

HYMNS ANCIENT AND MODERN LIMITED

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

HYMNS ANCIENT AND MODERN LIMITED
(A company limited by guarantee)

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HYMNS ANCIENT AND MODERN LIMITED
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**NOTICE OF ANNUAL GENERAL MEETING TO BE HELD ON 31 JANUARY 2019
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

Notice is hereby given that the annual general meeting of the board of directors will be held at Athenaeum Club, Pall Mall, London SW1 5ER on 31 January 2019 for the following purposes:

1. to receive and adopt the reports of the trustees and the audited financial statements for the year ended 30 September 2018.
2. to reappoint Larking Gowen LLP as auditors.
3. to authorise the board of directors to agree remuneration of the auditors;
4. to approve the remuneration of the Trustees; and
5. to transact any other business which may be transacted at an annual general meeting.

By order of the board



Dominic G Vaughan
Secretary

31 January 2019

HYMNS ANCIENT AND MODERN LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

Trustees

The Right Reverend Stephen Platten
The Reverend Dr Simon M Jones
The Reverend Paula A Vennells
Sumita Honey
Christopher J H Adams

Company registered number

01220696

Charity registered number

270060

Registered office

13a Hellesdon Park Road, Norwich, NR6 5DR

Company secretary

Dominic G Vaughan

Chief executive officer

Dominic G Vaughan

Independent auditors

Larking Gowen LLP, King Street House, 15 Upper King Street, Norwich, NR3 1RB

Bankers

Santander UK PLC, Second Floor, The Bell, 5 Orford Hill, Norwich, NR1 3QB

Solicitors

Bates Wells & Bralthwaite, 10 Queen Street Place, London, EC4R 1BE

HYMNS ANCIENT AND MODERN LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2018

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Hymns Ancient & Modern Limited (the company and the group) for the ended 30 September 2018. The Trustees confirm that the Annual Report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice (FRS102) "Accounting and Reporting by Charities" (SORP (FRS102)).

Structure, governance and management

CONSTITUTION

Hymns Ancient and Modern Limited (HA&M) is a company limited by guarantee and accordingly does not have a share capital. The liability of the members is limited to an amount not exceeding £1 each. The company is governed by its Memorandum and Articles of Association formed in 1975 and amended in 2008. It is registered as a charity with the Charity Commission.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The Council of Management (Trustees), which should number not less than three nor more than seven, administers the charity. Trustees retire after three years, but are able to be re-elected (up to three times plus 1 year). The Council of Management regularly reviews the range of skills amongst Trustees. The chairman is appointed by the Council of Management and there is no limit on the length of term the chairman can serve within the overall limit of a Trustee. New Trustees are found from the contacts and networks of existing Trustees and outside advisors. When recruiting new Trustees, the Council of Management looks for individuals with skills and experience which are of value to the charity.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Potential Trustees are interviewed by the Council of Management and are provided with a pack of information including recent accounts and a copy of the Memorandum and Articles of Association. When a new Trustee joins the Council of Management they are provided with further information regarding finances, governance and charitable objectives including minutes of meetings for the previous year. They also receive documents on best practice taken from the Charity Commission website.

Trustees are highly experienced individuals and have a good understanding of what is involved in being a trustee of a charity. Where appropriate, the charity supports the training of Trustees including, for example, attendance at relevant seminars or events.

The Trustees are the directors of the company for the purposes of the Companies Act 2006. During the year these Trustees may receive remuneration within the limits set by the Articles of Association of Hymns Ancient & Modern Ltd.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Council of Management meets quarterly. A Chief Executive is appointed by the Council of Management to manage the Charity. As a result of the size of the Charity, the Trustees delegate responsibility for day to day management to staff using planning and budgeting procedures, and delegation with segregation of duties.

HYMNS ANCIENT AND MODERN LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2018

PAY POLICY FOR KEY MANAGEMENT PERSONNEL

Remuneration for all staff is set by the Council of Management annually. The annual amount is based on inflation and takes into account the final contribution figure in the annual accounts. Key management comprises the Senior Management Team:

Dominic Vaughan
Sue Stapleford
Stephen Rogers
Stephen Dutton
Paul Handley
Christine Smith
Michael Addison
Aude Pasquier

RELATED PARTY RELATIONSHIPS

HA&M Limited has one 100% subsidiary company, G J Palmer & Sons Limited, which is dormant.

RISK MANAGEMENT

The Council of Management have examined the principal areas of the Charity's operation and consider the major risks faced in each of those areas.

In the opinion of the Council of Management, the Charity has established resources and review systems which have been fully documented and which should allow these risks to be mitigated to an acceptable level in its day to day operations. In addition to procedures and process mitigation, where possible insurance has been purchased to mitigate financial risk. The key risk area for the organisation is potential change to the market resulting in challenges to sales.

There is a strategy for managing risk and this is supported by the Risk Assessment Document which rates risks according to their impact and probability. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

A business continuity programme has been developed with Scenaris Ltd which will be implemented in the event of a major disaster. A test of the major elements of the plan has been carried out and lessons documented. A further test is to be carried out at every year.

HA&M Limited have engaged Stallard Kane Associates Ltd to help ensure that best practice is followed in health and safety management and Bates Wells and Brathwaite provide human resources support to ensure the safety and wellbeing of staff, customers and visitors to the charity's buildings and events.

Objectives and Activities

POLICIES AND OBJECTIVES

HA&M's vision is to enable a greater engagement of the Christian religion worldwide through high quality publishing activities and targeted grant giving. It aims to build on its strong Anglican heritage to be the publisher and partner of choice in the world of Christian teaching, liturgy and music. It will provide products, services and financial support to achieve this goal.

More information about HA&M can be found on our website www.hymnsam.co.uk.

HYMNS ANCIENT AND MODERN LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2018

The objects of HA&M are:

- to promote the advancement of religion;
- to establish and support or aid in the establishment and support of any Charitable Corporation, Association, Institution, College, School, Society or Body whatsoever which in the opinion of the Hymns Ancient and Modern is connected with the work of the Church of England or any Church in communion with it, and to subscribe and guarantee money for any such charitable purpose;
- to aid and support any Charitable Corporation, Association, Institution, College, School, Society or Body which may not be in a direct relationship with the Church of England as aforesaid but whose aims and objects are, in the opinion of the Association, such as a Church of England organisation could properly aid and support.

The main objectives for the year continue to be those as stated above.

The means employed to achieve the Charity's objectives are as follows. The organisation engages in the publishing of religious journals, books, electronic products and provides publishing, distribution and related services to other religious organisations and publishers.

MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT

Details of the main activities undertaken are included within Policies and Objectives (above) and Review of Activities (below).

HYMNS ANCIENT AND MODERN LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2018

GRANT MAKING POLICIES

Grants are awarded based on the following criteria:

- the project will be of real value and will make a difference to a substantial group of people. A project which is of limited interest or value will not normally be considered unless the project will clearly have a wider benefit;
- The applicant is capable of carrying out the project;
- The applicant has a carefully budgeted project and has, and will, make full disclosure to the Trustees of the sources of other funding and if fortunate enough to be given more than sufficient for the project will immediately inform the Trustees to consider the surplus. The applicant should also supply a copy of their latest published financial statement if requested; and
- In order to complete the successful grant process the Trustees will expect a report on completion of short term projects or an annual progress report for long term projects.

Proactive giving:

The Trustees will solicit ideas from others to help develop initiatives in our fields of interest. HA&M will seek advice on how it might be more proactive, rather than simply react to applications. Currently there are three main areas of interest:

- Music and Education: the development of church music understanding, knowledge and related educational opportunities.
- Liturgy (with special reference to training in liturgy).
- Books - to provide training colleges and organisations, particularly in developing countries, with publications they need to further their work and develop their library.

The Trustees continue to reserve the right to vary the amount allocated in total and to each area and are solely responsible for accepting or rejecting requests.

Staff have been encouraged to propose a single suitable charity, possibly local, that we would be able to work with directly, as well as provide grants for specific projects.

Details are shown on the company website (www.hymnsam.co.uk).

HYMNS ANCIENT AND MODERN LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2018

Group Strategic Report

Achievements and Performance

REVIEW OF ACTIVITIES

The general economy continues to be a challenge for publishers, booksellers and charities, however, HA&M has continued to prosper. There has been a continuing investment in systems and development of digital sales and production. Extra investment has been made into protection of customer and other data to ensure compliance with GDPR. Each division has clear financial objectives which reflect the overall annual budget. The service divisions are expected to maintain or grow the service client base. All the divisions reflect the overall charitable aims and have achieved the financial and other related objectives set at the beginning of the year.

Grants of hymn books have been made amounting to £91,457. Grants to approved charities were £62,227. No funds have been designated for grants offered to charities which are contingent on future criteria.

Church Times and Periodicals Division

Church Times continues to maintain its position as the leading Anglican weekly newspaper. Subscriptions and advertising continue to be positive. The website and app are well used. All issues since the first in 1863 are available in digital format as part of the subscription or as a separate purchase. The cost of the app to users is part of the paper subscription, or it can be purchased directly from Apple. Other publications are continuing to develop in print and digital form. In particular, The Preacher has been redesigned and its website redeveloped leading to much positive comment from users.

Book Publishing and Distribution Division

Book publishing under the SCM Press and Canterbury Press imprints have continued to thrive over the year. Church House Publishing titles were published on behalf of The Archbishops' Council. St Andrew Press, published on behalf of The Church of Scotland, also contributed to book sales. Overall, titles have sold well. The bookselling website has continued to thrive and microsites have been developed as part of the services offered to a number of distribution and publishing clients. Sales were improved by providing titles in digital format. Apple and Android Apps and print on demand versions of many titles continue to be added to the list and are providing a significant contribution to sales. The development of upgraded website based products such as Crockfords and the C of E yearbook have shown good growth in users and income.

Bookshop Division

Church House Bookshop has benefited from running bookshops at many events and the bookshop website continues to generate significant sales. Footfall within the shop benefits from its location and creative window displays have encouraged passing trade.

Key Performance Indicators

The main key performance indicators used by the council of management are performance against budget and related targets including contribution. These targets were achieved.

HYMNS ANCIENT AND MODERN LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2018

Financial review

RESERVES POLICY

The Council of Management has reviewed the reserves of the charity. The review concluded that HA&M needed to maintain an adequate reserve balance so as to be able to continue to make grants and be able to take advantage of potential future opportunities. The level of free reserves required to meet these objects is estimated to be equivalent to three months of operating costs. As at 30 September 2018 three months equated to £1,800,000.

The unrestricted reserves at the year-end amounted to £6,116,591, however, this includes tangible and non-tangible fixed assets amounting to £563,631. Free reserves are above target as at 30 September 2018, but the Trustees are mindful of business requirements and are comfortable with this current position. Additionally, last year it was agreed that £1,500,000 would be put into a long term investment reserve rather than working capital, with a further £1,000,000 invested this year. This will not affect the investment of those funds; merely how they are used. These long term reserves would be used as an emergency fund in the event of a major disruption to the business: part of HA&M's risk management/business continuity planning and as a fund to cover future major business opportunities should these arise.

FINANCIAL REVIEW

There were net incoming unrestricted resources for the year ended 30 September 2018 for the group of £556,331 (2017: £677,953). The unrestricted fund balances at the year end were £6,116,591 (2017: £5,560,260). The net incoming restricted resources for the year were £NIL (2017: £NIL) and the restricted fund balances at the year end were £NIL (2017: £NIL).

The main source of funding for HA&M is the sale of books and periodicals and book publishing and distribution. Expenditure has been directly linked to these income sources.

CORPORATION TAX

HA&M Limited is registered as a charitable organisation and has been granted exemption from corporation tax under the provisions of section 466 to 493 of the Corporation Tax Act 2010.

MATERIAL INVESTMENTS POLICY

Under the Memorandum and Articles of Association, the Trustees have wide powers of investment. Funds are held in short and longer term investments to provide for long term development, to provide working capital and to enable grant giving. The Charity is looking for investments to support the Charity's objects.

For long term investments, the Council has appointed investment managers, with a mandate to provide a real rate of return of 3%. Investments are held in accordance with the Church of England's ethical investment exclusion policy.

HYMNS ANCIENT AND MODERN LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2018

Plans for future periods

FUTURE DEVELOPMENTS

The group remains in a strong financial and strategic position with its spread of products and customers. HA&M has a good reputation as a charity, publisher, publishing service provider and partner. It will continue to develop partnerships with like minded organisations and provide its experience and expertise to help them succeed. As in previous years, investments in new technologies will continue as will the search for new customers for services and potential acquisitions. These will help to ensure that customers can obtain the religious information and music they need even though the number of specialist outlets is likely to be smaller than ever. There will be a continuing monitoring of performance to ensure all areas are contributing as budgeted, products are produced according to plan and services maintained at the current level.

KEY FINANCIAL PERFORMANCE INDICATORS

As mentioned in Review of Activities above, the main key financial performance indicators used by the Council of Management are performance against budget and related targets including contribution. These targets were achieved.

GOING CONCERN

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of HA&M Limited for the purposes 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2018

Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

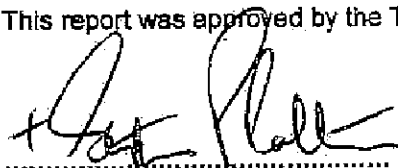
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

This report was approved by the Trustees, on 31 January 2019 and signed on their behalf by:



.....
The Right Reverend Stephen Platten

HYMNS ANCIENT AND MODERN LIMITED
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HYMNS ANCIENT AND MODERN LIMITED

OPINION

We have audited the financial statements of Hymns Ancient and Modern Limited (the 'parent charity') and its subsidiaries (the 'group') for the year ended 30 September 2018 which comprise the group Consolidated statement of financial activities incorporating income and expenditure account, the group Consolidated balance sheet, the group Consolidated statement of cash flows and the related notes, 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 group's and of the parent charitable company's affairs as at 30 September 2018 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 group's or the parent 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HYMNS ANCIENT AND MODERN LIMITED

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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Group strategic report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our 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 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:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes 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 group's and the parent 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HYMNS ANCIENT AND MODERN LIMITED

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 Auditors' 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

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. 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.



Julie Grimmer FCA DChA (Senior statutory auditor)

for and on behalf of

Larking Gowen LLP

Chartered Accountants
Statutory Auditors

King Street House
15 Upper King Street
Norwich
NR3 1RB
Date: 28/02/2019

HYMNS ANCIENT AND MODERN LIMITED
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND
EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:					
Donations and legacies	2	-	52,403	52,403	67,498
Charitable activities		7,230,175	-	7,230,175	7,069,177
Investments	3	103,975	-	103,975	64,757
Other Income		129,920	-	129,920	127,454
TOTAL INCOME		7,464,070	52,403	7,516,473	7,328,886
EXPENDITURE ON:					
Charitable activities	4,5	7,007,113	52,403	7,059,516	6,757,002
TOTAL EXPENDITURE		7,007,113	52,403	7,059,516	6,757,002
NET INCOME BEFORE INVESTMENT GAINS		456,957	-	456,957	571,884
Net gains on Investments	10	99,374	-	99,374	106,069
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		556,331	-	556,331	677,953
NET MOVEMENT IN FUNDS		556,331	-	556,331	677,953
RECONCILIATION OF FUNDS:					
Total funds brought forward		5,560,260	-	5,560,260	4,882,307
TOTAL FUNDS CARRIED FORWARD		6,116,591	-	6,116,591	5,560,260

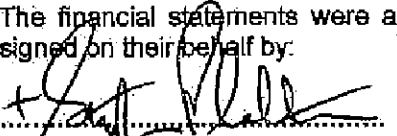
The notes on pages 18 to 36 form part of these financial statements.

HYMNS ANCIENT AND MODERN LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 01220696

CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Intangible assets	8		409,520		392,402
Tangible assets	9		154,111		144,513
Investments	10		3,411,857		2,224,329
			<u>3,975,488</u>		<u>2,761,244</u>
CURRENT ASSETS					
Stocks	11	928,739		880,226	
Debtors	12	978,414		882,205	
Cash at bank and in hand		2,201,609		2,984,804	
		<u>4,108,762</u>		<u>4,747,235</u>	
CREDITORS: amounts falling due within one year	13	(1,967,659)		(1,948,219)	
NET CURRENT ASSETS			<u>2,141,103</u>		<u>2,799,016</u>
NET ASSETS			<u><u>6,116,591</u></u>		<u><u>5,560,260</u></u>
CHARITY FUNDS					
Unrestricted funds	15		<u>6,116,591</u>		<u>5,560,260</u>
TOTAL FUNDS			<u><u>6,116,591</u></u>		<u><u>5,560,260</u></u>

The financial statements were approved and authorised for issue by the Trustees on 31 January 2019 and signed on their behalf by:


.....
The Right Reverend Stephen Platten

The notes on pages 18 to 36 form part of these financial statements.

HYMNS ANCIENT AND MODERN LIMITED**(A company limited by guarantee)****REGISTERED NUMBER: 01220696**

**COMPANY BALANCE SHEET
AS AT 30 SEPTEMBER 2018**

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Intangible assets	8		409,520		392,402
Tangible assets	9		154,111		144,513
Investments	10		3,433,857		2,246,329
			<u>3,997,488</u>		<u>2,783,244</u>
CURRENT ASSETS					
Stocks	11	928,739		880,226	
Debtors	12	978,414		882,205	
Cash at bank and in hand		2,201,809		2,984,804	
			<u>4,108,762</u>	<u>4,747,235</u>	
CREDITORS: amounts falling due within one year	13	(1,989,994)		(1,970,554)	
NET CURRENT ASSETS			<u>2,118,768</u>		<u>2,776,681</u>
NET ASSETS			<u>6,116,256</u>		<u>5,559,925</u>
CHARITY FUNDS					
Unrestricted funds			<u>6,116,256</u>		<u>5,559,925</u>
TOTAL FUNDS			<u>6,116,256</u>		<u>5,559,925</u>

The financial statements were approved and authorised for issue by the Trustees on 31 January 2019 and signed on their behalf by:



The Right Reverend Stephen Platten

The notes on pages 18 to 36 form part of these financial statements.

HYMNS ANCIENT AND MODERN LIMITED
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	17	<u>413,308</u>	<u>805,796</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		103,975	64,757
Purchase of tangible and intangible fixed assets		(212,324)	(259,295)
Proceeds from sale of investments		-	501,669
Purchase of investments		(1,088,154)	(1,061,707)
Net cash used in investing activities		<u>(1,196,503)</u>	<u>(754,576)</u>
Change in cash and cash equivalents in the year		(783,195)	51,220
Cash and cash equivalents brought forward		<u>2,984,804</u>	<u>2,933,584</u>
Cash and cash equivalents carried forward	18	<u><u>2,201,609</u></u>	<u><u>2,984,804</u></u>

The notes on pages 18 to 36 form part of these financial statements.

HYMNS ANCIENT AND MODERN LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Hymns Ancient and Modern Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 2. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

HYMNS ANCIENT AND MODERN LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. ACCOUNTING POLICIES (continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.6 Going concern

The financial statements have been prepared on a going concern basis.

1.7 Intangible fixed assets and amortisation

Intangible assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

No amortisation is charged on systems under development. On completion, they are transferred to website costs and depreciated in line with the policy stated below.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Website costs	- 25% of cost
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HYMNS ANCIENT AND MODERN LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

1. ACCOUNTING POLICIES (continued)

1.8 Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	7-20% of cost
Fixtures, fittings, office equipment & computer equipment	-	20-25% of cost
Office equipment	-	20-50% of cost
Computer equipment	-	25-33% of cost

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on Investments' in the Statement of financial activities.

1.10 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

1.11 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.12 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.13 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

HYMNS ANCIENT AND MODERN LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. ACCOUNTING POLICIES (continued)

1.14 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.15 Financial Instruments

The company has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial Instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Fixed asset investments are not basic financial instruments and are initially recognised at transaction value and subsequently measured at fair value.

1.16 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

1.17 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

HYMNS ANCIENT AND MODERN LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

1. ACCOUNTING POLICIES (continued)

1.18 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes judgements, estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Useful economic lives of tangible and intangible assets

The annual depreciation charge for tangible and intangible assets is sensitive to changes in the useful economic lives and residual values of the assets. These useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 8 and 9 for the carrying amounts of tangible and intangible assets and accounting policies 1.6 and 1.7 for the useful economic lives for each class of assets.

Stock provisioning

The charity sells books and periodicals and is subject to consumer demands and trends. As a result, it is necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the inventory provision, management considered the nature and condition of stock, as well as applying assumptions around anticipated saleability of finished goods and recoverability of work in progress. See note 11 for the net carrying amount of the stocks and the associated provision.

1.19 Redundancy and termination payments

Redundancy and termination payments are recognised when there is a demonstrable commitment on an individual or group basis that cannot realistically be withdrawn.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	-	52,403	52,403	67,498
<i>Total 2017</i>	-	67,498	67,498	

HYMNS ANCIENT AND MODERN LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

3. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Investment income	103,975	-	103,975	64,757
<i>Total 2017</i>	64,757	-	64,757	

4. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Cost of sales	3,670,735	-	3,670,735	3,609,075
Distribution	436,712	-	436,712	303,049
Administrative expenses	2,699,195	-	2,699,195	2,539,937
Grants of books	91,457	-	91,457	95,425
Grants payable to approved charities	62,227	-	62,227	88,115
Train a Priest	-	62,403	52,403	67,498
	6,960,326	52,403	7,012,729	6,703,099
<i>Total 2017</i>	6,635,601	67,498	6,703,099	

HYMNS ANCIENT AND MODERN LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

Grants were paid to the following approved charities during the year:

	2018 £	2017 £
Anglican Centre In Rome	10,000	10,000
Anglican Communion Fund	7,000	-
Anglican Communion Fund Books	2,000	-
The Annunciation, Brighton	2,000	-
Art and Christianity	2,000	-
BRF - Messy Church	-	4,000
Bunda Bible College	-	2,500
CAP Discovery Breaks	-	4,000
Chester Cathedral	1,600	2,000
Chester Cathedral Educ Trust	-	4,000
Christians In Academia	-	3,000
Church Action on Poverty	3,000	-
Church Pastoral Aid Society	-	2,000
English Martyr Catholic School	1,200	-
Guildford Cathedral	3,000	-
The Hero Song	250	-
Littlemore Group	-	1,078
London Fest Cont Church Music	1,500	1,000
Manchester Cathedral	2,000	-
Norwich Cathedral	-	1,500
Oddments Theatre	-	3,150
Oundle Organists	985	667
The Oxford Pastorate	3,000	-
Portsmouth Cathedral	3,800	-
Prom Praise for Schools	-	5,000
Ripon, Cuddesdon	-	1,000
Royal School of Church Music	5,000	3,855
RSCM organ scholarship	-	7,560
Song and Hymn Writers' Foundation	4,000	-
St Andrew's Church, Spratton	340	-
St Chad's Parish Centre, Leicester	530	-
St John the Divine, Kennington	-	7,000
St Lukes Healthcare for Clergy	3,000	3,000
St Martin-in-the-Fields Trust	3,000	-
St Mellitus Theol College	-	3,000
St Paul's Malaysia books	-	912
St Paul's Malaysia shipping	-	441
St Stephen's Church, Norwich	1,000	-
Student Christian Movement	-	1,500
Tenebrae Choir	1,500	1,500
Theos Think Tank	-	3,000
Together for the Common Good	-	5,000
Wakefield Cathedral	-	5,200
XLP Challenge camps	-	1,000
Christians Against Poverty	622	252
Total	62,227	88,115

HYMNS ANCIENT AND MODERN LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

Grants of books totalling £91,457 (2017 - £95,425) to 218 organisations (2017 - 248). These grants are typically in the region of £270.

6. GOVERNANCE COSTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Auditors' remuneration	13,370	-	13,370	11,680
Trustees' remuneration	25,176	-	25,176	31,968
Trustees' expenses reimbursed for attendance at meetings	8,241	-	8,241	10,275
	<u>46,787</u>	<u>-</u>	<u>46,787</u>	<u>53,903</u>

6. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the charitable group	46,843	47,307
Amortisation of intangible fixed assets	138,765	122,004
Auditors' remuneration - audit	<u>13,370</u>	<u>11,680</u>

During the year, the Trustees received remuneration totalling £25,145 (2017 - £31,076).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year, 5 Trustees received reimbursement of expenses amounting to £8,232 (2017 - £10,275).

During the year two Trustees were paid royalties and other fees totalling £532 (2017 - £25).

The Memorandum and Articles of Association authorise the reasonable and proper remuneration of the Council of Management. Authorised remuneration for the period was as follows:

	2018 £	2017 £
The Reverend Dr Simon Matthew Jones	7,192	7,030
The Right Reverend Stephen Platten	10,761	10,520
The Reverend Paula A Vennells	-	7,030
Christopher J H Adams	7,192	7,030
Total	<u>28,145</u>	<u>31,610</u>

HYMNS ANCIENT AND MODERN LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

7. STAFF COSTS

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	1,909,798	1,828,143
Social security costs	174,934	166,983
Other pension costs	178,272	169,410
	<u>2,261,004</u>	<u>2,164,536</u>

Included within wages and salaries above are redundancy payments of £5,095 (2017 - £nil) which were paid to 1 employee (2017 - 0).

The average number of persons employed by the company during the year was as follows:

2018 No.	2017 No.
67	67

The number of higher paid employees was:

	2018 No.	2017 No.
In the band £60,001 - £70,000	2	2
In the band £110,001 - £120,000	1	0
In the band £130,001 - £140,000	0	1

Employer pension contributions totalling £25,211 (2017 - £24,633) were made in the year for the provision of a defined contribution scheme for the higher paid employees.

Key management personnel consists of the Senior Management Team (as disclosed on page 4) and the Trustees. The total remuneration payable to these 13 key personnel members (2017 - 13) was £629,205 (2017 - £573,525).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

8. INTANGIBLE FIXED ASSETS

	Website £	Systems being developed £	Total £
Group and Company			
Cost			
At 1 October 2017	1,019,614	52,052	1,071,666
Additions	8,758	147,125	155,883
Transfers between classes	76,050	(76,050)	-
At 30 September 2018	1,104,322	123,127	1,227,449
Amortisation			
At 1 October 2017	679,164	-	679,164
Charge for the year	138,765	-	138,765
At 30 September 2018	817,929	-	817,929
Carrying amount			
At 30 September 2018	286,393	123,127	409,520
At 30 September 2017	340,350	52,052	392,402
Company			
Cost			
At 1 October 2017	1,019,614	52,052	1,071,666
Additions	8,768	147,125	155,883
Revaluation surplus/(deficit)	76,060	(76,050)	-
At 30 September 2018	1,104,322	123,127	1,227,449
Amortisation			
At 1 October 2017	679,164	-	679,164
Charge for the year	138,765	-	138,765
At 30 September 2018	817,929	-	817,929
Carrying amount			
At 30 September 2018	286,393	123,127	409,520
At 30 September 2017	340,350	52,052	392,402

HYMNS ANCIENT AND MODERN LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

9. TANGIBLE FIXED ASSETS

Group and Company	Leasehold Improv. £	Fixtures & Fittings £	Office Equipment £	Total £
Cost				
At 1 October 2017	208,859	88,518	135,146	432,523
Additions	4,926	22,852	28,664	56,441
Disposals	-	-	(47,274)	(47,274)
At 30 September 2018	213,784	111,370	116,536	441,690
Depreciation				
At 1 October 2017	105,264	78,665	104,081	288,010
Charge for the year	21,343	4,706	20,794	46,843
On disposals	-	-	(47,274)	(47,274)
At 30 September 2018	126,607	83,371	77,601	287,579
Net book value				
At 30 September 2018	87,177	27,999	38,935	154,111
At 30 September 2017	103,595	9,853	31,065	144,513
Company	Leasehold Improv. £	Fixtures and Fittings £	Office Equipment £	Total £
Cost				
At 1 October 2017	208,859	88,518	135,146	432,523
Additions	4,926	22,852	28,664	56,441
Disposals	-	-	(47,274)	(47,274)
At 30 September 2018	213,784	111,370	116,536	441,690
Depreciation				
At 1 October 2017	105,264	78,665	104,081	288,010
Charge for the year	21,343	4,706	20,794	46,843
On disposals	-	-	(47,274)	(47,274)
At 30 September 2018	126,607	83,371	77,601	287,579
Net book value				
At 30 September 2018	87,177	27,999	38,935	154,111
At 30 September 2017	103,595	9,853	31,065	144,513

HYMNS ANCIENT AND MODERN LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

10. FIXED ASSET INVESTMENTS

Group	Listed securities £	Other investments £	Total £
Market value			
At 1 October 2017	2,215,702	8,627	2,224,329
Additions	1,088,154	-	1,088,154
Revaluations	99,374	-	99,374
	<u>3,403,230</u>	<u>8,627</u>	<u>3,411,857</u>
At 30 September 2018	3,403,230	8,627	3,411,857
Historical cost	<u>3,149,860</u>	<u>8,627</u>	<u>3,158,487</u>

Group investments at market value comprise:

	2018 £	2017 £
Listed investments	3,403,230	2,215,702
Other fixed asset investments	8,627	8,627
	<u>3,411,857</u>	<u>2,224,329</u>
Total market value	3,411,857	2,224,329

All the fixed asset investments are held in the UK

Company	Listed securities £	Other investments £	Total £
Market value			
At 1 October 2017	2,215,702	30,627	2,246,329
Additions	1,088,154	-	1,088,154
Net realised and unrealised gains	99,374	-	99,374
	<u>3,403,230</u>	<u>30,627</u>	<u>3,433,857</u>
At 30 September 2018	3,403,230	30,627	3,433,857
Historical cost	<u>2,061,707</u>	<u>30,627</u>	<u>2,092,334</u>

Company investments at market value comprise:

	2018 £	2017 £
Listed investments	3,403,230	2,215,702
Other fixed asset investments	30,627	30,627
	<u>3,433,857</u>	<u>2,246,329</u>
Total	3,433,857	2,246,329

All the fixed asset investments are held in the UK

HYMNS ANCIENT AND MODERN LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

10. FIXED ASSET INVESTMENTS (continued)

Valuation

Included within other investments at 30 September 2018 are shares in group undertakings of £22,000 (2017 - £22,000). Details of the subsidiary company are included in note 22.

Listed securities are shown at market value on the balance sheet date. Unlisted securities are held at cost less impairment.

Company material investments

The following investments are considered to be material:

	2018 £	2017 £
Sarasin Alpha CIF for endowments (Income units)	-	2,215,702
Sarasin Endowment Fund Class A (Acc)	3,403,230	-
	<u>3,403,230</u>	<u>2,215,702</u>

11. STOCKS

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Packaging	6,276	6,152	6,276	6,152
Work in progress	105,424	54,574	105,424	54,574
Finished goods and goods for resale	817,039	819,500	817,039	819,500
	<u>928,739</u>	<u>880,226</u>	<u>928,739</u>	<u>880,226</u>

Stock recognised in cost of sales during the year as an expense was £980,860 (2017 - £991,278).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

12. DEBTORS

	<u>Group</u>		<u>Company</u>	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	729,344	699,334	729,344	699,334
Other debtors	90,844	57,656	90,844	57,656
Prepayments and accrued income	158,226	125,215	158,226	125,215
	<u>978,414</u>	<u>882,205</u>	<u>978,414</u>	<u>882,205</u>

13. CREDITORS: Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	391,719	320,170	391,719	320,170
Amounts owed to group undertakings	-	-	22,335	22,335
Other taxation and social security	107,350	103,800	107,350	103,800
Other creditors	821,833	897,149	821,833	897,149
Accruals and deferred income	646,757	627,100	646,757	627,100
	<u>1,967,659</u>	<u>1,948,219</u>	<u>1,989,994</u>	<u>1,970,554</u>

Deferred income is made up of subscription fees for various periodicals.

	<u>Group</u>		<u>Company</u>	
	2018	2017	2018	2017
	£	£	£	£
Deferred income				
Deferred income at 1 October 2017	627,100	607,430	627,100	607,430
Resources deferred during the year	646,757	627,100	646,757	627,100
Amounts released from previous years	(627,100)	(607,430)	(627,100)	(607,430)
Deferred Income at 30 September 2018	<u>646,757</u>	<u>627,100</u>	<u>646,757</u>	<u>627,100</u>

HYMNS ANCIENT AND MODERN LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

14. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at fair value through income and expenditure	3,403,230	2,215,702
Financial assets measured at amortised cost	820,188	756,990
	<u>4,223,418</u>	<u>2,972,692</u>
Financial liabilities measured at amortised cost	<u>1,213,552</u>	<u>1,217,319</u>

Financial assets measured at fair value through income and expenditure comprise listed fixed asset investments. The fair value is taken as the market value of the investments based on the portfolio valuation report obtained from Sarasin & Partners at the balance sheet date.

Financial assets measured at amortised cost comprise trade and other debtors.

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

HYMNS ANCIENT AND MODERN LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 October 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 September 2018 £
Unrestricted funds					
General Funds	5,560,260	7,484,070	(7,007,113)	99,374	6,116,591
Restricted funds					
Train a Priest	-	52,403	(62,403)	-	-
Total of funds	5,560,260	7,516,473	(7,069,516)	99,374	6,116,591

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 October 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 September 2017 £
General Funds	4,882,307	7,261,388	(6,689,504)	106,069	5,560,260
Restricted funds					
Train a Priest	-	67,498	(67,498)	-	-
Total of funds	4,882,307	7,328,886	(6,757,002)	106,069	5,560,260

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 October 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 September 2018 £
General funds	5,560,260	7,484,070	(7,007,113)	99,374	6,116,591
Restricted funds	-	52,403	(62,403)	-	-
	5,560,260	7,516,473	(7,069,516)	99,374	6,116,591

HYMNS ANCIENT AND MODERN LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
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15. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS - PRIOR YEAR

	<i>Balance at 1 October 2016 £</i>	<i>Income £</i>	<i>Expenditure: £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 30 September 2017 £</i>
General funds	4,882,307	7,261,388	(6,689,504)	106,069	5,560,260
Restricted funds	-	67,498	(67,498)	-	-
	<u>4,882,307</u>	<u>7,328,886</u>	<u>(6,757,002)</u>	<u>106,069</u>	<u>5,560,260</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Total funds 2018 £</i>
Intangible fixed assets	409,520	-	409,520
Tangible fixed assets	164,111	-	164,111
Fixed asset investments	3,411,857	-	3,411,857
Current assets	4,108,762	-	4,108,762
Creditors due within one year	(1,967,659)	-	(1,967,659)
	<u>6,116,591</u>	<u>-</u>	<u>6,116,591</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds 2017 £</i>	<i>Restricted funds 2017 £</i>	<i>Total funds 2017 £</i>
Intangible fixed assets	392,402	-	392,402
Tangible fixed assets	144,513	-	144,513
Fixed asset investments	2,224,329	-	2,224,329
Current assets	4,747,235	-	4,747,235
Creditors due within one year	(1,948,219)	-	(1,948,219)
	<u>5,560,260</u>	<u>-</u>	<u>5,560,260</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018	Group
	£	2017
		£
Net income for the year (as per Statement of Financial Activities)	556,331	677,953
Adjustment for:		
Depreciation	185,608	169,311
Dividends, interest and rents from investments	(103,975)	(84,757)
Unrealised gains on investments	(99,374)	(105,935)
Increase in stocks	(48,513)	(27,752)
(Increase)/decrease in debtors	(98,209)	24,859
Increase in creditors	19,440	132,117
Net cash provided by operating activities	413,308	806,796

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018	Group
	£	2017
		£
Cash in hand	2,201,609	2,984,804
Total	2,201,609	2,984,804

19. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £176,272 (2017 - £169,410). Contributions totalling £20,831 (2017 - £19,095) were payable to the fund at the balance sheet date and are included in creditors.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

20. OPERATING LEASE COMMITMENTS

At 30 September 2018 the total of the group's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
Group and Company		
Amounts payable for leases on land and buildings:		
Within 1 year	322,333	371,667
In years 2 to 5	1,062,876	1,486,666
After more than 5 years	323,000	522,000
Total	1,708,208	2,380,333
Amounts payable for other leases:		
Within 1 year	33,340	31,038
In years 2 to 5	4,843	40,269
Total	38,183	71,307

21. RELATED PARTY TRANSACTIONS

Grants paid during the previous year include £3,855 to the Royal School of Church Music and £10,000 to the Anglican Centre in Rome. These organisations both have a Trustee in common with the charity.

During the year £8,350 (2017 - £Nil) was received for services provided to The English Hymnal Company Limited a company in which Hymns Ancient and Modern Limited has a minority shareholding.

22. PRINCIPAL SUBSIDIARIES

G J Palmer and Sons Limited

Subsidiary name	G J Palmer and Sons Limited	
Basis of control		
Equity shareholding %	100%	
Total assets as at 30 September 2018	£ 22,335	
Total liabilities as at 30 September 2018	£ -	
Total equity as at 30 September 2018	£ 22,335	
Turnover for the year ended 30 September 2018	£ -	
Expenditure for the year ended 30 September 2018	£ -	
Result for the year ended 30 September 2018	£ -	