Charity Registration No. 508876

FRIENDS OF MALVERN COMMUNITY HOSPITAL

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

FRIENDS OF MALVERN COMMUNITY HOSPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A Stevens Mr A Sayers Mrs A P Brennan Mrs A Williams Mrs G Stevens Mr I Blance Ms R Mason
Charity number	508876
Registered office	Walton Mews Hanley Road Malvern Worcestershire WR14 4PH
Independent examiner	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS
Investment advisors	EFG Harris Allday Church Mews Ombersley Worcestershire WR9 0EW

FRIENDS OF MALVERN COMMUNITY HOSPITAL

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FRIENDS OF MALVERN COMMUNITY HOSPITAL

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2025

The trustees present their annual report and financial statements for the year ended 31 December 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Constitution, 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

To encourage the interest of the public in the needs of the patients of the Hospital and to mobilize, encourage, foster and maintain the interest and support of the public in the Hospital.

To foster co-operation and inter-communication between Friends, other charitable institutions, Local Authorities, Hospital Authorities and National Health Service and Trusts, and local doctors.

To raise funds and to invite and receive contributions from any person or persons or organization whatsoever by way of subscription, donation or otherwise for furtherance of the Objects of the Friends.

To supplement the service provided by the Hospital for health, welfare and comfort of the patients and staff therein by the provision of extra equipment which may be required for the treatment of such patients.

To provide, or assist in the provision of amenities for patients and staff at the Hospital such as running a hospital shop or coffee stall.

To do all such things that are necessary for the attainment of the above objects.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

During the year the charity, with hospital staff, ran a Summer Tea Party in the hospital grounds. All the money raised was donated to the hospital. In addition, in order to raise awareness of the charity and Malvern Community Hospital, the charity participated in the Malvern Well Dressing and Water Festival and Worcester Cathedral Christmas Tree Festival.

The hospital is busy and during the year the Trustees continued to receive requests for equipment.
The Trustees consider the Trust Risks as a rolling agenda item at each Trustee meeting.

The Trusts key risks are:

- Investment Portfolio – large fall/loss in value. The Trust uses professionally qualified Investment Managers and adopts a Low Risk approach to investment.
- Failure to comply with Regulations – the main regulatory risk relates to GDPR. A Data Protection Policy is in place and during the year no incidents have been noted. The Charity has registered with the Information Commission Office and Fundraising Preference Service. In considering activities and expenditure, including donations, the Trustees consider compliance with its Objects and Charity Commission requirements.
- Loss of Members Support – the Trust engages with supporters in a number of ways. An AGM is held annually and the Trust participates in local events to raise awareness of the charity and local Community Hospital. In 2025 a Summer Tea Party run in the hospital grounds. The website is regularly updated and communications are sent to members. Nonetheless the Trustees recognise the need to increase the active membership of the charity.

The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Financial review
The total funds of the charity at the year end amounted to £1,715,503 (2024 - £1,573,382) of which £78 (2024 - £1,331) are restricted funds.

Reserves policy
Total reserves at the year end amounted to £1,715,503 (2023 £1,573,382). After eliminating investment property, the free reserves at the end of the year amounted to £1,555,425 which the trustees feel is adequate for the requirements of the charity.

Plans for the future

The trustees will continue to respond to requests from the Hospital for assistance, mainly in the provision of goods and occasionally services.

The Trustees are also considering converting the charity into a Charitable Incorporated Organisation, as this will better suit the charity's operation. This will necessitate closing the existing charity and setting up a new charity, which will take on all assets and liabilities of the existing charity and continue with the same objects. Should this go ahead it will be undertaken in an orderly fashion.

Structure, governance and management
Friends of Malvern Community Hospital is a registered charity and is governed by its Constitution adopted 13 September 1979 and as amended 27 March 2011 and 25 April 2018.

The trustees who served during the year and up to the date of signature of the financial statements were:

A Stevens	
A P Brennan	
G Stevens	
C A Pike	(Resigned 31 May 2025)
A Sayers	
I Blance	
R Mason	
A Williams	(Appointed 13 November 2025)

Trustees are selected for the skills they can offer to the charity and are fully inducted on appointment.

The trustees undertake the day-to-day management of the charity.

The trustees report was approved by the Board of Trustees.

I Blance

Dated: 20 July 2026

FRIENDS OF MALVERN COMMUNITY HOSPITAL

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2025

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

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

In preparing these financial statements, the trustees are required to:
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements 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.

FRIENDS OF MALVERN COMMUNITY HOSPITAL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FRIENDS OF MALVERN COMMUNITY HOSPITAL

I report to the trustees on my examination of the financial statements of Friends of Malvern Community Hospital (the charity) for the year ended 31 December 2025.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011.

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charity as required by section 130 of the Charities Act 2011.
2 the financial statements do not accord with those records; or
3 the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Sarah J. Morley BA (Hons) ACA
Kendall Wadley LLP
Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Dated: 20 July 2026

FRIENDS OF MALVERN COMMUNITY HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2025

Current financial year

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Income from:					
Donations and legacies	**3**	1,889	125	2,014	2,948
Investments	**4**	94,055	-	94,055	72,503
Total income		95,944	125	96,069	75,451
Expenditure on:					
Raising funds	**5**	9,456	-	9,456	9,430
Charitable activities	**6**	25,431	1,378	26,809	34,012
Total resources expended		34,887	1,378	36,265	43,442
Net gains/(losses) on investments	**10**	82,317	-	82,317	44,199
Net movement in funds		143,374	(1,253)	142,121	76,208
Fund balances at 1 January 2025		1,572,051	1,331	1,573,382	1,497,174
Fund balances at 31 December 2025		1,715,425	78	1,715,503	1,573,382

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.

FRIENDS OF MALVERN COMMUNITY HOSPITAL

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2025

Prior financial year

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:				
Donations and legacies	**3**	1,948	1,000	2,948
Investments	**4**	72,503	-	72,503
Total income		74,451	1,000	75,451
Expenditure on:				
Raising funds	**5**	9,430	-	9,430
Charitable activities	**6**	32,343	1,669	34,012
Total resources expended		41,773	1,669	43,442
Net gains/(losses) on investments	**10**	44,199	-	44,199
Net movement in funds		76,877	(669)	76,208
Fund balances at 1 January 2024		1,495,174	2,000	1,497,174
Fund balances at 31 December 2024		1,572,051	1,331	1,573,382

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.

FRIENDS OF MALVERN COMMUNITY HOSPITAL

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Investment property	**12**		160,000		160,000
Investments	**13**		1,369,569		1,270,049
			1,529,569		1,430,049
Current assets					
Other receivables	**14**	893		681	
Cash at bank and in hand		185,846		163,539	
		186,739		164,220	
Current liabilities	**15**	(805)		(20,887)	
Net current assets			185,934		143,333
Total assets less current liabilities			1,715,503		1,573,382
Income funds					
Restricted funds	**16**		78		1,331
Unrestricted funds			1,715,425		1,572,051
			1,715,503		1,573,382

The financial statements were approved by the Trustees on 20 July 2026

I Blance
Trustee

1 Accounting policies

Charity information

Friends of Malvern Community Hospital is a registered charity in England and Wales. The registered office is The Mortons, New Road, Malvern, WR13 6BT.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Constitution adopted 13 September 1979 and amended on 27 March 2011 and 25 April 2018, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, to include investment properties and 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 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 financial statements.

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Incoming resources

Income is recognised when the charity 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 charity 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.

Legacies are recognised on receipt or otherwise if the charity 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.

1 Accounting policies **(Continued)**

1.5 Resources expended

Liabilities are included in the financial statements as soon as recognised.

Costs of generating funds comprise those costs associated with attracting voluntary income and the cost of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grants payable are included in the statement of financial activities when approved.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, whereas other costs are apportioned on a basis of estimated usage.

1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, was acquired through a legacy and measured at fair value on acquisition, this valuation is re-assessed at the reporting period end date. The surplus or deficit on revaluation is recognised through the statement of financial activities.

1.7 Non-current 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 net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

1.9 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 in the charity's balance sheet when the charity 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 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. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

2 Critical accounting estimates and judgements

In the application of the charity'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.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2025	Total 2024
	£	£	£	£
Donations and gifts	1,889	125	2,014	2,262
Memorial/bequests	-	-	-	686
	1,889	125	2,014	2,948
For the year ended 31 December 2024	1,948	1,000		2,948

4 Income from investments

	Unrestricted funds 2025	Unrestricted funds 2024
	£	£
Rental income	12,320	11,957
Income from listed investments	81,735	60,546
	94,055	72,503

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2025	**2024**
	£	**£**
Investment management	9,456	9,430
	9,456	9,430

6 Charitable activities

	2025	**2024**
	£	**£**
Equipment purchases	20,183	27,560
Expenses	946	689
Miscellaneous	-	669
Garden maintenance	4,478	3,921
	25,607	32,839
Share of governance costs (see note 9)	1,202	1,173
	26,809	34,012
Analysis by fund		
Unrestricted funds	25,431	
Restricted funds	1,378	
	26,809	
For the year ended 31 December 2024		
Unrestricted funds		32,343
Restricted funds		1,669
		34,012

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

8 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

9 Support costs allocated to activities

	2025 £	2024 £
Governance costs	1,202	1,173

Governance costs comprise:	2025 £	2024 £
Accountancy	761	660
Insurance	394	384
Legal and professional	47	129
	1,202	1,173

10 Gains and losses on investments

Gains/(losses) arising on:	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Revaluation of investments	25,165	(11,316)
Sale of investments	57,152	55,515
	82,317	44,199

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1982 to the extent that these are applied to its charitable objectives.

12 Investment property

	2025 £
Fair value	
At 1 January 2025 and 31 December 2025	160,000

The investment property comprises a freehold shop situated in Barnards Green, Worcestershire. A valuation was carried out by a qualified independent surveyor when acquired, in connection with the estate of Peggy Irene Jones. In 2022 the Trustees increased the value of the investment property. Thereafter and for 2025 the fair value of the investment property has been determined by the trustees. The fair value was considered by reference to market evidence of transaction prices for similar properties and the % growth rate of the property market over the year, having due regard to any impairment provision necessary. No further adjustment to the valuation of the property has been considered necessary.

13 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2025	1,270,049
Additions	474,665
Valuation changes	82,317
Disposals	(457,462)
At 31 December 2025	1,369,569
Carrying amount	
At 31 December 2025	1,369,569
At 31 December 2024	1,270,049

14 Other receivables

	2025	2024
Amounts falling due within one year:	£	£
Trade receivables	893	681

15 Current liabilities

	2025	2024
	£	£
Accruals and deferred income	805	20,887

16 Restricted funds

The income funds of the charity include restricted funds comprising the following donations and grants held on trust for specific purposes:

	At 1 January 2025	Incoming resources	Resources expended	At 31 December 2025
	£	£	£	£
Denyer	1,331	-	(1,253)	78
Dossett	-	125	(125)	-
	1,331	125	(1,378)	78

16 Restricted funds **(Continued)**

Previous year:	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
Denyer	2,000	-	(669)	1,331
Williams	-	1,000	(1,000)	-
	2,000	1,000	(1,669)	1,331

During 2023 a donation was received asking that the monies donated be used at the discretion of ward staff. As at the end of the year this money had not been expended and was held in cash at bank.

During 2024 a donation was received (Williams) asking that the monies donated be used to purchase a piece of equipment. During the year we agreed with the donor the equipment that would be bought and this was ordered.

During 2025 a donation was received (Dossett) asking that the monies donated be used for the ward staff. During the year the money was expended.

17 Analysis of net assets between funds

	Unrestricted funds 2025	Restricted funds 2025	Total 2025
	£	£	£
At 31 December 2025:			
Investment properties	160,000	-	160,000
Investments	1,369,569	-	1,369,569
Current assets/(liabilities)	185,856	78	185,934
	1,715,425	78	1,715,503

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 31 December 2024:			
Investment properties	160,000	-	160,000
Investments	1,270,049	-	1,270,049
Current assets/(liabilities)	142,002	1,331	143,333
	1,572,051	1,331	1,573,382

18 Operating lease commitments

18 Operating lease commitments **(Continued)**

Lessor

The operating lease represents a lease of a property to a third party. The lease is negotiated over a period of 10 years. There is a lease break option in 2027.

At the reporting end date the charity had contracted with tenants for the following minimum lease payments:

	2025	2024
	£	£
Within one year	14,000	14,000
Between two and five years	11,277	25,277
	25,277	39,277

19 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).