

Registered number: 01848136  
Charity number: 290261

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**THE ITALIA CONTI ACADEMY TRUST**  
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

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**THE ITALIA CONTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**THE ITALIA CONTI ACADEMY TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**Trustees**

L Toon (resigned 18 April 2021)  
J Eaton  
S Hanness  
B Thomas

**Company registered number**

01848136

**Charity registered number**

290261

**Registered office**

Ground Floor  
45 Pall Mall  
London  
SW1Y 5JG

**Independent auditor**

Hillier Hopkins LLP  
Chartered Accountants  
Statutory Auditor  
45 Pall Mall  
London  
SW1Y 5JG

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**THE ITALIA CONTI ACADEMY TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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The Trustees present their annual report together with the audited financial statements of the Company for the 1 September 2020 to 31 August 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) 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).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Objectives and activities**

**a. Policies and objectives**

In accordance with the objects stated above, the Charity had developed a strategy to provide high quality performing arts courses working alongside The Italia Conti Academy of Theatre Arts Limited ("the Academy").

Up until the date of writing and expected to continue until 31 August 2022, the strategy has been changed slightly, as follows:

The Academy offers performing arts courses for students aged 16 and upward. These courses include Diplomas and Bachelor of Arts Degrees. The Academy operates from two premises, the main school in London's Barbican, and Avondale Hall in Clapham, where its drama courses are centred.

Under an agreement with the Academy, the Charity operates part of the Diploma courses, and provides grants for students to attend its own courses and considers other performing arts courses where appropriate on application. The costs of running the school which relate to its courses are reimbursed by the Charity to the Academy each year.

The Trustees are developing new plans for the Charity going forward. These may include making new arrangements with the Italia Conti Arts Centre Limited for the running of a different part of its facility, or alternative methods for generating more funds so that the Charity can continue its work of providing bursaries for deserving students. No decisions have yet been finalised.

At the date of writing, the Trustees are confident that it will be possible to continue the activities of the Charity in some manner, and the strategies are under development.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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**THE ITALIA CONTI ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Objectives and activities (continued)**

The objectives of the Charity are:

- a. Promoting education in the performing arts through both teaching and the provision of scholarships; and,
- b. Providing teaching through the facilities of the The Italia Conti Academy of Theatre Arts Limited or otherwise.

**b. Strategies for achieving objectives**

While hitherto the strategy for achieving the charitable objectives have been clear, as explained above, it is now necessary to review these strategies and develop new ones. The global pandemic of Covid-19 has made it extremely challenging for the Charity to establish its new activities, and the Trustees have determined that they do not wish to enter into arrangements until they have greater clarity.

A number of alternative strategies are being reviewed at the date of writing. These include the operation of segments of the Academy's business on arrangements similar to those currently in existence, or the provision of suitable sub-services to students in which the Charity has expertise.

**Achievements and performance**

**a. Review of activities**

The year under review was challenging for the Charity in many ways. Falling student numbers due to the closure of the junior school led to a reduced operating surplus, before grant-making, of £104,378 (2020: surplus £213,782). After grant-making, this resulted in a deficit of £32,695 (2020: £124,551).

The Charity has retained a small surplus at 31 August 2021, and has made arrangements with the Academy to ensure that it does not suffer any overall deficit of charitable funds up to 31 August 2022 as a consequence of its arrangements with the Academy.

The overall incoming resources for the year were £452,777 (2020: £921,362). This is consistent with expectations and the strategy outlined under "Reserves Policy" below such that the net reserves at the balance sheet date were £10,276 (2020: £42,971).

Student successes continue, with numerous students gaining practical experience in professional work, and the Charity works closely with the Italia Conti Agency Limited to maximise the possibility of its pupils obtaining this highly sought after opportunity, whether in theatre, film or television.

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**THE ITALIA CONTI ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Financial review**

**a. Going concern**

The Trustees are presently of the view that the charitable activities will continue, albeit in a different form, as explained above. As such, they consider that the going concern basis is appropriate, and any alternative basis for preparing the financial statements would not result in any material adjustments.

**b. Reserves policy**

The Charity Commission defines reserves as "income which becomes available to the charity and is to be expended at the Trustees' discretion in furtherance of the charity's objects, but is not yet spent, committed or designated". At the balance sheet date the Charity's reserves are primarily utilised in the occupation of the Barbican premises and to provide working capital for its operations.

These funds are utilised by providing grants and teaching courses. It is the Trustees' policy to utilise resources for its objectives and not to retain unnecessary funds. Consequently, the Trustees have acted to utilise all surplus funds in furtherance of the Charity's objectives, especially having regard to the difficult times faced by many parents.

The close relationship with The Italia Conti Academy of Theatre Arts Limited acts to provide financial backup ensuring that reserves are in place at all times to meet the needs of the Charity in providing education.

**Structure, governance and management**

**a. Constitution**

The Italia Conti Academy Trust is registered as a charitable company limited by guarantee and was set up by a Trust deed.

**b. Methods of appointment or election of Trustees**

The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

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THE ITALIA CONTI ACADEMY TRUST  
(A Company Limited by Guarantee)

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TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2021

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**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the Company for the purposes 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditor**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

**Auditor**

The auditor, Hillier Hopkins LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

  
B Thomas

Date: 27<sup>th</sup> May 2022

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**THE ITALIA CONTI ACADEMY TRUST**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ITALIA CONTI ACADEMY TRUST**

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**Opinion**

We have audited the financial statements of The Italia Conti Academy Trust (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 August 2021 and of its incoming resources and application of resources, including its 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 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

**Emphasis of matter**

We draw attention to the Trustees' Report and note 2.2 in the financial statements, which indicates that the Trustees have made a decision to close the school with effect from 31 August 2021. The Trustees are confident that it will be possible to continue the activities of the Charity in some manner, and the strategies are under development. Our opinion is not modified in respect of this matter.

**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 charitable company'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.



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**THE ITALIA CONTI ACADEMY TRUST**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ITALIA CONTI ACADEMY TRUST**  
(CONTINUED)

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**Other information**

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

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; 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 (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.

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**THE ITALIA CONTI ACADEMY TRUST**  
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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ITALIA CONTI ACADEMY TRUST**  
(CONTINUED)

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**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 the Act and relevant regulations made or having effect thereunder.

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

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:

- the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Trust's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, the Charities Act 2011 and relevant tax legislation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

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THE ITALIA CONTI ACADEMY TRUST  
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE ITALIA CONTI ACADEMY TRUST  
(CONTINUED)

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The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

**Use of our report**

This report is made solely to the charitable company'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 charitable company'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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*Hillier Hopkins LLP*

Hillier Hopkins LLP  
Chartered Accountants  
Statutory Auditor  
45 Pall Mall  
London  
SW1Y 5JG

Date: *31 May 2022*

Hillier Hopkins LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**THE ITALIA CONTI ACADEMY TRUST**  
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>				
Donations and legacies	3	-	-	100
Charitable activities	4	446,434	446,434	906,263
Other trading activities	5	6,343	6,343	14,999
<b>Total income</b>		<b>452,777</b>	<b>452,777</b>	<b>921,362</b>
<b>Expenditure on:</b>				
Charitable activities		485,472	485,472	1,045,913
<b>Total expenditure</b>		<b>485,472</b>	<b>485,472</b>	<b>1,045,913</b>
<b>Net movement in funds</b>		<b>(32,695)</b>	<b>(32,695)</b>	<b>(124,551)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		42,971	42,971	167,522
Net movement in funds		(32,695)	(32,695)	(124,551)
<b>Total funds carried forward</b>		<b>10,276</b>	<b>10,276</b>	<b>42,971</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 24 form part of these financial statements.

**THE ITALIA CONTI ACADEMY TRUST**  
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REGISTERED NUMBER: 01848136

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Investment property	10	349,500	349,500
<b>Current assets</b>			
Debtors	11	38,760	174,323
Cash at bank and in hand		44,616	392,326
		<u>83,376</u>	<u>566,649</u>
Creditors: amounts falling due within one year	12	(422,600)	(873,178)
<b>Net current liabilities</b>		<u>(339,224)</u>	<u>(306,529)</u>
<b>Total net assets</b>		<u>10,276</u>	<u>42,971</u>
<b>Charity funds</b>			
Restricted funds	13	-	-
Unrestricted funds	13	10,276	42,971
<b>Total funds</b>		<u>10,276</u>	<u>42,971</u>

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 145 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

  
B Thomas

Date: 27/05/2022

The notes on pages 13 to 24 form part of these financial statements.

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THE ITALIA CONTI ACADEMY TRUST  
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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2021

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	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	(347,710)	134,701
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	(347,710)	134,701
Cash and cash equivalents at the beginning of the year	392,326	257,625
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	44,616	392,326
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The notes on pages 13 to 24 form part of these financial statements

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**THE ITALIA CONTI ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**1. General information**

The Italia Conti Academy Trust is a company limited by guarantee incorporated in the United Kingdom. Its principal place of business is 23 Goswell Road, London, EC1M 7AJ.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Italia Conti Academy Trust 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.

**2.2 Going concern**

As set out in the Trustees' Report, the Trustees have made a decision to close the Junior School with effect from 31 August 2021. This decision places some concern over the future of the Charity. However, at the date of writing, the Trustees are confident that it will be possible to continue the activities of the Charity in some manner, and the strategies are under development. As such, they consider that the going concern basis is appropriate, and any alternative basis for preparing the financial statements would not result in any material adjustments.

**2.3 Income**

All income is recognised once the Company 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 recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

School fee and other income is recognised in the period to which the fees relate on a term by term basis. Where fees are mitigated by grants or other subsidies, these are deducted against the income and analysed in the notes to the financial statements. The Charity also takes a prudent view towards the recoverability of doubtful debts and where it appears that recovery of debts for school fees may be protracted or unlikely, provision is made in full.



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**2. Accounting policies (continued)**

**2.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.5 Debtors**

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

**2.6 Cash at bank and in hand**

Cash at bank and in hand includes 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.

**2.7 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

**2.8 Financial instruments**

The Company 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**2. Accounting policies (continued)**

**2.9 Pensions**

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

**2.10 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

**2.11 Distributions**

Distributions by way of grants and bursaries to pupils of the school are shown as deductions from fees in note 4 of the financial statements. Distributions by way of payment of fees for pupils and students from other educational establishments are shown as distributions under Resources Expended in the Statement of Financial Position.

**3. Income from donations and legacies**

	Unrestricted funds 2021 £	Total funds 2021 £
<b>Total 2021</b>	<u>          -          </u>	<u>          -          </u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	100	100
<b>Total 2020</b>	<u>          100          </u>	<u>          100          </u>

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**THE ITALIA CONTI ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**4. Income from charitable activities**

	Unrestricted funds 2021 £	Total funds 2021 £
Teaching	583,507	583,507
Grants made to students	(137,073)	(137,073)
<b>Total</b>	<u>446,434</u>	<u>446,434</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Teaching	1,244,596	1,244,596
Grants made to students	(338,333)	(338,333)
<i>Total 2020</i>	<u>906,263</u>	<u>906,263</u>

**5. Income from other trading activities**

	Unrestricted funds 2021 £	Total funds 2021 £
Sundry income	1,254	1,254
Grants	5,089	5,089
	<u>6,343</u>	<u>6,343</u>

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**THE ITALIA CONTI ACADEMY TRUST**  
(A Company Limited by Guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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**5. Income from other trading activities (continued)**

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Sundry income	4,999	4,999
Grants	10,000	10,000
	<u>14,999</u>	<u>14,999</u>

**6. Analysis of expenditure by activities**

	<i>Activities undertaken directly 2021 £</i>	<i>Total funds 2021 £</i>
Teaching	470,889	470,889
Welfare	1,245	1,245
Support	964	964
Management & admin	12,374	12,374
	<u>485,472</u>	<u>485,472</u>

	<i>Activities undertaken directly 2020 £</i>	<i>Total funds 2020 £</i>
Teaching	831,520	831,520
Welfare	26,463	26,463
Support	115,193	115,193
Management & admin	72,737	72,737
	<u>1,045,913</u>	<u>1,045,913</u>

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6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Teaching 2021 £	Welfare 2021 £	Support 2021 £	Manage- ment & admin 2021 £	Total funds 2021 £
Staff costs	391,705	-	-	-	391,705
Rates & water	21,485	-	-	-	21,485
Insurance	-	-	-	145	145
Light & heat	442	-	-	-	442
Postage, stationery & subscriptions	7,954	-	404	-	8,358
Sundries	-	1,245	-	-	1,245
Travel	-	-	560	-	560
Canteen	13,610	-	-	-	13,610
Repairs	1,070	-	-	-	1,070
Shows	1,177	-	-	-	1,177
Education costs	7,236	-	-	-	7,236
Bank charges	492	-	-	-	492
Legal	-	-	-	12,228	12,228
Bad debts	25,718	-	-	-	25,718
	<u>470,889</u>	<u>1,245</u>	<u>964</u>	<u>12,373</u>	<u>485,471</u>

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6. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	Teaching 2020 £	Welfare 2020 £	Support 2020 £	Management & admin 2020 £	Total funds 2020 £
Staff costs	575,876	-	-	-	575,876
Fee for use of fixed assets	9,645	-	-	-	9,645
Rates & water	23,265	-	-	-	23,265
Insurance	-	-	-	9,980	9,980
Light & heat	15,642	-	-	-	15,642
Telephone	-	-	5,729	-	5,729
Postage, stationery & subscriptions	6,812	-	8,730	-	15,542
Advertising	-	-	21,138	-	21,138
Sundries	-	4,334	-	2,611	6,945
Training & recruitment	-	22,129	-	-	22,129
Travel	-	-	4,531	-	4,531
Canteen	40,469	-	-	-	40,469
Computer	-	-	18,292	-	18,292
Hire of equipment	10,744	-	-	-	10,744
Repairs	-	-	56,773	-	56,773
Shows	11,171	-	-	-	11,171
Education costs	17,667	-	-	-	17,667
Bank charges	811	-	-	-	811
Legal	-	-	-	60,146	60,146
Bad debts	93,121	-	-	-	93,121
Cleaning	26,297	-	-	-	26,297
	<u>831,520</u>	<u>26,463</u>	<u>115,193</u>	<u>72,737</u>	<u>1,045,913</u>

7. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	4,000	3,800
Fees payable to the Company's auditor in respect of:		
All non-audit services not included above	<u>1,250</u>	<u>1,200</u>

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FOR THE YEAR ENDED 31 AUGUST 2021**

**8. Staff costs**

	2021 £	2020 £
Wages and salaries	366,069	533,835
Social security costs	20,559	33,797
Contribution to defined contribution pension schemes	5,077	8,244
	<u>391,705</u>	<u>575,876</u>

The average number of persons employed by the Company during the year was as follows:

	2021 No.	2020 No.
Average number of employees	<u>16</u>	<u>9</u>

No employee received remuneration amounting to more than £60,000 in either year.

**9. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

**10. Investment property**

	Freehold investment property £
Valuation	
At 1 September 2020	349,500
At 31 August 2021	<u>349,500</u>

The carrying value of the investment property, representing a right to occupy the Charity premises, represents the amount that the Charity is entitled to receive if, for any reason, it becomes unable to continue that occupation, or an alternative accommodation satisfactory to the Trustees at their discretion is not provided. This is considered to be the effective market value of the rights held by the Charity.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**11. Debtors**

	2021 £	2020 £
Due within one year		
Trade debtors	34,735	152,214
Other debtors	2,423	19,682
Prepayments and accrued income	1,602	2,427
	<u>38,760</u>	<u>174,323</u>

**12. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Trade creditors	251	2,892
Amounts owed to Italia Conti Academy of Theatre Arts Limited	335,833	698,437
Other creditors	4,164	80
Accruals and deferred income	82,352	171,769
	<u>422,600</u>	<u>873,178</u>

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**FOR THE YEAR ENDED 31 AUGUST 2021**

**13. Statement of funds**

**Statement of funds - current year**

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Unrestricted funds				
Reserves	42,971	452,777	(485,472)	10,276

**Statement of funds - prior year**

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
Unrestricted funds				
Reserves	167,522	921,362	(1,045,913)	42,971

**14. Summary of funds**

**Summary of funds - current year**

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
General funds	42,971	452,777	(485,472)	10,276

**Summary of funds - prior year**

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
General funds	167,522	921,362	(1,045,913)	42,971



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**15. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Total funds 2021 £
Investment property	349,500	349,500
Current assets	83,376	83,376
Creditors due within one year	(422,600)	(422,600)
<b>Total</b>	<u>10,276</u>	<u>10,276</u>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2020 £	Total funds 2020 £
Investment property	349,500	349,500
Current assets	566,649	566,649
Creditors due within one year	(873,178)	(873,178)
<b>Total</b>	<u>42,971</u>	<u>42,971</u>

**16. Pension commitments**

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £5,077 (2020 - £8,244).

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**17. Related party transactions**

As set out in the Report of the Trustees, the Charity has a close working relationship with The Italia Conti Academy of Theatre Arts Limited ("the Academy"), which has provided the endowments allowing the Charity to exist and to operate. Although the Trustees are independent and the Charity has its own fee income and staff, they are contracted annually by the Academy and there is no obligation for the contract to be renewed. The Academy has confirmed that it has no expectation or intention to withdraw from this arrangement, and has provided financially backed rights to occupy as set out in note 9.

All overhead allocations and treasury management is shared with the Academy, subject at all times to the Trustee oversight.

The Academy is considered to be a related party because, and only because of its close relationship with the Charity, in the intent of giving a true and fair view.