

Registered Charity No: 289605

THE WILLIAM WALTON TRUST
Report and Financial Statements
For the year ended 31 December 2021

THE WILLIAM WALTON TRUST

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THE WILLIAM WALTON TRUST

Reference and administrative information

Patron	HRH The Prince of Wales, KG
Trustees	John F da Luz Camacho Alessandra Vinciguerra Caroline Howard
Registered Office	89 Judd Street London WC1H 9NE
Charity Registration Number	289605
Auditors	TC Group 76 New Cavendish Street London W1G 9TB
Bankers	Charities Aid Foundation Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

THE WILLIAM WALTON TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report together with the financial statements of The William Walton Trust for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, 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 (FRS102)" (effective 1 January 2019).

Structure, governance and management

The Trust is governed by a Trust deed dated 30 May 1984 and is a registered charity, number 289605. The Trust was established by an initial gift from Lady Walton following the death of her husband, Sir William Walton in 1983. Lady Walton died on March 21, 2010. The Trust does not actively fundraise and seeks to continue its work through careful stewardship of existing resources.

The Trustees are appointed by the Board and serve for three years after which period, they may put themselves forward for re-appointment. The Trust Deed does not state a limit to the number of Trustees.

At the six monthly trustees' meetings the trustees agree the broad strategy and areas of activity for the Trust, including consideration of grant making, investment, reserves and risk management policies and performance. The day to day administration of grants and the processing and handling of applications is overseen by the Trustees.

Newly appointed trustees undergo an orientation session to brief them of their legal obligations under charity law, the content of the Trust Deed, and the decision making processes, the role of the Administrator and recent financial performance. Prior to taking up the post trustees meet the key persons associated with the running of the Trust.

Risk management

The Trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity and its finances. The Trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks.

Objectives and activities

The objects of the Trust are twofold:

General: The Trust aims, through the music of William Walton, both to encourage education projects in schools and to develop the potential in young professional musicians at the start of their careers.

Specific:

1. To promote and establish excellence in the performing arts (music, theatre, dance) within the United Kingdom and abroad, with special reference to the music of William Walton.

THE WILLIAM WALTON TRUST

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities (continued)

2. To introduce the arts to the widest possible audience embracing all ages and abilities.
3. To aid educational projects encompassing British music particularly for special needs and inner city schools, where funding is restricted.
4. To develop a wide range of master classes covering all aspects of the arts under the guidance of leading professional artists. In certain instances these will culminate in public performance.

The objects are accomplished through co-operating with organisations, promoting and sponsoring musical events in the UK, and Master classes in Italy, and acting as a source of information; specifically:

1. To continue the development of the youth orchestra music festival at La Mortella held during June and July, widening its scope to include ballet and staged or semi-staged opera. To this end, to forge contacts with dance/opera associations and local (mainland) festivals to develop shared initiatives. In addition, to enquire about the necessary structures and facilities for these kind of performances.
2. To explore the possibility of hosting master classes in conjunction with United Kingdom and American institutions and/or key organizations that could develop a long-term agreement with us.
3. To continue to improve the Trust's website, especially the news and events sections, developing a strategy to constantly update the available information and make it into a worldwide resource for Walton scholars.
4. To develop projects in selected areas of the world where music is cultivated not only as an artistic expression but also as a mean to improve the quality of life and the social awareness of young people in marginal or troubled areas.
5. To continue to host and organise chamber music concerts at La Mortella involving students from various schools of music throughout the world.
6. To improve the facilities of the Archive to make them meet demands from researchers and scholars and explore possible development of the facility.

The objectives for the year 2021 were

1. Provided that the pandemic is under control, to organize musical activities in the facilities at La Mortella together with the Fondazione William Walton e La Mortella and the William Walton & La Mortella Trust.
2. Finalize the Master Plan for the Museum's Music Room, with an eye to the accommodation for a new display related to Lady Walton.
3. Select talented and worthy students of music to support their studies.

In reviewing our activities for the year and our plans for the future, we have had regard to the Charity Commission's general guidance on public benefit.

THE WILLIAM WALTON TRUST

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Grant making policy

Grants are made to those bodies who request support in putting on productions of William Walton's music. Such productions are supported and monitored by the Trustees.

Those who benefit from the charity's work include young professional and amateur musicians, young composers, audiences who attend concerts supported by the Trust and students who study the life and work of William Walton.

The Trust seeks to create partnerships with other organisations that will develop opportunities for its beneficiaries. These projects may vary in content and duration. The Trust works hard to embrace all realistic opportunities.

The Trust aims to develop a wide range of master classes covering all aspects of the arts under the guidance of leading professional artists. The Trust will continue to develop La Mortella as a performing arts and study centre for gifted young musicians under the guidance of the world's leading teachers.

Achievements and performance

Given the persistent health concern connected to Covid-19, and the variously staged lockdowns, at the beginning of 2021 the trustees agreed to keep evaluating the evolution of the pandemic and react accordingly, in close observation of the Charity Commission's general guidance on public benefit.

In Ischia, Chamber music concerts were resumed in May, with a concert by Trio Chagall: Violin, cello and piano, that was dedicated to the memory of the late Duke of Edinburgh. The concert season at the Greek Theatre was held through June and July with small ensembles that could respect the restrictions to travel and physical proximity.

A total of 6 concerts was organized, including a Brass Ensemble; a performance of Stravinskij's Histoire du soldat; the Chamber Ensemble of Southbank Sinfonia; the Orchestra Giovanile Sanitansamble, a socially committed orchestra from poor neighbourhoods in Naples; the Chamber Orchestra "Lorenzo Da Ponte" from Venice and a Young Dance Company from Rome, for a Ballet performance.

In the UK, we supported the new Walton Festival Lake District Summer Music, and Trustee A. Vinciguerra gave a video conference for the final day of performances.

In 2021 we also started a collaboration with the Keyboard Trust, to have them send a young pianist to perform in one of our concerts.

It was not possible to implement the plans for the museum's Music Room because of the health concerns and restrictions to access.

THE WILLIAM WALTON TRUST

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

The Trust is reliant on the income from its investments and donations, the total income in the year was £48,732 (2020: £37,715) which included; donations from William Walton & La Mortella Trust £20,000 (2020: £20,000), legacy income of £14,050 from Dr Jean Shanks Estate and investment income of £13,845.

The balance sheet shows total funds of £3,286,129 (2020: £3,235,689). The Trustees consider that this level of overall reserves matches the parameters set out in the charity's reserves policy.

Investment policy

The Trust's investment strategy is to continue with the investments gifted from the late Dr Jean Shanks. The objective is to maximise total return by investing in a medium to low risk portfolio.

There are no restrictions on the charity's power to invest and the trustees have not adopted an ethical investment policy.

Reserves policy

The charity carries out a range of activities, some of which comprise projects requiring significant ongoing financial commitment and investment. The trustees have examined the requirement for free reserves, i.e. those unrestricted funds not designated for specific purposes or otherwise committed.

The trustees' policy is to manage financial resources in such a way as to provide in full for the commitments made, and to maintain free reserves, sufficient to enable further commitments to be made in line with their future plans.

Plans for the future

The plans for 2022 are:

- To keep evaluating the evolution of the pandemic and react accordingly.
- To revive contacts with musical institutions that have worked with the Trust in the past, and plan a new season in the Greek Theatre.
- To review criteria for scholarships and support various musical institutions.

THE WILLIAM WALTON TRUST

REPORT OF THE TRUSTEES (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees

The Trustees in office during the year were as follows:

John F da Luz Camacho
Alessandra Vinciguerra
Caroline Howard

Trustees' responsibilities statement

The trustees are responsible for preparing the Report of the Trustees 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 accounts for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year. In preparing accounts showing a true and fair view the trustees:

- 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.
- Follow applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the accounts.
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable it 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees and signed on their behalf:



John F da Luz Camacho
Trustee
Approved by the Trustees on 28 October 2022

THE WILLIAM WALTON TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WILLIAM WALTON TRUST FOR THE YEAR ENDED 31 DECEMBER 2021

Opinion

We have audited the financial statements of The William Walton Trust (the 'charity') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position 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 charity's affairs as at 31 December 2021, 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 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.

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 charity'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.

THE WILLIAM WALTON TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WILLIAM WALTON TRUST FOR THE YEAR ENDED 31 DECEMBER 2021

Other information

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

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

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 trustees' responsibilities statement, the trustees are responsible for the preparation of financial statements which 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.

THE WILLIAM WALTON TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WILLIAM WALTON TRUST FOR THE YEAR ENDED 31 DECEMBER 2021

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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. 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 irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

THE WILLIAM WALTON TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WILLIAM WALTON TRUST FOR THE YEAR ENDED 31 DECEMBER 2021

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Levy (Senior Statutory Auditor)
For and on behalf of TC Group

Statutory Auditor
Office: London

Dated: 31/10/2022

TC Group are eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE WILLIAM WALTON TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2021

		2021 Unrestricted Funds £	2020 Unrestricted Funds £
	Notes		
Income and endowments from:			
Donations and legacies	4	34,050	20,000
Investments	5	13,845	16,807
Other	6	837	908
Total income and endowments		48,732	37,715
Expenditure on:			
Raising funds	7	(8,276)	(7,506)
Charitable activities	8	(61,923)	(15,476)
Total expenditure		(70,199)	(22,982)
Gains and losses on investments:			
Unrealised gains/(losses) on revaluation of Investments	13	34,002	23,093
Realised gains on sale of investments		37,905	952
Net gains/(losses) on investments		71,907	24,045
Net income/(expenditure) and Net movement in funds		50,440	38,778
Reconciliation of funds:			
Balances brought forward At 1 January 2021		-	3,405,459
Prior year adjustment	3	-	(208,548)
Balances brought forward as restated		3,235,689	3,196,911
Balances carried forward At 31 December 2021		3,286,129	3,235,689
		=====	=====

All income and expenditure relate to the general fund, which is unrestricted.

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

THE WILLIAM WALTON TRUST

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

		2021	2020
	Notes	£	As Restated £
Fixed assets			
Tangible assets	12	2,212,374	2,247,132
Investments	13	1,034,331	957,151
		<u>3,246,705</u>	<u>3,204,283</u>
Current assets			
Debtors due within one year	14	14,532	16,448
Cash at bank and in hand		45,208	25,116
Creditors: Amounts falling due within one year	15	(20,316)	(10,158)
Net current assets		<u>39,424</u>	<u>31,406</u>
Total assets less current liabilities		<u>3,286,129</u> =====	<u>3,235,689</u> =====
Represented by:			
Funds and reserves			
Unrestricted funds		<u>3,286,129</u> =====	<u>3,235,689</u> =====

All assets and liabilities relate to the general fund, which is unrestricted.

The accounts were approved by the Trustees on 28 October 2022 and signed on their behalf by:


John F da Luz Camacho
Trustee

THE WILLIAM WALTON TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

Charity information

The William Walton Trust is a Charity registered in England and Wales. The registered address is 89 Judd Street London WC1H 9NE.

Accounting convention

The accounts have been prepared in accordance with the Charity's trust deed, 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 (FRS102)" (effective 1 January 2019).

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

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

Charitable funds

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

Income

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

With the exception of voluntary income arising from donations, all income is credited to the statement of financial activities on an accruals basis.

Donations are credited to the statement of financial activities in the period in which they are received.

Expenditure

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Resources expended comprise the following:

- a. Charitable activities include grant payments, which are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all related conditions. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is released are not accrued for but are noted as financial commitments in the notes to the accounts.
- b. Support costs relate to amounts paid to those involved in the office and administration side of the charity.
- c. Governance costs relate to audit fees and other expenses incurred in the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements.

Cash flow

The accounts do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

- Land and buildings – 2% straight line

The trustees consider that no depreciation is charged on the land as it has an unlimited life.

Fixed asset investments

Investments are stated at market value. The statement of financial activities include the net gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (or value at purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or value at purchase date if later).

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

THE WILLIAM WALTON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Cash and cash equivalents.

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments'.

Financial instruments are recognised in the Statement of Financial Position when the charity becomes part 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 method unless the arrangement constitutes a financial transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligation 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 creditors 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. Judgements and key sources of estimation uncertainty

In the application of the Charitable Organisations 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.

In the opinion of the Trustees there are no significant judgements or areas of estimation uncertainty.

3. Prior year adjustment

The prior year adjustment relates to depreciation charge on the buildings, not depreciated in prior years.

The effect of not depreciating the buildings in prior years is a reduction in Funds brought forward at 1 January 2021 of £208,548.

THE WILLIAM WALTON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

4. Donations and legacies

	2021	2020
	£	£
Donations	20,000	20,000
Legacies	14,050	-
	<u>34,050</u>	<u>20,000</u>
	=====	=====

In 2004, the charity received the first distribution from the Will Trust of the late Dr Jean Shanks, which the trustees choose to take in the form of cash and this amounted to £653,500.

A second interim distribution was made available on 15 December 2004 to the value of £1,700,000, consisting of shares with a market value of £670,707 and £1,029,293 of cash. The trustees have invested these funds to generate an ongoing income to help fund the activities of the charity.

A further distribution of £800,000 was made in April 2006.

Further distributions were made in February 2008, February 2009, February 2010, and October 2010.

A final distribution was received in June 2021 of £14,050 from the estate of Dr Jean Shanks.

In January 2009, the charity received the first distribution from the John M Eargle 2003 Living Trust of \$50,000. A second partial distribution of \$200,000 was made available in December 2009.

A further distribution was made in March 2011 and a final distribution in October 2011.

The trustees continue to invest these funds to generate an ongoing income to help fund the activities of the charity.

THE WILLIAM WALTON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

5. Income from Investments

	2021	2020
	£	£
Interest receivable	2	2,179
Dividends	11,678	12,618
Charities Property Fund distributions	2,165	2,010
	<u>13,845</u>	<u>16,807</u>
	=====	=====

6. Other Income

	2021	2020
	£	£
Royalty income	837	908
	=====	=====

7. Raising funds

	2021	2020
	£	£
Investment management costs	8,276	7,506
	=====	=====

8. Charitable activities

	2021	2020
	£	£
Grants payable (see note 9)	-	-
Support costs (see note 10)	61,923	15,476
	<u>61,923</u>	<u>15,476</u>
	=====	=====

9. Grants payable

The charity makes grants to institutions and individuals in accordance with its grant making policy set out in the trustees' report.

	2021	2020
	£	£
<u>Grants to institutions:</u>		
None	-	-
	<u>-</u>	<u>-</u>
	=====	=====

THE WILLIAM WALTON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Support costs

	2021	2020
	£	£
Sundry	198	198
Audit fees	4,980	7,968
Accountancy fees	4,980	1,992
Legal fees	11,170	-
Miscellaneous expenses	5,528	5,783
Exchange (gain)/loss	309	(465)
Depreciation	34,758	-
	<u>61,923</u>	<u>15,476</u>
	=====	=====

11. Taxation

The William Walton Trust is a registered charity and therefore, is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

12. Tangible fixed assets

Land and buildings	Land at Ischia £	Greek Theatre & remedial work £	Total £
Cost at 1 January 2021 & 31 December 2021	717,800	1,737,880	2,455,680
	=====	=====	=====
Depreciation			
At 1 January 2021 as restated	-	208,548	208,548
Depreciation charge in the year	-	34,758	34,758
	<u>-</u>	<u>243,306</u>	<u>243,306</u>
	=====	=====	=====
At 31 December 2021	-	243,306	243,306
	=====	=====	=====
Net book value			
At 31 December 2021	717,800	1,494,574	2,212,374
	=====	=====	=====
At 31 December 2020	717,800	1,529,332	2,247,132
	=====	=====	=====

THE WILLIAM WALTON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Fixed asset investments

	2021 £	2020 £
Listed investment and cash held for re-investment		
Listed investments		
Market value at 1 January 2021	931,211	889,582
Additions at cost	237,806	204,271
Disposal	(226,581)	(185,735)
Net unrealised investment gain/(losses)	34,002	23,093
Market value at 31 December 2021	976,438	931,211
Cash held by investment managers for re-investment	57,893	25,940
	1,034,331	957,151
	=====	=====
Cost of listed investment at 31 December 2021	873,878	827,295
	=====	=====

All listed investments were dealt on recognised stock exchanges. Listed investments held at 31 December 2021 comprised the following:

	2021 £	2020 £
UK equities	268,220	201,064
Overseas equities	372,942	348,517
Fixed interest	228,689	253,686
Unit trusts	58,113	52,606
Cash for re-investment	57,893	25,940
Commodities	48,474	75,338
	1,034,331	957,151
	=====	=====

14. Debtors

	2021 £	2020 £
Due within one year		
Charity repayment claim	10,853	10,853
Accrued investment income	528	572
Dividends	3,151	5,023
	14,532	16,448
	=====	=====

THE WILLIAM WALTON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

15. Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals – audit & accountancy	20,316	10,158
	=====	=====

13. Trustees' remuneration expenses and arrangements

No trustees were reimbursed for expenses during the year (2020: £nil).

No remuneration was received by any of the trustees (2020: £nil). No trustee had any beneficial interest in any contract with the charity during the year.

17. Related party disclosures

The three trustees are also trustees of William Walton & La Mortella Trust (registered charity number: 1115263). During the year, the charity received donations totalling £20,000 (2020: £20,000) from William Walton & La Mortella Trust.