



THE FRIENDS OF MALVERN PRIORY

(Registered Charity Number 503383)

Financial Statements for the year ended

31 December 2023

KENDALL WADLEY LLP

Chartered Accountants

MALVERN WORCESTER

THE FRIENDS OF MALVERN PRIORY

Financial Statements for the year ended

31 December 2023

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THE FRIENDS OF MALVERN PRIORY**REFERENCE AND ADMINISTRATIVE INFORMATION**

CHARITY NUMBER	503383														
TRUSTEES:															
Principal Officers	<table> <tr> <td>Mrs A.E. Eglington</td><td>Chairman</td></tr> <tr> <td>M. Eglington</td><td>Secretary</td></tr> <tr> <td>D.R. Valentine</td><td>Treasurer</td></tr> </table>	Mrs A.E. Eglington	Chairman	M. Eglington	Secretary	D.R. Valentine	Treasurer								
Mrs A.E. Eglington	Chairman														
M. Eglington	Secretary														
D.R. Valentine	Treasurer														
Ex-Officio PCC Members	<table> <tr> <td>Rev'd R. Corke</td><td>Vicar</td></tr> <tr> <td>Dr D.R.P. Guy</td><td>Churchwarden</td></tr> <tr> <td>N.J. Paulley</td><td>Churchwarden</td></tr> <tr> <td>Mrs H.M. Wall</td><td></td></tr> <tr> <td>J.F. Wray</td><td></td></tr> </table>	Rev'd R. Corke	Vicar	Dr D.R.P. Guy	Churchwarden	N.J. Paulley	Churchwarden	Mrs H.M. Wall		J.F. Wray					
Rev'd R. Corke	Vicar														
Dr D.R.P. Guy	Churchwarden														
N.J. Paulley	Churchwarden														
Mrs H.M. Wall															
J.F. Wray															
Other Trustees	<table> <tr> <td>Mrs M.E. Campbell</td><td></td></tr> <tr> <td>Mrs J.M.I. Hill</td><td></td></tr> <tr> <td>F.A.R. Huntley</td><td>(to 15 May 2023)</td></tr> <tr> <td>Mrs R.J. Nixon</td><td></td></tr> <tr> <td>R.W.B. Sutton</td><td></td></tr> <tr> <td>A. Vines</td><td>(from 14 June 2023)</td></tr> <tr> <td>Mrs M.E. Weatherill</td><td></td></tr> </table>	Mrs M.E. Campbell		Mrs J.M.I. Hill		F.A.R. Huntley	(to 15 May 2023)	Mrs R.J. Nixon		R.W.B. Sutton		A. Vines	(from 14 June 2023)	Mrs M.E. Weatherill	
Mrs M.E. Campbell															
Mrs J.M.I. Hill															
F.A.R. Huntley	(to 15 May 2023)														
Mrs R.J. Nixon															
R.W.B. Sutton															
A. Vines	(from 14 June 2023)														
Mrs M.E. Weatherill															
PRINCIPAL OFFICE	Church House Church Street Great Malvern WR14 2AY														
AUDITORS	Kendall Wadley LLP Granta Lodge 71 Graham Road Great Malvern WR14 2JS														
BANKERS	Barclays Bank Plc 54 High Street Worcester WR1 2QQ														
INVESTMENT MANAGERS	<table> <tr> <td>CCLA Investment Management & C.O.I.F Charities Deposit Fund One Angel Lane London EC4R 3AB</td> <td>Investec Wealth & Investment (to March 2023) 2 Gresham Street London EC2V 7QP</td> </tr> </table>	CCLA Investment Management & C.O.I.F Charities Deposit Fund One Angel Lane London EC4R 3AB	Investec Wealth & Investment (to March 2023) 2 Gresham Street London EC2V 7QP												
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THE FRIENDS OF MALVERN PRIORY

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Friends of Malvern Priory ("The Friends" or "the Charity") is operated under the rules of its Constitution dated 16th July 1949 and amended on 14th May 2014 and 9th December 2020. The Charity was registered with the Charity Commission under charity number 503383, on 13th November 1974.

The management of the Charity is the responsibility of the Council, which is presided over by a Chairman, Honorary Secretary and Honorary Treasurer who are elected annually by members at the Annual General Meeting (normally held in June).

Other members of the Council are (a) five ex-officio members of the Parochial Church Council of Malvern Priory ("the PCC") viz. the Vicar, the two Churchwardens plus two others and (b) a maximum of six and no fewer than four other members elected at an AGM to serve for four years. The ex-officio members are not entitled to vote on decisions on making grants to the PCC.

New trustees are formally advised of their responsibilities as trustees of a registered charity and to read in particular the Charity Commission's Trustee Welcome pack and CC3 and CC3a; their attention is also drawn to other Charity Commission publications, the Friends' Constitution which highlights some of the main responsibilities of trustees, and to the Working Agreement between the Friends and the PCC.

The Friends has a close relationship with the PCC, to whom grants are made in accordance with the Charity's Objects.

REPORT OF THE TRUSTEES

The Trustees present their Report and Accounts for the year ended 31 December 2023.

Objects

The Objects of the Friends are:

- To educate the public about the Priory and to foster public interest in the building and its grounds;
- To support the maintenance, restoration and enhancement of the Priory's fabric, furnishings and adornments;
- To promote the Priory's musical tradition for the public benefit.

THE FRIENDS OF MALVERN PRIORY

REPORT OF THE TRUSTEES (Cont'd)

Public Benefit: Achievement & Performance

In furtherance of the charity's first object of educating the public about the Priory and fostering public interest in the building, 2023 saw the continued provision of Saturday morning guided tours throughout the year as well as a tour guide to answer questions on an ad-hoc basis on one afternoon per week.

In pursuance of not only the first object of the charity, but also the third object of promoting the Priory's musical tradition for the public benefit, an audience of 190 at the annual Heritage and Faith lecture in October heard Piers Maxim, Director of Music at Malvern Priory, speak about *A Thousand Years of Music and Worship at Great Malvern Priory*. To illustrate the development of church music from early times through to one of his own compositions, he was accompanied by seven singers, mainly from the Priory choir. The Friends' Choral Evensong in June and Community Carol Service in December were again held to attract members of the local community into the Priory.

In pursuance of the charity's second object of supporting the maintenance, restoration and enhancement of the Priory's fabric, furnishings and adornments, a further payment was made to the PCC making a total of £101.9k paid towards the total cost of £145k of repairing the roof of St. Anne's Chapel. £66.6k was paid for the cleaning and conservation of the Creation Window in St. Anne's Chapel (with an estimated further £16.9k to pay in 2024).

The Friends' Shop in the Priory made a record surplus of £13.0k (2022: £10.0k), which was granted to the PCC (see financial note 7). Just as importantly, the Shop volunteers continued to provide a welcoming presence to visitors. Also, inter alia, the Shop offers information about the building and its origins.

Lunch Box's programme of 14 fortnightly lunch-time concerts and talks in the spring and autumn attracted over 100 at most events.

The number of visits to the Friends' website <www.friendsofmalvernpriory.uk> increased from 3,353 in 2022 to 5,599 in 2023. The number of followers of the Facebook page increased from 185 to 240. During 2023, the number of members of The Friends increased by four to a total of 324.

Financial Review

During the year expenditure exceeded income by £62,789 (2022 - expenditure exceeded income by £12,490) prior to investment gains of £68,447 (2022 - losses £120,835). This provided a positive movement in funds of £5,657 (2022 - negative movement £133,325).

The restricted funds made realised investment gains in the period of £9,097 (2022 - gain £531).

Dividends and treasury interest received in the period amounted to £22,350 (2022 - £24,595) and bank interest of £5,373 was received (2022 - £197).

At 31 December 2023, unrestricted (general) funds £96,561 (2022 - £77,424). Restricted funds £445,898 (2022 - £493,557). Endowment funds £376,438 (2022 - £342,259). Total resources £918,898 (2022 - £913,240).

THE FRIENDS OF MALVERN PRIORY

REPORT OF THE TRUSTEES (Cont'd)

Reserves policy

It is the policy of the charity to maintain sufficient reserves within its unrestricted funds to fund its governance costs.

Investment policy

During the year Radford Bequest funds previously managed by stockbrokers Investec Wealth and Investment were combined with the Eglington Bequest and invested in CCLA Charities Ethical Investment Fund and during the year surplus cash balances from other funds were also invested in these units. (see Note 14c).

Accounting Policies

The accounts have been prepared in accordance with the accounting policies set out in note 2 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)

Principal risks and uncertainties

The Trustees have assessed the major strategic, business and operational risks to which the Charity is exposed, and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Principal sources of funding

Funds are received from investments as well as from life and annual membership subscriptions and donations, including legacies. The Charity has also published two guidebooks which are sold through The Friends' Shop in the Priory in order to raise funds.

PLANS FOR FUTURE PERIODS

Recent grants to the PCC of £101.9k for the roof of St. Anne's Chapel and £66.6k (plus a further c.£17k in 2024) for the Creation Window will together total more than the total of grants made to the PCC over the course of the previous 12 years.

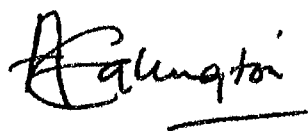
In due course requests are expected to support the multi-million pound Priory Development Plan (PDP) activity alongside other grant funders, though nothing is yet formally under consideration. The Friends plans to work closely with the PCC in developing the PDP Funding Strategy.

In addition, the awaited Priory Quinquennial Review of the church's fabric is likely to identify additional works requiring maintenance and restoration which The Friends looks forward to discussing with PCC.

Disclosure of information to auditors

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Approved by the Trustees and signed on their behalf



Mrs A.E. Eglington, Chairman



D.R. Valentine, Hon. Treasurer

Date: 30 April 2024

THE FRIENDS OF MALVERN PRIORY**Auditors' Report to
The Friends of Malvern Priory****Opinion**

We have audited the accounts of The Friends of Malvern Priory for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)

In our opinion, the accounts:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 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 accounts section of our report. We are independent of The Friends of Malvern Priory in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

THE FRIENDS OF MALVERN PRIORY**Auditors' Report to the
The Friends of Malvern Priory****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 accounts is inconsistent in any material respect with the Trustees' Report; or
- sufficient accounting records have not been kept; or
- the accounts 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 accounts which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity or cease operations, or have no realistic alternative but to do so.

Auditors' 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 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 specific procedures for this engagement and the extent to which these 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:

- an understanding of the risk assessment process (including the assessment of the risk of fraud) adopted by the Trustees 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 override or fraud is made
- 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
- processes to test the outcomes of our assessment include, a review of Board minutes, analytical review, substantive testing of significant transactions, work to identify unusual or unexpected accounting entries including the testing of journal entries, information disclosed in the financial statements is traced to supporting documentation. In all instances it is acknowledged that material mis-statements that arise from fraud may involve deliberate concealment or collusion and are, therefore, by their very nature harder to detect than those arising from error.
- an understanding of the legal and regulatory framework as applicable to the charity is obtained together with knowledge of the procedures put in place by the charity in order to comply with the same
- It is established if there have been any instances of non-compliance with applicable laws and regulations, none were identified for this period

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Auditand-assurance/Standards-and-guidance/Standards-and-guidance-forauditors/Auditors-responsibilities-for-audit/Description-of-auditorsresponsibilities-for-audit.aspx>. This description forms part of our auditor's report.

THE FRIENDS OF MALVERN PRIORY

Auditors' Report to the
The Friends of Malvern Priory

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and the charity's trustees 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

Chartered Accountants
Statutory Auditor
Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Date: 11 April 2024

Kendall Wadley LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE FRIENDS OF MALVERN PRIORY**Statement of Financial Activities for the year ended 31 December 2023**

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds	2023 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	8,989	1,207	-	10,196
Other trading activities					
Functions		4,292	-	-	4,292
Guide books, CDs and bookshop sales		43,226	-	-	43,226
Church Tours		1,493	-	-	1,493
Investment income	4	2,069	25,654	-	27,723
Total		60,069	26,861	-	86,930
EXPENDITURE ON:					
Raising funds	6	31,288	-	-	31,288
Charitable activities					
Grants payable	7	13,000	101,932	-	114,932
Governance costs	8	1,789	1,710	-	3,499
Total		46,077	103,642	-	149,719
Net income/(expenditure) prior to investments		13,992	(76,781)	-	(62,789)
Unrealised gains/(losses) on revaluation of investments	10	5,145	20,025	34,180	59,351
Net realised gains/(losses) on investments	10	-	9,097	-	9,097
Net income/(expenditure) being the net movement in funds		19,137	(47,659)	34,180	5,659
Total funds at 1 January 2023		77,424	493,557	342,259	913,240
Total funds at 31 December 2023	14	96,561	445,898	376,439	918,899

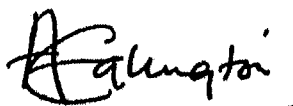
Comparative position for last year

	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	5,606	28,918	-	34,524
Other trading activities					
Functions		2,562	-	-	2,562
Guide books and bookshop sales		34,253	-	-	34,253
Church Tours		618	-	-	618
Investment income	4	1,631	23,161	-	24,792
Total		44,670	52,079	-	96,749
EXPENDITURE ON:					
Raising funds	6	24,635	-	-	24,635
Charitable activities					
Grants payable	7	11,072	66,562	-	77,634
Governance costs	8	1,561	5,409	-	6,970
Total		37,268	71,971	-	109,239
Net income/(expenditure) prior to investments		7,402	(19,892)	-	(12,490)
Unrealised gains/(losses) on revaluation of investments	10	(7,922)	(60,818)	(52,626)	(121,366)
Net realised gains/(losses) on investments	10	-	531	-	531
Net income/(expenditure) being the net movement in funds		(520)	(80,179)	(52,626)	(133,325)
Total funds at 1 January 2022		77,944	573,736	394,885	1,046,565
Total funds at 31 December 2022	14	77,424	493,557	342,259	913,240

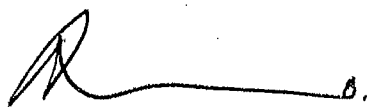
THE FRIENDS OF MALVERN PRIORY**Balance Sheet**
as at 31 December 2023

	<u>Note</u>	<u>£</u> <u>2023</u>	<u>£</u> <u>2022</u>
FIXED ASSETS			
Investments	10	787,247	878,094
CURRENT ASSETS			
Stock		12,847	11,921
Debtors	11	1,509	1,710
Investments		105,605	25,425
Cash at Bank and In Hand		20,797	37,356
		<u>140,758</u>	<u>76,412</u>
Creditors:			
Amounts falling due within one year	12	9,107	41,266
		<u>131,651</u>	<u>35,146</u>
NET CURRENT ASSETS			
		<u>131,651</u>	<u>35,146</u>
NET ASSETS		<u>918,898</u>	<u>913,240</u>
FUNDS			
Unrestricted	14a	96,561	77,424
Restricted	14b	445,898	493,557
Endowment	14c	376,439	342,259
		<u>918,898</u>	<u>913,240</u>

Approved by the Trustees on 30 April 2024
and signed on their behalf by:



Mrs A.E. Eglington, Chairman of The Friends of Malvern Priory



D.R.Valentine, Hon. Treasurer

CHARITY No. 503383

The notes on pages 11 to 18 form part of these financial statements.

THE FRIENDS OF MALVERN PRIORY**Statement of cash flows**
for the year ended 31 December 2023

	<u>Note</u>	<u>2023</u>	<u>2022</u>
		£	£
Cash flows from operating activities			
<i>Net cash used in operations</i>	15	(123,395)	223
Cash flows from investing activities			
Dividends and interest from investments		27,723	24,792
Proceeds from sale of investments		369,149	52,640
Purchase of investments		<u>(209,855)</u>	<u>(48,722)</u>
<i>Net cash provided by investments</i>		187,017	28,710
<i>Change in cash and cash equivalents in the reporting period</i>		<u>63,622</u>	<u>28,933</u>
Cash and cash equivalents at the beginning of the reporting period		62,781	33,848
<i>Cash and cash equivalents at the end of the reporting period</i>	15	<u><u>126,403</u></u>	<u><u>62,781</u></u>

THE FRIENDS OF MALVERN PRIORY**Notes to the Financial Statements for the year ended 31 December 2023****1. STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES**

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

The law applicable to charities in England & Wales requires the trustees to prepare accounts for each financial period which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period.

In preparing these 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 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charity's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

2. ACCOUNTING POLICIES**CHARITY INFORMATION**

The Friends of Malvern Priory is an unincorporated charity registered in England & Wales (charity number 503383). The principal address is Parish Office, Church Street, Great Malvern, WR14 2AY.

ACCOUNTING CONVENTION

The accounts have been prepared in accordance with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention as modified to include the revaluation of investments at market value. The principal accounting policies adopted are set out below.

GOING CONCERN

At the time of approving the accounts, the Trustees have a reasonable expectation that the Charity 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 accounts.

THE FRIENDS OF MALVERN PRIORY

Notes to the Financial Statements for the year ended 31 December 2023

CHARITABLE FUNDS

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

DONATIONS, GIFTS and LEGACIES

Donations, gifts and legacies are included in the period in which they are receivable, which is when the Charity becomes entitled to the resource. Those items not received at the balance sheet date are included in debtors.

INVESTMENT INCOME

Income from investments is included in the Statement of Financial Activities (SOFA) in the period in which it is receivable.

RESOURCES EXPENDED

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered. Those items not settled at the balance sheet date are included in creditors.

Grants are approved by the Trustees in principal but are not payable until the expenditure has been incurred by Malvern Priory PCC and are included in the SOFA at that point.

Governance costs represent costs, attributable to the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements. They are allocated to funds by relevance of the underlying expense.

GRANT MAKING POLICIES

The Restricted Funds

Grants are only made for the preservation and beautification of the fabric of the building.

The Endowment Funds

Endowment funds are to be held as capital and the income generated from them to be used for purposes as specified by the donor.

The Eglington Bequest funds may be used a) for the provision of glass doors at the Priory North West main entrance b) as a permanent endowment of the residual capital with any income allocated for the maintenance of Priory stonework and stained glass.

The General Funds

All grants paid out are requested by Malvern Priory PCC and approved by the Council of The Friends.

FIXED ASSET INVESTMENTS

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA.

STOCK

Stock is valued at the lower of cost and net realisable value.

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.

THE FRIENDS OF MALVERN PRIORY**Notes to the Financial Statements**
for the year ended 31 December 2023**FINANCIAL INSTRUMENTS**

The Charity 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 when the Charity becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts 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 trade and other receivables 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 method.

Basic Financial Liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price.

Derecognition of Financial Liabilities

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

THE FRIENDS OF MALVERN PRIORY**Notes to the Financial Statements
for the year ended 31 December 2023**

	Unrestricted	Restricted	Endowment	2023	2022
				Total	Total
	£	£	£	£	£
3. DONATIONS AND LEGACIES					
Subscriptions	4,255	-	-	4,255	3,730
Donations	3,341	1,085	-	4,426	29,084
Gift Aid on Subscriptions & Donations	1,393	122	-	1,515	1,710
Legacies	-	-	-	-	-
	<u>8,989</u>	<u>1,207</u>	<u>-</u>	<u>10,196</u>	<u>34,524</u>
31 December 2022	<u>5,606</u>	<u>28,918</u>	<u>-</u>	<u>34,524</u>	
4. INVESTMENT INCOME					
Dividends and interest on listed investments	2,052	20,298	-	22,350	24,595
Interest on cash deposits	17	5,356	-	5,373	197
	<u>2,069</u>	<u>25,654</u>	<u>-</u>	<u>27,723</u>	<u>24,792</u>
31 December 2022	<u>1,631</u>	<u>23,161</u>	<u>-</u>	<u>24,792</u>	
5. EXPENDITURE					
Net incoming (resources expended)/resources are stated after charging:					
Audit remuneration	216	986	-	1,182	985
31 December 2022	<u>180</u>	<u>805</u>	<u>-</u>	<u>985</u>	
6. RAISING FUNDS					
Function costs	2,194	-	-	2,194	2,819
Guide books	4,900	-	-	4,900	748
Shop cost of sales	24,194	-	-	24,194	21,068
	<u>31,288</u>	<u>-</u>	<u>-</u>	<u>31,288</u>	<u>24,635</u>
31 December 2022	<u>24,635</u>	<u>-</u>	<u>-</u>	<u>24,635</u>	
7. GRANTS PAYABLE					
All grants are payable to Malvern Priory PCC.					
Contribution from Shop Trading	13,000	-	-	13,000	10,000
St Anne's Chapel Roof	-	35,320	-	35,320	66,562
Creation Window	-	66,612	-	66,612	
Window Leaflets	-	-	-	-	210
Candlestand repair	-	-	-	-	176
Noticeboard	-	-	-	-	686
	<u>13,000</u>	<u>101,932</u>	<u>-</u>	<u>114,932</u>	<u>77,634</u>
31 December 2022	<u>11,072</u>	<u>66,562</u>	<u>-</u>	<u>77,634</u>	

Malvern Priory PCC is a related party as described in the report of the Trustees

THE FRIENDS OF MALVERN PRIORY**Notes to the Financial Statements
for the year ended 31 December 2023**

8. GOVERNANCE COSTS	Unrestricted £	Restricted £	<u>2023</u>	<u>2022</u>
			Total £	Total £
Secretarial expenses	299	-	299	550
Auditors fees	216	966	1,182	985
Fee charges (Investments)	-	734	734	4,388
Shop Expenses	797	-	797	344
Insurance	290	-	290	274
Marketing Costs	187	10	197	429
	<u>1,789</u>	<u>1,710</u>	<u>3,499</u>	<u>6,970</u>
31 December 2022	<u>1,561</u>	<u>5,409</u>	<u>6,970</u>	

9. TRUSTEES AND RELATED PARTIES:

None of the Trustees (or any person connected with them) received any remuneration.

Trustees were reimbursed for expenses incurred on behalf of the Friends in the total sum of £477 (2022 - £387).

Donations totalling £80 (2022 - £40) were received from Trustees and Related Parties during the course of the year.

10. LISTED INVESTMENTS – INVESTEC MANAGED

	<u>2023</u>	<u>2022</u>
	£	£
	Restricted	Restricted
Balance brought forward 01.01.23	350,197	393,779
Additions	9,855	48,723
Disposals	(369,149)	(52,639)
Revaluations		(40,197)
Profit (Loss) on Disposal	9,097	531
	<u>-</u>	<u>-</u>
Balance carried forward 31.12.23	-	350,197
	<u>-</u>	<u>-</u>
Cost	-	334,118
	<u>-</u>	<u>-</u>

Fixed asset investments at market value comprised:

	<u>2023</u>			<u>2022</u>		
	Book Cost £	Value £	%	Book Cost £	Value £	%
UK fixed interest securities	-	-	-	12,459	9,758	2.8%
UK equities	-	-	-	42,986	49,954	14.3%
Overseas Fixed Interest	-	-	-	20,519	17,256	4.9%
North American equities	-	-	-	62,074	63,445	18.1%
Far East & Australasian equities	-	-	-	32,753	27,527	7.8%
International equities	-	-	-	86,802	100,815	28.8%
UK Property	-	-	-	17,883	14,970	4.3%
Alternative Assets	-	-	-	39,234	42,239	12.1%
Emerging Economies	-	-	-	9,541	9,819	2.8%
European equities	-	-	-	9,867	14,414	4.1%
	<u>-</u>	<u>-</u>	<u>-</u>	<u>334,118</u>	<u>350,197</u>	<u>100%</u>

THE FRIENDS OF MALVERN PRIORY**Notes to the Financial Statements
for the year ended 31 December 2023****10. LISTED INVESTMENTS – CCLA**
cont'd

	£	£	£	<u>2023</u> £	<u>2022</u> £
	Unrestricted	Restricted	Endowment	Total	Total
Balance brought forward 01.01.23	51,522	134,116	342,259	527,897	609,067
Additions	-	200,000	-	200,000	-
Disposals	-	-	-	-	-
Revaluations	5,145	20,025	34,180	59,350	(81,170)
Profit (Loss) on Disposal	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance carried forward 31.12.23	56,667	354,141	376,439	787,247	527,897
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Cost	54,000	348,000	350,000	752,000	552,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
CCLA Investments comprise COIF Charities Ethical Investment Fund - Income Units					
Units held	2023	<u>18,826.39</u>	<u>117,654.87</u>	<u>125,062.53</u>	<u>261,543.79</u>
	2022	<u>18,826.39</u>	<u>49,006.55</u>	<u>125,062.53</u>	<u>192,895.47</u>

LISTED INVESTMENTS – TOTAL

	<u>2023</u> £	<u>2022</u> £
Balance brought forward 01.01.23	878,094	1,002,845
Additions	209,855	48,723
Disposals	(369,149)	(52,639)
Revaluations	59,350	(121,366)
Profit (Loss) on Disposal	9,097	531
	<hr/>	<hr/>
Balance carried forward 31.12.23	787,247	878,094
	<hr/>	<hr/>
Cost	752,000	886,118
	<hr/>	<hr/>

11. DEBTORS	Unrestricted £	Restricted £	<u>2023</u> Total £	<u>2022</u> Total £
HMRC Gift Aid	1,389	120	1,509	1,710
	<hr/>	<hr/>	<hr/>	<hr/>
	1,389	120	1,509	1,710
	<hr/>	<hr/>	<hr/>	<hr/>
12. CREDITORS: AMOUNTS FALLING DUE WITHIN 1 YEAR	Unrestricted £	Restricted £	<u>2023</u> Total £	<u>2022</u> Total £
Audit accrual	198	885	1,083	985
Grant to Great Malvern Priory PCC	8,000	-	8,000	39,930
Expenses	24	-	24	351
	<hr/>	<hr/>	<hr/>	<hr/>
	8,222	885	9,107	41,266
	<hr/>	<hr/>	<hr/>	<hr/>
13. FINANCIAL INSTRUMENTS			<u>2023</u> £	<u>2022</u> £
Investments measured at fair value through the Statement of Financial Activities			787,247	878,094

THE FRIENDS OF MALVERN PRIORY**Notes to the Financial Statements
for the year ended 31 December 2023****14 ALLOCATION OF CHARITY NET ASSETS**

The net assets held for various funds are as follows:-

		Fixed Asset Investments £	Net Current Assets £	2023 Total £
Restricted Funds:-	Martin Radford Bequest	246,365	79,062	325,427
	Eglington Bequest	6,840	30,967	37,807
	Window	100,936	(18,272)	82,664
Endowment Fund	Eglington Bequest	376,439	-	376,439
Unrestricted Funds:-	General Fund	56,667	39,894	96,561
		787,247	131,651	918,898
		Fixed Asset Investments £	Net Current Assets £	2022 Total £
Restricted Funds:-	Martin Radford Bequest	386,322	(49,955)	336,367
	Eglington Bequest	6,219	15,710	21,929
	Window	91,771	43,490	135,261
Endowment Fund	Eglington Bequest	342,259	-	342,259
Unrestricted Funds:-	General Fund	51,523	25,901	77,424
		878,094	35,146	913,240

14a. UNRESTRICTED FUNDS

The Unrestricted Funds are retained as necessary to cover working capital.

14b. RESTRICTED FUNDS

	Balance 01.01.23 b/f £	Incoming Resources £	Resources Expended £	Gains (Loss) on investments £	Balance 31.12.23 c/f £
Martin Radford Bequest	336,366	6,745	(37,020)	19,336	325,427
Eglington Bequest	21,930	15,256	-	621	37,807
Window Fund	135,261	4,860	(66,622)	9,165	82,664
	493,557	26,861	(103,642)	29,122	445,898
	Balance 01.01.22 b/f £	Incoming Resources £	Resources Expended £	Loss on investments £	Balance 31.12.22 c/f £
Martin Radford Bequest	444,040	9,301	(71,755)	(45,220)	336,366
Eglington Bequest	11,901	10,985	-	(956)	21,930
Window Fund	117,795	31,793	(216)	(14,111)	135,261
	573,736	52,079	(71,971)	(60,287)	493,557

The Friends of Malvern Priory was bequeathed a share of the residue of the estate of Martin Radford who died on 30 January 1982. The funds are restricted in that they can only be used for the preservation and beautification of the fabric of the church.

For details of the Eglington Bequest see Note 14c.

THE FRIENDS OF MALVERN PRIORY**Notes to the Financial Statements
for the year ended 31 December 2023****14c. ENDOWMENT FUNDS**

	Balance 01.01.23 b/f £	Incoming Resources £	Resources Expended £	Gain (Loss) on Revaluation £	Balance 31.12.23 c/f £
Eglington Bequest	342,259	-	-	34,180	376,439
	<u>342,259</u>	<u>-</u>	<u>-</u>	<u>34,180</u>	<u>376,439</u>
	Balance 01.01.22 b/f £	Incoming Resources £	Resources Expended £	Loss on investments £	Balance 31.12.22 c/f £
Eglington Bequest	394,885	-	-	(52,626)	342,259
	<u>394,885</u>	<u>-</u>	<u>-</u>	<u>(52,626)</u>	<u>342,259</u>

In April 2019 the Charity received an Endowment legacy of £350,000 from the estate of Charles Eglington. The capital funds, known as The Eglington Bequest, remain invested in CCLA Charities Ethical Investment Fund.

The Bequest is to be used:

- a) for the provision of glass doors at the North West main entrance to Great Malvern Priory; and
- b) the residue of the total bequest is to be treated as permanent endowment in a fund whose income is restricted for the maintenance of the stonework and stained glass of Great Malvern Priory.

**15. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO
NET CASH FLOW FROM OPERATING ACTIVITIES**

	<u>2023</u>	<u>2022</u>
Net Income for the reporting period (per SOFA)	5,659	(133,325)
Adjustments for:		
Unrealised losses/(gains) on Investec managed investments	-	40,197
Unrealised losses/(gains) on CCLA managed investments	(59,350)	81,170
Dividends, interest and rents from investments	(27,723)	(24,792)
Realised losses/(gains) on the sale of investments	(9,097)	(531)
(Increase)/decrease in stocks	(926)	(50)
(Increase)/decrease in debtors	201	1,274
Increase/(Decrease) in creditors	(32,158)	36,280
Net cash used in operations	<u>(123,395)</u>	<u>223</u>

Analysis of cash and cash equivalents

Cash in hand and realisable investments	<u>126,402</u>	<u>62,781</u>
Total cash and cash equivalents	<u>126,402</u>	<u>62,781</u>

16. AUDITORS' ETHICAL STANDARDS

The relevant circumstances requiring disclosure in accordance with the requirements of APB Ethical Standards – Provisions Available for Small Entities are that, in common with many charities of our size and nature, we use our auditors to assist with the preparation of the accounts.