare accounts 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 year.

In preparing these accounts, the trustees are required to:

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

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the P.C.C. and which enable them to ascertain the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Saint Mary and Saint Michael Great Malvern (the 'P.C.C.') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 P.C.C.'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

- an understanding of the risk assessment process (including the assessment of the risk of fraud) adopted by the Board is obtained and their attitude to risk ascertained
- an assessment of the susceptibility to material mis-statement of the financial statements as a result of management over-ride or fraud is made
- an understanding of the legal and regulatory framework as applicable to the charity is obtained
- it is ensured that the engagement team, have collectively, the appropriate competence, capabilities and skills to be involved in the assignment, are fully briefed and understand the risks specific to the charity

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

Audit response to risks identified

Having conducted the assessment procedures the following processes are utilised to respond to determined risks:

- we undertake a review of Board minutes, perform analytical review, consider the relevance and accuracy of significant accounting estimates, undertake substantive testing of significant accounting transactions, design tests to identify unusual or unexpected accounting entries, including testing of journals and seek corroborative evidence to support the same, disclosures in the financial statements are traced to supporting documentation
- it is ensured that the charity has taken appropriate steps to comply with legal and statutory obligations and where there have been breaches, obtain a full understanding of the event and gather relevant documentation for assessment

It should be noted that Auditing Standards limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material mis-statement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion or mis-representation.

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

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS)" (as amended for accounting periods commencing from 1 January 2019) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Elizabeth Needham ACA CTA (VAT) (Senior Statutory Auditor)
for and on behalf of Kendall Wadley LLP

17 March 2022

Chartered Accountants
Statutory Auditor

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Kendall Wadley LLP is eligible for appointment as auditor of the P.C.C. by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

Current financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Total 2020 £
	Notes						
<u>Income from:</u>							
Voluntary income	3	267,836	5,643	-	-	273,479	672,099
Incoming resources from charitable activities	4	35,291	186	57,546	-	93,023	48,794
Activities for generating funds	5	5,661	-	-	-	5,661	5,011
Investments	6	3,481	-	627	-	4,108	3,563
Total income		312,269	5,829	58,173	-	376,271	729,467
<u>Expenditure on:</u>							
Raising funds	7	3,748	-	-	-	3,748	4,715
Charitable activities	8	338,693	11,800	10,711	-	361,204	356,742
Total resources expended		342,441	11,800	10,711	-	364,952	361,457
Net gains/(losses) on investments	13	7,241	-	(3)	12,582	19,820	5,748
Net (outgoing)/incoming resources before transfers		(22,931)	(5,971)	47,459	12,582	31,139	373,758
Gross transfers between funds	14	22,930	(18,770)	(4,160)	-	-	-
Net movement in funds		(1)	(24,741)	43,299	12,582	31,139	373,758
Fund balances at 1 January 2021		120,001	415,035	62,836	91,310	689,182	315,424
Fund balances at 31 December 2021		120,000	390,294	106,135	103,892	720,321	689,182

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Prior financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
	Notes					
Income from:						
Voluntary income	3	270,454	391,000	10,645	-	672,099
Incoming resources from charitable activities	4	23,815	450	24,529	-	48,794
Activities for generating funds	5	5,011	-	-	-	5,011
Investments	6	3,563	-	-	-	3,563
Total income		302,843	391,450	35,174	-	729,467
Expenditure on:						
Raising funds	7	4,715	-	-	-	4,715
Charitable activities	8	318,082	3,016	35,644	-	356,742
Total resources expended		322,797	3,016	35,644	-	361,457
Net gains/(losses) on investments	13	32	-	57	5,659	5,748
Net (outgoing)/incoming resources before transfers		(19,922)	388,434	(413)	5,659	373,758
Gross transfers between funds	14	40,497	(53,383)	12,886	-	-
Net movement in funds		20,575	335,051	12,473	5,659	373,758
Fund balances at 1 January 2020		99,426	79,984	50,363	85,651	315,424
Fund balances at 31 December 2020		120,001	415,035	62,836	91,310	689,182

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	15		315,164		145,344
Current assets					
Debtors	17	21,890		21,439	
Investments	18	344,612		494,612	
Cash at bank and in hand		68,282		37,151	
		<u>434,784</u>		<u>553,202</u>	
Creditors: amounts falling due within one year	19	<u>(29,627)</u>		<u>(9,364)</u>	
Net current assets			405,157		543,838
Total assets less current liabilities			<u>720,321</u>		<u>689,182</u>
Capital funds					
Endowment funds	21		103,892		91,310
Income funds					
Restricted funds	22		106,135		62,836
<u>Unrestricted funds</u>					
Designated funds	23	390,294		415,035	
General unrestricted funds		<u>120,000</u>		<u>120,001</u>	
			510,294		535,036
			<u>720,321</u>		<u>689,182</u>

The accounts were approved by the Trustees on 17 March 2022

Reverend R Corke
Trustee

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	26		27,023		332,848
Investing activities					
Cash transferred to investments		-		(365,000)	
Interest received		4,108		3,563	
Net cash generated from/(used in) investing activities			4,108		(361,437)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			31,131		(28,589)
Cash and cash equivalents at beginning of year			37,151		65,740
Cash and cash equivalents at end of year			68,282		37,151

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS *FOR THE YEAR ENDED 31 DECEMBER 2021*

1 Accounting policies

Charity information

The Parochial Church Council of the Ecclesiastical Parish of Saint Mary and Saint Michael Great Malvern is an unincorporated charity registered with the Charity Commission for England and Wales. The principal address is The Parish Office, Church Street, Malvern, WR14 2AY.

1.1 Accounting convention

The accounts have been prepared in accordance with the Church Of England Measures (the Parochial Church Councils (Powers) Measure 19556 as amended and the Church Representation Rules), the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The P.C.C. is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the P.C.C.. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the P.C.C. has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are as described in the notes to the financial statements.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

The income from permanent endowments is used in accordance with the intentions of the donors, as far as they can be ascertained.

1.4 Incoming resources

Income is recognised when the P.C.C. is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the P.C.C. has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the P.C.C. has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Realised gains or losses are recognised when investments are sold.
Unrealised gains or losses are accounted for on revaluation of investments at mid-market value at the year end.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Amounts to be paid to the Diocese in connection with the parish share are accounted for as paid.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in the Statement of Financial Activities for the year. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

1.8 Financial instruments

The P.C.C. has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the P.C.C.'s balance sheet when the P.C.C. becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction. Financial liabilities classified as payable within one year are not amortised.

Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the P.C.C.'s contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the P.C.C. is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Great Malvern Priory PCC (PB2014) participates in the Pension Builder Scheme section of CWPf for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

Pension Builder Classic provides a pension for members for payment from retirement, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Bonuses may also be declared, depending upon the investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Critical accounting estimates and judgements

In the application of the P.C.C.'s accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Voluntary income

	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	256,097	-	256,097	265,269	-	-	265,269
Legacies receivable	-	5,643	5,643	-	391,000	-	391,000
Other general grants	11,739	-	11,739	5,185	-	10,645	15,830
	<u>267,836</u>	<u>5,643</u>	<u>273,479</u>	<u>270,454</u>	<u>391,000</u>	<u>10,645</u>	<u>672,099</u>

The legacy received during the year represents the remaining sum due to the Priory on final distribution of the Olive Beechey Estate, the majority of the legacy having been received in the previous year. The Trustees gratefully acknowledge the gift bequeathed to the Priory.

Grants receivable for core activities

Friends of Malvern Priory	10,233	-	10,233	2,000	-	10,645	12,645
Covid-19 Job Retention Scheme	-	-	-	3,185	-	-	3,185
Listed Places of Worship Grant	1,196	-	1,196	-	-	-	-
Other	310	-	310	-	-	-	-
	<u>11,739</u>	<u>-</u>	<u>11,739</u>	<u>5,185</u>	<u>-</u>	<u>10,645</u>	<u>15,830</u>

Included in other grants is £10,000 (2020 - £2,000) received from the Friends of Malvern Priory being gifted from the surplus arising from the operation of the Priory Bookshop, together with £233 received as a contribution to the commemorative organ plaque.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Incoming resources from charitable activities

	Various projects £	Collecting box £	Other donations £	Organ recitals £	Facility fees £	Total 2021 £	Total 2020 £
Charitable rental income	-	-	-	-	5,008	5,008	5,416
Other income	57,546	17,615	12,854	-	-	88,015	43,378
	<u>57,546</u>	<u>17,615</u>	<u>12,854</u>	<u>-</u>	<u>5,008</u>	<u>93,023</u>	<u>48,794</u>
Analysis by fund							
Unrestricted funds - general	-	17,615	12,668	-	5,008	35,291	
Unrestricted funds - designated	-	-	186	-	-	186	
Restricted funds	57,546	-	-	-	-	57,546	
	<u>57,546</u>	<u>17,615</u>	<u>12,854</u>	<u>-</u>	<u>5,008</u>	<u>93,023</u>	
For the year ended 31 December 2020							
Unrestricted funds - general	-	3,703	11,875	433	7,804		23,815
Unrestricted funds - designated	-	-	450	-	-		450
Restricted funds	24,529	-	-	-	-		24,529
	<u>24,529</u>	<u>3,703</u>	<u>12,325</u>	<u>433</u>	<u>7,804</u>		<u>48,794</u>

A detailed listing of restricted income is given in note 22.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Incoming resources from charitable activities

(Continued)

	2021	2020
	£	£
Various		
Church flowers	-	56
Offerings	236	954
Church maintenance donations	-	10,701
Weddings and funerals	5,917	8,813
Church house renovating and repurposing	38	-
Porch room development, cushion replacement & piano repairs	-	379
Messy Church	33	64
Church Fabric repair	-	2,733
Choir scholarships	-	342
Lifepath	(56)	100
Other fund raising	-	355
Furtherance of bellringing	925	32
Floor project	49,353	-
Vicars Discretionary	1,100	-
	<u>57,546</u>	<u>24,529</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Activities for generating funds

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Malvern Priory Magazine	5,661	5,011
	<u>5,661</u>	<u>5,011</u>

6 Investments

	Unrestricted funds general 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds general 2020 £
Income from listed investments	3,012	577	3,589	1,714
Interest receivable	469	50	519	1,849
	<u>3,481</u>	<u>627</u>	<u>4,108</u>	<u>3,563</u>

7 Raising funds

	2021 £	2020 £
<u>Trading costs</u>		
Magazine - direct costs	3,748	4,715
	<u>3,748</u>	<u>4,715</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Charitable activities

	Charitable objectives £	Costs of ministry £	Total 2021 £	Total 2020 £
Staff costs	-	101,704	101,704	96,900
Various projects (breakdown on next page)	21,070	-	21,070	35,644
Ministry - diocesan parish share	-	128,100	128,100	128,100
Clergy costs	-	891	891	3,572
Church running expenses	-	37,332	37,332	36,935
Church maintenance	-	19,009	19,009	7,614
Cost of services	-	4,771	4,771	2,079
Miscellaneous (including room hire)	-	4,913	4,913	6,214
Youth and Children's work	-	26	26	107
Promotion and Outreach	-	1,766	1,766	208
Offerings gifted	-	-	-	150
Altar supplies and flowers	-	990	990	745
Other costs	-	463	463	187
	<u>21,070</u>	<u>299,965</u>	<u>321,035</u>	<u>318,455</u>
Grant funding of activities (see note 9)	-	19,000	19,000	21,990
Support costs (see note 10)	-	13,946	13,946	7,164
Governance costs (see note 10)	-	7,223	7,223	9,133
	<u>21,070</u>	<u>340,134</u>	<u>361,204</u>	<u>356,742</u>
Analysis by fund				
Unrestricted funds - general	45	338,648	338,693	
Unrestricted funds - designated	11,080	720	11,800	
Restricted funds	9,945	766	10,711	
	<u>21,070</u>	<u>340,134</u>	<u>361,204</u>	
For the year ended 31 December 2020				
Unrestricted funds - general	-	318,082		318,082
Unrestricted funds - designated	-	3,016		3,016
Restricted funds	35,644	-		35,644
	<u>35,644</u>	<u>321,098</u>		<u>356,742</u>

An analysis of various projects follows:

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Charitable activities

(Continued)

Various projects

	2021	2020
	£	£
Church Flowers purchase	-	433
Offerings gifted	-	1,105
Christmas outreach and welcome days	-	17
Church house renovation and re-purposing costs	146	15,373
Church restoration costs	3,813	-
Other costs	1,296	-
Weddings and funerals	1,216	5,498
Porch room development, cushion replacement and piano repairs	543	11,102
Messy Church	120	362
Lifepath	161	-
Furtherance of bellringing	925	-
Priory plan	7,765	1,754
Floor Project	1,725	-
Creation Window	3,360	-
	21,070	35,644

9 Grants payable

	2021	2020
	£	£
Grants to institutions:		
CMS	1,355	1,610
Crosslinks	1,355	1,200
CPAS	1,195	1,590
Tearfund	1,355	1,520
Bible Society	1,355	1,610
Christians Against Poverty	2,000	2,000
Other grants <£1,000	25	-
Lifewords	1,355	1,610
Care for the Family	1,195	1,590
Scripture Union	1,195	1,590
Care Trust	1,195	1,590
Open Doors	1,355	1,520
Friends of Marsabit	1,355	1,520
Mission Aviation Fellowship	1,355	1,520
Mosaic Middle East	1,355	1,520
	19,000	21,990

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Staff costs	-	3,970	3,970	5,895	Time spent
Office costs	9,386	-	9,386	3,854	Charitable activities
Subscriptions	3,102	-	3,102	1,390	" "
Postage and stationery	1,458	-	1,458	1,920	" "
Audit fees	-	2,700	2,700	2,730	Governance
Accountancy	-	553	553	508	Governance
	<u>13,946</u>	<u>7,223</u>	<u>21,169</u>	<u>16,297</u>	
Analysed between					
Charitable activities	<u>13,946</u>	<u>7,223</u>	<u>21,169</u>	<u>16,297</u>	

Governance costs includes payments to the auditors for audit fees as shown above.

11 Trustees

Rev'd Rod Corke received re-imbursed expenses, totalling £466 in the year (2020 - £178),

In addition, two employees are close family members of Trustees. Their employment preceded their family member becoming a Trustee. Other Trustees or persons related to them may receive occasional paid work. Amounts paid in respect of 2021 were:

Mary Weatherill, wife of Trustee Richard Weatherill £5,911

Piers Maxim, husband of Trustee Gilly Maxim £13,172

No other Trustees (or any persons connected with them) received any remuneration or re-imbursement of expenses during the year.

The PCC has an agreed policy on Payments to Trustees whereby potential conflicts of interest are identified and managed through a Register of Interests which is completed each year by all Trustees.

12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Ministry and administration	<u>5</u>	<u>5</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Employees		(Continued)	
Employment costs	2021	2020	
	£	£	
Wages and salaries	94,921	92,007	
Social security costs	2,582	2,717	
Other pension costs	8,171	8,071	
	<u>105,674</u>	<u>102,795</u>	

The above number of employees represents 5 (2020 - 5) full time equivalent positions. No (2020 - no) employees are in receipt of remuneration in excess of £60,000.

13 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Endowment funds	Total 2021	Total 2020
	£	£	£	£	£
Revaluation of investments	7,241	(3)	12,582	19,820	5,748
	<u>7,241</u>	<u>(3)</u>	<u>12,582</u>	<u>19,820</u>	<u>5,748</u>
For the year ended 31 December 2020	<u>32</u>	<u>57</u>	<u>5,659</u>		<u>5,748</u>

14 Transfers

The transfers between Restricted Funds and Unrestricted Funds represent allocations of gift aid claimed or support given from the general fund to the specific activities for which restricted funds have been received.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Fixed asset investments

	Listed investments £	Cash in portfolio £	Charities Funds £	Total £
Cost or valuation				
At 1 January 2021	196	55,792	89,356	145,344
Additions	-	-	150,000	150,000
Valuation changes	2	-	19,818	19,820
	<u>198</u>	<u>55,792</u>	<u>259,174</u>	<u>315,164</u>
At 31 December 2021	198	55,792	259,174	315,164
Carrying amount				
At 31 December 2021	<u>198</u>	<u>55,792</u>	<u>259,174</u>	<u>315,164</u>
At 31 December 2020	<u>196</u>	<u>55,792</u>	<u>89,356</u>	<u>145,344</u>

16 Financial instruments

2021
£

2020
£

Carrying amount of financial assets

Instruments measured at fair value through profit or loss

344,810
494,808

17 Debtors

2021
£

2020
£

Amounts falling due within one year:

Grants receivable

- 10,645

Gift Aid and recoverable VAT

16,461 10,032

Other debtors

5,429 762

21,890 21,439

18 Current asset investments

2021
£

2020
£

Cash deposits

344,612
494,612

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	1,666	1,895
Accruals and deferred income	27,961	7,469
	<u>29,627</u>	<u>9,364</u>

20 Retirement benefit schemes

Defined contribution schemes

The P.C.C. participates in the Pension Builder 2014 Scheme section of Church Worker Pension Fund (CWPF), details of which are given in note 1.

The pension costs charged to the Statement of Financial Activities in the year are contributions payable as shown in note 12.

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2019.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5.8m on the ongoing assumptions used.

Having had due consideration of the scheme valuations a recovery plan was put in place to address the position with contribution rates set to eliminate any deficit by 1 October 2032.

The legal structure of the scheme is such that if another employer fails, Malvern Priory PCC could become responsible for paying a share of that employer's pension liabilities.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

21 Endowment funds

Endowment funds represent assets which must be held permanently by the P.C.C.. Income arising on the endowment funds can be used in accordance with the objects of the P.C.C. and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Balance at 1 January 2020	Investments gains/(losses)	Balance at 1 January 2021	Investments gains/(losses)	Balance at 31 December 2021
	£	£	£	£	£
Permanent endowments					
Fabric Barlow	3,358	-	3,358	-	3,358
B. Woodyatt bequest 1179	6,862	472	7,334	1,050	8,384
B. Woodyatt bequest 1181	13,706	942	14,648	2,096	16,744
R.P. Pelly 1190	4,562	314	4,876	697	5,573
H.W. Williams fund 1366	57,163	3,931	61,094	8,739	69,833
	<u>85,651</u>	<u>5,659</u>	<u>91,310</u>	<u>12,582</u>	<u>103,892</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

22 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds					Movement in funds					
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at January 2021	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 December 2021
	£	£	£	£	£	£	£	£	£	£	£
Charinco Investment fund (Fabric repair)	945	-	-	-	29	974	-	-	-	(64)	910
S Levitt (Fabric repair)	403	-	-	-	28	431	-	-	-	61	492
Church Flowers	38	56	(433)	339	-	-	-	-	-	-	-
Christmas Outreach and Welcome day	121	-	(17)	-	-	104	-	-	-	-	104
Outside Giving	2,017	954	(1,105)	295	-	2,161	236	(150)	-	-	2,247
Weddings and funerals	-	8,813	(5,498)	(3,315)	-	-	5,917	(1,216)	(4,701)	-	-
Fabric repair	35,014	2,733	-	(844)	-	36,903	273	(3,813)	-	-	33,363
Youth Doing Christian Work	678	-	-	10	-	688	-	-	-	-	688
Wolmirstedt Travel Fund	56	-	-	-	-	56	-	-	-	-	56

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

22 Restricted funds

(Continued)

	Movement in funds					Movement in funds					
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 December 2021
	£	£	£	£	£	£	£	£	£	£	£
Lifepath	3,971	100	-	25	-	4,096	(56)	(161)	-	-	3,879
Furtherance of bellringing	4,892	32	-	-	-	4,924	925	(925)	-	-	4,924
Sundry funds	1,240	342	-	-	-	1,582	354	(1,296)	-	-	640
Church house repurposing	-	-	(15,373)	15,373	-	-	38	(146)	108	-	-
Priory plan	-	-	(1,754)	1,754	-	-	-	-	-	-	-
Messy Church	-	64	(362)	298	-	-	33	(209)	176	-	-
Other projects	988	-	(78)	-	-	910	-	(956)	257	-	211
Lent course	-	355	-	(355)	-	-	-	-	-	-	-
Bench in Memory of Peter Young	-	379	(379)	-	-	-	-	-	-	-	-
Grant from Friends Church Repairs	-	10,645	(10,645)	-	-	-	-	-	-	-	-
Kay Trust Fund Bequest	-	10,701	-	(694)	-	10,007	-	-	-	-	10,007
Floor Project Vicars Discretionary	-	-	-	-	-	-	49,353	(1,839)	-	-	47,514
	-	-	-	-	-	-	1,100	-	-	-	1,100
	<u>50,363</u>	<u>35,174</u>	<u>(35,644)</u>	<u>12,886</u>	<u>57</u>	<u>62,836</u>	<u>58,173</u>	<u>(10,711)</u>	<u>(4,160)</u>	<u>(3)</u>	<u>106,135</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

22 Restricted funds

(Continued)

Fabric repair funds represent monies received towards the carrying out of essential repairs to the fabric of the Priory.

Church Flowers contains donations and transfers of money for the specific purpose of providing flowers for the priory building, usually weekly.

Christmas Outreach and Welcome Days receives money arising from sales of refreshments at Welcome Days and offerings, for the purpose of enhancing the Welcome Days - especially during the Christmas season.

Outside Giving funds raised on behalf of specific charities passed on to those charities.

Weddings and funerals - funds raised from the use of the facilities for weddings and funerals passed to the main fund.

Youth Doing Christian Work is a fund to provide some small financial assistance to young people doing a short term of voluntary work with a Christian Charity. Typically this would be during a gap year, but the term 'young people' could apply to any under the age of 30 years.

Wolmirstedt Youth Travel Fund The church has a partnership with St Katrina's Church in Wolmirstedt near Magdeburg in East Germany and there are bi-annual exchange visits. The fund is to provide some small financial assistance to young people who wish to take part in the exchange.

Lifepath - The governance of funds in connection with the Lifepath project undertaken by the P.C.C..

Furtherance of bellringing - Following the completion of the Priory Bells Project it was resolved that remaining funds be utilised in the furtherance of bellringing.

Other sundry small funds relate to low value projects and are combined for the purposes of these financial statements.

Church house repurposing funds represents funds to renovate and repurpose church house.

Priory Plan funds are for the furtherance of long term development of the Priory under the Priory Plan, and could be used for planning, raising further funds, or for a specific development project.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

22 Restricted funds

(Continued)

Other projects - a number of other smaller projects have been undertaken during the year for which restricted funding was obtained.

Kay Trust Fund - awarded for long-term improvement projects.

Floor project - Funds raised to assist in the renovation and reparation works required to the various floors within the Priory.

Vicar's Discretionary - Funds received, from which the Vicar may make discretionary awards.

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

23 Unrestricted funds - designated

These are unrestricted funds which are material to the P.C.C.'s activities made up as follows:

	Movement in funds					Movement in funds			
	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Balance at 31 December 2021
	£	£	£	£	£	£	£	£	£
Legacies	67,855	391,000	(1,319)	(42,747)	414,789	5,643	(500)	(60,211)	359,721
Grierson Bequest	11,821	-	-	(11,821)	-	-	-	-	-
Lunch box cakes and other small designated funds	308	450	(208)	(304)	246	16	-	31	293
South West Buttress repairs	-	-	(844)	844	-	-	-	-	-
Computer equipment	-	-	(645)	645	-	-	-	-	-
Floor Fund	-	-	-	-	-	-	-	13,000	13,000
Priory Plan	-	-	-	-	-	-	(7,720)	25,000	17,280
Creation Window	-	-	-	-	-	170	(3,580)	3,410	-
	<u>79,984</u>	<u>391,450</u>	<u>(3,016)</u>	<u>(53,383)</u>	<u>415,035</u>	<u>5,829</u>	<u>(11,800)</u>	<u>(18,770)</u>	<u>390,294</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

24 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:										
Investments	53,544	103,892	53,836	103,892	315,164	196	-	53,838	91,310	145,344
Current assets/(liabilities)	66,456	286,402	52,299	-	405,157	119,805	415,035	8,998	-	543,838
	<u>120,000</u>	<u>390,294</u>	<u>106,135</u>	<u>103,892</u>	<u>720,321</u>	<u>120,001</u>	<u>415,035</u>	<u>62,836</u>	<u>91,310</u>	<u>689,182</u>

THE PAROCHIAL CHURCH COUNCIL OF THE ECCLESIASTICAL PARISH OF SAINT MARY AND SAINT MICHAEL GREAT MALVERN

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

25 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

26 Cash generated from operations	2021 £	2020 £
Surplus for the year	31,139	373,758
Adjustments for:		
Investment income recognised in statement of financial activities	(4,108)	(3,563)
Fair value gains and losses on investments	(19,820)	(5,748)
Movements in working capital:		
(Increase) in debtors	(451)	(1,361)
Increase/(decrease) in creditors	20,263	(30,237)
Cash generated from operations	27,023	332,849

27 Analysis of changes in net debt

The P.C.C. had no debt during the year.