

Trustees' Annual Report and Accounts

For the year ended 30 June 2025



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Administration

Trustees

Members of the Governing Body

Elected

Christopher Prentice* Chairman

Beatrice Bargagli Stoffi Deputy Chair

Maria Grazia Antoci* (to 23/5/25)

Tessa Capponi

Helen Farrell

Shalina Ganatra

Lady Hannah Lowy Mitchell* (to 23/5/25)

Professor Robin Mason Universities UK nominee

James Stewart^ Treasurer

Luke Syson British Academy nominee

Katerine Zock

Ex officio

Alessandra Petrucci Rector, University of Florence

Brian Young* Director, British Council, Italy

HMA Ed Llewelyn Honorary President

Honorary Governor

Michael Griffiths

Senior Management Team 2024-2025

Simon Gammell*	Director
Amanda Lowe+	Deputy Director
Penny Walsh+	Head of Finance and Administration
Louise Barker	Schools Coordinator
Sara Bini	International Group Operations Manager
Jeremy Boudreau	Head of History of Art
Annette Cooper	Young Learner Coordinator
Diletta Melani	Exams Coordinator and Operations Manager

^ denotes Chair of Management Committee

* denotes member of Management Committee

+ attends Management Committee

Bankers:

Barclays Bank plc
21 Hanover Square
London W1S 1J

Banca Intesa Sanpaolo
Filiale Firenze 62
Via Bufalini, 4
50122 Florence

Italian lawyers:

Avv. Lorenzo Contri
Via Lorenzo Il Magnifico, 78
50129 Firenze

Avv. Roberto Borlè Gioppi
Via Calabria, 56
00187 Roma

Auditor:

Moore Kingston Smith LLP
4 Victoria Square
St Albans
AL1 3TF

Accountant:

Studio Pignatelli
Dr Elena Pignatelli
Via Ruggero Ruggeri, 3
50135 Firenze

Trustees' Report for the year ended 30 June 2025

The British Institute of Florence is a charity registered with the Charity Commission of England and Wales under charity number 290647 and operates from the following addresses.

Palazzo Lanfredini, Lungarno Guicciardini 9, 50125 Florence, Italy.

Viale Mazzini 10-12, 50132, Florence, Italy

Website: <http://www.britishinstitute.it/en/>

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the requirements of the Charities Act 2011, 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 published on 16 July 2014 and the Royal Charter.

1. Governance

Structure, Governance and Management

The Institute was founded in 1917 and granted a Royal Charter in 1923. The Charter of Incorporation was confirmed by warrant on 14 May 1923. Amendments were undertaken to the Charter and Statutes on 3 June 1958, 14 December 1994 and 7 June 2006.

In 1953 the British Institute was formally appointed by Her Majesty's Government as one of three agencies for the execution of the provisions of the Anglo-Italian Cultural Convention of 28 November 1953, the other two being The British Council and the British School of Rome.

This was recorded in an official exchange of letters dated 1 July 1953 between the UK Ambassador to Italy at the time, Sir Victor Mallet and the then Italian Minister of Foreign Affairs, Alcide De Gasperi. The British Institute of Florence is thus recognised as representing and promoting UK culture in Italy.

The British Institute is directed by a Board of Governors which meets twice a year. A sub-committee of the Board of Governors, the Management Committee, meets more frequently both in person and by remote conferencing. The Director of the British Institute sits on the Management Committee. Working groups of Governors are appointed as required to assume specific responsibilities. The day-to-day operation of the British Institute is delegated to the Director.

Governors act as charitable Trustees and are appointed through nomination and election by the Board of Governors. The number of Governors was set at a minimum of 10 and maximum of 18 in an amendment to the Statutes of the British Institute of Florence in June 2006. New Governors receive induction which provides full briefing on the role and responsibilities of Governors and on procedural matters.

The Board of Governors is responsible for the aims, strategy and governance of the British Institute. It considers and approves strategic direction, budgeting and financial management, and quality assurance and improvement measures. It appoints the Director.

The pay and remuneration of the Director and key management personnel is set by the Management Committee.

The current Director, Mr Simon Gammell, took up office on 22 October 2018.

2. Objectives

2.1 Charitable Objects

The objects of the Institute as set out in its Charter (as amended) are as follows.

- The promotion of the study in Italy of the English language and of British literature, art, history, philosophy and institutions.
- The promotion of the study of the Italian language and of Italian literature, art, history, philosophy, and institutions; and of a greater knowledge and appreciation of Italian culture.
- The promotion of understanding between the citizens of Italy and those pursuing studies described above.
- The maintenance of a Library in Florence to support the other objects.

2.2 Aims

To meet its objects, the Institute has the following aims.

- To provide educational programmes of the highest quality, making a difference to the lives of those taught.
- To maintain and develop its unique Library and Archive and ensure its accessibility to students, researchers, scholars, and the general public, and to raise financial resources to this end.
- To be at the centre of Florence's rich cultural life through the organisation of and participation in a wide range of cultural events and programmes.

Strategic aims for the year to June 2025

2024-25 was the first year of the new Business Plan 2024–27, approved at the May 2024 Governors' Meeting. This plan is designed to build on the progress made against the previous three-year plan to build an Institute which is properly sustainable for the future. The agreed focus for 2024-25 was to:

1. Continuously improve our offer to our Florentine and International customers, including building up a greater social outreach programme;
2. Further upgrade our marketing, communications and customer service to steadily increase the number of people who buy our products and services;

3. Continue to seek ways to control our costs, whilst investing in our existing staff and steadily increasing our capacity to manage a growing business;
4. Further develop our fundraising capacity and introduce innovative approaches to achieving steady growth in the value of funds raised;
5. Overall Management and Governance of the British Institute of Florence continues to meet Charity Commission requirements and demonstrates best practice in relation to staff and staffing, financial management and control, product development and delivery, customer satisfaction, estate and resource management, staff development and quality assurance.

We complied with the duty in section 17 of the Charities Act 2011 to refer to guidance published by the Charity Commission on public benefit when reviewing our aims and objectives and planning our future activities.

3. Review of the year

For more than a century, the Institute has given life changing educational and cultural opportunities to thousands of people inspired by, and connected with, the beautiful historic city of Florence. Florence, famously the cradle of the Renaissance, is a deeply international city with its entire historic centre designated a UNESCO World Heritage site. This internationalism has deep roots, reaching back to the eighteenth-century tradition of the Grand Tour – slow travel for educational and cultural enlightenment. And by the nineteenth century more and more visitors were staying on, making Florence their home. By 1900 over 20% of the resident population of Florence were foreigners (mostly Brits), and it was from that community that the British Institute of Florence emerged.

From the start the Institute has had an important role in the intellectual and cultural life of Florence. Over the decades the Institute built up one of Italy's largest and highest quality humanities libraries in English, a resource that remains open and available to everyone to this day. It is a beautiful heritage Library, situated on the *piano nobile* of the sixteenth century Palazzo Lanfredini, with a huge window overlooking the river Arno towards Palazzo Corsini, the finest baroque building in Florence. It is a dreamy place.

Reinventing the tradition of the Grand Tour for modern times, the Institute has long been offering a series of month-long immersion courses in Florence's remarkable art history, combined with the study of Italian, for discerning long stay visitors – gap year students, mid-career sabbaticals and retired people following their dream. And the Library now functions as a vibrant cultural and social space, with a rich programme of fine lectures and seminars exploring the history, art and life of Florence, sublime concerts, literary evenings and wine tastings. Discussions on contemporary issues with leaders of the city, workshops in renaissance art making, a life drawing session, traditional afternoon tea and even a Bridge group. It's all happening in the Library these days! In a city that sometimes feels overrun by short stay Instagram tourists, the Institute offers the inside track through deep study of the history, art and life of Florence, together with authentic social connection – many of the participants at our events live in Florence permanently or spend part of each year here. And they come from all over the world: roughly a third from UK, another third from North America and the rest from everywhere else - all united by the international language (English) and deep fascination for the splendour that is Florence.

Highlights of the year have included well attended *Wednesday Lectures* by Timothy Verdon, Director of the Museo delle Opere del Duomo, Filippo Camerota, Director of the Galileo Museum and Katie Lysy, Iris Origo's granddaughter and current curator of her celebrated Villa, *La Foce*, amongst many others. Our concert series, *Music al British*, featured some wonderful recitals from brilliant young international pianists, provided by our partners the Keyboard Trust; and for our *Meet the Author* programme we were delighted to welcome Vanessa Nicholson, Amber Guinness and Livia Frescobaldi. A new strand to complement our flagship Art History courses is our Tuesday Seminars, which explore in depth the social, literary and political history of Florence. This year we had a guided reading of *Boccaccio's Decameron*, a series on *Radical Renaissance Women* and another on *Love and Marriage in the Renaissance*.

A particular highlight was a beautiful exhibition in our renovated ground floor *SOTTO* space *Speaking through Colour*, co-sponsored by Michael Griffiths and Christian Levett. This showed several outstanding paintings from Michael's neurologically diverse son John in dialogue with abstract expressionist works from the Levett Collection. A brilliant and important exhibition which looked great in *SOTTO*, and was very well attended. We donated the proceeds from catalogue sales to the *Centro Educativo Europeo*, a residential facility where John spent his last years and learned to paint.

The educational and cultural programme in the Library was supported by strong growth for both Event Sponsorship and Memberships. The social dimension was well supported by Wine Partnerships with Chianti Classico wineries *Cafaggio* and *Vignamaggio* – we only drink good wine in the Library these days!

The performance of the History of Art programme has been steady, with further evidence that the largest demand by far relates to the Florentine Renaissance. The subsequent periods of Florentine art history struggle to attract sufficient participant numbers. So, we have designed a new three-month cycle of courses that focus completely on the three centuries from 1300, which will allow us to explore the Florentine Renaissance in greater depth than ever before – for launch in September 2025.

The Italian department's numbers remain stable, with over 150 students enrolled in group courses and more than 50 in private lessons, the majority of whom attend in person. Feedback has been very positive, with a strong base of returning students and new ones joining primarily through word of mouth. It is a boutique business offering very high quality and complementing the Art History and Cultural programmes for discerning visitors and new residents of Florence. We were also pleased to provide tailor made short courses for groups of students from Cambridge University, Dulwich College and North London Collegiate School.

For the Florentines, *Il British* (as they affectionately call us) is valued mostly for the high-quality **English language teaching** that we have offered for generations – and this activity still accounts for some 70% of our annual turnover. Our brand is highly respected, but the market for English language learning remains competitive, and the impact of ICT and AI is driving significant changes. The relocation of our English school to the new, better premises at Viale Mazzini three years ago is the cornerstone for our strategic response to these challenges, and this year the new school has got fully into its stride, with a vibrant atmosphere generated by the 270 young learners who come in for classes, along with the many adults who attend in the evenings. Altogether we delivered English courses to 877 students, both in-person and online.

Over half of our English teaching is now delivered off-site in Florence's state schools (1,050 students) and also at the premises of corporate clients. We are much in demand for our after-school courses delivered in state schools in Florence, and this year we worked with a number of new schools. The corporate sector has also seen significant growth - we secured a number of contracts with the hotel groups in Florence, for example – and there are good prospects for further expansion. The future direction lies in tailoring English instruction to

specific purposes and contexts, such as Employability Skills, Communication, Problem Solving and other Soft Skills, as well as English for the workplace – and we have seen our new courses in Professional Development Skills gaining interest and enrolments this year.

The British Institute of Florence is woven into the fabric of the city, and regarded locally with deep affection and respect. Though we are a small independent non-profit of slender means, we like to give back to our hometown. So it was that during the pandemic, we raised funds for the local charities helping the most vulnerable Florentines. This year we have raised funds for a local special education centre through an exhibition of brilliant paintings by one of their neurodivergent students. And we also delivered the third year of our social outreach programme, *Advantage al British* programme, which offers BIF English learning opportunities to disadvantaged young people in Florence. The build-and-test phase of this new product has now been completed with our partner hospitality school *Istituto Saffi*, and we now have an effective programme delivering good results. We will now focus on developing new partners to fund a scaling-up of the Advantage programme. A nice bonus was that two of the *Saffi* students won bursaries from our partners the Monte San Martino Trust to study English in UK for a month in the summer.

We are now the only Cambridge Exams Centre in Florence, and we continue to work closely with Cambridge to grow the Exams business, arranging exams for nearly 3,000 candidates. The demand for the new computer-based exams has started to accelerate, and there are many new opportunities, as well as potential risks, for us in this sector.

4. Performance

Performance is managed on a weekly basis by the leadership team comprising Director, Deputy Director and Head of Finance and Resources, and at meetings of the Senior Management Team every six weeks. Both the Governing Body and Management Committee review overall performance, management accounts and progress against budget at their regular scheduled meetings.

4.1 Operational Performance

The 2024-25 FY was the first year of the new 2024-27 three-year plan. We built on the good result achieved in 2023-24, to achieve another surplus, which saw the Reserves increase by €54,115 to €272,094. The surplus was achieved thanks to another successful year of fundraising. But it should be noted that the two operational Groups are both trading closer to net break even each year.

Florentine Group

The Florentine Group runs our English language and exams business, which primarily targets Florentine individuals and organisations. This was the third year of operations in the new and better Mazzini school and the financial results continued to move substantially in the right direction following the anticipated business downturn following relocation.

International Group

The International Group constitutes our offer to international residents and visitors – primarily History of Art, Italian, Library Services and the Cultural Programme.

Fundraising has gone well again this year. The Patrons Tour and associated Gala Event at Palazzo Feroni again performed strongly. In a significant new development, we ran two successful Days of Giving, in December and then again in June. We were also honoured to enrol three new Life Memberships.

Volunteers and work placements

Volunteers and university interns make an important contribution to running the library and other programmes. We were pleased to welcome a number of students enrolled in the Università degli Studi di Firenze for internships under our partnership convention with the University.

Marketing

We continue to make incremental gains in the effectiveness of our marketing, maximising the limited resources we have to invest in this important activity. This year we started a new initiative to upgrade our digital marketing and communications, under the guidance of a Working Group ably chaired by Shalina Ganatra.

Steady improvements in customer service are seeing better sales results, both in terms of converting enquiries and also with more effective cross-selling between products and up-selling to interested customers. We are grateful to the support of the Adrian Swire Charitable Foundation for their support of our marketing programme over the past three years.

4.2 Financial

The financial year 2024-25 finished with a net loss of €12,001, a net use of provisions of €30,000 and a gain on the investment fund of €15,853 giving a net movement of the charity's funds of €33,853.

In 2024-25 the Institute received donations and legacies totalling €408,002.

At 30 June 2025 the Institute held € 272,094 of unrestricted funds, an endowment fund of €51,474, restricted reserves with a value of €3,912,798 and a heritage asset valued at €1,500,000.

Cash in hand on 30 June 2025 totalled €548,520.

Fundraising Policy

Fundraising activity is carried out by Governors, staff and volunteers. A professional fundraiser was not engaged in any fundraising activities, nor did a commercial participator carry out any fundraising activities.

The Director and the Senior Management team supervise all fundraising activities. A member of staff is always present during fundraising activities that take place on the premises of the British Institute in Florence. The Management Committee receives regular reports on fundraising activity.

The Fundraising sub-committee of the Board of Governors is chaired by Lady Hannah Lowy Mitchell until May 2025; a new chair was appointed in September 2025. The Governors, Director and Senior Management team constantly monitor fundraising activities to ensure that they adhere to the standards of the Institute.

Reserves Policy

The policy of Trustees is that the British Institute should hold financial reserves to enable it to continue operating its charitable activities in the event of a failure of income. The target level of reserves is set at the equivalent of three months' operating costs. As of 30 June 2025, the level of reserves was €272,094 against a target of €480,880.

Restricted assets of €3,912,798 comprise €3,713,205 as the value of Palazzo Lanfredini which is restricted to use as a library; and donations to restricted to fund depreciations changes, the cultural programme, running and maintenance costs of the library, and the Advantage English programme.

Grant-making policy

The British Institute does not make grants and therefore does not have a grant-making policy.

Investment policy and objectives

The British Institute set up an endowment fund in 2012-13 which is able to invest in long term assets to generate income to fund charitable purposes. Other funds are held in cash or short-term liquid assets.

ISO accreditation

The Institute successfully obtained the new ISO 9001 standard for its English language teaching activities, which was reconfirmed at an interim review in January 2025.

Risk Assessment

A formal risk assessment is carried out each year and a Risk Assessment Report is approved by the Board of Governors at its spring meeting. It identifies the main risks to which the charity is exposed, the current level of risk and its likely impact, the procedures in place to mitigate the effects of identified risks and the level of residual risk, using a traffic light system. Any unanticipated risk emerging during the year is brought to the Management Committee of the Board of Governors for further consideration.

There are two ongoing legal cases. The claim by the descendants of Mrs Beacci for a share of our property at Palazzo Lanfredini is longstanding, see significant events section. A

former employee raised a case the Institute relating to their contracts and social security entitlements, which will likely be resolved in 2025-26.

5. The Future

The 2024-2025 year produced another good financial result, leading to an increase in Reserves of €54,115. This was achieved thanks once again to a strong performance in Fundraising that more than covered our net losses from trading activities. The 2025-26 budget is designed to build on these gains with a further surplus at year-end, derived from improved trading results alongside continuing success with fundraising. This will be the second year of our new Business Plan for 2024-27, approved at the November 2024 Governors' Meeting, that is designed to move our trading activities to net break-even and allow fundraising to focus more on raising money for investment in our charitable operations, as well as strengthening our capital reserves.

6. Statement of Trustee Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- a) select suitable accounting policies and apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgments and accounting estimates that are reasonable and prudent;
- d) state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- e) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Governing Body and signed on its behalf by

Christopher Prentice

DocuSigned by:
Christopher Prentice
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29/4/2026 April 2026

Chairman.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE BRITISH INSTITUTE OF FLORENCE

Opinion

We have audited the financial statements of the British Institute of Florence for the year ended 30 June 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 2025, 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The 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 there is 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 Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; 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 required for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 objectives of our audit in respect of 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 to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:


- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the UK financial reporting standards as issued by the Financial Reporting Council, UK Charity Law, compliance with charitable objectives, public benefit requirements, safeguarding, data protection and both UK and Italian employment law.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Date: 30/4/2026

Signed by:

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James Saunders

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

4 Victoria Square

St Albans

Hertfordshire

AL1 3TF

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Balance Sheet 30 June 2025

	Note	2025 (€)	2024 (€) (re-stated – note 21)
Fixed assets			
Tangible assets	3	4,139,103	4,169,708
Heritage assets	3	1,500,000	1,500,000
Total fixed assets		5,639,103	5,669,708
Current assets			
Debtors	4	317,665	237,404
Investments	4	563,681	548,317
Cash at bank and in hand		548,520	525,433
Total current assets		1,429,866	1,311,154
Liabilities			
Creditors: amounts falling due within one year	5	(691,675)	(646,919)
Net current assets		738,191	664,235
Total assets less current liabilities		6,377,294	6,333,943
Provisions for liabilities	6	(640,928)	(631,429)
Net assets		5,736,366	5,702,514
Total funds of the charity			
Endowment funds	15	51,474	54,460
Restricted funds	15	3,912,798	3,930,075
Unrestricted funds	15	272,094	217,979
Revaluation Reserve	15	1,500,000	1,500,000
Total charity funds	15	5,736,366	5,702,514

The financial statements of The British Institute of Florence were approved by the Trustees on 29th April 2026.

DocuSigned by:

Christopher Prentice

Signed on behalf of the Board of Trustees, Chairman

Statement of financial activities incorporating income and expenditure account for the year ended 30 June 2025

		2025 (€)	2025 (€)	2025 (€)	2025 (€)	2024 (€) -
	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Total Funds
Income from:						
Donations and legacies	8	298,001	110,001	-	408,002	392,962
Charitable activities	9	1,503,927	-	-	1,503,927	1,404,443
Total		1,801,928	110,001	-	1,911,929	1,797,405
Expenditure on:						
Charitable activities	10	(1,794,391)	(127,278)	-	(1,921,669)	(1,734,646)
Exchange rate gain (loss)		(1,772)	-	(489)	(2,261)	1,114
Total		(1,796,163)	(127,278)	(489)	(1,923,930)	(1,733,532)
Net income/ (expenditure)		5,765	(17,277)	(489)	(12,001)	63,873
Other recognised gains/ (losses):						
Movement in other legal provisions	6	30,000	-	-	30,000	(30,000)
Movement in provision for Beacci claim	6	-	-	-	-	2,000,000
Gain (loss) on investment fund		18,350	-	(2,497)	15,853	(6,718)
Net movement in funds	15	54,115	(17,277)	(2,986)	33,852	2,027,155
Reconciliation of Funds						
Total funds brought forward restated	22	1,717,979	3,930,075	54,460	5,702,514	3,675,359
Total funds carried forward		1,772,094	3,912,798	51,474	5,736,366	5,702,514

The notes on pages 24 to 40 form part of the financial statements.

Statement of cash flows for the year ended 30 June 2025

		2025 (€)	2024 (€)
Net income / (expenditure) for the reporting period		33,852	2,027,155
Adjustments for:			
Depreciation charges		43,988	47,233
(Decrease) /increase/ in provisions		9,499	(1,926,683)
Increase in creditors: current liabilities		44,756	30,596
Decrease/ (increase) in debtors: current assets		(80,261)	75,926
Foreign exchange (gains) and losses		2,261	(1,114)
Net cash provided by/ (used in) operating activities		54,095	253,113
Cash flows from investing activity			
Purchase of tangible fixed assets		(13,383)	(4,185)
Movement in Investment portfolio		(15,364)	5,872
Purchase of Investments		-	-
Net cash provided by / (used in) investing activity		(28,747)	1,687
Change in cash and cash equivalents in the year		25,348	254,800
Cash and cash equivalents at the beginning of the year		525,433	269,519
Change in cash & cash equivalents due to exchange rate movements		(2,261)	1,114
Cash and cash equivalents at the end of the year		548,520	525,433
Cash and cash equivalents at the end of the year comprise:			
Cash at bank and in hand		548,520	525,433

Changes in net debt		At 1 July 2024	Cash flows	At 30 June 2025
Cash at bank and in hand		525,433	23,087	548,520

Notes to the financial statement for the year ended 30 June 2025

1. Basis of preparation of financial statements

The British Institute of Florence meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) (Second Edition) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The preparation of financial statements in compliance with SORP 2015 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the accounting policies (see note 2).

The following principal accounting policies have been applied:

a) Going concern

The Trustees assess that the Institute is a going concern. The entity is in a net assets position €5,736,366 (2024: €5,702,514) and has sufficient cash and reserves to meet upcoming liabilities as they fall due. Additionally, the entity could sell its listed investments should the need arise. In the current year there is a net income of €33,852 (2024: net income €63,873)

The balance sheet position is expected to remain good. Activities in the financial year 2025-2026 are progressing well and the charity expects to continue to be able to steadily increase reserves over the coming years. The cash position of the charity is good and future outgoing cash flows can be met.

b) Incoming resources

All income is recognised once the Institute has entitlement to the income, it is probable that it will be received and the amount receivable can be measured reliably.

All income is gross without deduction for related expenditure.

Incoming resources from charitable activities represent fees for services (library services; history of art, English and Italian language and cultural courses and activities) provided for the benefit of the charity's beneficiaries.

Grants and donations are accounted for when receivable.

c) Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable activities include the direct costs of the activities and depreciation of related assets.

Support costs, including governance costs, which cannot be directly attributed to the activities have been allocated on a basis consistent with the use of resources.

Irrecoverable VAT or IVA is charged as a cost against the expenditure heading for which it was incurred.

d) Tangible fixed assets

Tangible fixed assets are stated at valuation (library and Lanfredini property) or at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Lanfredini refurbishing	– 3 to 20% straight line
Computers and other equipment	– 20 to 33.33% straight line
Mazzini refurbishing	– 15% straight line

Additions to fixed assets with a value below €1,000 are written off directly to the Statement of Financial Activities (SoFA).

No depreciation is charged on the Lanfredini Building, the Library or donated furniture as any charge would be immaterial due to the indefinite useful life and high residual values of the assets.

Heritage assets relate to art works which are owned by the charity. Heritage assets are held

at historical cost, where purchased, valuation at acquisition, where donated or formal valuation. No depreciation is charged as the assets are considered to have an indefinite life. They are assessed for indicators of impairment on an annual basis.

e) Valuation of investments

Securities are stated at market value.

f) Debtors

Short-term debtors are measured at transaction price, less any impairment losses.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks.

h) Financial instruments

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as debtors and creditors.

Financial instruments are initially measured at transaction value. They are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the SoFA.

i) Creditors

Short term creditors are measured at the transaction price.

j) Foreign currency translation

The financial statements are presented in Euros, which is the functional currency of the Institute.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. At each period end foreign currency monetary items are translated using the closing rate.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the SoFA.

Foreign exchange gains and losses that relate to monetary assets and liabilities are presented separately on the face of the SoFA within income or expenditure.

k) Holiday pay accrual

A liability is recognised to the extent of any unused pay entitlement which is accrued at the Balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement accrued at the Balance sheet date.

l) Provisions for liabilities

Provisions are made where an event has taken place that gives the Institute a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the SoFA in the year that the Institute becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When settlements are eventually made, they are charged to the provision carried in the Balance sheet.

Included within provisions is an amount relating to an unfunded severance plan liability.

In accordance with Italian law, the Charity has an unfunded severance plan under which all Italian employees are entitled to receive severance indemnities (*Trattamento di Fine Rapporto* or “TFR”) upon termination of their employment. The amounts payable are based on salary paid and increases in cost of living. The severance indemnities accrue approximately at the rate of 1/13.5 of the gross salaries paid during the year, and are revalued applying a cost-of-living factor established by the Italian Government. The amounts accrued become payable upon termination of the individual employee, for any reason, e.g., resignation, retirement, dismissal or reduction in staff. The full amount of the potential liability is provided for when it is incurred.

m) Funds

Unrestricted funds are funds which the Trustees are free to use for any purpose in furtherance of the charity’s objectives.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Their restriction may apply to the use of income or capital or both.

Endowment funds comprise amounts donated to the Institute as a permanent endowment.

Gains and losses on the investment capital are recognised within the endowment fund and related investment management costs are charged to the fund.

The revaluation reserves relate to gains or losses on the revaluation of fixed assets.

n) Operating leases

Rentals under operating leases are charged to the Statement of Financial Activity on a straight-line basis over the period of the lease.

2. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means the actual outcomes could differ from those estimates.

The key source of estimation uncertainty that could have an impact on the financial statements relates to provisions (see note 6) and contingent liabilities (see note 7).

3. Fixed assets

2024-2025	Donated Furniture	Library	Lanfredini refurbishing and equipment	Lanfredini Building	Computers and equipment	Total
Cost						
At 1 July 2024	40,996	105,354	1,119,335	3,713,205	964,329	5,943,219
Additions (Sales)	(396)	-		-	13,779	13,383
At 30 June 2025	40,600	105,354	1,119,335	3,713,205	978,108	5,956,602
Accumulated depreciation at 1 July 2024	-	(17,858)	(857,820)	-	(897,833)	(1,733,511)
Charge for the year	-	-	(29,628)	-	(14,360)	(43,988)
Transfers			39,077		(39,077)	
At 30 June 2025	-	(17,858)	(848,371)	-	(951,270)	(1,817,499)
Net book value at 30 June 2024	40,996	87,496	261,515	3,713,205	66,496	4,169,708
Net book value at 30 June 2025	40,600	87,496	270,964	3,713,205	26,838	4,139,103

The donated furniture includes some old and historic furniture valued at €40,600 with an indefinite useful life and high residual value resulting in any depreciation charge being immaterial.

The ground and first floor apartments in Palazzo Lanfredini (housing the Director's flat, library and cultural centre of the British Institute of Florence) were bequeathed by Sir

Harold Acton (who passed away in 1994) to the Institute under a will under Italian law dated 15 April 1993. Under a later will written in the US dated 13 December 1993, Sir Harold Acton revoked all previous testamentary dispositions. The Lanfredini apartments were treated as falling within his residuary estate.

The residuary Trustees have provided written confirmation recognising Sir Harold Acton's bequest to the Institute under his Italian will and stating that they would not interpose any claim to the assets bequeathed to the Institute under the Italian will. The Institute's title to the Lanfredini apartments has been registered.

The full value of Lanfredini has been included on the balance sheet at €4 million following a valuation in December 2010 by Knight Frank. The value of the building is estimated at €3,713,205 (valuation decided by the Trustees based on advice and current property market in Florence) and refurbishment at €286,975.

Heritage asset at valuation

At 1 July 2024 (€)	1,500,000
Change in year	-
At 30 June 2025 (€)	1,500,000

In 1987, the Institute received as a gift from Mrs. Moore (widow of Henry Spencer Moore) a bronze statue, created by Henry Moore, known as "Warrior with Shield". This statue has been moved to Palazzo Signoria. The value of the asset is considered to be €1,500,000.

4. Current assets

Debtors

	2025 (€)	2024 (€) - restated
Debtors for courses	171,191	81,174
Prepayments	14,880	25,343
Other debtors	131,594	130,887
Total	317,665	237,404

The cash and bank balances reflect the situation as shown in the cash flow statement.

Other debtors has been restated in included a credit of Regional Production Tax at 30 June 2024 of Euro 104,844. See note 21.

Investments

As at 30 June 2024 investments are represented by COIF Charity Investment Fund Income Units and Italian Government Bonds (BTP):

	2025 (€)	2024 (€)
COIF Charity Investment Funs Income Units	52,281	55,267
Italian Government bonds (BTP)	511,400	493,050
Total	563,681	548,317

The Institute invests temporary liquidity in financial instruments and adopts a “mark to market” valuation approach in relation to its investment portfolio.

Analysis of Movement of investments

	2025 (€)	2024 (€)
Carrying value (market value) at 1 July	548,317	554,189
Disposal	-	-
Purchase	-	-
Change in market value	15,364	(5,872)
Carrying value (market value) at 30 June	563,681	548,317

5. Liabilities

Creditors: amounts falling due within one year

	2025 (€)	2024 (€) As restated
Trade creditors	53,716	53,605
Accruals	135,743	148,150
Other creditors	502,216	445,164
Total	691,675	646,919

Trade creditors comprise services received from suppliers in the normal course of the Institute’s activities.

Accruals are mainly composed of accruals for services received from suppliers, staff salaries to be paid and fees received in advance for courses in 2024-2025.

Other creditors are composed of the accounting value of staff holidays, social security charges, taxes and pension charges, credit vouchers issued for courses and deposits to be refunded to Library users, taxes due to the Italian authorities.

Other creditors at 30 June 2024 has been restated to reflect Euro 252,412 tax owed to the Italian authorities, see note 21.

6. Provisions for liabilities and charges 2025

	Beacci claim	TFR	Legal Claim	Total
At 1 July 2024 (€)	-	601,429	30,000	631,429
Expense in the year (€)	-	64,114	-	64,114
Decrease in liability for year (€)	-	-	-	
Utilisation (€)	-	(24,615)	(30,000)	(54,615)
At 30 June 2025 (€)	-	640,928	-	640,928

Previous reporting year:

	Beacci Claim	TFR	Legal Claim	Total
At 1 July 2023 (€)	2,000,000	558,112	-	2,558,112
Expense in the year (€)	-	59,881	30,000	89,881
Decrease in liability for year (€)	(2,000,000)	-	-	2,000,000
Utilisation (€)		(16,564)	-	(16,564)
At 30 June 2024 (€)	-	601,429	30,000	631,429

Beacci legal claim

The ground and first floor apartments in Palazzo Lanfredini (housing the Director's flat, library and cultural centre of the British Institute of Florence) were bequeathed by Sir Harold Acton (who passed away in 1994) to the Institute under a will under Italian law dated 15 April 1993. Under a later will written in the US dated 13 December 1993, Sir Harold Acton revoked all previous testamentary dispositions. The Lanfredini apartments were treated as falling within his residuary estate.

The residuary Trustees have provided written confirmation recognising Sir Harold Acton's bequest to the Institute under his Italian will and stating that they would not interpose any claim to the assets bequeathed to the Institute under the Italian will. The Institute's title to the Lanfredini apartments has been registered.

Proceedings initiated in 1995 against New York University (as beneficiaries of the residuary estate) and the British Institute of Florence by the children of an Italian citizen, Mrs Beacci, for recognition that their mother was the natural daughter of Sir Arthur Acton (Harold Acton's father) in order to claim a share of Harold Acton's estate in accordance with Italian succession law were dismissed in September 2009 by the Tribunal of Florence. Following a series of appeals and hearings, in May 2014 the Supreme Court annulled the previous judgements and upheld the right of the heirs of Mrs Beacci to bring a claim. The case continues.

The full value of Lanfredini has been included on the balance sheet at €4,000,000 following a valuation in December 2010 by Knight Frank. The value of the building is estimated at €3,713,205 (valuation decided by the Trustees based on advice and current property market in Florence) and refurbishment at €286,795. An associated provision of €2 million against what is calculated as a 50% risk of loss of title was recognised within provisions. The ruling on 26 April 2024 was in the favour of the British Institute of Florence and as such the provision has been unwound entirely. An appeal was lodged by the Beacci heirs on 11 June 2024 and the outcome of the appeal is expected to be decided by the judge in mid-2026 – see note 7.

Terminal Gratuity Benefit (TFR)

The Institute accounts for staff leaving indemnity (TFR) in accordance with Italian law. This is payable to employees upon termination of employment for whatever reason. The amounts are reliably estimated but the timing of outflows is uncertain.

7. Contingent liabilities

During the year a ruling was reached on the Beacci legal case (note 6). However an appeal was lodged during the on 11/06/2024. It is expected the judge will reach a verdict in mid-2026. The outcome is uncertain and the amount cannot be reliably measured, so no provision has been recognised.

A ruling was made in August 2025 on a legal dispute brought by a former employee regarding employment contracts issued during the period 2001-2018. The ruling made was not in the favour of the British Institute of Florence and the British Institute of Florence was ordered to compensate the employee and pay legal and court expert fees. The Institute is appealing part of the ruling relating to payment of INPS (social security) contributions of approximately euro 25,000 relating to historical contributions. The outcome is uncertain and the amount cannot be reliably measured, so no provision has been recognised.

In addition there are three current employees who may potentially bring similar claims in the future. Due to differing contractual circumstances and the inability to reliably estimate any financial effect, no provision has been made.

These matters are disclosed as contingent liabilities.

8. Donations and legacy

Amounts included in donations and legacies comprise donations receivable. The cost associated with fundraising was €38,618 for arrangements, venue hire and other costs associated with a fundraising visit organised during the year as well as a small charge for subscription to the services of Justgiving.

9. Income from charitable activities.

The Institute's resources from charitable activities are as follows:

Activity or programme	2024-2025 (€) Income	2023-2024 (€) Income
English Adult	266,592	192,125
English Young Learners	276,080	299,307
English State Schools	239,998	199,353
Exams	435,259	427,843
Italian	104,860	123,028
History Of Art	103,772	105,271
Library	55,420	40,216
Other	21,946	17,300
Total	1,503,927	1,404,443

10. Breakdown of cost of charitable activities

Activity or programme	2024-2025 (€) Activities undertaken directly	2024-2025 (€) Support Costs	2024- 2025 (€) Total	2023-2024 (€) Activities undertaken directly	2023-2024 (€) Support Costs	2023- 2024 (€) Total
English Adult On Site	92,855	61,606	154,461	109,381	49,363	158,744
English Adult Off-Site	81,401	35,136	116,537	44,645	17,146	61,791
English Young Learners	181,314	138,347	319,661	210,570	120,372	330,942
English State Schools	210,698	67,165	277,863	212,127	43,458	255,585
Exams	339,966	141,664	481,630	326,323	107,183	433,506
Italian	78,326	50,865	129,191	79,916	47,872	127,788
History Of Art	70,625	46,353	116,978	64,882	39,540	104,422
Library	14,795	32,753	47,548	13,909	35,530	49,439
Cultural Programmes	56,849	90,604	147,453	52,054	76,438	128,492
Partnership Activities	32,310	37,150	69,460	25,633	32,794	58,427
Fundraising	47,089	13,798	60,887	13,037	12,473	25,510
Total	1,206,228	715,441	1,921,669	1,152,478	582,168	1,734,646

Governance costs of 30% of the costs of the Director, expenses reimbursed to Governors and audit costs totalled € 51,702 in 2024-20245 (2023-2024 €50,586)

Overheads	2024-2025	2023-2024
Marketing Pay costs	15,388	34,405
Administration Pay Costs	185,008	155,667
Cleaning Pay costs	12,432	12,456
Marketing and Communications	1,539	3,822
Administrations Costs	294,549	162,789
Florentine Group Premises	126,730	118,701
International Group Premises	79,785	94,328
Subtotal Overheads	715,441	582,168

11. Trustees' expenses

	2025 (€)	2024 (€)
Governors' expenses	8,679	9,357

Governor's meetings are held in Florence each year in November and May and governors can ask to be reimbursed their travels costs. The Institute arranges hotel accommodation for the overnight stay of the governors who do not live in Florence. No governors were remunerated for their activities as governors. Four governors were reimbursed for travel expenses.

12. Indemnity insurance

Trustee indemnity insurance cover with a maximum limit of €500,000 is in place at a cost of € 1,833.

13. Net incoming resources

Net incoming resources is stated after charging:

	2025 (€)	2024 (€)
Depreciation of fixed assets (owned)	43,988	47,233
Amounts payable under operating leases	42,937	72,971
Audit fee	21,324	20,181

14. Staff costs, emoluments and numbers

Staff costs

	2025 (€)	2024 (€) - restated
Gross salaries (UK and IT)	791,471	732,767
National Insurance and Pension (UK)	3,632	3,403
INPS (IT)	203,583	231,082
INAIL (IT)	3,063	3,684
IRAP (IT)	8,275	6,028
Trattamento di Fine Rapporto (TFR-IT)	64,115	59,881
Total	1,074,140	1,030,817

Staff costs and emoluments are included under "charitable activities" in the attached Statement of Financial Activities. One employee earned between £60,000 and £70,000 (including benefits) in this year and in the previous year. The 2024 costs has been restated to reflect the reduction in the amount of IRAP (Regional Production tax due). See note 21.

Staff numbers

	2025 (No.)	2025 (FTE)
English Teaching, Exams and Administration staff	28	20.1
Italian, History of Art Teaching and Administration staff	4	1.8
Library staff	1	0.5
Cultural Programmes staff	3	1.4
Administration, Marketing, Building Management, Cleaning and Support Staff	6	5.0
Total	42	28.8

Staff numbers previous year

	2024 (No.)	2024 (FTE)
English Teaching, Exams and Administration staff	25	20.4
Italian, History of Art Teaching and Administration staff	4	1.9
Library staff	1	0.5
Cultural Programmes staff	3	1.4
Administration, Marketing, Building Management, Cleaning and Support Staff	6	5.4
Total	39	29.6

The average number of full time equivalent (FTE) employees does not include the freelance teachers who teach the History of Art Department.

Key management costs total € 362,234 (previous year € 317,876) and are made up of the salary costs of the Director and the Senior Management Team (the Director and seven staff – three of whom work part time).

15. Movement of funds

	At 1 July 2024 (€) - restated	Incoming Resource (€)	Spend (€)	Investment Gain (Loss) (€)	Exchange Rate Gain (Loss)	Carried Forward (€) at 30 June 2025
Restricted Funds						
Palazzo Lanfredini Building	3,713,205	-	-	-	-	3,713,205
Restricted Funds	216,870	110,001	(127,278)	-	-	199,593
Total	3,930,075	110,001	(127,278)	-	-	3,912,798
Unrestricted funds						
General	217,979	1,801,928	(1,764,391)	18,350	(1,772)	272,094
Revaluation reserve	1,500,000	-	-	-	-	1,500,000
Total	1,717,979	1,801,928	(1,764,391)	18,350	(1,772)	1,772,094
Endowment Funds	54,460	-	-	(2,497)	(489)	51,474
Total Funds	5,702,514	1,911,929	(1,921,669)	15,853	(2,261)	5,736,366

	At 1 July 2023 (€) - restated	Incoming Resource (€)	Spend (€)	Investment Gain (Loss) (€)	Exchange Rate Gain (Loss)	Carried Forward (€) at 30 June 2024 restated
Restricted Funds	1,713,205	2,000,000	-			3,713,205
Palazzo Lanfredini Building	277,426	93,638	(154,194)	-	-	216,870
Restricted Funds	1,990,631	2,093,638	(154,194)	-	-	3,930,075
Total						
Unrestricted funds						
General (re-stated)	135,269	1,703,767	(1,610,452)	(10,885)	280	217,979
Revaluation reserve (restated)	1,500,000	-	-	-	-	1,500,000
Total	1,644,135	1,703,767	(1,610,452)	(10,885)	280	1,717,979
Endowment Funds	49,459	-	-	4,167	834	54,460
Total Funds (restated)	3,675,359	3,797,405	(1,764,646)	(6,718)	1,114	5,702,514

Restricted funds at 30 June 2025 totalled €199,593 of which € 158,778 are for future depreciation charges for infrastructure works undertaken in Palazzo Lanfredini from 2018-2020, € 4,076 for future depreciation charges for equipment purchased for Palazzo Lanfredini in 2019 and 2022, € 7,514 to cover Library direct costs and overheads not covered by membership fees, €669 for the restoration of library books, €5,700 for the cultural programme, and €22,856 to fund building maintenance work in Palazzo Lanfredini.

16. Analysis of net assets

	2025 (€) (Tangible fixed assets)	2025 (€) Net current assets	2025 (€) Provisions	2025 (€) Total
Un-restricted funds	425,898	487,124	(640,928)	272,094
Revaluation reserve - unrestricted	1,500,000	-	-	1,500,000
Restricted funds	3,713,205	199,593	-	3,912,798
Endowment funds	-	51,474	-	51,474
Total funds	5,639,103	738,191	(640,928)	5,736,366

	2024 (€) Tangible fixed assets (restated)	2024 (€) Net current assets (re-stated)	2024 (€) Provisions	2024 (€) Total (re-stated)
Un-restricted funds	456,503	392,905	(631,429)	217,979
Revaluation reserve – unrestricted (restated)	1,500,000	-	-	1,500,000
Restricted funds	3,713,205	216,870	-	3,930,075
Endowment funds	-	54,460	-	54,460
Total funds	5,669,708	664,235	(631,429)	5,702,514

The Institute's revaluation reserve funds are the value of a bronze statue, created by Henry Moore, known as "Warrior with Shield" which was received as a gift from Mrs. Moore (widow of Henry Spencer Moore) in 1987.

The restricted funds represent the interest held in Lanfredini Building €3,713,205 (previous year €3,713,205) – see note 6. Other restricted funds include donations restricted to the Library and Cultural Programme.

The endowment fund represents a permanent endowment set up for the Library.

17. Financial commitments

Annual commitments under non-cancellable operating leases are as follows:

	Land and buildings 2025 (€)	Land and buildings 2024 (€)
Expiry date		
-within one year	42,937	72,971
- between one and five years	6,360	103,501
- more than five years	-	-
Total	49,297	176,472

18. Fiscal status of the institute

The Institute is a registered charity in accordance with the 2011 Charities Act of England and Wales (Registered Charity no. 290647) and is recognised by a Presidential Decree of the Italian Republic dated 25 February 1953.

The *Corte di Cassazione* (Italian Supreme Court) recognised The British Institute of Florence as an “*Ente di Diritto Pubblico*” in a ruling dated 1 October 1998. On 28 August 2024 the Prefect of Florence confirmed that the British Institute of Florence is registered under number 853 in the Register of Legal Persons of the Prefecture of Florence and as a result is recognised as a legal entity in accordance with Article 1 of Presidential Decree 361/2000.

19. Donations From Trustees

There were no donations from Trustees in 2024-2025 nor in the previous financial year.

20. Related Party Transactions

There were no related party transactions.

21. Prior year restatement

The accounts have been restated to incorporate the impact of the tax assessment as due for the year July 2019 to June 2024.

	2019-2020 (€)	2020-2021 (€)	2021-2022 (€)	2022-2023 (€)	2023-2024 (€)	TOTAL (€)
Corporation tax, fines and interest	45,432	108,093	29,084	-	34,117	216,727
VAT, fines and interest	5,347	1,767	258	1,138	2,789	11,298
Regional Production Tax (IRAP)	5,320	12,257	3,170	-	6,028	26,775
TOTAL tax due	56,099	122,117	32,512	1,138	42,934	254,800
Regional Production tax (IRAP) credit	(24,959)	(1,573)	(16,531)	(27,713)	(34,068)	(104,844)

22. 2023-2024 - Statement of financial activities incorporating income and expenditure account for the year (re-stated)

		2024 (€)	2024 (€)	2024 (€)	2024 (€)	2023 (€)
	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Total Funds
Income from:						
Donations and legacies	8	299,324	93,638	-	392,962	336,917
Charitable activities	9	1,404,443	-	-	1,404,443	1,337,734
Total		1,703,767	93,638	-	1,797,405	1,674,651
Expenditure on:						
Charitable activities	10	(1,580,452)	(154,194)	-	(1,734,646)	(1,797,644)
Exchange rate gain (loss)		280	-	834	1,114	(2,197)
Total		(1,580,172)	(154,194)	834	(1,733,532)	(1,799,841)
Net income/ (expenditure)		123,595	(60,556)	834	63,873	-
Other recognised gains/ (losses):						
Movement in other legal provisions	6	(30,000)	-	-	(30,000)	-
Movement in provision for Beacci claim	6	-	2,000,000	-	2,000,000	(1,000,000)
Loss on investment fund		(10,885)	-	4,167	(6,718)	5,446
Net movement in funds	15	82,710	1,939,444	5,001	2,027,155	(1,119,744)
Reconciliation of Funds						
Total funds brought forward	22	1,641,748	1,990,631	49,458	3,681,837	4,942,671
2020 restatement		-	-	-	-	(31,140)
2021 restatement		-	-	-	-	(120,544)
2022 restatement		-	-	-	-	(15,981)
2023 restatement		-	-	-	-	26,575
2024 restatement		(6,478)	-	-	(6,478)	-
Total funds brought forward restated		1,635,270	1,990,631	49,458	3,675,359	4,801,581
Total funds carried forward		1,717,980	3,930,075	54,459	5,702,514	3,681,837

