

Charity Registration No. 1128064

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

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

The names of those who have served as trustees from 1 January 2023 until the date this report was approved are:

Ex officio members of the PCC

Licensed clergy Rev'd Roderick Corke (Vicar) (Chairman)
 Rev'd Adam Wharton (Curate) (from September 2023)

Deanery Synod Members

Mr Semer La Fontaine
Mrs Rachel Huntley
Mrs Gillian Maxim
Mr Derek Valentine
Mr Richard Weatherill

Churchwardens

Dr David Guy
Mr Neill Paulley

Ordinary Members of the PCC

Mrs Judith Butler
Mr James Hall
Dr Thrisha John
Dr Alistair Sawers
Mr Robert Sykes
Mrs Helen Wall
Mr Jeremy Wray

From May 2023 Mrs Claire Darnborough
 Dr Philippa Lowe

From November 2023 Mrs Gillian Munro

Principal Officers

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

Charity number

1128064

Principal address

The Parish Office
Church House
Church Street
Malvern
WR14 2AY

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

LEGAL AND ADMINISTRATIVE INFORMATION

Auditor	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS
Bankers	Lloyds Bank Plc 48 Belle Vue Terrace Malvern Worcestershire WR14 4QG HSBC Bank plc 1 Church Street Malvern Worcestershire WR14 2AB CAF Bank Ltd 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Investment advisors	CCLA Investment Management Limited 85 Queen Victoria Street London EC4V 4ET

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

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

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their report and accounts for the year ended 31 December 2023.

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

Objectives and activities

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

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

During 2023 the Priory's Vicar was the Revd Roderick Corke. He was assisted by the Revd Adam Wharton, a number of retired clergy with permission to officiate and by four Licensed Lay Ministers (formerly known as Licensed Readers).

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

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

The Priory is a Grade 1 Listed Building of national significance. The PCC provides a paid full-time Custos and part-time Deputy and Assistant Custodes to ensure that the building is open as much as possible; normally the Priory is open every day from 9.00am to 4.45pm. Volunteers act as guides and welcomers. The Friends of Malvern Priory provide guided tours for interested groups. The Priory attracts around 40,000 visitors annually.

Promoting the Whole Mission of the Church

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

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

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

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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

A Conservation Management Plan (CMP) was produced, with the initial encouragement and assistance of the Church Buildings Council in 2014. The plan links the future development of the Priory building to appropriate additional uses, whilst respecting, conserving and explaining its heritage. The first issue was published in March 2015 under the title of The Priory Plan and copies were made available to relevant organisations in the town as well as being made available to all through the Priory's website. The Priory Development Plan, as it is now called, is an evolving process and work has continued with a PCC Committee overseeing the process. A revised edition of the CMP was issued in 2017, to take account of the significant conservation work described later, and further revisions were undertaken in 2020, 2021 and 2023.

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

Achievements and performance

Regular Public Worship and other services

Each Sunday morning there are two services. A service of Holy Communion (BCP) at 8.00 am followed by the main service at 10.30 am. The 10.30 am services comprise Communion services (based on Common Worship) generally on the 1st and 3rd Sundays of each month, Altogether Worship (a less formal service for all ages) on the 2nd Sundays, Morning Worship on the 4th Sundays and Communion in the Round on 5th Sundays. Evening services at 6.30pm comprise informal Evening Worship or The Gathering (a cafe style church), Holy Communion, Evensong or Choral Evensong. There is a midweek Communion service at 11.30 am on Wednesdays.

Because of the pandemic the average attendance at weekly services in church in 2020 and 2021 declined markedly. However, attendance at services gradually increased during 2022 and continued into 2023 so that in October 2023 there was an average weekly attendance of 264 adults and 18 under 16s (these compare with pre-pandemic annual weekly averages of 268 adults and 25 under 16s).

There were 9 funerals in the church in 2023 (10 in 2022). There were 9 weddings (6 in 2022) and 11 baptisms (4 in 2022).

Morning Prayer is usually said every weekday morning. Many visitors leave written prayer requests, which are remembered in prayer on the following morning, and there is increasing use of the prayer candle stand. St Anne's Chapel is also set aside for private prayer and reflection and was used for prayer ministry to individuals during Sunday services.

During Lent and Advent a series of midweek evening compline services were held in church.

Ministry of music

This is led by a Director of Music, Piers Maxim, to enhance public worship, assisted by two other organists as necessary. We had an organ scholar for the first six months of 2023.

The Priory Choir of junior choristers, lady altos and men sing at most Sunday morning services, except for the majority of Altogether Worship services which are usually led by the Priory Orchestra of adult and junior musicians. The Priory Singers, a mixed adult choir, sing at evening services of Holy Communion, Evensong and Choral Evensong. The Priory Singers and Choir combine resources for the Advent and Christmas Carol Services. An informal Praise Group of singers and instrumentalists sings before some Sunday morning services and during occasional main services. A Worship Band plays at The Gathering.

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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Pastoral Work

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

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

Teaching of Christianity through sermons, courses and small groups

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

Provision of Children's & Youth Work (C&Y) with a Christian ethos

The current Priory C&Y groups are: Junior Choir (ages 7-18); FROGS (Fully Reliant On God) (ages 3 - 11) and Identity (ages 11-18).

2023 saw consolidation of the groups as established in 2022. Numbers of children and young people have fallen slightly as some of the choir children have stepped back due to pressures of school and exams. Catherine Ponting stepped down as C&Y administrator at the end of the summer term and as yet no-one has come forward to take on this role. The PCC has been considering various options including a paid Children and Families worker and a Mission Accompanier.

Junior Choir meets weekly for Friday rehearsals and to sing for the usual Sunday morning services. The core members of the Junior Choir have remained dedicated although some of the newer members have come and gone. They staged the popular annual Choristers' Concert in February and enjoyed a happy weekend away at the Viney Hill Christian Adventure Centre in September.

Messy Church continues to flourish. There were eight sessions over the course of the year and a total of 91 children attended at least one session. This again included a large number of new families. Attendance was on average, higher than 2022.

Identity has continued to flourish, with 10-12 choir children attending on a regular basis – we are still working on how to encourage attendance from the non-choir children.

FROGS attendance has varied - some weeks we have had eight or more children. Most of the choir children have now moved up to Identity, so now FROGS focuses on our much younger members. We pray for more families to join us.

Lifepath 2023 in June was another highlight with positive feedback from school staff, pupils and volunteers; some 650 children took part over the week. Schools have continued to face the challenges of day-to-day life following the pandemic and the effects on their pupils, so the time for reflection was particularly valuable to them.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

Links with the town and traders have remained strong. The Priory joined with Malvern Town and Malvern Hills District Councils to bring cheer to the town through flowers and lights in the spring and around Christmas time respectively. We again hosted an Easter Garden and a Remembrance Garden designed and laid out by Yarnbomb Great Malvern and held a service on Armistice Day and a Remembrance Day Service in collaboration with Malvern Town Council. We hosted eight Farmers' markets in the grounds (one had to be cancelled owing to poor weather forecast). We also hosted five Arts and Crafts markets, in addition to the market and events (music and activities for all ages), associated with the Malvern Christmas Festival.

We again hosted five very successful and well received organ recitals attracting visitors from far afield as well as from the local community.

In addition, we hosted 31 concerts in 2023. Many were free lunchtime concerts (free to musicians and attendees), helping to make quality live music available to all, regardless of income.

New collaborations included the hosting of the majority of a 5-day childrens' story-telling event in our grounds (run by Malvern Hills District Council in partnership with Boffy Arts Events); two free lunchtime concerts given by an Italian pianist of international renown; the hosting of a one-day creative writing course; and an exhibition of sketches made by members of a group inspired by a visit to the church.

Another full programme of talks and concerts associated with our Priory Lunchbox series was held; these can typically attract audiences of 150 or more.

The regular Sunday lunches at a local hotel were again successful with around 50 people attending each lunch. They enable members of the congregation to get to know each other better and are most enjoyable.

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

Supporting other charities in the UK and overseas

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

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

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

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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Friends of Malvern Priory

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

The Friends provided grants to the PCC during 2023 to enable works to be carried out on the structure. In support of the conservation of the medieval Creation Window (described below) the Friends embarked on a successful fundraising campaign, raising over £100k towards the required costs. The Friends also contributed significantly towards the replacement of the lead roof of St Anne's chapel.

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

Fabric Matters

General Condition of the Fabric

The Historic England Heritage At Risk Register (current) includes the following for the building:

Priory Church of St Mary and St Michael, Church Street, Malvern - Malvern Hills

Listed Building grade 1. 1082794

Large medieval church of the Benedictine Priory, founded in 1085, it is now a large parish church that dominates the centre of Malvern. It has the largest display of C15 stained glass in England as well as rich furnishings and finishes. Overall, in fair condition but there is a major problem with the stained glass which needs urgent repair. Other problems are the high level stonework of the tower and the high level masonry to south windows. The parish are undertaking a pilot project to repair the stained glass and surrounding fabric to inform a major project of repairs and improved facilities.

A survey of the external and internal stonework by Sally Strachey Historic Conservation (SSHC) in 2016 indicated some 600 repair items of various sizes and degrees of urgency.

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

In 2015 York Glaziers Trust undertook a thorough survey of the Priory's stained glass windows. Their report identified that the Priory's medieval stained glass was facing damage from corrosion of the glass due to rain and internal condensation, and was covered with soot and other dirt. They recommended 'the installation of protective glazing to inhibit ongoing cycles of corrosion that are damaging this historic and unique collection' and that, while the leadwork was generally found to be sound, the glass should be removed to be cleaned in the studio under a microscope.

A pilot project for the conservation of a single medieval window, the Creation Window (sIII) in St Anne's chapel, was granted a faculty and was undertaken in 2022/2023. The objective was to demonstrate and validate the techniques involved in the conservation of medieval glass, including the installation of environmental protective glazing. The environmental conditions of the window continue to be monitored post-completion in order to ascertain the effectiveness of the solution. The funding for the conservation of the Creation Window was attained through the generosity of The Friends of Malvern Priory, the Headley Trust and the Worshipful Company of Glaziers & Painters of Glass.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The lead on the four aisle roofs dates from the 1860s. It was of poor original design, has suffered movement splits, has been patched many times and requires replacement. A faculty was granted to replace some decayed timbers and re-sheet the lead roofing to an improved design on the south choir aisle (St Anne's chapel). The work was completed successfully in early 2023. The Friends of Malvern Priory, the Garfield Weston Foundation, the Droitwich Preservation Trust and the Worcestershire & Dudley Historic Churches Trust provided grants towards the repair of the roof and their contribution is gratefully acknowledged.

During 2023 the design and faculty approval for the lowering of the two nave pew plinths to create a flat floor was completed. This includes the installation of underfloor heating which is hoped eventually to be connected to a heat pump, thus reducing our carbon footprint. Work commenced in early 2024 with expected completion by Easter 2024.

The Historic England Heritage At Risk Register will be updated periodically to reflect the various repairs and conservation as they are completed, with the aim that eventually the building will be able to be removed from the Register.

The Quinquennial Inspection was undertaken during late 2023, including the Priory church building and Church House. The Reports are expected in early 2024.

Other Fabric work during 2023:

- A contract to improve fire safety for the bellringers including a new fire escape route from the ringing chamber onto the south chancel roof, and improved restraint bars at the muster point on the roof is underway.
- Minor repairs identified in the 2018 QI report and via regular inspections have been undertaken, and also the planned cycle of maintenance and painting of gutters and downpipes.
- The annual round of servicing and inspections has been completed.

Work to address further major repairs and conservation work falls under the published Priory Development Plan, described below. The delivery of the full Plan is likely to take a period of some 10-12 years, and will be in at least two, possibly three, phases. There are a further thirteen medieval windows to be repaired and conserved; three further aisle lead roofs; and numerous areas of external stonework. There will also be internal re-ordering.

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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for the Future

Priory Development Plan

As well as undertaking major conservation work to protect and enhance the Priory building, the PDP aims to make the Priory a focal point for the local community with improved facilities that will enable it to be more widely used, both for church services and for other events. It is an ongoing project and the work being planned will take several years to come to fruition. The Plan has set a number of objectives, developed from those previously identified in the Priory's Mission Action Plan (2012-14), its subsequent updating, and the Priory Vision and Strategy (2021 – 2025) document.

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

In January 2019 the PCC requested expressions of interest from 8 national architectural practices for work to develop, repair and conserve the building. A shortlist of three practices was selected and each was given an honorarium to make proposals for how they would take forward the Priory Development Plan. They presented their detailed proposals, containing original ideas and designs, in November 2019. All the practices calculated the cost of meeting the full Plan as being £10M - £12M (now nearer £13M). Using their and other reports during 2022 and 2023 we have continued the process of refining what is required under the Plan, reducing its scope to that which might be achievable within an affordable budget. The elements of the Plan have been divided into three phases for funding purposes. In December 2022 we learnt that an Expression of Interest (EoI) to the National Lottery Heritage Fund (NLHF) for funding support for the first phase had been rejected, but they suggested ways in which our EoI could be improved to address their funding principles. An amended EoI was submitted in September 2023. The NLHF responded favourably with an invitation to prepare a Development Phase application. They visited us in December to see our plans in more detail and discuss how we might move forward.

During the year we have continued to discuss our plans with, inter alia, the Diocesan Advisory Council, Historic England, Malvern Town Council and Malvern Hills District Council. All are supportive.

As part of our aim in the Plan to engage more fully with the local community, we have appointed a volunteer Community Engagement Coordinator. She is working with the local community to identify opportunities to support existing local groups, discover ways to enhance the experience of all visitors and to initiate and promote activities in support of the Priory's outreach objectives. We have also appointed a volunteer Communications Coordinator to establish a "house style" and to lead responsibility for content and upkeep of the website and social media.

Financial review

At 31 December 2023, unrestricted (general) funds were £142,873 (2022 - £101,143); designated funds were £290,250 (2022 - £315,061; and restricted funds were £194,417 (2022 - £150,677). Following a reclassification of some funds previously thought to be endowed, endowment funds have reduced to £76,148 (2022 - £92,057). Total resources were £703,688 (2022 - £658,938).

During 2023 unrestricted general income exceeded expenditure by £4,415 (2022 - £18,372) prior to investment gains of £31,007 (2022 - losses £28,954). After transfers between funds, this provided a positive movement in general funds of £41,730 (2022 - negative movement £18,857).

The variance in income and expenditure from 2022 is primarily attributed to reduced levels of income. The PCC remains focused on improving the level of income received, both through improving the level of stewardship giving from church members as well as that received from visitors.

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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Reserves policy

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

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

The general fund balance at 31 December 2023 (our "reserves") of £142,873 (2022 - £101,143) is primarily a result of improved investment performance. The PCC will review whether it is now able to redesignate some funds to restore funds required to support losses resulting from the closures experienced during the Covid pandemic.

At 31 December 2023, the PCC held unrestricted legacies of £95,265 (2022 - £295,265). The reduction is due to redesignation by the PCC to support the Priory Development Plan project and anticipated shortfalls in funding necessary to complete the floor levelling project in 2024. Legacies and other donations are always gratefully received to support the ministry and mission of the Priory.

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

Asset cover for funds

Note 25 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management

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

- The Parochial Church Councils (Powers) Measure 1956, as amended
- The Church Representation Rules 2022

The method of appointment of PCC members is set out in the Church Representation Rules. All Church attendees are encouraged to register on the Electoral Roll and may stand for election to the PCC. The electoral roll had a total of 314 at the time of the Annual Parochial Church Meeting (APCM) on 3rd May 2023 (the number was the same at the preceding APCM).

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

In 2023 the PCC operated with five Committees reporting to it: Buildings and Grounds, Finance, Mission, Worship and Priory Development Plan (Steering). PCC Groups report to one of these five Committees and the Committees in turn report to the PCC. This enables the PCC to spend time on policy and direction rather than on day-to-day issues.

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

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

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

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

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

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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Safeguarding

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

Screening procedures regarding the protection of children and vulnerable adults are employed. Disclosure and Barring Service (DBS) checks have been obtained as necessary for both paid and volunteer workers. During 2023, 57 DBS checks were processed. As from 1 January 2024 all DBS certificates expire after 3 years (previously 5 years) bringing the renewal process in line with the frequency of refresher safeguarding training.

The PCC previously adopted a further revision of the Diocesan Safer Recruiting Policy 2016 (derived from that of the Church of England) and the scope of these checks extends to cover all volunteers working with children and many of those working with vulnerable adults. It is a requirement that those working with children and vulnerable adults, in a paid or voluntary capacity, undertake a Diocesan Basic Safeguarding Awareness Training course every three years and during 2023 three levels of training (C0 - basic; C1 - foundation; C2 - leadership) were carried out online by volunteers and office holders as appropriate.

In 2023 the PCC continued to use the Diocesan Safeguarding Dashboard to monitor progress and as a means of self-assessment to ensure that it fulfils that duty. An action plan was drawn up and is being implemented.

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

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

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

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Reverend R Corke

Dated: 2 April 2024

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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

Law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

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

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

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

INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the financial statements of The Parochial Church Council of the Ecclesiastical Parish of Saint Mary and Saint Michael Great Malvern (the 'P.C.C.') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the P.C.C.'s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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

Audit response to risks identified

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

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

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

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

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

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

Other matters

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

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

Use of our report

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

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

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Chartered Accountants
Statutory Auditor

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

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

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

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Endowment funds 2023 £	Total 2023 £	Total 2022 £
Income from:							
Voluntary income	3	266,012	255	208,542	-	474,809	336,602
Incoming resources from charitable activities	4	56,654	-	6,151	-	62,805	177,439
Activities for generating funds	5	4,699	-	-	-	4,699	6,045
Investments	6	14,326	-	2,486	-	16,812	12,475
Total income		341,691	255	217,179	-	559,125	532,561
Expenditure on:							
Raising funds	7	3,124	-	-	-	3,124	3,765
Charitable activities	8	334,152	18,572	197,932	-	550,656	549,144
Total resources expended		337,276	18,572	197,932	-	553,780	552,909
Net gains/(losses) on investments	14	31,007	-	2,137	6,261	39,405	(41,035)
Net incoming/(outgoing) resources before transfers		35,422	(18,317)	21,384	6,261	44,750	(61,383)
Gross transfers between funds	15	6,308	(6,494)	22,356	(22,170)	-	-
Net movement in funds		41,730	(24,811)	43,740	(15,909)	44,750	(61,383)
Fund balances at 1 January 2023		101,143	315,061	150,677	92,057	658,938	720,321
Fund balances at 31 December 2023		142,873	290,250	194,417	76,148	703,688	658,938

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total 2022 £
Income from:						
Voluntary income	3	260,932	-	75,670	-	336,602
Incoming resources from charitable activities	4	77,656	1,984	97,799	-	177,439
Activities for generating funds	5	6,045	-	-	-	6,045
Investments	6	11,303	-	1,172	-	12,475
Total income		355,936	1,984	174,641	-	532,561
Expenditure on:						
Raising funds	7	3,765	-	-	-	3,765
Charitable activities	8	333,799	58,225	157,120	-	549,144
Total resources expended		337,564	58,225	157,120	-	552,909
Net gains/(losses) on investments	14	(28,954)	-	(246)	(11,835)	(41,035)
Net incoming/(outgoing) resources before transfers		(10,582)	(56,241)	17,275	(11,835)	(61,383)
Gross transfers between funds	15	(8,275)	(18,992)	27,267	-	-
Net movement in funds		(18,857)	(75,233)	44,542	(11,835)	(61,383)
Fund balances at 1 January 2022		120,000	390,294	106,135	103,892	720,321
Fund balances at 31 December 2022		101,143	315,061	150,677	92,057	658,938

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

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

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

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023	£	2022	£
Fixed assets					
Investments	16		513,534		474,130
Current assets					
Debtors	18		15,136		58,356
Investments	19		176,568		144,612
Cash at bank and in hand			32,667		76,192
			224,371		279,160
Creditors: amounts falling due within one year	20		(34,217)		(94,352)
Net current assets			190,154		184,808
Total assets less current liabilities			703,688		658,938
Capital funds					
Endowment funds	22		76,148		92,057
Income funds					
Restricted funds	23		194,417		150,677
<u>Unrestricted funds</u>					
Designated funds	24		290,250		315,061
General unrestricted funds			142,873		101,143
			433,123		416,204
			703,688		658,938

The accounts were approved by the Trustees on 2 April 2024

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Reverend R Corke
Trustee

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	28		(28,381)		(4,565)
Investing activities					
Purchase of investments		(31,956)		-	
Interest received		16,812		12,475	
Net cash (used in)/generated from investing activities			(15,144)		12,475
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(43,525)		7,910
Cash and cash equivalents at beginning of year			76,192		68,282
Cash and cash equivalents at end of year			32,667		76,192

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

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

1.1 Accounting convention

The accounts have been prepared in accordance with the Church Of England Measures (the Parochial Church Councils (Powers) Measure 1956 as amended and the Church Representation Rules), the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The P.C.C. is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

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

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

1.4 Incoming resources

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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

Realised gains or losses are recognised when investments are sold.

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

1.5 Resources expended

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

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

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

1.6 Fixed asset investments

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

1.7 Cash and cash equivalents

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

1.8 Financial instruments

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

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

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

Basic financial assets

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

Derecognition of financial liabilities

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

1.9 Employee benefits

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

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

1.10 Retirement benefits

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

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

Pension Builder Scheme

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

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

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared, is payable, unreduced, from age 65.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Voluntary income

	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	253,012	255	60,945	314,212	247,920	-	-	247,920
Other general grants	13,000	-	147,597	160,597	13,012	-	75,670	88,682
	<u>266,012</u>	<u>255</u>	<u>208,542</u>	<u>474,809</u>	<u>260,932</u>	<u>-</u>	<u>75,670</u>	<u>336,602</u>
Grants receivable for core activities								
Droitwich Preservation Trust	-	-	10,000	10,000	-	-	-	-
Headley Trust	-	-	-	-	-	-	35,000	35,000
Friends of Malvern Priory	13,000	-	101,932	114,932	10,686	-	39,930	50,616
The Glaziers Foundation	-	-	4,000	4,000	-	-	-	-
Listed Places of Worship Grant	-	-	30,665	30,665	-	-	-	-
Other	-	-	1,000	1,000	2,326	-	740	3,066
	<u>13,000</u>	<u>-</u>	<u>147,597</u>	<u>160,597</u>	<u>13,012</u>	<u>-</u>	<u>75,670</u>	<u>88,682</u>

Included in other grants is £13,000 (2022 - £10,000) received from the Friends of Malvern Priory being gifted from the surplus arising from the operation of the Friend's Shop, together with £nil (2022 - £686 received as a contribution towards a new noticeboard), £66,612 as a grant towards the Creation Window and £35,320 (2022 - £39,930 as a grant towards the cost of repairs to St Anne's Chapel roof).

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

4 Incoming resources from charitable activities

	Various projects £	Collecting box £	Other donations £	Facility fees £	Total 2023 £	Total 2022 £
Charitable rental income	-	-	-	4,167	4,167	5,832
Other income	6,151	25,415	20,916	6,156	58,638	171,607
	<u>6,151</u>	<u>25,415</u>	<u>20,916</u>	<u>10,323</u>	<u>62,805</u>	<u>177,439</u>
Analysis by fund						
Unrestricted funds - general	-	25,415	20,916	10,323	56,654	
Restricted funds	6,151	-	-	-	6,151	
	<u>6,151</u>	<u>25,415</u>	<u>20,916</u>	<u>10,323</u>	<u>62,805</u>	
For the year ended 31 December 2022						
Unrestricted funds - general	-	25,848	36,793	15,015		77,656
Unrestricted funds - designated	-	-	1,984	-		1,984
Restricted funds	97,799	-	-	-		97,799
	<u>97,799</u>	<u>25,848</u>	<u>38,777</u>	<u>15,015</u>		<u>177,439</u>

A detailed listing of restricted income is given in note 23.

	2023 £	2022 £
Various		
Offerings	-	247
Other donations	-	808
Weddings and funerals	2,270	3,915
Messy Church	612	61
Lifepath	3,144	2,686
Other fund raising	-	3,337
Furtherance of bellringing	-	1,330
Floor project	-	15,585
Vicars Discretionary	125	-
St Anne's Roof	-	63,580
Audio Visual	-	6,250
	<u>6,151</u>	<u>97,799</u>

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

5 Activities for generating funds

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Malvern Priory Magazine	4,699	6,045

6 Investments

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Income from listed investments and charities funds	11,660	823	12,483	10,415	873	11,288
Interest receivable	2,666	1,663	4,329	888	299	1,187
	<u>14,326</u>	<u>2,486</u>	<u>16,812</u>	<u>11,303</u>	<u>1,172</u>	<u>12,475</u>

7 Raising funds

	2023 £	2022 £
<u>Trading costs</u>		
Magazine - direct costs	3,124	3,765
	<u>3,124</u>	<u>3,765</u>

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Charitable activities

	Charitable objectives £	Costs of ministry £	Total 2023 £	Total 2022 £
Staff costs	-	115,142	115,142	109,067
Various projects (breakdown on next page)	216,639	-	216,639	204,934
Ministry - diocesan parish share	-	73,777	73,777	72,331
Clergy costs	-	238	238	1,463
Church running expenses	-	69,498	69,498	53,695
Church maintenance	-	21,395	21,395	20,056
Cost of services	-	4,639	4,639	4,800
Miscellaneous (including room hire)	-	7,200	7,200	7,200
Youth and Children's work	-	1,575	1,575	230
Promotion and Outreach	-	1,295	1,295	992
Ministry support fund	-	-	-	25,000
Altar supplies and flowers	-	536	536	1,290
Other costs	-	(271)	(271)	1,278
	<u>216,639</u>	<u>295,024</u>	<u>511,663</u>	<u>502,336</u>
Grant funding of activities (see note 9)	-	18,320	18,320	19,020
Support costs (see note 11)	-	14,778	14,778	23,208
Governance costs (see note 11)	-	5,895	5,895	4,580
	<u>216,639</u>	<u>334,017</u>	<u>550,656</u>	<u>549,144</u>
Analysis by fund				
Unrestricted funds - general	-	334,152	334,152	
Unrestricted funds - designated	18,572	-	18,572	
Restricted funds	198,067	(135)	197,932	
	<u>216,639</u>	<u>334,017</u>	<u>550,656</u>	
For the year ended 31 December 2022				
Unrestricted funds - general	-	333,799		333,799
Unrestricted funds - designated	51,625	6,600		58,225
Restricted funds	153,309	3,811		157,120
	<u>204,934</u>	<u>344,210</u>		<u>549,144</u>

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Charitable activities

(Continued)

An analysis of various projects follows:

Various projects

	2023	2022
	£	£
Offerings gifted	-	3,422
Christmas outreach and welcome days	-	102
Church house renovation and re-purposing costs	-	411
Church restoration costs	39	5,566
Other costs	461	1,544
Weddings and funerals	2,491	2,395
Messy Church	665	391
Lifepath	2,299	3,153
Furtherance of bellringing	-	1,330
Priory plan	18,448	50,025
Floor Project	13,120	7,605
Creation Window	119,298	6,432
St Anne's Roof	59,496	92,470
Audio Visual	244	30,088
Organ recitals	78	-
	<u>216,639</u>	<u>204,934</u>

Expenses relating to Creation Window and St Anne's Roof have been covered by grants received from The Friends of Malvern Priory and external grants.

9 Grants payable

	2023	2022
	£	£
Grants to institutions:		
CMS	2,000	2,000
Crosslinks	2,000	2,000
CPAS	1,185	1,285
Tearfund	1,185	1,285
Bible Society	1,185	1,285
Christians Against Poverty	2,000	2,000
Other grants <£1,000	525	525
Lifewords	500	500
Care for the Family	1,185	1,285
Scripture Union	1,185	1,285
Care Trust	500	500
Open Doors	1,185	1,285
Friends of Marsabit	2,000	2,000
Mission Aviation Fellowship	1,185	1,285
Mosaic Middle East	500	500
	<u>18,320</u>	<u>19,020</u>

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Trustees

Rev'd Rod Corke received re-imbursed expenses, totalling £236 in the year (2022 - £nil), Other Trustees reimbursed expenses totalled £2,353 (2022 - £nil).

In addition, one employees is a close family member of a Trustee. Their employment preceded their family member becoming a Trustee. Other Trustees or persons related to them may receive occasional paid work. Amounts paid in respect of 2023 were:

Piers Maxim, husband of Trustee Gilly Maxim £14,552

No other Trustees (or any persons connected with them) received any remuneration during the year.

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

11 Support costs

	Support costs	Governance costs	2023	2022	Basis of allocation
	£	£	£	£	
Staff costs	-	1,875	1,875	1,625	Time spent
Office costs	6,602	-	6,602	15,625	Charitable activities
Subscriptions	5,236	-	5,236	5,370	" "
Postage and stationery	2,940	-	2,940	2,213	" "
Audit fees	-	2,500	2,500	2,500	Governance
Accountancy	-	1,520	1,520	455	Governance
	<u>14,778</u>	<u>5,895</u>	<u>20,673</u>	<u>27,788</u>	
Analysed between					
Charitable activities	<u>14,778</u>	<u>5,895</u>	<u>20,673</u>	<u>27,788</u>	

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

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Ministry and administration	<u>5</u>	<u>5</u>

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

12 Employees	(Continued)	
Employment costs	2023	2022
	£	£
Wages and salaries	104,547	99,601
Social security costs	3,135	2,420
Other pension costs	9,335	8,671
	<u>117,017</u>	<u>110,692</u>

The above number of employees represents 5 (2022 - 5) full time equivalent positions. No (2022 - no) employees are in receipt of remuneration in excess of £60,000.

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

14 Net gains/(losses) on investments

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2023 £	Total 2022 £
Revaluation of investments	<u>31,007</u>	<u>2,137</u>	<u>6,261</u>	<u>39,405</u>	<u>(41,035)</u>
For the year ended 31 December 2022	<u>(28,954)</u>	<u>(246)</u>	<u>(11,835)</u>		<u>(41,035)</u>

15 Transfers

The transfers between Restricted Funds and Unrestricted Funds represent support given from the general fund to the specific activities for which restricted funds have been received, together with a release of £6,494 previously designated for use by the Ministry Support Fund which is no longer required.

The charity has been advised by the Worcester Diocese Board of Finance that the bequests received from B. Woodyatt are not permanent endowment funds and a transfer has been made to reclassify the funds as restricted £22,170.

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

16 Fixed asset investments

	Listed investments £	Cash in portfolio £	Charities Funds £	Total £
Cost or valuation				
At 1 January 2023	198	55,792	418,140	474,130
Valuation changes	122	-	39,282	39,404
	<u>320</u>	<u>55,792</u>	<u>457,422</u>	<u>513,534</u>
At 31 December 2023	320	55,792	457,422	513,534
	<u>320</u>	<u>55,792</u>	<u>457,422</u>	<u>513,534</u>
Carrying amount				
At 31 December 2023	320	55,792	457,422	513,534
	<u>320</u>	<u>55,792</u>	<u>457,422</u>	<u>513,534</u>
At 31 December 2022	198	55,792	418,140	474,130
	<u>198</u>	<u>55,792</u>	<u>418,140</u>	<u>474,130</u>

17 Financial instruments

	2023 £	2022 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	457,742	418,338
	<u>457,742</u>	<u>418,338</u>

18 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
VAT recoverable	-	10,547
Gift Aid	3,975	4,593
Other debtors	11,161	43,216
	<u>15,136</u>	<u>58,356</u>

19 Current asset investments

	2023 £	2022 £
Cash deposits	176,568	144,612
	<u>176,568</u>	<u>144,612</u>

20 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	1,591	1,823
Accruals and deferred income	32,626	92,529
	<u>34,217</u>	<u>94,352</u>

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Retirement benefit schemes

Defined contribution schemes

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

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

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022, and calculations are currently under way.

For the Pension Builder Classic section, the 2019 valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, effective 1 January 2024, the Board chose to grant a discretionary bonus of 6.7% to both pensions not yet in payment and pensions in payment in respect of service prior to April 1997; and a bonus on pensions in payment in respect of post April 2006 service so that the pension increase was 5% (where usually it would be calculated based on inflation up to 2.5%). This followed improvements in the funding position over 2023. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

22 Endowment funds

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

	Balance at 1 January 2022	Investments gains/(losses)	Balance at 1 January 2023	Transfers	Investments gains/(losses)	Balance at 31 December 2023
	£	£	£	£	£	£
Permanent endowments						
Fabric Barlow	3,358	-	3,358	-	-	3,358
B. Woodyatt bequest 1179	8,384	(987)	7,397	(7,397)	-	-
B. Woodyatt bequest 1181	16,744	(1,971)	14,773	(14,773)	-	-
R.P. Pelly 1190	5,573	(656)	4,917	-	463	5,380
H.W. Williams fund 1366	69,833	(8,221)	61,612	-	5,798	67,410
	<u>103,892</u>	<u>(11,835)</u>	<u>92,057</u>	<u>(22,170)</u>	<u>6,261</u>	<u>76,148</u>

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

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2023

23 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Movement in funds					Movement in funds					
	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	Investments gains/losses ¹	Balance at January 2023	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 December 2023
	£	£	£	£	£	£	£	£	£	£	£
Charinco Investment fund (Fabric repair)	910	-	-	-	(188)	722	-	-	-	10	732
S Levitt (Fabric repair)	492	-	-	-	(58)	434	-	(39)	-	41	436
Christmas Outreach and Welcome day	104	-	(102)	-	-	2	-	-	-	-	2
Outside Giving	2,247	3,584	(4,777)	-	-	1,054	-	-	-	-	1,054
Weddings and funerals	-	3,915	(4,020)	105	-	-	2,270	(2,356)	86	-	-
Fabric repair	33,363	917	(5,566)	-	-	28,714	2,118	-	(30,832)	-	-
Youth Doing Christian Work	688	-	-	-	-	688	-	-	-	-	688
Wolmirstedt Travel Fund	56	-	-	-	-	56	-	-	-	-	56
Lifepath	3,879	2,686	(3,611)	-	-	2,954	3,144	(2,298)	-	-	3,800
Furtherance of bellringing	4,924	1,697	(1,330)	-	-	5,291	-	-	-	-	5,291
Sundry funds	640	-	(1,544)	904	-	-	368	(415)	47	-	-

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

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

23 Restricted funds

(Continued)

	Movement in funds					Movement in funds					
	Balance at 1 January 2022	Incoming resources	Resources expended	Transfers	Investments gains/losses ¹	Balance at January 2023	Incoming resources	Resources expended	Transfers	Investments gains/losses	Balance at 31 December 2023
	£	£	£	£	£	£	£	£	£	£	£
Church house repurposing	-	-	(411)	411	-	-	-	-	-	-	-
Priory plan	-	-	-	-	-	-	-	-	-	-	-
Messy Church	-	61	(422)	361	-	-	612	(665)	53	-	-
Other projects	211	696	(342)	-	-	565	-	-	-	-	565
Kay Trust Fund Bequest	10,007	-	-	(10,007)	-	-	-	-	-	-	-
Floor Project	47,514	15,585	(7,605)	-	-	55,494	60,945	(13,120)	30,832	-	134,151
Vicars Discretionary	1,100	-	-	-	-	1,100	125	-	-	-	1,225
St Anne's Roof	-	103,510	(92,470)	-	-	11,040	55,763	(59,496)	-	-	7,307
Audio visuals	-	6,250	(28,488)	35,493	-	13,255	-	(244)	-	-	13,011
Creation Window	-	35,740	(6,432)	-	-	29,308	91,834	(119,299)	-	-	1,843
Woodyatt Bequest (Choir Scholarships)	-	-	-	-	-	-	-	-	7,397	696	8,093
Woodyatt Bequest (Church Fabric Repair)	-	-	-	-	-	-	-	-	14,773	1,390	16,163
	<u>106,135</u>	<u>174,641</u>	<u>(157,120)</u>	<u>27,267</u>	<u>(246)</u>	<u>150,677</u>	<u>217,179</u>	<u>(197,932)</u>	<u>22,356</u>	<u>2,137</u>	<u>194,417</u>

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

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

23 Restricted funds

(Continued)

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

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

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

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

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

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

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

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

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

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

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

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

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

23 Restricted funds

(Continued)

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

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

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

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

St Anne's Roof - funding received to effect repair to the roof of St Anne's Chapel.

Audio Visual Aids - funding received towards the cost of acquiring audio visual aids.

Creation Window - funding received predominantly from the Headley Trust (£35,000) for the protection and conservation of the Creation Window.

B. Woodyatt - funding received towards choir scholarship and church fabric repairs.

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

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

24 Unrestricted funds - designated

These are unrestricted funds which are material to the P.C.C.'s activities.

	Movement in funds				Movement in funds				Balance at 31 December 2023 £
	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	
Legacies	359,721	-	(8,200)	(56,256)	295,265	-	-	(200,000)	95,265
Lunch box cakes and other small designated funds	293	9	-	-	302	-	-	-	302
Floor Fund	13,000	-	-	-	13,000	-	-	100,000	113,000
Priory Plan	17,280	1,975	(50,025)	30,770	-	-	(18,494)	100,000	81,506
Ministry Support Fund	-	-	-	6,494	6,494	-	-	(6,494)	-
Organ recitals	-	-	-	-	-	255	(78)	-	177
	<u>390,294</u>	<u>1,984</u>	<u>(58,225)</u>	<u>(18,992)</u>	<u>315,061</u>	<u>255</u>	<u>(18,572)</u>	<u>(6,494)</u>	<u>290,250</u>

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

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

25 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total	Unrestricted funds	Designated funds	Restricted funds	Endowment funds	Total
	2023	2023	2023	2023	2023	2022	2022	2022	2022	2022
	£	£	£	£	£	£	£	£	£	£
Fund balances at 31 December 2023 are represented by:										
Investments	359,490	-	77,896	76,148	513,534	328,483	-	53,590	92,057	474,130
Current assets/(liabilities)	(216,617)	290,250	116,521	-	190,154	(227,340)	315,061	97,087	-	184,808
	<u>142,873</u>	<u>290,250</u>	<u>194,417</u>	<u>76,148</u>	<u>703,688</u>	<u>101,143</u>	<u>315,061</u>	<u>150,677</u>	<u>92,057</u>	<u>658,938</u>

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

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

26 Capital commitments

At 31 December 2023 the P.C.C. had commenced work on two major capital projects, the renewal of the roof of St Anne's Chapel and the restoration work of the medieval Creation Window. Expenditure in year on the roof amounted to £56,000 plus VAT, with a release of retention of circa £3,000 due in 2024. Expenditure in year for the Creation Window was £120,000 plus VAT, with a release of retention of circa £4,000 due in 2024. The cost of these two projects has been covered mainly by grants receivable, principally Friends of Malvern Priory together with funds from other sources.

Additionally, a smaller project to enhance fire safety facilities for the bellringers will cost circa £6,000, half of which was payable in 2023, and the remainder in 2024.

The design preparation for the project to remove raised pew plinths in the nave and install underfloor heating, due to commence construction in early 2024, has cost circa £10,000 + VAT in 2023. The total cost for this project, the great majority of which will be incurred during 2024, is £275,000 + VAT. A number of grants have been received from external bodies, but the majority of the funding will be from church funds.

It is anticipated that most of the VAT incurred on these projects will be recoverable from the Listed Places of Worship Grant Scheme.

27 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

28 Cash generated from operations	2023 £	2022 £
Surplus/(deficit) for the year	44,750	(61,383)
Adjustments for:		
Investment income recognised in statement of financial activities	(16,812)	(12,475)
Fair value gains and losses on investments	(39,405)	41,035
Movements in working capital:		
Decrease/(increase) in debtors	43,220	(36,466)
(Decrease)/increase in creditors	(60,134)	64,724
Cash absorbed by operations	<u>(28,381)</u>	<u>(4,565)</u>

29 Analysis of changes in net debt

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