

Registered number: 01848136
Charity number: 290261

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

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



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

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Trustees' Report	2 - 5
Independent Auditor's Report on the Financial Statements	6 - 9
Statement of Financial Activities	10
Balance Sheet	11 - 12
Notes to the Financial Statements	13 - 23

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2022**

Trustees

J Eaton
S Hanness
B Thomas (resigned 30 June 2022)

Company registered number

01848136

Charity registered number

290261

Registered office

Ground Floor
45 Pall Mall
London
SW1Y 5JG

Principal operating office

23 Goswell Road
London
EC1M 7AJ

Independent auditor

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

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

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the audited financial statements of the Company for the 1 September 2021 to 31 August 2022. 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 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.

Following a change in premises, in which the Academy merged its courses with those of Italia Conti Arts Centre Limited and moved to new premises in Woking, effective from 1 September 2022, the Charity has been permitted to continue its activities as for the academic year 2021/22 into 2022/23, while the Trustees consider the most appropriate course of action in pursuance of its charitable objectives.

The disposal by the Academy of the property at Avondale Hall, London resulted in a crystallisation of its asset.

At the date of writing, the Trustees are confident that it will be possible to continue the activities of the Charity alongside Italia Conti Arts Centre Limited, 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)'.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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 Italia Conti 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 £145,853 (2021 - surplus £104,378). After grant-making, this resulted in a surplus of £8,398 (2021 - deficit £32,695).

The Charity has retained a small surplus at 31 August 2022, and has made arrangements with Italia Conti 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 £154,700 (2021 - £452,777). This is consistent with expectations and the strategy outlined under "Reserves Policy" below such that the net reserves at the balance sheet date were £84,174 (2021 - £10,276).

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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 Italia Conti 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.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

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 . 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:



.....
J Eaton
Trustee

Date: 25/05/2023

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

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

Opinion

We have audited the financial statements of The Italia Conti Academy Trust (the 'charitable company') for the year ended 31 August 2022 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 2022 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 Companies Act 2006.

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.

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.

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

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

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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

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.

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

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

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.

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:

- we consider 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, internal audit and the Audit Committee about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's / Group'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 and involving relevant internal specialists, 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.

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

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

We also obtained an understanding of the legal and regulatory frameworks that the Company / Group 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. 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. 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 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 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.



Michael Jacoby FCA (Senior Statutory Auditor)

for and on behalf of
Hillier Hopkins LLP
Chartered Accountants
Statutory Auditor
45 Pall Mall
London
SW1Y 5JG

Date: 30 May 2023

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Charitable activities	3	154,700	154,700	446,434
Other trading activities	4	-	-	6,343
Total income		154,700	154,700	452,777
Expenditure on:				
Charitable activities		146,302	146,302	485,472
Total expenditure		146,302	146,302	485,472
Net movement in funds		8,398	8,398	(32,695)
Reconciliation of funds:				
Total funds brought forward		10,276	10,276	42,971
Net movement in funds		8,398	8,398	(32,695)
Total funds carried forward		18,674	18,674	10,276

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

The notes on pages 13 to 23 form part of these financial statements.

THE ITALIA CONTI ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01848136

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Investment property	9	-	349,500
Current assets			
Debtors	10	112	38,760
Cash at bank and in hand		38,227	44,616
		<u>38,339</u>	<u>83,376</u>
Creditors: amounts falling due within one year	11	(19,665)	(422,600)
Net current assets / liabilities		<u>18,674</u>	<u>(339,224)</u>
Total net assets		<u><u>18,674</u></u>	<u><u>10,276</u></u>
Charity funds			
Restricted funds	12	-	-
Unrestricted funds			
General funds	12	18,674	10,276
Total unrestricted funds	12	<u>18,674</u>	<u>10,276</u>
Total funds		<u><u>18,674</u></u>	<u><u>10,276</u></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 ITALIA CONTI ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 01848136

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

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



.....
J Eaton
Trustee

Date: 25/05/2023

The notes on pages 13 to 23 form part of these financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. General information

The Italia Conti Academy Trust is a company limited by guarantee incorporated in England and Wales.

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, following a change in premises in which the Academy merged its courses with those of Italia Conti Arts Centre Limited, effective from 1 September 2022, the Charity has been permitted to continue its activities as for the academic year 2021/22 into 2022/23, while the Trustees consider the most appropriate course of action in pursuance of its charitable objectives. At the date of writing, the Trustees are confident that it will be possible to continue the activities of the Charity alongside Italia Conti Arts Centre Limited, 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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 charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Teaching	226,655	226,655
Grants made to students	(71,955)	(71,955)
Total 2022	154,700	154,700
	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Teaching	583,507	583,507
Grants made to students	(137,073)	(137,073)
Total 2021	446,434	446,434

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. Income from other trading activities

Income from fundraising events

	Total funds 2022 £
	-
Total 2022	-

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

5. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Total funds 2022 £
Teaching	70,331	70,331
Management & admin	75,971	75,971
	<u>146,302</u>	<u>146,302</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

5. Analysis of expenditure by activities (continued)

	<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>

Analysis of direct costs

	Teaching 2022 £	Welfare 2022 £	Support 2022 £	Management & admin 2022 £	Total funds 2022 £
Staff costs	47,205	-	-	-	47,205
Rates & water	1,151	-	-	-	1,151
Insurance	-	-	-	115	115
Light & heat	650	-	-	-	650
Postage, stationery & subscriptions	132	-	-	-	132
Travel	-	-	-	114	114
Shows	1,401	-	-	-	1,401
Education costs	(868)	-	-	-	(868)
Bank charges	309	-	-	-	309
Legal and professional	-	-	-	10,242	10,242
Bad debts	(3,639)	-	-	-	(3,639)
Storage	23,990	-	-	-	23,990
Loss on disposal of investment property	-	-	-	65,500	65,500
	<u>70,331</u>	<u>-</u>	<u>-</u>	<u>75,971</u>	<u>146,302</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

5. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Teaching 2021 £</i>	<i>Welfare 2021 £</i>	<i>Support 2021 £</i>	<i>Management & admin 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	391,705	-	-	-	391,705
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 and professional	-	-	-	12,228	12,228
Bad debts	25,718	-	-	-	25,718
Storage	21,485	-	-	-	21,485
	<u>470,889</u>	<u>1,245</u>	<u>964</u>	<u>12,373</u>	<u>485,471</u>

6. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	4,500	4,000
Fees payable to the Company's auditor in respect of: All non-audit services not included above	1,350	1,250

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

7. Staff costs

	2022 £	2021 £
Wages and salaries	41,746	366,069
Social security costs	4,447	20,559
Contribution to defined contribution pension schemes	1,013	5,077
	<u>47,206</u>	<u>391,705</u>

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

	2022 No.	2021 No.
Average number of employees	<u>1</u>	<u>16</u>

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

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

9. Investment property

	Freehold investment property £
At 1 September 2021	349,500
Disposals	(349,500)
At 31 August 2022	<u>-</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.

As set out in the Trustees' Report, following a change in premises, in which the Academy merged its courses with those of Italia Conti Arts Centre Limited and moved to new premises in Woking, effective from 1 September 2022, the Charity has been permitted to continue its activities as for the academic year

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. Investment property (continued)

2021/22 into 2022/23, while the Trustees consider the most appropriate course of action in pursuance of its charitable objectives.

The disposal by the Academy of the property at Avondale Hall, London resulted in a crystallisation of its asset.

10. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	112	34,735
Other debtors	-	2,423
Prepayments and accrued income	-	1,602
	<u>112</u>	<u>38,760</u>

11. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	4,552	251
Amounts owed to Italia Conti Academy of Theatre Arts Limited	4,754	335,833
Other creditors	3,339	4,164
Accruals and deferred income	7,020	82,352
	<u>19,665</u>	<u>422,600</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

12. Statement of funds

Statement of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
Unrestricted funds				
Reserves	10,276	154,700	(146,302)	18,674

Statement of funds - prior year

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

13. Summary of funds

Summary of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
General funds	10,276	154,700	(146,302)	18,674

Summary of funds - prior year

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Current assets	38,339	38,339
Creditors due within one year	(19,665)	(19,665)
Total	<u>18,674</u>	<u>18,674</u>

Analysis of net assets between funds - prior year

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

15. 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 £1,013 (2021 - £5,077).

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. 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. On 31 August 2022, the Charity entered into a business transfer agreement to transfer operations from the Academy to Italia Conti Arts Centre Limited.

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.