



FRIENDS OF MALVERN PRIORY

Charity Reg. No. 503383

Financial Statements for the year ended

31 December 2018

KENDALL WADLEY LLP

Chartered Accountants

MALVERN WORCESTER

FRIENDS OF MALVERN PRIORY

Financial Statements for the year ended

31 December 2018

Contents

Page	1	Reference and administration information
	2-4	Report of the Friends
	5-7	Auditor's Report
	8	Statement of Financial Activities
	9	Balance Sheet
	10	Statement of Cash Flows
	11-17	Notes to the Financial Statements

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

CHARITY NUMBER	503383		
TRUSTEES:			
PRINCIPAL OFFICERS	P.J. Chappell	Chairman	
	R. Boyer	Secretary	
	D.R. Valentine	Treasurer	
RADFORD BEQUEST TRUSTEES	P.R. Duckworth	(Resigned January 2018)	
	A. Huntley	(Radford Trustee from March 2018)	
	P.N. Hewlitt		
	N. Paulley	(from November 2018)	
	P.S. Robinson	(to November 2018)	
OTHER COUNCIL MEMBERS	P. Babb		
	R. Corke	Vicar	Ex Officio (from July 2018)
	A. Eglington		
	N. Hewlitt		
	M. Nance		
	A. Oldfield	Churchwarden	Ex Officio
	N. Paulley	(to November 2018)	
	P.S. Robinson	(from November 2018)	
	R. Sutton		
	J. Tudge	Churchwarden	Ex Officio
	H. Wells	PCC Nominee	
	P. Young	(from July 2018)	
PRINCIPAL OFFICE	Parish Office Church Street Great Malvern WR14 2AY		
AUDITORS	Kendall Wadley LLP Granta Lodge 71 Graham Road Great Malvern WR14 2JS		
BANKERS	Barclays Bank Plc 2 Worcester Road Great Malvern WR14 4QR		
	C.O.I.F Charities Deposit Fund 80 Cheapside London EC2V 6DZ		
INVESTMENT MANAGERS	Investec Wealth & Investment 2 Gresham Street London EC2V 7QP		

FRIENDS OF MALVERN PRIORY

Report of the Friends

The Friends present their report and accounts for the year ended 31 December 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the Church of England Measures (the Parochial Church Councils (Powers) Measure 1956 as amended and the Church Representation Rules (contained in Schedule 3 to the Synodical Government Measure 1969, as amended)), the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

REFERENCE AND ADMINISTRATIVE INFORMATION

The Friends of Malvern Priory was registered with the Charity Commission under charity number 503383, on 13 November 1974. The Charity's trustees, principal officers, principal addresses and particulars of the Charity's professional advisors are given on the reference and administrative page.

OBJECTIVES AND ACTIVITIES

The objects of the Charity are the upkeep of the fabric of Malvern Priory, and its furnishings and adornment. This is done by approval of grants towards specific projects being undertaken by Great Malvern Priory.

The Friends of Malvern Priory were bequeathed a share of the residue of the estate of Martin Radford who died on 30 January 1982. It was resolved at the Annual General Meeting of the Friends on 3 December 1982 to leave the handling and usage of the bequest in the hands of a sub-committee who were appointed to act. The funds are restricted in that they can only be used for the preservation and beautification of the fabric of the church.

During the year the Friends of Malvern Priory continued to purchase and sell investments in listed companies in order to generate funds to meet the objectives of the Charity.

Under the Council of Friends' minutes of 9 April 1984 the accounts of the Radford Bequest are to be approved by the sub-committee.

PUBLIC BENEFIT

The Friends of Malvern Priory activities are focused on the preservation of the heritage of Malvern Priory Church, founded in 1085, and now incorporating, amongst other important features, some of the finest medieval and Victorian stained glass in Europe. The Priory is a notable attraction to tourists, both from the UK and from overseas, which in turn contributes significantly to the local economy. The church continues to be used for Civic Services and for secular and educational functions. It is unlikely the congregation of the church could afford the upkeep without the help of the charity. Having due regard to the guidance issued by the Charities Commission and the foregoing, the activities of the charity deliver public benefit.

FRIENDS OF MALVERN PRIORY

Report of the Friends

ACHIEVEMENT AND PERFORMANCE

During the period the Friends of Malvern Priory continued to carry on its aims and objectives of the upkeep of the fabric of Malvern Priory. During the period grants totalling £36,000 (2017 - £7,000) were provided to Malvern Priory PCC.

FINANCIAL REVIEW

During the year expenditure exceeded income by £15,232 (2017 - income exceeded expenditure £20,540) prior to investment losses of £22,900 (2017 - profit £22,056). This provided a negative net movement in funds of £38,131 (2017 positive movement £42,596).

The restricted fund made a realised loss on the sale of investments in the period of £4,615 (2017 - profit £23,834).

Dividends and treasury interest received in the period amounted to £11,421 (2017 - £10,538) and bank interest of £282 was received (2017 - £145).

At 31 December 2018 the unrestricted (general) funds of the charity amounted to £73,937 (2017 - £65,828), and the restricted funds of the charity amounted to £351,563 (2017 - £397,804). This equates to total resources of £425,500 (2017 - £463,632).

Reserves policy

It is the policy of the charity to maintain unrestricted funds at a level to provide sufficient reserves to fund the ongoing repairs and maintenance of the Malvern Priory in accordance with the objects of the charity and to fund the governance costs of the charity.

Investment policy

The Radford fund is advised by stockbrokers Investec Wealth and Investment who provide valuations and details of sales and purchases of all investments.

Principal risks and uncertainties

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

Principal sources of funding

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

PLANS FOR FUTURE PERIODS

The Friends are in discussions with Great Malvern Priory as to possible future roles, particularly in the light of the Priory considering a significant development plan for the building.

FRIENDS OF MALVERN PRIORY

Report of the Friends

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Friends of Malvern Priory is operated under the rules of its Constitution dated 16 July 1949 and amended on 14 May 2014.

The management of the Society is the responsibility of the Council, who are elected at the Annual General Meeting. This was held on 24 June 2018. Training is provided for those elected through access to the Charity Commission publications and website.

The Council is presided over by a Chairman, Honorary Secretary and Honorary Treasurer.

Principal Council Members

The principal officers of the fund during the year were:

Chairman: P.J. Chappell

Honorary Secretary: R. Boyer

Honorary Treasurer: D.R. Valentine

Following a period of Interregnum, Revd Rod Corke was inducted as Vicar on 24 June 2018.

Martin Radford Bequest Trustees

Trustees are appointed by the Council to ensure that the funds are managed in accordance with the Bequest.

The Trustees who served during the year were:

P.R. Duckworth (to January 2018)

A. Huntley (from February 2018)

P.N. Hewitt

P.S. Robinson

N. Paulley (from 29 November 2018)

Other Council Members and Trustees

The Vicar and Churchwardens are ex officio members of the Council.

See Page 1 for full list of members

Related Parties

The Friends of Malvern Priory have a close relationship with Malvern Priory PCC, to whom grants are made for the preservation and beautification of the fabric of the building.

Disclosure of information to auditors

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

Approved by the Friends and signed on their behalf



A. Huntley
Radford Trustee

Date: 6 June 2019

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

We have audited the accounts of The Friends of Malvern Priory for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2016).

In our opinion, the accounts:

- give a true and fair view of the state of the charity's affairs as at 31 December 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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 accounts is not appropriate; or
- the Trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Friends of Malvern Priory'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 accounts 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 accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

FRIENDS OF THE MALVERN PRIORY**Auditors' Report to the
Friends of the Malvern Priory****Matters on which we are required to report by exception**

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to 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 auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts 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.

Other matters which we are required to address

Your attention is drawn to the fact that the charity has prepared accounts 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

FRIENDS OF THE MALVERN PRIORY

Auditors' Report to the
Friends of the Malvern Priory



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

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

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

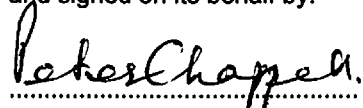
FRIENDS OF MALVERN PRIORY**Statement of Financial Activities**
for the year ended 31 December 2018

	<u>Note</u>	Unrestricted Funds £	Restricted Funds £	2018 £	2017 £
INCOME AND ENDOWMENTS FROM:					
Donations and legacies	3	8,256	-	8,256	11,414
Other trading activities					
Functions		3,608	-	3,608	3,080
Guide books and bookshop sales		20,349	-	20,349	23,445
Investment income	4	181	11,522	11,703	10,683
Total		32,394	11,522	43,916	48,622
EXPENDITURE ON:					
Raising funds	6	16,890	-	16,890	15,411
Charitable activities					
Grants payable	7	6,000	30,000	36,000	7,000
Governance costs	8	1,395	4,863	6,258	5,671
Total		24,285	34,863	59,148	28,082
Net income/(expenditure) prior to investments		8,109	(23,341)	(15,232)	20,540
Net realised gains/(losses) on investments	10	-	(4,615)	(4,615)	23,834
Unrealised gains/(losses) on revaluation of investments	10	-	(18,285)	(18,285)	(1,778)
Net income/(expenditure) being the net movement in funds		8,109	(46,241)	(38,132)	42,596
Reconciliation of funds:					
Total funds at 1 January 2018		65,828	397,804	463,632	421,036
Total funds at 31 December 2018	14	73,937	351,563	425,500	463,632

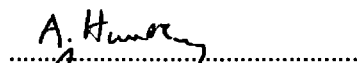
FRIENDS OF MALVERN PRIORY**Balance Sheet**
as at 31 December 2018

	<u>Note</u>	£ <u>2018</u>	£ <u>2017</u>
FIXED ASSETS			
Investments	10	299,215	318,362
CURRENT ASSETS			
Stock		10,672	11,765
Debtors	11	619	2,045
Cash at Bank and In Hand		148,326	133,430
		<u>159,617</u>	<u>147,240</u>
Creditors:			
Amounts falling due within one year	12	33,332	1,970
		<u>126,285</u>	<u>145,270</u>
NET CURRENT ASSETS			
		<u>126,285</u>	<u>145,270</u>
NET ASSETS		<u>425,500</u>	<u>463,632</u>
FUNDS			
Unrestricted	14a	73,937	65,828
Restricted	14b	351,563	397,804
		<u>425,500</u>	<u>463,632</u>

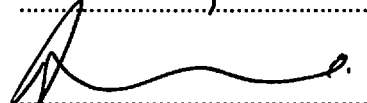
Approved by the Friends on
and signed on its behalf by:


.....

P.J. Chappell, Chairman of The Friends of Malvern Priory


.....

A. Huntley, Radford Bequest Sub Committee


.....

D.R. Valentine, Hon. Treasurer

CHARITY No. 503383

The notes on pages 11 to 17 form part of these financial statements.

FRIENDS OF MALVERN PRIORY**Statement of cash flows**
for the period ended 31 December 2018

	<u>Note</u>	<u>2018</u>		<u>2017</u>	
		£	£	£	£
Cash flows from operating activities					
<i>Net cash used in operations</i>	15		6,946		353
Cash flows from investing activities					
Dividends and interest from investments		11,703		10,683	
Proceeds from sale of investments		98,227		145,746	
Purchase of investments		<u>(101,980)</u>		<u>(126,460)</u>	
<i>Net cash provided by investments</i>			7,950		29,969
<i>Change in cash and cash equivalents in the reporting period</i>			<u>14,896</u>		<u>30,322</u>
Cash and cash equivalents at the beginning of the reporting period			133,430		103,108
<i>Cash and cash equivalents at the end of the reporting period</i>	15		<u><u>148,326</u></u>		<u><u>133,430</u></u>

FRIENDS OF MALVERN PRIORY

Notes to the Financial Statements for the year ended 31 December 2018

1. STATEMENT OF RESPONSIBILITIES OF THE FRIENDS

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

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

In preparing these accounts, the Friends are required to:

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

The Friends are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts Reports) Regulations 2008 and trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Friends are aware:

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

2. ACCOUNTING POLICIES

COMPANY INFORMATION

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

ACCOUNTING CONVENTION

The accounts have been prepared in accordance with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice

applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

FRIENDS OF MALVERN PRIORY**Notes to the Financial Statements for the year ended 31 December 2018****GOING CONCERN**

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

CHARITABLE FUNDS

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

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

DONATIONS, GIFTS and LEGACIES

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

INVESTMENT INCOME

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

RESOURCES EXPENDED

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

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

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

GRANT MAKING POLICIES**The Restricted Funds**

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

The General Funds

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

FIXED ASSET INVESTMENTS

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

STOCK

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

CASH AND CASH EQUIVALENTS

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

FRIENDS OF MALVERN PRIORY

Notes to the Financial Statements
for the period ended 31 December 2018

FINANCIAL INSTRUMENTS

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

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

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

Basic Financial Assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

Basic Financial Liabilities

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

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

Derecognition of Financial Liabilities

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

FRIENDS OF MALVERN PRIORY**Notes to the Financial Statements
for the period ended 31 December 2018**

3. DONATIONS AND LEGACIES	Unrestricted	Restricted	<u>2018</u> Total	<u>2017</u> Total
	£	£	£	£
Subscriptions	3,120	-	3,120	8,795
Donations	2,365	-	2,365	2,619
Legacies	2,771	-	2,771	-
	<u>8,256</u>	<u>-</u>	<u>8,256</u>	<u>11,414</u>
31 December 2017	<u>11,414</u>	<u>-</u>	<u>11,414</u>	
4. INVESTMENT INCOME	Unrestricted	Restricted	<u>2018</u> Total	<u>2017</u> Total
	£	£	£	£
Dividends and interest on listed investments	-	11,421	11,421	10,538
Interest on cash deposits	181	101	282	145
	<u>181</u>	<u>11,522</u>	<u>11,703</u>	<u>10,683</u>
31 December 2017	<u>93</u>	<u>10,590</u>	<u>10,683</u>	
5. EXPENDITURE	Unrestricted	Restricted	<u>2018</u> Total	<u>2017</u> Total
	£	£	£	£
Net incoming (resources expended)/resources are stated after charging:				
Audit remuneration	<u>180</u>	<u>805</u>	<u>985</u>	<u>985</u>
6. RAISING FUNDS	Unrestricted	Restricted	<u>2018</u> Total	<u>2017</u> Total
	£	£	£	£
Function costs	1,201	-	1,201	1,028
Guide books	1,001	-	1,001	427
Shop purchases	14,688	-	14,688	13,956
	<u>16,890</u>	<u>-</u>	<u>16,890</u>	<u>15,411</u>
31 December 2017	<u>15,411</u>	<u>-</u>	<u>15,411</u>	

Function costs include £1,030 monies paid out for the outing to Leicester (2017 - Llandaff). The monies received for this trip amounted to £1,477, giving a profit on the trip of £437 (2017 profit £220).

7. GRANTS PAYABLE	Unrestricted	Restricted	<u>2018</u> Total	<u>2017</u> Total
	£	£	£	£
All grants are payable to Malvern Priory PCC.				
Contribution from Shop Trading	6,000	-	6,000	7,000
SW Buttress Stonework	-	30,000	30,000	-
	<u>6,000</u>	<u>30,000</u>	<u>36,000</u>	<u>7,000</u>
31 December 2017	<u>7,000</u>	<u>-</u>	<u>7,000</u>	

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

At 31 December 2018 grants have been approved in principal of £16,800 for future works to be undertaken by Malvern Priory PCC.

FRIENDS OF MALVERN PRIORY**Notes to the Financial Statements
for the period ended 31 December 2018**

8. GOVERNANCE COSTS	Unrestricted	Restricted	<u>2018</u> Total £	<u>2017</u> Total £
	£	£	£	£
Secretarial expenses	796	-	796	354
Auditors fees	180	805	985	985
Fee charges (Investments)	-	4,058	4,058	4,216
Shop Manager Expenses	50	-	50	116
Insurance	369	-	369	
	<u>1,395</u>	<u>4,863</u>	<u>6,258</u>	<u>5,671</u>
31 December 2017	<u>650</u>	<u>5,021</u>	<u>5,671</u>	

9. TRUSTEES:

None of the trustees (or any person connected with them) received any remuneration nor were reimbursed expenses during the year.

10. LISTED INVESTMENTS – RESTRICTED	<u>2018</u> £	<u>2017</u> £
Balance brought forward 01.01.18	318,362	315,592
Additions	101,980	126,460
Disposals	(98,227)	(145,746)
Revaluations	(18,285)	(1,778)
Profit (Loss) on Disposal	(4,615)	23,834

Balance carried forward 31.12.18	<u>299,215</u>	<u>318,362</u>
----------------------------------	----------------	----------------

Cost	<u>302,332</u>	<u>288,891</u>
------	----------------	----------------

Fixed asset Investments at market value comprised:

	<u>2018</u>			<u>2017</u>		
	Book Cost £	Value £	%	Book Cost £	Value £	%
UK fixed interest securities	8,700	8,678	2.9%	13,649	13,598	4.3%
UK equities	134,942	127,643	42.7%	137,469	153,415	48.2%
Overseas Fixed Interest	27,357	26,205	8.8%	27,336	27,434	8.6%
North American equities	15,645	16,225	5.4%	15,699	16,627	5.2%
Far East & Australasian equities	18,811	23,977	8.0%	8,418	14,055	4.4%
International equities	44,052	45,254	15.1%	48,790	55,815	17.5%
UK Property	15,083	14,025	4.7%	10,073	10,450	3.3%
Alternative Assets	27,457	27,638	9.2%	27,457	26,968	8.5%
Emerging Economies	10,285	9,570	3.2%	-	-	0.0%
	<u>302,332</u>	<u>299,215</u>	<u>100%</u>	<u>288,891</u>	<u>318,362</u>	<u>100%</u>

11. DEBTORS	Unrestricted	Restricted	<u>2018</u> Total £	<u>2017</u> Total £
	£	£	£	£
Income tax on gift aid	619	-	619	2,045
	<u>619</u>	<u>-</u>	<u>619</u>	<u>2,045</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN 1 YEAR	Unrestricted	Restricted	<u>2018</u> Total £	<u>2017</u> Total £
	£	£	£	£
Audit accrual	180	805	985	1,970
Grant to Great Malvern Priory PCC	2,000	30,000	32,000	-
Expenses	347	-	347	-
	<u>2,527</u>	<u>30,805</u>	<u>33,332</u>	<u>1,970</u>

FRIENDS OF MALVERN PRIORY**Notes to the Financial Statements
for the period ended 31 December 2018**

13 FINANCIAL INSTRUMENTS	2018	2017
	£	£
Carrying amount of financial assets.		
Debt instruments measured at amortised cost	619	2,045
Carrying amount of financial liabilities.		
measured at amortised cost	33,332	1,970

14 ALLOCATION OF CHARITY NET ASSETS

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

	Investments	Net Current Assets	2018 Total
	£	£	£
Restricted Funds:- Martin Radford Bequest	299,215	52,348	351,563
Unrestricted Funds:- General Fund	-	73,937	73,937
	299,215	126,285	425,500

14a. UNRESTRICTED FUNDS

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

14b. RESTRICTED FUNDS

	Balance 01.01.18 b/f	Incoming Resources	Resources Expended	Loss on investments	Balance 31.12.18 c/f
	£	£	£	£	£
Martin Radford Bequest	397,804	11,522	(34,863)	(22,900)	351,563
	397,804	11,522	(34,863)	(22,900)	351,563

The Friends of Malvern Priory were bequeathed a share of the residue of the estate of Martin Radford who died on 30 January 1982. It was resolved at the Annual General Meeting of the Friends on 3 December 1982 to leave the handling and usage of the bequest in the hands of a sub-committee who were appointed to act. The funds are restricted in that they can only be used for the preservation and beautification of the fabric of the church.

Notes to the Financial Statements**15. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO
NET CASH FLOW FROM OPERATING ACTIVITIES**

	<u>2018</u>	<u>2017</u>
	£	£
Net Income for the reporting period (per SOFA)	(38,132)	42,596
Adjustments for:		
Unrealised losses/(gains) on investments	18,285	1,778
Dividends, interest and rents from investments	(11,703)	(10,683)
Realised gains on the sale of fixed assets	4,615	(23,834)
(Increase)/decrease in stocks	1,093	(8,517)
(Increase)/decrease in debtors	1,426	(1,709)
Increase in creditors	31,362	722
Net cash used in operations	<u><u>6,946</u></u>	<u><u>353</u></u>
 Analysis of cash and cash equivalents		
Cash in hand	<u>148,326</u>	<u>133,430</u>
Total cash and cash equivalents	<u><u>148,326</u></u>	<u><u>133,430</u></u>

16. AUDITORS' ETHICAL STANDARDS

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