

Charity Registration No. 527573

Company Registration No. 00213672 (England and Wales)

MALVERNIAN SOCIETY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020



MALVERNIAN SOCIETY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

The organisation is a charitable company limited by guarantee, incorporated on 30 April 1926 and registered as a charity on 1 November 1963.

Directors:

Trustees who are Directors for the purpose of company law and Trustees for the purpose of charity law, are as follows:

President: Rt. Hon Sir Stephen Brown PC, GBE (Elected 06/15 - 06/21)

Elected: J P Foxall (Chairman 06/15 - 06/21)
C N Boyd (06/18 - 06/21)
A M Edwards-Clark (06/18 - 06/21)
N C S Engert (06/15 - 06/21)
C Fairchild (06/18 - 06/21)
R J Harris (06/17 - 09/20)
J M J Havard (06/14 - 09/20)
P E Lambert (06/14 - 09/20)
J Müller (06/17 - 09/20)
J A Staniforth (06/15 - 06/21)
B S Walker (06/17 - 09/20)

Ex-Officio: A K Metcalfe (Headmaster from 01/04/18)

Nominated: A R Higgins (nominated by Parents' Working Group 06/17 - 09/20)
S C Holroyd (nominated by Common Room 06/15 - 06/21)

As the 2020 AGM was postponed, those Directors whose term was due to end 06/20 have kindly agreed to serve until the next AGM in 2021.

Vice-Presidents: H C K Carson
P J Cartwright
A R Clark
R de C Chapman
M C Frayn
P C U Jagger
B T D M Laidlaw
Lord MacLaurin of Knebworth DL
H M Robinson

Operations Director: P Godsland

Charity number: 527573

Company number: 00213672

HM Revenue & Customs Ref: X25620

Other Names: The Society reserves the right to use the title "The Malvern College Foundation"

MALVERNIAN SOCIETY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Registered & Principal Office: Malvern College
College Road
Malvern
Worcestershire
WR14 3DF

Auditors: Cooper Parry Group Limited
Park View
One, Central Boulevard
Solihull
B90 8BG

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

Bankers: Lloyds Bank plc
48 Belle Vue Terrace
Malvern
Worcestershire
WR14 4QG

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London
EC4V 4ET

Solicitors: RJV Owen
Pinsent Masons LLP
30 Crown Place
Earl Street
London
EC2A 4ES

Investment advisors: Sarasin & Partners LLP
Juxon House,
100 St. Paul's Churchyard,
London,
EC4M 8BU

MALVERNIAN SOCIETY LIMITED

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MALVERNIAN SOCIETY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2020

The Board of Trustees is pleased to present its report together with the audited Financial Statements of the charitable company for the year ended 31 July 2020.

The Malvernian Society Limited is a charitable company limited by guarantee. The charity number, company number, present Trustees (being Directors of the Company) and advisors are provided on the Legal and Administrative Information page.

The Trustees are also Directors for the purpose of company law.

Objectives and activities

The charitable company's objects are primarily to:

1. Promote the work, and assist in the carrying on, of education at the Senior School of Malvern College and,
2. Assist, in cases of need, former pupils of Malvern College in further training.

In furtherance of these objectives, income received from capital projects, investments and donations is applied in making grants mainly to Malvern College for Scholarships, Exhibitions, Bursaries/Assisted Places, Sports Awards and items of educational equipment, and to a very minor degree to individual pupils and former pupils undertaking training projects.

On an exceptional basis, the proceeds of asset sales may be granted to Malvern College from Unrestricted Funds for building purposes. The Society aims to assist the College in the short, medium and long term.

In setting out to achieve our aims, the Society carries out two primary activities in close co-operation with the staff at Malvern College:

1. Developing alumni events, communications and contact plans, which are intended to broaden and deepen the understanding of the benefits of Malvern College UK and its sister schools abroad to previous and existing pupils, and to increase the affinity to Malvern College and the Malvernian Society of Old Malvernians and other constituents.
2. Supporting fundraising activities in support of the College with special focus on alumni and other Friends of Malvern College, such as current parents and parents of former pupils.

Principal funding sources

Income sources include regular and single gifts and legacies, sale of merchandise, rental income and income generated from investments. These are all clearly laid out in the accompanying accounts.

MALVERNIAN SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2020

Public Benefit

The Trustees of the Malvernian Society confirm that they have complied with the duty of Section 17 of the Charities Act 2011 to have due regard to the most recent public benefit guidance published by the Charity Commission. The significant activities undertaken to carry out our aims for the public benefit are detailed below.

The principal object of the Malvernian Society is to support Malvern College and its alumni. As such the Society makes a significant annual financial contribution to all the areas of public benefit undertaken by the College, a separate charity. In this regard the Society contributes regularly to Malvern College capital building projects. These facilities are then made available, on occasion, for public use and for the College's outreach services. An example of this is the Science Centre, which has been used to hold 'science exhibition and practical experience' days for local schools. Similarly, the Sports Complex provides much needed indoor sports, fitness and leisure facilities for the local Malvern community. The most recent project, the refurbished Rogers Theatre is also available to local schools and organisations.

The Society cites the following examples of direct public benefit from its activities:

1. The Trustees of the Society manage its Restricted and Unrestricted Funds, accumulated since the Society's foundation in 1895, to provide Scholarships, Bursaries and Assisted Places at Malvern College for talented boys and girls, who the College decides would benefit considerably from a College education, and whose parents would not otherwise be able to afford the school fees. In this way the Society encourages wider access to the outstanding educational opportunities provided by Malvern College to children from a broad spectrum of society. Information about the use of the Society's Funds is contained in its Annual Report and Accounts.
2. The Society offers its Club Room in the College, at no cost, to local organisations in need of a meeting place for their organising Committees. Examples are the 'Malvern Association for the Visually Impaired' and the Malvern Hills branch of the Fine Arts Society.
3. The Society welcomes Friends and members of the public to attend Malvernian Society lectures at the College.

The Society underwrites and subsidises many events throughout the year and throughout the world for the benefit of Old Malvernians and 'Friends' of Malvern College (see below).

MALVERNIAN SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2020

Achievements and performance

This report provides a 12-month review of the Society's operations. We hosted two events in London: the first regular quarterly informal gatherings at All Bar One, Leicester Square (October) and at the May Fair Hotel (December). Further events at All Bar One and at The Escapologist, Covent Garden as well as 'Malvern in the Midlands' were cancelled owing to the lockdown; as was the OM Football Club dinner at the Cavalry & Guards Club (June). The OM Golfing Society dinner celebrated a fabulous year for our golfers (January). In Malvern, we hosted reunions for OMs of No.5 (September) and the 'Class of 1994' (October), but the reunion for the 'Class of 1970' (April) and for OMs of No.8 (June) were postponed until the new school year. We welcomed back OMs to make presentations at the College: Geoffrey Farrer-Brown to speak on Medical Detection Dogs (September and November), Alex Fisher on Hydroponics (September), Piers Storie-Pugh on Remembrance (November), Hannah Campbell on her bid for a seat in Parliament (January); on the eve of the sports fixtures (March) two OMs came back to speak to pupils in their Houses about their gap years. We sponsored the Blumenau Lecture (September), and the George Sayer Fellowship Day. The conference on sustainability planned for June was postponed until June 2021. Four OMs returned to the College to host careers seminars (March) and there was a well-received OM Law Panel Evening at the College (November). In March we welcomed back over 100 OM players and supporters on the occasion of our sports fixtures against the College. Plans to hold a fly-fishing event were thwarted first by algae (September) and then by the lockdown (May). We hosted receptions for OMs, current parents and prospective parents in Vienna (October) and Munich (October), Singapore (November), Mumbai (December) and New Delhi (December). We sponsored a number of informal reunions, notably in Hamburg (December) and Paris (January). We organised OM visits to the Salon Privé exhibition at Blenheim Palace (September) and to the Champions Tennis at the Royal Albert Hall (December). These events provide OMs with the opportunity to re-acquaint themselves with their old school and with their contemporaries; and provide a platform for the Society to promote the current popularity, achievements and progress of the College, and to encourage the involvement and support of alumni, parents and Friends. We hosted a lunch at College for Foundation Year pupils (November), when we explained the history of the College, and we introduced the Society to Upper Sixth leavers at a lunch in College (March). For local Friends we offered outings to Ludlow Food Festival (September), the Royal Ballet (November), but the plans to visit the Great Malvern Food Festival (May), the Malvern Festival Chorus Centenary Concert (featuring four former Malvern College Directors of Music) (June), the Morgan Motor Car factory (July), and Coddington Vineyard (July) fell victim to the lockdown. The Society hosted for the first time the annual Benefactors' Lunch (September).

In April 2020 we published the 42nd edition of the OM Newsletter, which was an excellent review of the numerous events and activities encouraged and supported by the Society, as well as providing an update on news from OMs around the world, and a section on Development, demonstrating to donors the impact of their gifts. We continue to improve our social media presence with hugely successful daily engagement on Facebook, Instagram and Twitter. We have also developed a very successful career-mentoring platform, OM Connect, with over 2600 registered.

Fundraising

The Malvernian Society is registered with the Fundraising Regulator. There have been no issues of non-compliance (in 2019-20, or any other year!). There have been no complaints. The Society has an Ethical Fundraising Policy and complies with the Fundraising Code 1.2 General Principles e)ii) relating to vulnerable people and with the 'Treating Donors' Fairly' Guidance issued by the Institute of Fundraising. We monitor our fundraising activity by making 'Legitimate Interest Assessment' in terms of GDPR and using, for example Due Diligence intermediaries.

MALVERNIAN SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2020

Financial review

The Trustees have a reasonable expectation that the charity will continue in existence for the foreseeable future and have, therefore, used the going concern basis in preparing the financial statements.

Income during the year was £1,035,878 (2019 - £1,099,427). Total expenditure was £755,991 (2019 - £490,833), of which grants awarded to the College amounted to £488,744 (2019 - £262,164); thereby continuing our support to the College. Furthermore, the gain on investments during the year was £102,058 (2019 - £250,091). This policy of support resulted in net income of £381,945 in 2019-20 (£858,685 in 2018-19).

In this year, overall funds were increased by a property revaluation, we follow accounting guidelines on present market value, which resulted in an increase of £75,000 (2019 - increase of £640,000). Secondly, there was a return on funds invested of £102,058 (2019 - £250,091). Therefore, total funds increased to £14,565,298 (2019 - £14,108,353).

We have continued to support the College in other areas of fundraising, such as with the Malvernian Society Assisted Places Scheme, to help attract talented students who otherwise would not be able to come to the College. A specific allocation of £2,322,390 (2019 - £2,210,778) is held in a designated fund for this purpose. Several pupils at the College are already receiving such support. The Society has been able to use some long-standing restricted funds to support students in taking full advantage of the opportunities offered at Malvern College, such as help towards the cost of sports tours, expeditions and voluntary work overseas. Also, we are confident that our improved financial protocols have helped the Society to liaise better with the College over the timely identification of suitable applicants for certain funds.

Total reserves at 31 July 2020 amount to £14,565,298 (2019 - £14,108,353). Of this £256,488 (2019 - £253,308) is permanently endowed, £4,438,212 (2019 - £4,337,345) is restricted in nature, £2,322,390 (2019 - £2,210,778) has been designated by the trustees for specific purposes (as described in the notes to the accounts) leaving £7,548,208 (2019 - £7,306,922) as general reserves. Of the general reserves, after making due allowance for that amount that could only be realised upon the sale of tangible fixed assets or investments, £1,631,414 (2019 - £1,664,967) is freely available for use by the Society.

MALVERNIAN SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2020

Reserves Policy

The Society is committed to maintaining a practical working balance of Free Reserves consistent with the operating costs of the Society and our ability to have available funds to support shorter term College requirements.

The Reserves Policy allows us to achieve a minimum balance as required by current accounting regulations.

The Trustees have determined a policy of maintaining one year of salary and everyday expenses plus £50,000, representing one year of Designated and Committed Funds to the College, as being a sensible level of reserves to keep readily available to maintain ongoing operations without causing interference to our aims. .

We calculate this amount as under:

1. Salary and related governance costs	£250,000
2. Running costs of the office excluding events	£20,000
3. Balance of governance costs	£20,000
4. Contingency to assure ongoing operation	£50,000
Total required	£340,000

Following a policy review in 2018, the Trustees have determined that, if required, Unrestricted Funds from bequests would be allocated to cash reserves annually as required in order to maintain the current cash balances required to satisfy the stated policy.

The reserves of the Society remain in a balanced state. An analysis of reserves is given in the Financial Review section of this report and at 31 July 2020, free reserves (that is those reserves not represented by restricted funds or tangible fixed assets) were £5,214,144 (this includes designated funds of £2,322,390). The level of free reserves is in excess of the reserves policy of £340,00 and, as a grant making charity, the Society relies on its investments (which are unrestricted in nature) to generate investment income which allows it to fulfil its charitable aims.

Investment Policy

The Society adopts a cautious investment policy in order to preserve funds for both immediate and future use, as directed by donors. Our annual disbursement plan is aimed to support important College initiatives and in future to increasingly support the Assisted Places Scheme. The majority of our funds are placed with the leading London Investment provider Sarasin & Partners, and within their generalised and cautious fund, named 'The Alpha Common Investment Fund'.

The trustees are pleased with the success of the policy adopted. The investments have again increased in value this year with gains of £102,058 (2019 - £250,091) being reported. The dividends and interest received amounted to £184,359 (2019 - £174,842), with investment additions of £251,834 (2019 - £991,529) during the year. These two items account for 96.1% (2019 - 46.7%) of the net incoming resources before the revaluation of tangible fixed assets, and enhances the ability of the Society to pursue the principal objectives.

MALVERNIAN SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2020

Covid - 19

As a result of the Covid-19 pandemic, which took hold during the period these financial statements report on, office staff were re-deployed to work remotely from home. Communications between the Operations Director and the trustees continued on a regular and routine basis; digital meetings have enabled more frequent contact than usual about specific issues (such as properties, funds management and grants to the College, as well as operational matters). In brief, governance and trustee oversight were and remain robust and sufficient, unaffected by the pandemic.

As a grant making charity reliant on investments, we have continued to receive sufficient income from the charity's investments, the performance of which at 31 July 2020 was reflected in net revaluation gains which is reassuring for the charity. The charity holds sufficient reserves (see reserves policy), has sufficient cash balances and has not needed to utilise any government support during the pandemic. Additional information is provided in accounting policy 1.2.

Plans for Future Periods

(a) 2020-21

Plans are in place for a large number of events in 2020-21: quarterly informal gatherings in London at All Bar One, the May Fair Hotel and The Escapologist; a career-mentoring event (November), Sailing Club Dinner (October), Golf Dinner (January), Cricket Dinner (October), Football Dinner (June) and the Lodge Dinner (June). In Malvern, we will host reunions for OMs of No.8 (June), the Class of 1995 and the Class of 1970 (October) and the Class of 1971 (April). We will welcome back OMs to make presentations at the College, to be decided as restrictions on gatherings ease. In March we hope to welcome back over 100 OMs for our sports fixtures against the College. We will attend receptions for OMs, current parents and prospective parents with dates and venues still to be finalised with the Headmaster and the Director of Marketing & Admissions.

We will continue to develop our career-mentoring and professional support programme for the benefit of OMs, and respond to the evolving needs of the constituency.

We will continue to develop our social media platforms to improve alumni engagement, and our websites to improve event registrations, purchase of merchandise and for online giving.

The Trustees have agreed the following fundraising priorities for 2020-21:

1. The Malvernian Society Assisted Places Endowment Fund
2. Music School refurbishment
3. Parental Engagement

The ongoing priority is to fund additional Assisted Places to broaden the access to the College.

The College's next large-scale capital projects focus on music and art: the refurbishment of the Music School (2021-22) will be followed by the refurbishment of the Lindsay Art Centre. The College plans also to upgrade the Chapel organ. The Society has appointed two new Development Managers and a new Development Assistant and is already looking to secure some significant pledges of financial assistance.

Following the enfranchisement of current parents into the Malvernian Society from November 2018, the Development team will continue to extend our fundraising activities amongst the parental body.

In July 2020, the Society had planned a (fifth) telephone campaign, which was unfortunately cancelled owing to the lockdown; however, we are considering a 'Giving Day' in 2021. Apart from the fundraising involved, the campaign has immense value for alumni relations and for keeping OMs updated with all that is going on at the College.

(b) Future Years

The Trustees will continue to consider how best to raise the profile of the College amongst the alumni, parents and Friends, while allocating resources for the future advantage of the College.

MALVERNIAN SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2020

Structure, governance and management

The Society is a company limited by guarantee. It was incorporated on 30 April 1926 and is governed by its Memorandum and Articles of Association. It was registered as a charity on 1 November 1963.

The Board of Trustees is responsible for directing the business of the Society. Day-to-day business is managed by the Operations Director.

All Trustees must be members of the Society. Members are elected by the Board of Trustees. Former pupils and members of staff of Malvern College and others associated with Malvern College are eligible for election to the Society by the Board of Trustees.

All the elected and nominated Trustees of the Board serve a three-year term unless otherwise indicated below. Most Trustees are elected at the Annual General meeting but others are nominated by other groups associated with Malvern College. The categories and method of appointment of Trustees are:

1. The President
2. Up to nine Trustees who retire on a rotational basis, except that the Board of Trustees may co-opt a member of the Society to fill a casual vacancy until the next AGM
3. Two Trustees nominated by the Council of Malvern College
4. The Head of Malvern College, who is a member ex-officio
5. One Trustee nominated by the Common Room of the Senior School of Malvern College
6. Up to two Trustees who are parents of pupils in the Senior School of Malvern College, who are nominated by the Parents' Forum
7. Vice-Presidents who, once elected, hold office for life but are non-voting Trustees

The Chairman of the Board of Trustees is one of the nine elected Trustees.

Once elected the trustees receive training and guidance on the role and responsibility of a trustee from the Board through a prepared Trustee Briefing Pack which includes information about the Society (legal form, history and current material) and guidance from the Charity Commission on the role of a trustee and other best practice issues. At other times regular updates are provided for all trustees.

Responsibilities of the Trustees

The Trustees carry out regular reviews of Malvernian Society plans and activities through official Trustee meetings held in March, June and November each year, and through informal contact between meetings, usually either in Malvern or London. Since March 2020 Trustees have become used to meeting via Zoom or Teams. It is the aim of Trustees to add comments and direction to the Operations Director and Chairman of Trustees, with a view to ensuring good practice and effective fund management and disbursement, according to our aims and objectives.

Where a subject of particular focus needs attention, such as the Property Portfolio or our Investment oversight, then a sub-committee is typically formed which can spend additional time to research and propose action to the Trustees as a whole.

Responsibilities of the Malvernian Society Staff

The Malvernian Society staff carry out all day-to-day activities according to the priorities for the year, and in close association with the senior personnel of the College, such as the Headmaster, Bursar, the Finance Bursar, the Director of Marketing & Admissions and the Chairman of College Council.

Remuneration policy

The remuneration of personnel is set by the Board having due regard to the roles and responsibilities of the individuals concerned; due consideration is also paid to the rates prevailing for similar posts in the charitable sector.

MALVERNIAN SOCIETY LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 JULY 2020

Related Parties and Conflicts of Interests

The Board of Trustees has adopted an appropriate and comprehensive policy to identify all transactions with related parties or other transactions which might involve any conflict of interest. These are documented and reported annually to the auditors.

Risk Management Statement

The Board of Trustees has identified the major risks facing the Society. A Risk Management Register is maintained and the risks highlighted are reviewed regularly by the Operations Director to ensure that they do not pose a threat to the Society. The Register is reviewed at least annually by Trustees.

Risks are categorised as either strategic, operational, financial or compliance. The key risks identified under these headings are the impact on fundraising of economic factors, loss of key personnel and stock market volatility. Steps are taken to mitigate these risks through establishing clear roles, responsibilities and reporting lines within the Society, effective communication and through on-going monitoring.

Auditor

BDO LLP resigned as auditor during the year and Cooper Parry Group Limited was appointed in their stead.

Disclosure of information to auditor

Each Trustee 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.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.



J. P. Foxall (Chairman of the Malvernian Society)

on behalf of the Trustees

Dated: 7 November 2020

MALVERNIAN SOCIETY LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 JULY 2020

The Trustees, who are also the directors of Malvernian Society Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102) (effective 1 January 2019);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MALVERNIAN SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MALVERNIAN SOCIETY LIMITED

Opinion

We have audited the financial statements of Malvernian Society Limited (the 'Charitable Company') for the year ended 31 July 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Charitable Company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MALVERNIAN SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MALVERNIAN SOCIETY LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report, which is included in the Trustees' report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, (who are also the directors of the Charitable Company for the purpose of company law), 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 Charitable Company'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 Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

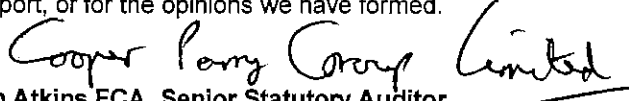
MALVERNIAN SOCIETY LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MALVERNIAN SOCIETY LIMITED

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the Charitable Company's members 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 Charitable Company and its members as a body, for our audit work, for this report, or for the opinions we have formed.


Simon Atkins FCA, Senior Statutory Auditor
for and on behalf of Cooper Parry Group Limited

7 November 2020

Park View
One, Central Boulevard
Solihull

MALVERNIAN SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 JULY 2020

Current financial year

		Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Total 2019 £
	Notes						
Income from:							
Donations and legacies	3	277,036	-	517,016	125	794,177	890,661
Other trading activities	4	1,371	-	-	-	1,371	13,104
Investments	5	109,298	87,018	44,014	-	240,330	195,662
Total income and endowments		387,705	87,018	561,030	125	1,035,878	1,099,427
Expenditure on:							
Raising funds	6	13,068	14,308	5,883	-	33,259	4,220
Charitable activities	7	234,537	-	488,195	-	722,732	486,613
Total resources expended		247,605	14,308	494,078	-	755,991	490,833
Net gains on investments	12	37,717	38,902	22,384	3,055	102,058	250,091
Net incoming resources		177,817	111,612	89,336	3,180	381,945	858,685
Other recognised gains and losses							
Revaluation of tangible fixed assets	15	63,469	-	11,531	-	75,000	640,000
Net movement in funds		241,286	111,612	100,867	3,180	456,945	1,498,685
Fund balances at 1 August 2019		7,306,922	2,210,778	4,337,345	253,308	14,108,353	12,609,668
Fund balances at 31 July 2020		7,548,208	2,322,390	4,438,212	256,488	14,565,298	14,108,353

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

All income and expenditure derive from continuing activities.

MALVERNIAN SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

Prior financial year

		Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
	Notes					
Income from:						
Donations and legacies	3	275,727	-	614,809	125	890,661
Other trading activities	4	13,104	-	-	-	13,104
Investments	5	90,650	53,836	51,176	-	195,662
Total Income and endowments		379,481	53,836	665,985	125	1,099,427
Expenditure on:						
Raising funds	6	-	4,220	-	-	4,220
Charitable activities	7	378,948	-	107,665	-	486,613
Total resources expended		378,948	4,220	107,665	-	490,833
Net gains on investments	12	59,722	108,086	69,759	12,524	250,091
Net incoming resources before transfers		60,255	157,702	628,079	12,649	858,685
Gross transfers between funds	13	(20,322)	(59,075)	79,397	-	-
Net Income for the year/ Net incoming resources		39,933	98,627	707,476	12,649	858,685
Other recognised gains and losses						
Revaluation of tangible fixed assets	15	541,601	-	98,399	-	640,000
Net movement in funds		581,534	98,627	805,875	12,649	1,498,685
Fund balances at 1 August 2018		6,725,388	2,112,151	3,531,470	240,659	12,609,668
Fund balances at 31 July 2019		7,306,922	2,210,778	4,337,345	253,308	14,108,353

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

All income and expenditure derive from continuing activities.

MALVERNIAN SOCIETY LIMITED

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2020

	All income funds	
	2020	2019
	£	£
Gross income	1,038,965	1,099,302
Gains on investments	99,003	237,567
	<hr/>	<hr/>
Total income in the reporting period	1,137,968	1,336,869
	<hr/>	<hr/>
Total expenditure from income funds	759,203	490,833
	<hr/>	<hr/>
Net income for the year	378,765	846,036
	<hr/>	<hr/>

MALVERNIAN SOCIETY LIMITED

BALANCE SHEET

AS AT 31 JULY 2020

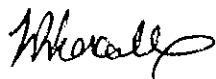
	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	14	5,501,300	5,426,300
Investments	16	5,778,041	5,424,149
		<u>11,279,341</u>	<u>10,850,449</u>
Current assets			
Stocks	18	13,319	14,222
Debtors	19	16,121	5,449
Cash at bank and in hand		3,295,220	3,287,527
		<u>3,324,660</u>	<u>3,307,198</u>
Creditors: amounts falling due within one year	20	(38,703)	(49,294)
Net current assets		<u>3,285,957</u>	<u>3,257,904</u>
Total assets less current liabilities		<u>14,565,298</u>	<u>14,108,353</u>
Capital funds			
<u>Endowment funds</u>	22	256,488	253,308
<u>Restricted funds</u>			
General restricted funds		3,650,861	3,583,909
Revaluation reserve	15	787,351	753,436
	23	<u>4,438,212</u>	<u>4,337,345</u>
<u>Unrestricted funds</u>			
Designated funds	24	2,322,390	2,210,778
General unrestricted funds		3,302,177	3,162,077
Revaluation reserve	15	4,246,031	4,144,845
		<u>9,870,598</u>	<u>9,517,700</u>
		<u>14,565,298</u>	<u>14,108,353</u>

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 7 November 2020

J P Foxall
Trustee



Company Registration No. 00213672

MALVERNIAN SOCIETY LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	27		15,986		451,247
Investing activities					
Purchase of other investments		(251,834)		(991,529)	
Investment income and rental income received		243,541		195,643	
Net cash used in investing activities			(8,293)		(795,886)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			7,693		(344,639)
Cash and cash equivalents at beginning of year			3,287,527		3,632,166
Cash and cash equivalents at end of year			<u>3,295,220</u>		<u>3,287,527</u>

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

Company Information

Malvernian Society Limited, company number 00213672, is a private company limited by guarantee incorporated in England and Wales. The company is registered in England and its registered office is Malvernian Society, Malvern College, Malvern, Worcestershire, WR14 3DF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Society's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Society is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the Society. Monetary amounts in these financial statements are rounded to the nearest £1.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Society 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.

As a result of government restrictions and medical guidelines our events programme (i.e. expenses) was substantially curtailed. At the same time, investment income has been and continues to be rather robust. Both investment valuations and cash balances continue to be monitored, have performed well during the pandemic and are deemed sufficient. The charity has taken to remote methods of working, and has not utilised any government support during the pandemic.

1.3 Charitable funds

Unrestricted funds can be used in accordance with the charitable objects of the Society at the discretion of the Trustees.

Restricted funds are to be used for specific purposes as specified by the donors.

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

1.4 Incoming resources

Income is recognised when the Society 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 Society 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.

Incoming resources except donations and legacies, are included on a receivable basis, ie they are recognised in the period in which they are receivable.

Income from listed investments are included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the income being payable.

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

1.5 Resources expended

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

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at valuation.

Freehold land and buildings are revalued to market value annually and any revaluation surplus or deficit is recognised in the statement of financial activities

Donated assets classified as collectables are held at valuation. The value is reviewed on an annual basis. As a consequence of the regular revaluation policy, depreciation is not charged on tangible fixed assets.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Investments

Fixed asset investments are re-measured to market value at each Balance Sheet date. Gains and losses on re-measurement are recognised in the statement of financial activities for the period.

1.8 Impairment of fixed assets

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises purchase price and net realisable value is the estimated selling price.

Net realisable value is the estimated selling price less all estimated to be incurred in marketing, selling and distribution.

1.10 Debtors

Short term debtors are measured at transaction price, less any impairment.

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

1 Accounting policies

(Continued)

1.11 Cash and cash equivalents

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

1.12 Financial instruments

The Society 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 Society's balance sheet when the Society becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade debtors, other debtors, accrued income 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 unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

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

1.13 Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. 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. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.14 Pension costs

The Society makes payments to a pension schemes operated by Malvern college with fixed contributions being paid into these schemes by the society. Once the payments have been made the society has no further payment obligations.

The contributions are recognised as an expense in the Statement of Financial Activities when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Society in independently administered funds.

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

2 Critical accounting estimates and Judgements

In the application of the Society'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.

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

3 Donations and legacies	Unrestricted funds general	Restricted funds		Endowment funds		Total	Unrestricted funds general	Restricted funds		Endowment funds		Total
	2020	2020	2020	2020	2020		2019	2019	2019	2019	2019	
	£	£	£	£	£		£	£	£	£	£	
Donations and gifts	258,393	517,016	125	775,534	219,727	614,809	125	834,661				
Legacies receivable	18,643	-	-	18,643	56,000	-	-	56,000				
	277,036	517,016	125	794,177	275,727	614,809	125	890,661				
Donations and gifts	131,000	-	-	131,000	123,500	-	-	123,500				
Life membership fees	107,705	508,545	100	616,350	63,614	600,825	100	664,539				
Donations	10,427	8,471	25	18,923	9,039	13,984	25	23,048				
Tax recoverable	9,261	-	-	9,261	23,574	-	-	23,574				
Event ticket income	258,393	517,016	125	775,534	219,727	614,809	125	834,661				

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

4 Other trading activities

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
OM Merchandise	1,371	13,104

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2020

5 Investments

	Unrestricted funds		Unrestricted funds designated		Restricted funds		Total		Unrestricted funds general		Unrestricted funds designated		Restricted funds		Total	
	2020	£	2020	£	2020	£	2020	£	2019	£	2019	£	2019	£	2019	£
Rental income	19,500		-		-		19,500		19,500		-		-		19,500	
Income from listed investments	65,260		71,309		37,557		174,126		48,549		51,510		50,523		150,582	
Investment management credits	14,332		15,687		6,452		36,471		704		-		616		1,320	
Interest receivable	10,206		22		5		10,233		21,897		2,326		37		24,260	
	109,298		87,018		44,014		240,330		90,650		53,836		51,176		195,662	

6 Raising funds

	Unrestricted funds general		Unrestricted funds designated		Restricted funds		Total		Unrestricted funds general		Unrestricted funds designated		Restricted funds		Total	
	2020	£	2020	£	2020	£	2020	£	2019	£	2019	£	2019	£	2019	£
Investment management	13,068		14,308		5,883		33,259		-		4,220		-		4,220	
	13,068		14,308		5,883		33,259		-		4,220		-		4,220	

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

7 Charitable activities

	2020 £	2019 £
Staff costs	123,548	111,210
Postage	12,554	11,407
Printing and stationery	20,226	15,737
Events	14,244	39,011
Donation	-	288
Marketing and media	2,386	5,843
	<u>172,958</u>	<u>183,496</u>
Grant funding of activities (see note 8)	488,844	262,164
Share of support costs (see note 9)	15,277	-
Gift Aid not recovered	-	3,890
Share of governance costs (see note 9)	45,653	37,063
	<u>722,732</u>	<u>486,613</u>
Analysis by fund		
Unrestricted funds - general	234,537	378,948
Restricted funds - grant funding expenditure	488,195	107,665
	<u>722,732</u>	<u>486,613</u>

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

8 Grants payable

	2020 £	2019 £
Grants to institutions:		
Unrestricted		
Malvern College	649	-
Malvern College - Theatre	-	141,500
Malvern College - Outdoor Pursuits	-	14,456
Malvern College - Cricket Covers	-	2,433
Restricted		
Malvern College Centenary Appeal Fund	42,235	19,064
Assisted Places	66,901	35,802
Marston-Riley Scholarship	1,660	-
CTM Dunn	19,778	-
Alan Duff Memorial Fund	700	350
Theatre	-	20,000
Nieper Art Scholarship	23,210	10,000
House No.9	100	-
Prize Funds (number of small awards from the various prize funds)	3,000	3,000
Chesterton Cricket Award	2,000	2,000
George Sayer Fellow	-	831
Steinway	304,640	-
James Cox Scholarship	1,000	-
Assisted Places (Bowtell)	20,571	12,728
Blake Dunbar	1,400	-
Rachael Heyhoe-Flint	1,000	-
	<u>488,844</u>	<u>262,164</u>

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

9 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff costs	-	21,802	21,802	-	19,625	19,625
Audit fees	-	5,400	5,400	-	7,750	7,750
Legal and professional	-	13,939	13,939	-	180	180
Office expenses	13,628	-	13,628	-	3,274	3,274
Directors' expenses	-	1,512	1,512	-	430	430
Secretary's expenses	-	-	-	-	966	966
Accountancy fees	-	3,000	3,000	-	2,790	2,790
Bank charges	1,649	-	1,649	-	2,048	2,048
	<u>15,277</u>	<u>45,653</u>	<u>60,930</u>	<u>-</u>	<u>37,063</u>	<u>37,063</u>
Analysed between						
Charitable activities	<u>15,277</u>	<u>45,653</u>	<u>60,930</u>	<u>-</u>	<u>37,063</u>	<u>37,063</u>

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. No travel expenses were reimbursed to trustees during the year (2019 - £nil).

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Administrative	4	4

Employment costs

	2020 £	2019 £
Wages and salaries	130,801	119,102
Social security costs	8,215	5,464
Pension costs	6,335	6,270
	145,351	130,836

The amount shown above in respect of pension costs represents the total amount payable by the charitable company for the year.

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
£60,000 - £70,000	1	1

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

12 Net gains/(losses) on investments

	Unrestricted funds general 2020 £	Unrestricted funds designated 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £	Unrestricted funds designated 2019 £	Restricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
Revaluation of investments	37,717	38,902	22,384	3,055	102,058	59,722	108,086	69,759	12,524	250,091

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

13 Transfers

Transfers have been made within certain restricted funds to reflect the amalgamation of those funds.

In respect of the prior year:

Included in restricted funds assisted places was £59,075 directly attributable to the provision of annual fund grants to pupils, a transfer was made between designated and restricted funds to reflect this position. Moreover, included in restricted funds Rachael Heyhoe Flint award is £15,000, whereby, the society agreed to top up the fund to enable the award to run for a 5 year period. A transfer was made between unrestricted and restricted funds to reflect this position. Finally, a transfer of £5,322 was made between unrestricted and restricted funds to negate the deficit on restricted funds theatre.

14 Tangible fixed assets

	Freehold land and buildings	Collectables	Total
	£	£	£
Cost or valuation			
At 1 August 2019	5,420,000	6,300	5,426,300
Revaluation	75,000	-	75,000
	<hr/>	<hr/>	<hr/>
At 31 July 2020	5,495,000	6,300	5,501,300
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 July 2020	5,495,000	6,300	5,501,300
	<hr/>	<hr/>	<hr/>
At 31 July 2019	5,420,000	6,300	5,426,300
	<hr/>	<hr/>	<hr/>

The freehold land and buildings were valued at £5,495,000, by Colin Townsend MRICS, of John Goodwin Chartered Surveyors, at 21 July 2020. The Society has adopted the policy of revaluing its freehold land and buildings in accordance with current Financial Reporting Standards.

At 31 July 2020, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £521,719 (2019 - £521,719).

In 2010 Timothy Straker donated the Wisden's Almanac and Cabinet which is shown under collectables. The Trustees have assessed the collection and in their opinion the worth of the collection remains unchanged at £6,300 at the balance sheet date.

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

15 Revaluation of fixed assets

	Unrestricted funds general £	Restricted funds £	Total £
At 1 August 2018	2,879,699	523,582	3,403,281
Revaluation in year	541,601	98,399	640,000
At 31 July 2019	3,421,300	621,981	4,043,281
Revaluation of tangible fixed assets	63,469	11,531	75,000
At 31 July 2020	3,484,769	633,512	4,118,281

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

16 Fixed asset investments

	Listed investments £
Cost or valuation	
At 31 July 2019	5,424,149
Additions	251,834
Valuation changes	102,058
At 31 July 2020	5,778,041
Carrying amount	
At 31 July 2020	5,778,041
At 31 July 2019	5,424,149

Fixed asset investments revalued

All quoted investment valuations are as provided by the Investment advisors. Charities Official Investment Fund valuation is as provided by CCLA Investment Management Limited.

The following investments have a market value greater than 5% of the investment portfolio (excluding cash):-

55.47% - Sarasin Alpha Common Investment Fund for Endowments (2019 - 53.40%)

38.69% - Sarasin Alpha Common Investment Fund for Scholarships (2019 - 40.50%)

17 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	15,732	5,263
Carrying amount of financial liabilities		
Measured at amortised cost	35,547	47,924

Debt instruments measured at amortised cost consist of trade debtors, other debtors and accrued income.

Financial assets measured at fair value through the profit and loss comprise of cash balances held on fixed term (greater than three months) deposit accounts.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals.

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

18 Stocks	2020	2019
	£	£
Goods for resale	13,319	14,222
	<u> </u>	<u> </u>
19 Debtors	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	12	567
Other debtors	15,720	2,077
Prepayments and accrued income	389	2,805
	<u> </u>	<u> </u>
	16,121	5,449
	<u> </u>	<u> </u>
20 Creditors: amounts falling due within one year	2020	2019
	£	£
Other taxation and social security	3,156	-
Trade creditors	369	15,051
Other creditors	22,648	20,310
Accruals and deferred income	12,530	13,933
	<u> </u>	<u> </u>
	38,703	49,294
	<u> </u>	<u> </u>

21 Retirement benefit schemes

Defined contribution schemes

The Society operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Society in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £6,335 (2019 - £6,270).

22 Endowment funds

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

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

22 Endowment funds

(Continued)

	Balance at 1 August 2019 £	Movement In funds			Balance at 31 July 2020 £
		Income	Expenditure	Investment gains/ losses £	
		£	£		
Permanent endowments					
James Greenwood Architecture Prize	2,629	-	-	52	2,681
Shand-Kydd Special Fund	28,426	-	-	559	28,985
EH Moss Exhibition	10,755	-	-	212	10,967
Toovey Art Prize	656	-	-	13	669
Berridge Chemistry Prize	1,022	-	-	20	1,042
HW Smith Exhibition	1,880	-	-	37	1,917
Gwynne-Jones Exhibition	7,851	-	-	155	-
Wright Ingle Exhibition	16,441	-	-	324	-
Heath Harrison Exhibition	21,106	-	-	415	46,292
Wheeler Bennett History Prize	1,476	-	-	29	1,505
AR Duff Memorial Fund	27,286	-	-	537	27,823
James Cox Scholarship	101,488	-	-	533	102,021
Rackets Fund	32,292	125	-	169	32,586
	<u>253,308</u>	<u>125</u>	<u>-</u>	<u>3,055</u>	<u>256,488</u>

	Balance at 1 August 2018 £	Movement in funds prior year			Balance at 31 July 2019 £
		Income	Expenditure	Investment gains/ losses £	
		£	£		
Permanent endowments					
James Greenwood Architecture Prize	2,403	-	-	226	2,629
Shand-Kydd Special Fund	25,984	-	-	2,442	28,426
EH Moss Exhibition	9,831	-	-	924	10,755
Toovey Art Prize	600	-	-	56	656
Berridge Chemistry Prize	934	-	-	88	1,022
HW Smith Exhibition	1,719	-	-	161	1,880
Gwynne-Jones Exhibition	7,177	-	-	674	7,851
Wright Ingle Exhibition	15,029	-	-	1,412	16,441
Heath Harrison Exhibition	19,293	-	-	1,813	21,106
Wheeler Bennett History Prize	1,349	-	-	127	1,476
AR Duff Memorial Fund	24,942	-	-	2,344	27,286
James Cox Scholarship	99,774	-	-	1,714	101,488
Rackets Fund	31,624	125	-	543	32,292
	<u>240,659</u>	<u>125</u>	<u>-</u>	<u>12,524</u>	<u>253,308</u>

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

22 Endowment funds

(Continued)

The Rackets Endowment Fund is to be used to help boys and girls play rackets and compete at Queen's, (whether this is in the form of providing rackets to boys and girls of particular talent or funding the costs of accommodation for selected boys and girls competing at Queen's). The income can also be used to fund the travel expenses of the occasional tour to North America.

The terms under which the rest of the endowment funds were established are detailed in note 23.

Income earned on the permanent endowment funds is taken to restricted funds and distributed as described in note 23.

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

23 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					
	Balance at 1 August 2019	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 July 2020
	£	£	£	£	£	£
Restricted Endowments (Permanent)						
Centenary Appeal Fund	2,542,621	30,143	(46,531)	-	29,066	2,555,299
Capt. HL Grant	399,784	4,428	(727)	7,623	2,099	413,207
Chesterton Cricket Award	70,739	782	(2,128)	-	371	69,764
Bishop John & Arthur Mort Bursary	74,366	823	(135)	-	390	75,444
Blake Dunbar Music Scholarship	49,991	554	(1,491)	-	263	49,317
Marston Riley Scholarship	58,241	645	(1,766)	-	306	57,426
Restricted funds						
Shand-Kydd Special Fund	29,066	870	-	-	-	29,936
EH Moss Exhibition	7,293	330	-	(7,623)	-	-
Gwynne Jones Exhibition	5,343	241	-	(5,584)	-	-
Wright Ingle Exhibition	11,192	503	-	(11,695)	-	-
Heath Harrison Exhibition	12,865	646	-	17,279	-	30,790
AR Duff Memorial Fund	7,970	835	(700)	-	-	8,105
James Cox Scholarship	20,130	1,349	(1,222)	-	106	20,363
CW Nicholls Memorial Fund	12,078	-	-	-	681	12,759
Running Track Fund	5,105	-	-	-	-	5,105
Bursaries/Assisted Places	41,718	15,070	(37,003)	-	-	19,785
Assisted Places (Bowtell)	12,505	18,440	(20,469)	-	-	10,476
Assisted Places (Hayter)	150,614	32,127	(30,000)	-	-	152,741
Bridge Fund	1,365	-	-	-	-	1,365
House No.9 Fund	100	-	(100)	-	-	-
Chapel Sound System	3,087	280	-	-	-	3,367
Chapel Organ	519	1,175	-	-	-	1,694
CTM Dunn	1,914	38,000	(19,778)	-	-	20,136
Music Department	502	-	-	-	-	502
Steinway	403,125	220,000	(304,640)	-	-	318,485

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

23 Restricted funds

(Continued)

Theatre	-	2,034	-	-	-	2,034
Nieper Art						
Scholarship	120,000	-	(23,211)	-	-	96,789
RKB Lecture Series	23,580	-	-	-	-	23,580
Golf Facilities	1,174	-	-	-	-	1,174
George Sayer						
Fellow	7,501	-	-	-	-	7,501
Rackets Fund	1,329	358	(59)	-	-	1,628
House No.5 Fund	300	-	-	-	-	300
Clark Scholarship						
Award	120,987	177,291	-	-	-	298,278
JMM Memorial Fund	11,375	238	-	-	-	11,613
Rachael Heyhoe						
Flint Award	20,000	(5,000)	(1,000)	-	-	14,000
Observatory	-	10,000	-	-	-	10,000
Cricket Nets	-	2,363	-	-	-	2,363
Hardship	-	5,000	-	-	-	5,000
Restricted						
Endowments						
(Permanent) Prize						
Funds						
Richard Smith						
Physics Prize	2,934	71	-	-	46	3,051
Restricted Prize						
Funds						
James Greenwood						
Architecture Prize	1,739	81	-	-	-	1,820
Toovey Art Prize	269	20	(55)	-	-	234
Berridge Chemistry						
Prize	664	31	(20)	-	-	675
HW Smith Exhibition	1,213	58	(20)	-	-	1,251
Wheeler Bennett						
History Prize	1,039	46	-	-	-	1,085
James Richford						
Cricket Prize	5,612	103	(20)	-	66	5,761
Photographic Prize	1,847	35	(20)	-	22	1,884
RH Farrar						
Mathematical Prize	11,068	172	(20)	-	111	11,331
RWA Manly						
Backstage Prize	953	11	(20)	-	7	951
Prize Funds	64,813	718	(2,868)	-	340	63,003
RK Blumenau						
Philosophy Prize	4,335	68	-	-	-	4,403
Roger Short Prize	1,175	28	-	-	-	1,203
R H Cobb						
Mathematical Prize	3,410	63	(15)	-	41	3,499
Matthew Hind Golf						
Prize	195	-	(20)	-	-	175
Arvid Pardo Prize	7,600	-	(40)	-	-	7,560
	<u>4,337,345</u>	<u>561,030</u>	<u>(494,078)</u>	<u>-</u>	<u>33,915</u>	<u>4,438,212</u>

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

23 Restricted funds

(Continued)

	Movement in funds prior year					
	Balance at 1 August 2018	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 July 2019
	£	£	£	£	£	£
Restricted Endowments (Permanent)						
Centenary Appeal Fund	2,373,731	35,027	(19,064)	-	152,927	2,542,621
Capt. HL Grant	387,625	5,498	-	-	6,661	399,784
Chesterton Cricket Award	70,527	1,000	(2,000)	-	1,212	70,739
Bishop John & Arthur Mort Bursary	72,104	1,023	-	-	1,239	74,366
Blake Dunbar Music Scholarship	48,470	688	-	-	833	49,991
Marston Riley Scholarship	56,470	801	-	-	970	58,241
Restricted funds						
Shand-Kydd Special Fund	28,213	853	-	-	-	29,066
EH Moss Exhibition	6,971	322	-	-	-	7,293
Gwynne Jones Exhibition	5,108	235	-	-	-	5,343
Wright Ingle Exhibition	10,699	493	-	-	-	11,192
Heath Harrison Exhibition	12,232	633	-	-	-	12,865
AR Duff Memorial Fund	7,502	818	(350)	-	-	7,970
James Cox Scholarship	18,146	1,672	-	-	312	20,130
CW Nicholls Memorial Fund	10,578	-	-	-	1,500	12,078
Running Track Fund	5,105	-	-	-	-	5,105
Bursaries/Assisted Places	2,796	15,649	(35,802)	59,075	-	41,718
Assisted Places (Bowtell)	6,483	18,750	(12,728)	-	-	12,505
Assisted Places (Hayter)	120,000	30,614	-	-	-	150,614
Bridge Fund	1,365	-	-	-	-	1,365
House No.9 Fund	100	-	-	-	-	100
Chapel Sound System	2,962	230	(105)	-	-	3,087
Chapel Organ	-	519	-	-	-	519
CTM Dunn	866	1,048	-	-	-	1,914
Music Department	427	75	-	-	-	502
Steinway	3,125	400,000	-	-	-	403,125

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

23 Restricted funds					(Continued)	
Theatre	15,226	2,612	(23,160)	5,322	-	-
Nieper Art Scholarship	130,000	-	(10,000)	-	-	120,000
RKB Lecture Series	23,580	-	-	-	-	23,580
Golf Facilities	1,174	-	-	-	-	1,174
George Sayer Fellow	8,957	-	(1,456)	-	-	7,501
Rackets Fund	881	448	-	-	-	1,329
House No.5 Fund	-	300	-	-	-	300
Clark Scholarship Award	-	120,987	-	-	-	120,987
JMM Memorial Fund	-	11,375	-	-	-	11,375
Rachael Heyhoe Flint Award	-	5,000	-	15,000	-	20,000
Restricted Endowments (Permanent) Prize Funds						
Richard Smith Physics Prize	2,667	69	-	-	198	2,934
Restricted Prize Funds						
James Greenwood Architecture Prize	1,685	79	(25)	-	-	1,739
Toovey Art Prize	349	20	(100)	-	-	269
Berridge Chemistry Prize	658	31	(25)	-	-	664
HW Smith Exhibition	1,182	56	(25)	-	-	1,213
Wheeler Bennett History Prize	995	44	-	-	-	1,039
James Richford Cricket Prize	5,247	101	(25)	-	289	5,612
Photographic Prize	1,741	34	(25)	-	97	1,847
RH Farrar Mathematical Prize	10,366	137	(25)	-	590	11,068
RWA Manly Backstage Prize	963	10	(50)	-	30	953
Prize Funds	65,363	927	(2,600)	-	1,123	64,813
RK Blumenau Philosophy Prize	4,268	67	-	-	-	4,335
Roger Short Prize	1,147	28	-	-	-	1,175
R H Cobb Mathematical Prize	3,196	62	(25)	-	177	3,410
Matthew Hind Golf Prize	220	-	(25)	-	-	195
Arvid Pardo Prize	-	7,650	(50)	-	-	7,600
	<u>3,531,470</u>	<u>665,985</u>	<u>(107,665)</u>	<u>79,397</u>	<u>168,158</u>	<u>4,337,345</u>

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

23 Restricted funds

(Continued)

Restricted Endowments (Permanent)

The Centenary Appeal Fund was set up in 1965 to provide a maintenance & improvement fund for the College, with a reserve fund to endow scholarships.

The Capt. H L Grant Fund was set up in 1955 for sons of regular officers in the Royal Artillery, or sons of regular army officers generally, whose circumstances were such that they could not, without assistance, be sent to Malvern. The Bursary must be awarded by the recommendation of the Headmaster and the Chairman of the Malvernian Society Committee. This fund was amalgamated with the EH Moss Exhibition fund, and the criteria widened to allow it to be awarded to children whose parents work in the public services.

The Chesterton Cricket Awards' income from the principal sum is to be used to provide an award to a senior school student of Malvern College who is not only a cricketer with outstanding prospects but also has shown acceptable academic standards.

The Bishop John & Arthur Mort Bursary was set up in 1998 to provide a bursary to fee-paying parents unable to continue paying fees owing to an unforeseen change of circumstances.

The Blake Dunbar Music Scholarship is to be used to encourage a pupil to join the college who has a particular interest in music.

The Marston Riley Scholarship is a general scholarship to be awarded to a pupil as agreed by the Headmaster and Trustees of the Malvernian Society.

Restricted funds

The following Restricted Endowments (Permanent) have associated restricted funds:

The Shand-Kydd Special Fund was set up in 1977 to apply grants to Malvern College not related to bricks and mortar or scholarships. Initially grants were made to assist the Malvern Schools and Industry project. Nowadays it is used to support pupils, at the Society's discretion, to participate in overseas language trips and work experiences. From 2020 the College careers department is asked to recommend a pupil to be supported on STEM-based work experience to the value of £300 each year.

The EH Moss Exhibition was set up in 1946, as part of the 'War Memorial Fund'; the parameters for making an award were in order of preference: 1. To the son of an OM, killed in the 2nd World War, with preference for the RAF. 2. To the son of any other deceased OM. 3. To the son of any other OM. 4. Any other boy (sic), who wouldn't otherwise be able to come to the College. This fund was amalgamated with the Capt. HL Grant Fund, and the criteria widened to allow it to be awarded to children whose parents work in the public services.

The Gwynne-Jones Exhibition was set up in 1919 to fund awards to former pupils of Malvern College who have gone to the universities of Oxford, Cambridge or to the Royal Military Academy, Woolwich. A preference was made for the intellectual qualifications of the candidate, but also a preference for a No. 2 boy. In 2017 the fund was amalgamated with the Wright-Ingle and Heath Harrison Funds to make awards to successful Oxbridge candidates. From 2021 the award will be available to OMs from Malvern College UK or its sister schools abroad.

The Wright Ingle Exhibition was set up in 1918, to give non-recurring grants to candidates for the purpose of covering initial expenses at Brasenose College, Oxford, or Pembroke College, Cambridge. In 2017 the fund was amalgamated with the Gwynne Jones and Heath Harrison Funds to make awards to successful Oxbridge candidates. From 2021 the award will be available to OMs from Malvern College UK or its sister schools abroad. is to be awarded to OMs going onto Brasenose College, Oxford, or Pembroke College, Cambridge.

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

23 Restricted funds

(Continued)

The Heath Harrison Exhibition was set up in 1898, to give non-recurring grants to candidates for the purpose of covering initial expenses at Brasenose College, Oxford or Pembroke College, Cambridge. In 2017 the Fund was amalgamated with the Gwynne-Jones and Wright-Ingle Funds to make awards to successful Oxbridge candidates. From 2021 the award will be available to Oms from Malvern College UK or its sister schools abroad.

The Alan Duff Memorial Fund was set up in 1989 to help pupils to take part in sporting or other worthwhile scientific or educational activities which they would not otherwise be able to afford.

The James Cox Scholarship was set up in 2003 to fund an award made for all-round excellence (not just academic) to a pupil on entry to The Downs (ex Hillstone) year 7 (whether from within the Downs or not) tenable for seven years through to the U6.

The Society also manages the following Restricted Funds:

The Colin Nicholls Memorial Fund was set up in 1988 to help pupils to take part in educational trips.

The Running Track Fund is a project not pursued by the College in recent years. The funds are being held until such time as Malvern College wishes to move ahead with the project.

Bursaries / Assisted Places is income received from the Gryphon Fund that is granted to the college on an annual basis.

The Bridge Fund is in support of Bridge activities at the College, to promote the game of Bridge amongst pupils and staff.

House No. 9 Fund is in support of small projects in House No. 9, to be used at the Housemaster's discretion.

The Chapel Sound System Fund is to enhance the College Chapel Sound System. This project was part of the 2015 Annual Fund campaign.

The Chapel Organ Fund is to be used for the Chapel organ.

The CTM Dunn Fund is an Assisted Places scheme which aims to provide financial support to pupils, who might not otherwise be able to come to Malvern.

The Music Department Fund is in support of the Music Department to be used at the discretion of the Head of Department.

The Steinway Fund is to support the College in purchasing instruments to become an "All Steinway School".

Theatre Funds are held for the renovation of Malvern College's Rogers Theatre.

The Richard Nieper Art Scholarship Fund is in memory of Richard Nieper (Old Malvernian) to support an Art Scholarship which is designed to enable Arts candidates to come to Malvern College who may not otherwise be able to do so. To be awarded to pupils who show outstanding talent or potential talent, predominantly in Fine Art. The fund is envisaged to be spent down over a period of ten years.

The Blumenau Lecture Series Fund is to support an annual lecture on European History at the College.

The Golf Facilities Fund is to be used for improvements to the College's golf facilities.

The George Sayer Fellow Fund was established to recognise George Sayer's inspirational teaching. The Fund is used to allow the English Department to invite writers to the College on an annual basis to work with the pupils.

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

23 Restricted funds

(Continued)

Outdoor Pursuits - a fund received and full disbursed in the year to further outdoor pursuits at the College.

The Clark Scholarship Award was created in 2019 in honour of the former Headmaster, Antony Clark. From 2020 the award will be given to an academically strong Sixth Form candidate from a family whose financial circumstances would not normally allow them to consider Malvern. A boarder and a day pupil are chosen in alternate years.

The Michael McNevin Memorial Fund was created in 2019 in honour of Michael McNevin, former Housemaster of No.2. The Fund is to support improvements to No.2. and Cwm Llwh.

The Rachael Heyhoe Flint Award was created by Ben Flint in memory of his mother. The fund is awarded annually to promising girl cricketers on entry to the College.

Observatory: The College already has a good telescope; however, because it has no permanent 'home', it needs setting it up, i.e. aligning with the stars and dismantling every time it is used. As this takes a good hour at the start and end of a session, it is used only infrequently. The College has decided to house the telescope within a refurbished observatory, so it will be set up permanently and left in place, allowing our pupils and staff to use it much more frequently. Astronomy in school is introduced in the Foundation Year. It is part of the IGCSE syllabus for the Hundred as well as an option in the IB syllabus.

Cricket Nets: Malvern College has a distinguished record in cricket providing county and national teams with quality players since the early years of the 20th century. In recent years, Malvern cricket has seen the benefits of a partnership with Worcestershire County Cricket Club whereby the county coaches seek to draw talented young cricketers into their academy, and the growth of girls' cricket has further enriched Malvern's reputation as a crucible of cricketing talent. The College has commissioned ELS to provide four new practice nets and Durance Cricket to install their industry-leading 'Dream Netting System' replacing the temporary nets with 10 retractable nets.

Hardship Fund: The Covid-19 pandemic is affecting us all, and there are Malvern families who have fallen on hard times financially as a direct result of the current crisis. The Society has promised to support the College as much as possible by raising funds for the Hardship Fund through our generous donors, so that we can assist those families whose children would otherwise have to leave Malvern College.

Capital Restricted Prize Funds

The Richard Smith Physics Prize is to be awarded annually to the top Physics student in the U6.

Restricted Prize Funds

The following Restricted Endowments (Permanent) Prize Funds have associated Restricted Funds:

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

23 Restricted funds

(Continued)

The James Greenwood Architecture Prize is a prize for a piece of work by a pupil showing study and understanding of some aspect of Architecture. The work should be concerned with the aesthetics of Architecture and not primarily with social or technical aspects. From 2020 a £300 grant will be offered every two years to a pupil nominated by the Head of Art to travel to study architecture (classical or modern).

The Toovey Art Prize is an annual prize for the best sketch or drawing from nature by an art student. In 2020 a one-off £300 grant will be awarded to a pupil nominated by the Head of Art to travel to study art (classical or modern).

The Berridge Chemistry Prize is for proficiency in the study of Chemistry. From 2021 £60 is to be awarded to the candidate with the highest score at Chemistry A level or IB.

The HW Smith Exhibition is awarded by examination or otherwise to a pupil or pupils in the Classical Fifth Form at the College for excellence in Classical Studies or English Literature, excluding History. To be means-tested at the Headmaster's discretion. Any unspent income to be added to the capital.

The Wheeler Bennett History Prize is awarded for the best essay(s) on European or General, but not English History. From 2021 £100 will be awarded to the candidate with the highest score at History A level or IB.

The James Richford Cricket Prize is awarded to the pupil who has shown the greatest improvement in cricket in the course of the season.

The Photographic Prize is awarded to a pupil for outstanding achievement in Photography.

The RH Farrar Mathematical Prize is awarded to a pupil for outstanding achievement in Mathematics.

The RW Manly Backstage Prize is awarded to the pupil who has made an outstanding contribution to backstage theatre work.

Prize Funds is an amalgamation of many small prize funds. These prizes are distributed annually.

The RK Blumenau Philosophy Prize is awarded to the most outstanding pupil in ~Philosophy.

The Roger Short Prize is awarded to pupils submitting the best IB Extended Essay.

The R H Cobb Mathematical Prize is awarded to a pupil for outstanding achievement in Mathematics.

The Matthew Hind Golf Prize is awarded to a pupil for outstanding achievement in Golf.

The Arvid Pardo Statistics Prize is awarded to one A level and one IB pupil for outstanding achievement in Statistics.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2020

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 August 2018	Movement in funds prior year				Balance at 31 July 2019
	£	Incoming resources	Resources expended	Transfers	Investments gains/losses	£
		£	£	£	£	
Bursaries/Assisted Places	59,075	-	-	(59,075)	-	-
Scholarship Fund	2,053,076	53,836	(4,220)	-	108,086	2,210,778
	<u>2,112,151</u>	<u>53,836</u>	<u>(4,220)</u>	<u>(59,075)</u>	<u>108,086</u>	<u>2,210,778</u>

The Scholarship Fund fulfils the purpose of providing grants to Malvern College. It is viewed as a permanent investment, the income from which will be used to fully fund education at Malvern College where circumstances are deserving of the same.

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

25 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total £
Fund balances at 31 July 2020 are represented by:					
Tangible assets	4,656,454	-	844,846	-	5,501,300
Investments	1,260,340	2,235,261	2,047,634	234,806	5,778,041
Current assets/(liabilities)	1,631,414	87,129	1,545,732	21,682	3,285,957
	<u>7,548,208</u>	<u>2,322,390</u>	<u>4,438,212</u>	<u>256,488</u>	<u>14,565,298</u>

Analysis of net assets between funds - prior year

	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total £
Fund balances at 31 July 2019 are represented by:					
Tangible assets	4,592,985	-	833,315	-	5,426,300
Investments	1,048,970	2,196,359	1,950,302	228,518	5,424,149
Current assets/(liabilities)	1,664,967	14,419	1,553,728	24,790	3,257,904
Long term liabilities	-	-	-	-	-
	<u>7,306,922</u>	<u>2,210,778</u>	<u>4,337,345</u>	<u>253,308</u>	<u>14,108,353</u>

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate remuneration	<u>70,795</u>	<u>71,779</u>

During the year the Charitable Company received services to the value of £6,500 (2019 - £6,000) from Social Bubble an entity in which S Godsland, wife of the Operations Director has an interest.

MALVERNIAN SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

27	Cash generated from operations	2020	2019
		£	£
	Surplus for the year	381,945	858,685
	Adjustments for:		
	Investment income recognised in profit or loss	(243,542)	(195,662)
	Fair value gains and losses on investments	(102,058)	(250,091)
	Movements in working capital:		
	Decrease/(increase) in stocks	903	(1,373)
	(Increase)/decrease in debtors	(10,672)	67,030
	(Decrease) in creditors	(10,590)	(27,342)
	Cash generated from operations	15,986	451,247
		<hr/>	<hr/>
28	Analysis of changes in net funds		
	The Society had no debt during the year.		

MALVERNIAN SOCIETY LIMITED

OM CLUB INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JULY 2020

	2020 £	2019 £
Income		
Life membership fees	722	8,500
Expenditure		
OM Cricket Club	-	2,500
OM Football Club	-	2,500
OM Golfing Society	-	2,500
OM Rifle Club	-	1,700
OM Sailing Club	-	1,250
Sundry items	240	732
OM Netball Club	1,387	3,775
OM Hockey Club - Men	-	1,000
	<u>1,627</u>	<u>15,957</u>
Net (deficit)	<u>(905)</u>	<u>(7,457)</u>
Balance Sheet as at 31 July 2020		
Capital account		
As at 1 August 2019	20,310	27,767
Net surplus / (deficit) for the year	(905)	(7,457)
As at 31 July 2020	<u>19,405</u>	<u>20,310</u>
Represented by:		
Loan to The Malvernian Society	<u>19,405</u>	<u>20,310</u>