

THE COUNCIL OF THE INNS OF COURT
(Company Limited by Guarantee)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Company Number: 08804708
Charity Number: 1155640

THE COUNCIL OF THE INNS OF COURT

REFERENCE AND ADMINISTRATIVE DETAILS

FOR THE YEAR ENDED 31 DECEMBER 2021

Status	The organisation is a charitable company limited by guarantee, incorporated 6 December 2013 and registered as a charity on 5 February 2014. The charitable company commenced operations on 1 July 2014.
Governing Document	The charity is controlled by its memorandum and articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.
Company Number	08804708
Charity Number	1155640
Registered Office	9 Gray's Inn Square London WC1R 5JD
Trustees	All Trustees served throughout the year and thereafter except where stated: Janet Bignell QC Desmond Browne QC (until 30 April 2022) Helen Davies QC Gregory Dorey CVO Chantal Aimee Doerries QC Rt Hon Lord Justice Nicholas Green (from 1 May 2022) Anthony Harking OBE Guy Perricone (from 2 May 2022) Anne Sharp CBE Richard Whittam QC (from 1 January 2021) Victoria Wallace DL (until 14 April 2022)
Bankers	Royal Bank of Scotland 5 – 10 Great Tower Street London EC3P 3HX
Auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

THE COUNCIL OF THE INNS OF COURT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees are pleased to present their annual Trustees' Report together with the financial statements for the year ended 31 December 2021 which are also prepared to meet the requirements of a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities - the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

CONSTITUTION

The Council of the Inns of Court ("COIC") is set up under its Memorandum and Articles of Association, registered as a Company Limited by Guarantee, registration number 08804708 and is registered with the Charity Commission under the Charities Act 2011, registration number 1155640.

COIC was incorporated as a charitable company limited by guarantee on 6 December 2014. For the purposes of the Companies Act 2006 the Board of Trustees is regarded as the Board of Directors of the company.

The liability of the Trustees, being members of the charitable company, is limited. Every member of the charitable company undertakes to contribute to the assets of the charitable company in the event of the same being wound up whilst he is a member, or within one year after he ceases to be a member, for the payment of the debts and liabilities of the charitable company contracted before he ceased to be a member and for such costs, charges and expenses of the winding up, and for the adjustment of the rights of the contributions among themselves, such amounts as may be required, not exceeding one pound.

OBJECTIVES AND ACTIVITIES

The objects of the council are:

1. To advance education in the administration and practice of the law and related disciplines, including by providing courses, training and educational materials, and by promoting, undertaking, and publishing research;
2. To promote the sound administration of the law, including by: promoting high standards of advocacy to support the rule of law; and overseeing and enforcing professional standards of conduct in relation to the provision of advocacy and related legal services, in each case, anywhere in the world and for the public benefit.

Strategic Aims

The strategic aims in pursuit of the above charitable objects are to:

1. Provide excellent Bar training for the selected ICCA cohort of Bar students;
2. Provide leadership and guidance in advocacy training;
3. Provide a forum in which the Inns and other advocacy trainers can meet and share information on advocacy;
4. Research & disseminate materials and best practice in advocacy and advocacy training;
5. Organise educational training and other events;
6. Communicate with all interested persons and organisations regarding advocacy standards and training;
7. Liaise and cooperate with legal jurisdictions outside of England and Wales in the provision of advocacy training and training of trainers;
8. Provide a Bar tribunal hearings service that is efficient, effective, timely, professional and transparent and one that uses up to date practices and approaches;
9. Facilitate high quality decision-making in the public interest;
10. Provide independence and clear separation of the adjudicatory function from the prosecuting role of the Bar Standards Board.

THE COUNCIL OF THE INNS OF COURT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives

A number of objectives were set for 2021, amongst the most significant were to:

1. Deliver a Part One and Part Two Bar Course to a highly selective group of diverse students based on excellent pedagogic principles;
2. Continue to build and improve our record of student admissions to select a cohort which is diverse and in keeping with our policy for Fair Recruitment and E&D, based outreach activities;
3. Continue to review and develop the Criminal 'Advocacy and the Vulnerable' Course in terms of content and delivery and, having evaluated the success of the 20 Principles of Questioning in practice, commence a review;
4. Continue to work with the FLBA to produce a training course for delivery to over 1,000 family advocates commencing in 2021;
5. To create Pupillage Ethics materials to assist pupils to prepare for the BSB Pupillage Ethics assessments from April 2022;
6. To work with the ICCA Governors to ensure financial stability for the ICCA Bar Course and maintain student enrolment;
7. Explore TDAP (Degree Awarding Powers) for the ICCA;
8. Work with the new Marketing and Communications Professional to enhance the ICCA brand and embed the academic excellence of the ICCA Bar Course;
9. Continue to monitor the fees for the ICCA Bar Course to ensure the course is marketed for the lowest sustainable cost;
10. Develop an Annual Lecture Series for the benefit of all Bar students;
11. Build and develop relationships with SBAs to establish a bursary fund for ICCA Bar students of socio-economically disadvantaged and BME backgrounds;
12. Move into and build a strong and vibrant Student Hub for ICCA Bar students;
13. Continue to forge and nurture relationships with all the Inns who host the face-to-face ICCA Bar Course;
14. Review and improve materials, based on student feedback and data analysis to ensure continually high pass rates for ICCA students;
15. Encourage the profession through focussed communications to recognise the value and strengths of the ICCA Bar Course;
16. Continue to build on relationships with the profession to encourage specialist speakers to extra-curricular events for the benefit of ICCA students;
17. Develop facilities and staff capabilities to host online Tribunal Hearings in the post-pandemic era;
18. Undertaking an open consultation on the BTAS Sanctions Guidance, introduce new Guidance and train the tribunal panellists;
19. Work with the newly appointed Chair of the Audit and Risk Committee to review COIC's governance structures and strategic plans;
20. Support the Inns to implement new Disclosure and Barring Service check for all being Called in compliance with BSB requirements;
21. Support the Inns as they develop their outreach and equality and diversity activity and as the Inns financially support the Bar Council to undertake such activity.

Public Benefit

In determining strategy and activity the Trustees had regard to the Charity Commission's guidance on public benefit. COIC exists to:

1. Advance education in the administration and practice of the law, principally through the activities of the Inns of Court College of Advocacy, by providing leadership, guidance and co-ordination in relation to the pursuit of academic and professional excellence for the bar.

THE COUNCIL OF THE INNS OF COURT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

Public Benefit (Continued)

2. Enforce professional standards of conduct amongst barristers through the activities of the Bar Tribunals and Adjudication Service, for example:
 - i. Appointing and administering Disciplinary Tribunals for barristers facing charges of professional misconduct. Tribunals are open to the public, and the charges and findings of the Tribunals are published in the public domain;
 - ii. Appointing and administering Interim Suspension Panels and Fitness to Practice Panels for barristers;
 - iii. Appointing and administering Inns' Conduct Committee Hearings to consider admission and disciplinary cases brought against individuals aspiring to be called to the bar of England and Wales, and so determine whether they are fit and proper to be practising barristers;and doing so at no cost to the public or those involved in the hearing process.

ACHIEVEMENTS AND PERFORMANCE

1. Our two-part Bar course has attracted a pleasingly diverse group of students with no predominance of Oxbridge or Russell Group entrants. Our results were the highest among all Bar Providers as evidenced in the BSB's December 2021 Report and 80% of our first graduating cohort have now secured pupillage.
2. Our admissions processes were reviewed and overhauled for the third round of recruitment in an effort to ensure that the cohorts of students we enrol are as diverse and as able as possible with a view to them securing pupillage and going on to practise at the Bar of England and Wales;
3. The '20 Principles of Questioning' have been reviewed and a new 3rd version published which has met with wide acclaim. Our 'Advocacy and the Vulnerable' materials are being upgraded and moved onto our sophisticated e-learning platform to improve pedagogic content and outcomes;
4. The FLBA's 'A&V' Course has been successfully completed, with senior facilitators recruited and trained. The rollout to the general membership of the Family Bar has now commenced in earnest;
5. Pupillage Ethics materials to assist pupils to prepare for the BSB Pupillage Ethics assessments from April 2022 were created and released on time and on budget;
6. Work with the ICCA Governors and its Finance and Operations Committee continues to be focussed and prescient to ensure the financial sustainability of the Bar Course and enable the delivery of CPD projects and regulatory-driven pupillage projects. This work includes a remodelling of budgetary approaches to the prediction of student numbers and therefore, income.
7. TDAP (Degree Awarding Powers) for the ICCA has been explored and carefully considered with the outcome that we intend to wait a few more years before making any application. Our academic validation relationship with King's College London is successful and collaborative and serves us well for the time being;
8. Our Head of Marketing and Communications has begun to professionalise our approach to brand awareness and has specifically concentrated on outreach and recruitment onto the Bar Course
9. Work on monitoring the fees for the ICCA Bar Course to ensure the course is marketed for the lowest sustainable cost has been completed and the costs of the course set against other AETOs; the rising rate of inflation will be considered alongside other matters in June 2022 when new fee levels are set;
10. Work on an Annual Lecture Series is underway, and a small working group is assessing need and potential subject areas;
11. Discussions are taking place to establish a bursary fund, made possible with donations from SBAs, for ICCA Bar students of socio-economically disadvantaged and BME backgrounds, and a scheme of distribution is actively being developed;
12. Our new vibrant Student Hub for ICCA Bar students is open, and students are regularly utilising the facilities which enable us to hold board meetings. It is also a pleasant, light and open plan working environment for operational and academic staff;

THE COUNCIL OF THE INNS OF COURT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

13. Our relationships with all the Inns who host the face-to-face ICCA Bar Course are strong, collaborative and collegiate with a clear Memorandum of Understanding in place to govern the responsibilities of each party to the hosting of the course. We have worked closely with the Inns' staff and architects to contribute consciously to building and refurbishment to work to ensure an appropriate learning environment for students.;
14. Our new Head of Marketing has undertaken a work stream around all our surveys and now operates a system that specifically allows us to monitor student satisfaction both pastorally, academically and to review and improve materials. In particular, we analyse data pertaining to student performance in the centralised assessments to help us develop parts of the online course that may require further investment or improvement. To date, this has not been necessary due to the very high rate of passes on these exams. On Part Two, we continue to upgrade and improve processes and procedures to make academic regulations operate smoothly and to comply with regulatory oversight;
15. Work has commenced to encourage the profession to recognise the value and strengths of the ICCA Bar Course of work and the President of COIC and Chair of Governors will shortly be writing to all sets of Chambers and Pupillage Recruiters to elaborate on the ICCA Bar Course ethos and successes so far;
16. Relationships with the profession and our ability to attract specialist speakers to extra-curricular events for the benefit of ICCA students has been hugely successful in terms of the individuals who have agreed to speak. This endeavour has covered myriad aspects of practice and continues to grow as an optional extra-curricular offering with a video repository of speakers who have attended to date;
17. Both online and physical facilities were developed to enable the Tribunal hearings to take place in person and online. In addition procedures and policies were developed to help panels determine whether in person or online hearings are appropriate;
18. Two open consultations were undertaken, the outcomes of which informed the re-writing of the Sanctions Guidance. A new structured approach to determining sanction was introduced along with higher starting points for matters such as discrimination and sexual misconduct;
19. A complete review of COIC's governance structures was undertaken with the assistance of external consultants resulting in the creation of a new statement of purpose and internal Governance Guide;
20. The Inns were supported to successfully introduced Disclosure and Barring Service check for all being called to the Bar from summer 2021 onwards;
21. The Inns were supported to continue to develop their outreach activity and to support the outreach activity of the Bar Council;
22. The Inns were supported as they completed their first 'Self Evaluation Reports' as part of a new quality assurance process;
23. COIC responded to consultations such as the Legal Service Board consultation on Ongoing Competence.

The charity does not fundraise with members of the public and have had no fundraising complaints in the year.

FINANCIAL REVIEW

The total income for the year of £2,457,600 comprised grants of £1,589,840 from the Inns of Court, £860,512 of student fee income, £7,155 of other income as well as bank interest of £93.

After deducting expenditure of £3,333,533, the charity made a deficit of £875,933. This was with the prior approval of the Trustees, and in line with the Reserves Policy.

£639,376 of the deficit arose from the expenditure of restricted funds on the Bar Course. This represented the remaining balance of a £2,000,000 grant received from the Inns of Court and Bar Educational Trust in 2020, which was spent in accordance with the terms of that grant.

THE COUNCIL OF THE INNS OF COURT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

FINANCIAL REVIEW (CONTINUED)

£236,557 of the deficit was other budgeted expenditure funded from COIC's reserves, including the refurbishment of the new ICCA Student Hub on Chancery Lane, all of which was approved in advance by the Trustees as both necessary expenditure in itself, and with the aim of reducing COIC's reserves towards the stated level set out in the Reserves Policy.

The Trustees regularly assess major risks to which the charity is exposed, in particular operational and financial risks. During the course of 2021 a Governance Review took place which has led to the creation of a Management Sub Committee of the Trustees, which has been assigned a particular responsibility for audit and risk (with an independent member attending discussions on these topics). COIC has devised and put in place a detailed Disaster Recovery and Business Continuity Plan. We confirm that, for each identified risk, there are defined monitoring, control and review systems, with specific allocation of responsibilities in place.

Key Risks include:

1. 2021 commenced with the country once again in lockdown. In accordance with HM Government advice, COIC mitigated its impact by enabling all staff to work from home, and only delivered online events, education and tribunals. As the threat of the pandemic receded during the course of the year, COIC restarted hybrid and in-person events and training. The impact of the pandemic fortunately had minimal impact on the delivery of the Bar Course, principally when staff or students has tested positive, which COIC managed by briefly switching individuals or groups (as necessary) to online delivery until it was safe to return to face-to-face education as per the timetable. The risk of the pandemic returning will be mitigated by COIC retaining the capability to deliver high quality hybrid and online activities.
2. A failure to meet recruitment targets for the ICCA Bar Course; or to overestimate actual numbers enrolling on the course, will lead to a reduction in fee income. This will impact on cashflow and will require careful and active management to ensure the ongoing viability of the course. This risk will be mitigated by using efficiency savings (for cashflow issues) and (to increase future student numbers) evaluating and revising the ICCA's recruitment strategy.
3. Adverse findings about any aspect of the ICCA Bar Course by any of its regulatory or authorising bodies may cause reputational damage and affect the viability of the course. To be mitigated by ensuring the course (in design, delivery and governance) is of the highest standard, and quantitative and qualitative data is constantly collected and analysed to ensure this can be effectively monitored;
4. Loss of access to Tribunal suite or COIC Offices (due to fire or other cause). To be mitigated by disaster recovery processes including working online to continue to deliver teaching and/or Tribunals when it is appropriate to do so;
5. Tribunals and other hearings not delivered in accordance with the applicable regulations / processes leading to legal challenge / costs against COIC. To be mitigated by Tribunal Panel Member & staff training, rules & standard operating procedures, supported by regular appraisals. Insurance is in place to minimise financial risk to the charity;
6. As a small organisation COIC is more exposed than larger ones to significant levels of staff turnover – the impact of even a small number of staff leaving simultaneously could impact on our ability to deliver. To be mitigated as above by SOPs, appraisal, training and flexibility of staff (with cross-skilling across key functions).

While COIC is almost entirely dependent on the four Inns of Court for all non-student fee income, the probability of funds not being forthcoming is extremely low. The Inns have repeatedly confirmed their commitment to COIC, and annual confirmation is provided that they will continue to provide support and funding. Additionally, COIC has not taken on liabilities beyond this, and in 2019 the Inns agreed a 'Deed of Undertaking' that made their commitment to financially support the ICCA Bar Course legally enforceable.

The development of the ICCA, and in particular the sustainable growth of the Bar Course, is a major undertaking. This will require continued careful planning of staff levels, resources and finance supported by careful management by staff and oversight / governance by the Trustees and Board of Governors.

THE COUNCIL OF THE INNS OF COURT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

RESERVES POLICY

The Board of Trustees have resolved that the sums equivalent to one month's turnover be held in reserve, which for 2021 amounted to £224,513. The reserve is held to meet any short-term cash flow needs and to meet any additional costs incurred should COIC cease trading.

In setting this level of reserve, the Board of Trustees noted the undertaking given by each of the four Inns of Court in their annual grant letter:

"The Inn undertakes to give the Charity three months' notice, or a further grant equivalent to three months' running costs of the Charity, if the Inn decides not to make a grant in future years or decides to substantially reduce the grant such that the Charity is not able to meet its running costs".

During this year of account, the actual level of free reserves amounted to £505,023, which exceeds the target by £280,510. COIC is budgeted to fund elements of its activities from its reserves in 2022, and by so doing reduce its reserves by the end of the year to a level consistent with the policy.

PLANS FOR FUTURE PERIODS

A number of aims and objectives have been set for 2022, of which the most significant are:

1. Continue to focus outreach work to attract as diverse a student cohort as possible whilst maintaining the very high standards of ability among the enrolled cohort. This will in turn enable us to maintain the stellar results that have so far been possible.
2. Pursue academic excellence in the teaching and assessment of Bar students to strive for continued high pass rates in both the online and face-to-face elements of the Bar Course;
3. Continue to offer focussed and dedicated Careers advice and support to assist those aiming to secure pupillage to have the best possible chance of success;
4. Encourage the ongoing delivery and rigorous teaching of 'Advocacy and the Vulnerable' training across the Inns and Circuits for both the Criminal Bar and the FLBA, with the focus on improved pedagogic content and outcomes of trainees by delivery of material through our virtual learning environment (VLE);
5. Continue to support the FLBA to maintain high standards of teaching and delivery of the ICCA A&V course to FLBA members and to upgrade materials as they move to the virtual learning environment over the course of 2022;
6. To promote our newly developed 'Advocacy for Children in Conflict with the Law' Course to ensure that there are sufficient high-quality facilitators to train pupils and practitioners in all criminal sets. Ongoing research and maintenance of high-quality content will be imperative. Promotion of this flagship work across international jurisdictions will continue;
7. To encourage the Bar Council to adopt a scheme of kitemarking for training delivered by the ICCA for all barristers to adopt on the MyBar profile. This will enable practitioners to demonstrate competence in specialist areas of practice;
8. Raising the brand profile of the ICCA both in terms of the Bar Course and the material we offer for CPD and Pupillage;
9. Continue to monitor the fees for the ICCA Bar Course to ensure the course is marketed for the lowest sustainable cost;
10. Deliver an ICCA Conference setting the standard for best practice and offering a platform for lessons learnt and aspirations for the future;
11. Delivery a bursary fund for ICCA Bar students of socio-economically disadvantaged and BME backgrounds and encourage additional donations to boost the availability of funding for those destined for some of the SBAs;
12. Continue to forge and nurture relationships with all the Inns who host the face-to-face ICCA Bar Course;
13. Review and improve materials, based on student feedback and data analysis to ensure continually high pass rates for ICCA students;
14. Plan and develop strategies to predict incoming regulatory demands such as advocacy curriculum and negotiation in pupillage;
15. Refocus the energies of the ICCA International Committee to encourage wider recruitment of trainers, better materials and a truly international offering of relevant and high-quality training;

THE COUNCIL OF THE INNS OF COURT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

PLANS FOR FUTURE PERIODS (CONTINUED)

16. Consider research and development of material for the practising Bar which aligns with trends and market demand, such as AI, smart contracts; climate and environmental law and cyber-crime;
17. Consider the marketing of some ICCA CPD materials for a fee to enable us to maintain financial sustainability;
18. Recruit and train a cohort of BTAS panellists and clerks;
19. Recruit and induct to a number of key governance roles including the President of COIC and a number of the ICCA governors;
20. Work with the BSB to improve the efficiency and timeliness of the way in which complaints about barristers are dealt with from the time of the complaint through to final determination of charges;
21. Work with the BSB to project plan how a review the regulations governing the conduct of tribunals (amongst other things) might be undertaken;
22. Work with the regulator to review the Memorandum of Understanding between the BSB, the Inns and COIC that governs the delivery and quality assurance of the Inns' regulated activity and the conduct of the Inns' Conduct Committee;
23. Implement the revised governance structures as set out in the new Governance Guide.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Board of Trustees is responsible for the overall management of COIC but delegates responsibility for the day to day management to its Director, within a framework of agreed policies and controls. At 31 December 2021 the Board comprised 9 Trustees. COIC aims to ensure that its Board is properly balanced in terms of gender, ethnicity, disability representation and skills and experience relevant to COIC activities.

The Board of Trustees is assisted in its work by a Strategic Advisory Group made up of representatives from the Inns, the Bar Council and the Bar Standards Board, which meets at least three times a year. Following a Governance review that took place in 2021, a Management Sub Committee of the Trustees is being established,

With regards to the work of the Inns of Court College of Advocacy the Trustees are assisted by a board of Governors and its sub-committees. With regards to the work of the Bar Tribunals Service, the Trustees are assisted by the input of the BTAS Strategic Advisory Board.

One new Trustee was appointed during 2020 and two in early 2022. To aid induction we insured, wherever possible, that new Trustees attended meetings prior to taking up post. COIC Trustees received written briefings prior to each meeting. Full guidance on Trustee duties was made available and the new Trustees were briefed to review roles, structures, priorities and responsibilities

The Trustees are responsible for setting the pay and remuneration of the charity's employees including the key management personnel. Salary and pension payments to all COIC personnel are approved by the Trustees as part of the annual budget process, and over the more than eight years of the charity's operations this has resulted in near-inflationary increases that applied equally to all staff without regard to seniority. To aid the Trustees in determining what (if any) percentage increase is appropriate as part of this annual pay review process, research is undertaken to confirm the pay increases awarded in comparable organisations (most notably the four Inns of Court). The recruitment of any additional staff requires approval from the Trustees, who also agree the starting salary level so that they are compatible with those paid for similar roles elsewhere. Staff whose role changes significantly during their period of employment may have their salary reviewed to ensure it remains appropriate, and any increases deemed necessary must be approved by the Director of COIC.

CORPORATE GOVERNANCE

The following statement is intended to provide readers of COIC's Annual Report and Financial Statements a better understanding of its governance and legal structure at the date of the approval of this Annual Report.

COIC's Structure, Governance and Management is set out in the immediately preceding section of this report. COIC's Articles of Association date from 2014 and underpin the governing practices adopted by the Board.

THE COUNCIL OF THE INNS OF COURT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

CORPORATE GOVERNANCE (CONTINUED)

The Trustees are legally responsible for the overall management and control of COIC. The Board of Trustees meets at least four times a year.

The ICCA Governors advise the Trustees on all matters relating to the ICCA and its Bar Course. The Governors meet at least eight times a year to discuss current issues and to agree actions as required. This includes an annual Away Day, where matters of strategic and longer-term importance pertaining to the ICCA are considered. The Governors are assisted in their work by a number of sub-committees that focus on specific areas of business:

- Finance & Operations Committee
- International Committee
- Board of Examiners
- Appeals Committee

The ICCA Governors are responsible for the oversight of any regulatory responsibilities including compliance with the OfS's ongoing conditions of registration.

During the course of 2021 the Trustees commissioned an external specialist advisor to support them in conducting a governance review. This will lead during the course of 2022 to the establishment of a Management Sub Committee of the Trustees that will focus on finances, the delivery of agreed objectives, audit and risk. In the latter area the MSC will be assisted by the appointment of an external independent member who has specific expertise in this area. The governance review also developed a statement of purpose of COIC, which is as follows:

Founded by the Inns of Court, COIC works with them in strengthening the rule of law through excellence in professional education and in maintaining the highest standards of professional conduct.

A Governance Guide has additionally been developed to support COIC's governance, which sets out COIC's:

- Governance Principles
- Scheme of Delegation
- Terms of Reference
- Audit and Risk Management Framework

INTERNAL CONTROLS

Identifying and managing risk is a key part of the work of the Trustees and specifically the Management Sub Committee. This is addressed by the maintenance of a detailed Risk Register that is discussed and updated as necessary.

The Risk Register includes an assessment of financial, operational, reputational and health and safety risks.

Internal controls are based on both the likelihood and potential impact of the risks occurring, and take into account mitigation measures that can be put in place. This approach identifies key risks and enables responses to be prioritised accordingly.

Trustees understand that it is their responsibility to ensure that an appropriate system of internal controls is maintained and reviewed as appropriate.

The Trustees and external auditors have not identified any significant internal control weaknesses or failures in the financial year under review or in the period up to the date that this Annual Report was approved.

THE COUNCIL OF THE INNS OF COURT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

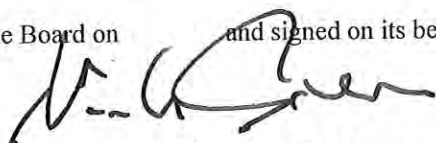
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

By order of the Board on _____ and signed on its behalf by:

Signed:



(Trustee)

Name:

MICHAELA SREEN

Date:

11/7/2022

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE COUNCIL OF THE INNS OF COURT

Opinion

We have audited the financial statements of the Council of the Inns of Court for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Office for Students Accounts Direction.

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 charity 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.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE COUNCIL OF THE INNS OF COURT

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the charitable company; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Matters on which we are required to report in respect of the Office of Students

In our opinion in all material respects:

- funds administered by the charitable company for specific purposes during the year ended 31 December 2021 as disclosed in note 11 to the accounts have been applied for those purposes and managed in accordance with relevant legislation;
- funds provided by the OFS and Department for Education have been applied in accordance with the terms and conditions attached to them during the year ended 31 December 2021; and

We have nothing to report in respect of the following matters in relation to the Office for Students requires us to report where:

- grant and fee income as disclosed in note 4 to the accounts, has been materially misstated.
- Expenditure on access and participation activities for the financial year has been materially misstated.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on pages 6 to 7, 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE COUNCIL OF THE INNS OF COURT (continued)

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with employment law and health and safety regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and the Office for Students Accounts Direction.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to management bias in certain accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting minutes of trustees meetings;
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted around the year-end or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

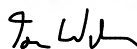
Conclusions relating to going concern

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Thomas Wilson
(Senior Statutory Auditor)
for and on behalf of Haysmacintyre LLP
Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 13 July 2022

THE COUNCIL OF THE INNS OF COURT
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
INCOME FROM:					
Donations and legacies	2	1,589,840	-	1,589,840	1,134,484
Charitable activities	3	860,512	-	860,512	2,074,025
Investments		93	-	93	1,823
Other		7,155	-	7,155	-
TOTAL		<u>2,457,600</u>	<u>-</u>	<u>2,457,600</u>	<u>3,210,332</u>
EXPENDITURE ON:					
Charitable activities					
Training		2,045,042	639,376	2,684,418	2,332,017
Regulation		649,115	-	649,115	523,797
TOTAL	5	<u>2,694,157</u>	<u>639,376</u>	<u>3,333,533</u>	<u>2,855,814</u>
NET (EXPENDITURE)/INCOME		(236,557)	(639,376)	(875,933)	354,518
RECONCILIATION OF FUNDS					
Total funds brought forward		763,192	639,376	1,402,568	1,048,050
TOTAL FUNDS CARRIED FORWARD		<u>£526,635</u>	<u>£-</u>	<u>£526,635</u>	<u>£1,402,568</u>

None of the company's activities were acquired or discontinued in the year.

There were no recognised gains or losses other than those included in the Statement of Financial Activities.

THE COUNCIL OF THE INNS OF COURT

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	8	21,612	22,508
CURRENT ASSETS			
Debtors	9	36,106	313,478
Cash at bank and in hand		755,788	1,404,257
		791,894	1,717,735
CREDITORS: Amounts falling due within one year	10	(286,871)	(337,675)
Net current assets		505,023	1,380,060
NET ASSETS		£526,635	£1,402,568
FUNDS			
Restricted Funds	12	-	639,376
Unrestricted funds		526,635	763,192
TOTAL FUNDS		£526,635	£1,402,568

The accounts were approved by the Trustees and authorised for issue on

and signed on its behalf by:

Signed:



(Trustee)

Name:

NICHOLAS GREEN

Date:

11/7/22.

Signed:



(Trustee)

Name:

HELEN DAVIES QC

Date:

11/7/22

THE COUNCIL OF THE INNS OF COURT
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities:		
Net cash (used in)/provided by operating activities (see below)	(640,172)	328,152
Cash flows from investing activities:		
Purchase of fixed assets	(8,297)	(14,633)
Net cash used in investing activities	(8,297)	(14,633)
Change in cash and cash equivalents in the year	(648,469)	313,519
Cash and cash equivalents at the beginning of the year	1,404,257	1,090,738
Cash and cash equivalents at the end of the year	£755,788	£1,404,257
Reconciliation of net income to net cash flow from operating activities		
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(875,933)	354,518
Add depreciation	9,193	15,687
Decrease/(increase) in debtors	277,372	(196,406)
(Decrease)/increase in creditors	(50,804)	154,353
Net cash (used in)/provided by operating activities	£(640,172)	£328,152

ANALYSIS OF NET DEBT

	At 1 January 2021 £	Cash movements £	Non-cash movements £	At 31 December 2021 £
Cash at bank and in hand	1,404,257	(648,469)	-	755,788
	<u>£1,404,257</u>	<u>£(648,469)</u>	<u>£-</u>	<u>£755,788</u>

THE COUNCIL OF THE INNS OF COURT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of financial statements is as follows:

Basis of Accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) and the Companies Act 2006.

The Council of the Inns of Court meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis

Having considered future budgets and cash flows, the Trustees confirm that they have no material uncertainties about the entity's ability to continue as a going concern for the foreseeable future. The most significant uncertainty relates to continued funding being available.

Income

All incoming resources are included in the SOFA once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. The following specific policies apply to categories of income:

Voluntary income Donations & Grants where related to performance and specific deliverables are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance of its recognition it is deferred and included in creditors. Where entitlement occurs before income being received the income is accrued.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the following categories:

Charitable Activities – Costs of charitable activities comprise all costs identified as wholly or mainly attributable to achieving the charitable objectives of the charity, including the costs of disseminating information in support of charitable activities. These costs include staff costs, wholly or mainly attributable support costs and an apportionment of general overheads.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, personnel, payroll and governance costs which support the Council's activities. The basis on which support costs have been allocated are shown below.

Governance costs – These comprise all costs identified as wholly or mainly attributable to ensuring the public accountability of the charity and its compliance with regulations.

Allocation of costs

Staff costs are allocated by the Trustees between direct charitable expenditure and support expenditure on the basis of time spent on these activities. Other costs are ascribed directly to the relevant heading.

THE COUNCIL OF THE INNS OF COURT

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

Pension costs

The Council of the Inns of Court operates a defined contributions scheme for the benefit of the employees. The assets of the Scheme are held independently from those of the charity in an independently administered fund. The pension costs charged in the financial statements represent the contributions payable during the year.

Taxation

No provision has been made for corporation tax or deferred tax for The Council of the Inns of Court as it is a registered charity and is therefore exempt.

Restricted funds

Where grants are to be spent in accordance with terms agreed with the funders, the income and related expenditure are shown as 'Restricted'. Any unspent restricted income at the year-end is deferred for spending in future years.

Unrestricted funds

Core income and such other income for which there are no restrictions on the way it can be spent are termed 'Unrestricted'. Such unspent income at the year-end is termed 'Unrestricted funds'.

Fixed assets

All fixed assets are stated at cost less accumulated depreciation. Items costing less than £500 are not capitalised. The carrying values of other tangible fixed assets are reviewed for impairment if events or change in circumstances indicate the carrying value may not be recoverable.

Depreciation is provided at rates calculated to write off the cost, less any estimated residual value, of each asset evenly over its expected useful life, as follows:

Computer equipment	4 years
Office furniture	4 years

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Estimation uncertainty

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

THE COUNCIL OF THE INNS OF COURT

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

2. DONATIONS AND LEGACIES			2021	2020	
				£	
Grants received from the Inns of Court towards general activities			£1,589,840	£1,134,484	
3. CHARITABLE ACTIVITIES - 2021	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020	
	£	£	£	£	
Inns of Court and Bar Education Trust (ICBET)	-	-	-	2,000,000	
Fee income	708,676	-	708,676	23,500	
Legal texts	65,146	-	65,146	23,500	
BSB Intake fee	86,690	-	86,690	27,025	
	£860,512	£-	£860,512	£2,074,025	
4. GRANT AND FEE INCOME			2021	2020	
				£	
Fee income from taught awards			708,676	23,500	
Fee income from other bodies			-	-	
			£708,676	£23,500	
5. ANALYSIS OF EXPENDITURE - 2021					
	Direct Costs	Support Costs	Governance Costs	Total 2021	Total 2020
	£	£	£	£	£
Charitable activities:					
Training	2,229,568	449,416	5,434	2,684,418	2,332,017
Regulation	218,555	424,618	5,942	649,115	523,797
	£2,448,123	£874,034	£11,376	£3,333,533	£2,855,814
ANALYSIS OF EXPENDITURE - 2020					
	Direct Costs	Support Costs	Governance Costs	Total 2020	
	£	£	£	£	
Charitable activities:					
Training	1,961,436	366,672	3,909	2,332,017	
Regulation	246,174	273,209	4,414	523,797	
	£2,207,610	£639,881	£8,323	£2,855,814	

THE COUNCIL OF THE INNS OF COURT

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

SUPPORT COSTS CONSIST OF:

	2021 £	2020 £
Staff costs	210,074	255,701
Other staff related costs	16,822	9,029
Establishment costs	396,065	220,576
Insurance	66,833	58,195
Finance and accounting fees	18,000	13,840
Other professional fees	70,984	44,958
Office costs	42,845	40,607
IT costs	78,550	24,877
Bank charges	861	98
	<u>£874,034</u>	<u>£639,881</u>

6. GOVERNANCE COSTS

	2021 £	2020 £
Auditor's remuneration	11,376	8,323
Other professional fees	-	-
	<u>£11,376</u>	<u>£8,323</u>

Other fees payable to the auditors amounted to £13,200 (2020: to £15,000) and are included within support costs.

No Trustees received any remuneration during the year.

7. EMPLOYEES

	2021 £	2020 £
Staff costs were as follows:		
Wages and salaries	1,298,540	1,208,982
National insurance contributions	146,193	140,071
Pension contributions	209,532	191,996
	<u>£1,654,265</u>	<u>£1,541,049</u>

The average number of employees during the year was as follows:

	No.	No.
Charitable activities	25	21
Management and support	2	2
	<u>27</u>	<u>23</u>

Number of employees earning between:

£70,000 - £79,999	2	-
£80,000 - £89,999	1	1
£90,000 - £100,000	1	1
£110,000 - £119,999	-	-
£120,000 - £129,000	1	1

Amounts paid (salaries employer's national insurance and pension payments) to key management personnel in 2021 amounted to £319,390 (2020: £319,834).

THE COUNCIL OF THE INNS OF COURT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
HEAD OF PROVIDER'S REMUNERATION		
Basic salary	123,957	122,730
Other remuneration/benefits	-	-
Pension contributions	34,110	32,376
	<u>£158,067</u>	<u>£155,106</u>

Salary Sacrifice Arrangements: Please note that, as required in the *OfS's Regulatory Advice 9: Accounts Direction* the pension contribution figures above include additional contributions made by the Head of Provider as part of a salary sacrifice scheme, which results in the total remuneration figure being overstated (as the basic salary figure has not been adjusted to reflect the salary sacrifice). Total pension contributions made by COIC to the Head of Provider in 2021 (and 2020) were 15% of basic salary, in common with all COIC employees.

The Head of Provider's remuneration package is set with reference to other similar organisations, including the Inns of Court. It reflects the Head of Provider's responsibility not just over the ICCA (through which all its education offering is provided), but the Bar Tribunals and Adjudication Service, and over the cross-Inn collaborative function. The Head of Provider's remuneration is approved by the Board of Trustees, and the Head of Provider receives the same annual pay award as that given to all COIC staff.

In 2021 the Head of Provider's total remuneration was 2.3 times the median total remuneration of staff, where the median total remuneration is calculated on a full-time equivalent basis for the total remuneration by the provider of its staff.

8. FIXED ASSETS - TANGIBLE ASSETS

	Computer Equipment £	Office Furniture £	Total £
COST			
Balance bought forward 1 January 2021	40,989	35,008	75,997
Additions	8,297	-	8,297
	<u>49,286</u>	<u>35,008</u>	<u>62,882</u>
Balance carried forward 31 December 2021	49,286	35,008	62,882
DEPRECIATION			
Balance bought forward 1 January 2021	18,481	35,008	53,489
Charge in year	9,193	-	9,193
	<u>27,674</u>	<u>35,008</u>	<u>62,882</u>
Balance carried forward 31 December 2021	27,674	35,008	62,882
NET BOOK VALUE			
31 December 2021	<u>£21,612</u>	<u>£-</u>	<u>£21,612</u>
31 December 2020	<u>£22,508</u>	<u>£ -</u>	<u>£22,508</u>

THE COUNCIL OF THE INNS OF COURT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

9. DEBTORS	2021 £	2020 £
Trade debtors	460	205,733
Prepayments	35,646	107,745
	<u>£36,106</u>	<u>£313,478</u>

10. CREDITORS: amounts falling due within one year	2021 £	2020 £
Trade creditors	63,809	241,423
Accruals and deferred income	223,062	96,252
	<u>£286,871</u>	<u>£337,675</u>

Deferred income comprises grants received in advance.

Movements in deferred income:

Deferred income at the start of the year	61,050	-
Amounts released to income	(61,050)	-
Amounts deferred in the year	38,697	61,050
Deferred income at the end of the year	<u>£38,697</u>	<u>£61,050</u>

11. OPERATING LEASES

The total of future minimum lease payments under non-cancellable operating leases are payable as follows:-

	2021 £	2020 £
Within one year	165,141	122,820
Between one and two years	417,501	122,820
Between two and five years	<u>1,191,736</u>	<u>245,640</u>

12. RESTRICTED FUNDS - 2021

	Balance B/fwd 1.1.21 £	Income £	Expenditure £	Balance C/fwd 31.12.21 £
Bar Course	639,376	-	(639,396)	-
	<u>£639,376</u>	<u>£-</u>	<u>£(639,376)</u>	<u>£-</u>

The above funds were received towards the Bar Course. The balance was spent in 2021.

THE COUNCIL OF THE INNS OF COURT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

RESTRICTED FUNDS - 2020

	Balance B/fwd 1.1.20 £	Income £	Expenditure £	Balance C/fwd 31.12.20 £
Bar course	-	2,074,025	(1,434,649)	639,376
	<u>-</u>	<u>£2,074,025</u>	<u>£(1,434,649)</u>	<u>£639,376</u>

13. ALLOCATION OF NET ASSETS BETWEEN FUNDS - 2021

	Unrestricted Fund £	Restricted Fund £	2021 Total £	2020 Total £
Fixed assets	21,612	-	21,612	22,508
Current assets	791,894	-	791,894	1,717,735
Creditors	(286,871)	-	(286,871)	(37,675)
	<u>£526,635</u>	<u>£-</u>	<u>£526,635</u>	<u>£1,402,568</u>

ALLOCATION OF NET ASSETS BETWEEN FUNDS - 2020

	Unrestricted Fund £	Restricted Fund £	2020 Total £	2019 Total £
Fixed assets	22,508	-	22,508	23,562
Current assets	1,078,359	639,376	1,717,735	1,207,810
Creditors	(337,675)	-	(37,675)	(183,325)
	<u>£763,192</u>	<u>£639,376</u>	<u>£1,402,568</u>	<u>£1,048,050</u>

14. RELATED PARTY TRANSACTIONS

Four of the charity's Trustees are employed as Sub/Under-Treasurers of the Inns of Court, as follows:

Gregory Dorey CVO - Sub-Treasurer of the Honourable Society of the Inner Temple

Anthony Harking OBE - Under-Treasurer of the Honourable Society of Gray's Inn

Guy Perricone (from 2 May 2022)

Anne Sharp - Under-Treasurer of the Honourable Society of Lincoln's Inn

Victoria Wallace - Under-Treasurer of the Honourable Society of the Middle Temple (until 14 April 2022)

In addition each of the four Inns nominates one of its senior members to serve as its representative Trustee, as follows:

Janet Bignell QC - The Honourable Society of Lincoln's Inn

Helen Davies QC - The Honourable Society of the Inner Temple

Chantal Aimee Doerries QC - The Honourable Society of the Middle Temple

Richard Whittam QC - The Honourable Society of Gray's Inn

The other trustee acts as the President and is a senior individual of one of the Inns. This was Desmond Browne QC (until 30 April 2022, a member of Gray's Inn) and the Rt Hon Lord Justice Nicholas Green (from 1 May 2022, a member of the Inner Temple).

THE COUNCIL OF THE INNS OF COURT

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2021

The charity has the following transactions with the Inns:

- All of the Trustees are representatives of an Inn of Court and it is from the Inns that grants of £1,589,840 (2020: £1,134,484) are received towards general activities.
- Provision of HR support (for which COIC paid Middle Temple £4,500 in 2021 (2020 - £4,500)).
- Payments for lunches (for which COIC paid the four Inns a total of £3,343 in 2021 (2020 - £5,961)), postage (at cost), accommodation (for which COIC paid Gray's Inn £182,028 in 2021 (2020 - £174,420)), room hire, catering and provision of payroll processing (for which COIC paid Middle Temple £4,500 in 2021 (2020 - £4,500)).

There were no other related party transactions in the year.

15. FINANCIAL INFORMATION - 2020
STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
INCOME FROM:			
Donations and legacies	1,134,484	-	1,134,484
Charitable activities		2,074,025	2,074,025
Investments	1,823	-	1,823
Other	-	-	-
TOTAL	1,136,307	2,074,025	3,210,332
EXPENDITURE ON:			
Charitable activities			
Training	897,368	1,434,649	2,332,017
Regulation	523,797	-	523,797
TOTAL	1,421,165	1,434,649	2,855,814
NET INCOME/(EXPENDITURE)	(284,858)	639,376	254,518
RECONCILIATION OF FUNDS			
Total funds brought forward	1,048,050	-	1,048,050
TOTAL FUNDS CARRIED FORWARD	£763,192	£639,376	£1,402,568

