

INSTITUTE OF IMAGINATION

England & Wales · Charity number 1109276

Details

Other names	EUREKA THE LONDON CHILDREN'S MUSEUM, THE LONDON CHILDREN'S MUSEUM, AMUSEUM, LCM, THE CHILDREN'S MUSEUM FOR LONDON AND THE CHILDREN'S MUSEUM
Status	Registered
Legal form	Charitable company
Company number	04921852
Registered	2005-04-29
Register	View on the Charity Commission register

Contact

Address	School 360 5 Sugar House Lane London E15 2QS
Phone	02079499153
Email	hello@ioi.london
Website	www.ioi.london

Activities

Objects: TO ADVANCE THE EDUCATION OF CHILDREN AND YOUNG PERSONS BY THE PROVISION AND CONDUCT OF A CHILD-CENTRED MUSEUM DESIGNED AND ADAPTED TO STIMULATE CURIOSITY AND MOTIVATE LEARNING.

Activities: The Institute of Imagination works to advance the education for the public benefit in the subject of the arts, sciences and digital technologies by offering learning programmes to young people across the UK and internationally

Classification

- **How:** Other Charitable Activities
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** Children/young People, The General Public/mankind

Geography

- **Area of benefit:** NATIONAL
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-12-31	£512,281	£527,684	£99,951	5
2024-12-31	£572,531	£638,069	£115,346	12
2023-12-31	£604,639	£863,672	£180,892	15
2022-12-31	£826,425	£873,573	£439,925	12
2021-12-31	£1,151,191	£926,612	£487,073	11
2020-12-31	£741,518	£888,127	£262,494	9

Trustees

Name	Role	Appointed
BASIL JAMES DEMEROUTIS	Chair	
Bethany Koby-Hirschmann		2019-09-11
CLAIRE TAVERNIER		2022-06-13
Charles Michael Metcalfe		2019-05-20
DIANA ELIZABETH ANNE UEHLEIN		
MICHELLE DORION		
Simon Sotomey		2022-06-13
Tracey Gilbert		2022-06-13

Accounts

Registered number: 04921852
Charity number: 1109276

INSTITUTE OF IMAGINATION

UNAUDITED

ANNUAL TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

INSTITUTE OF IMAGINATION

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INSTITUTE OF IMAGINATION

**LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2025**

Trustees

B J Demeroutis, Chair
M Dorion
T Gilbert
A Greenberg (resigned 23 September 2025)
B Koby
C Metcalfe (resigned 22 January 2026)
S Sotomey
C Tavernier
D Uehlein

Company registered number

04921852

Charity registered number

1109276

Registered office

School 360
5 Sugar House Lane
London
E15 2QS

Chief executive officer

M A Morales

Accountants

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

Solicitors

Joelson JD LLP
2 Marylebone Road
London
NW1 4DF

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Introduction by the Chair of Trustees

2025 has been a year defined by focus, resilience and steady momentum.

In a continued challenging funding environment, the Institute of Imagination remained clear about what matters most: delivering high-quality, imaginative learning experiences for children who need them most, while strengthening the partnerships and financial foundations that make that work sustainable.

Last year we stepped confidently into a leadership role nationally and locally, leading The LEGO Group-supported Power of Play consortium in Tower Hamlets, deepening our educator programmes, and sharpening our fundraising strategy to build a more diverse and resilient income base.

Moreover, following year end, the Charity secured a significant five-year investment from The National Lottery Community Fund, strengthening our long-term financial outlook and enabling expansion of our place-based work into additional UK communities.

This investment reflects growing national confidence in the Charity's place-based approach to creative and STEAM learning and supports our transition from local programme delivery toward wider UK implementation.

So I am proud of the discipline and determination shown by our team and trustees. We have held quality high, managed costs carefully, and continued to grow our reach and influence. Most importantly, thousands of children have experienced the joy, confidence and creativity that come from learning through play and imagination.



Basil Demeroutis
Chair of Trustees

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

OBJECTIVES AND ACTIVITIES

Our Purpose

Institute of Imagination (iOi) exists to unlock the power of imagination to improve children's life chances.

Too many children are being left behind. Across the UK, creativity and problem-solving are increasingly squeezed out of a test-driven curriculum, limiting the very skills young people need to succeed in a rapidly changing world. Children from low-income families face fewer opportunities to explore, make and experiment, and by secondary school they are already falling an average of 19 months behind their peers.

At the same time, the country faces a shortfall of 173,000 STEM workers while hands-on, practical learning continues to decline. Only 25% of the STEM workforce is female, and disadvantaged children are 44% less likely to achieve Level 3 STEM qualifications. Through inclusive, play-based STEAM learning designed for all children, we work to widen participation in fields where girls and other underrepresented groups remain significantly excluded. Talent is everywhere, but access is not.

We believe imagination is not an optional extra; it is a catalyst for change. It enables children to think critically, build confidence, solve problems creatively and see new possibilities for their futures.

Our Mission

We design and deliver learning experiences across the arts, sciences and digital technologies that empower children today to believe they can build a just, fair and sustainable world tomorrow.

Our Approach

Working at the intersection of STEAM learning and community engagement, we focus on two pillars every child needs to thrive: skills and aspiration. Through creative, play-based and hands-on experiences, we build children's cognitive, social and emotional capabilities while broadening their sense of what is possible.

In particular, we prioritise children from underserved and underrepresented communities, ensuring that those who stand to benefit most are at the heart of our work.

2025 at a Glance

Programme and reach highlights

- Consortium Lead for the Power of Play programme across Tower Hamlets
- Delivery reaching 6,448 children and their 1,639 caregivers in 10 schools, through creative workshops and distributing TinkerTubs, activity packs designed to extend learning into the home
- Training for 404 teachers, including 2 micro:bit webinars as part of consultancy for the BBC and 59 teachers participating in Creative Sparks professional development
- My Big Idea community event engaging 200+ local residents (115 children, 95 adults)

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

Delivering Impact

Place-based transformation through Power of Play

In 2025 we moved from partner to Consortium Lead of the LEGO Foundation-funded Power of Play programme, coordinating delivery across schools, families and community partners in Tower Hamlets.

Working alongside Save the Children, Young V&A, EasyPeasy and Ambition Aspire Achieve, we strengthened a whole-ecosystem approach to learning through play: in classrooms, homes, online and neighbourhood spaces.

Beyond the numbers listed above, the shift we see is cultural. Teachers report greater confidence integrating play into formal learning, and families feel better equipped to support their children's development at home.

This approach is embedding learning through play as a long-term practice across a borough, not just as a one-off intervention. The success of this consortium-led, place-based model has informed national expansion supported by investment from The National Lottery Community Fund, enabling replication of this approach across multiple UK regions.

"We couldn't wish for a better partner than the iOi. Their drive, passion and creativity are fundamental to our work, enabling us to engage more children and create an even greater impact. As a result, children are growing more confident, finding their voice, building new skills, and starting to dream bigger about their futures." Sarah Macshane, Social Responsibility UK, The LEGO Group.

Teacher development: Creative Sparks

Our Creative Sparks programme continued to grow as a high-quality, evidence-informed professional development offer for educators.

In 2025 we worked with two cohorts of 59 teachers in total, equipping them with tools to design more exploratory, creative and inclusive classrooms.

Teachers reported:

- Increased confidence delivering creative content
- More open, inquiry-based pedagogy
- Greater inclusion for children with SEND
- Higher engagement and collaboration among pupils

As one participant shared: "It's arguably the most engaging CPD I've ever done".

By investing in teachers, we multiply our impact across thousands of children each year.

Community creativity and events

Our My Big Idea events continue to act as accessible entry points for families.

Our first 2025 event attracted over 200 participants, connecting children with hands-on design and engineering challenges and strengthening local relationships.

These experiences reinforce our belief that imagination flourishes when learning is joyful, social and visible in the community.

Children themselves describe the difference creativity makes:

"The world needs innovation and, more importantly, innovative people. Imagination and creativity are exactly what's needed to succeed." **Student, 10, St Luke's Primary School, Newham**

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

Advocacy and Sector Influence

As a Specialist Commissioner and member of the Raising The Nation National Play Commission, our CEO contributed to shaping recommendations for a National Play Strategy for England. Through his role, he positioned iOi as a sector voice on play-based learning, connecting us to influential stakeholders and further embedding our thought leadership in education reform. The highlight of this work was the writing, production and delivery of the Everything to Play For Report by The National Play Commission which was presented to parliament in 2025.

Looking Ahead

Approaching its twentieth anniversary, the Institute of Imagination is transitioning from programme innovation toward sustained systems impact and national reach.

In 2026, the organisation enters its next phase with strengthened partnerships, increased geographic reach and improved multi-year income visibility.

Our strategic priorities are to:

- Consolidate and deepen Power of Play across Tower Hamlets
- Expand place-based programmes focused on communities experiencing inequitable access to creative and STEAM learning
- Scale Creative Sparks to reach a greater number of educators nationally
- Continue to grow unrestricted and multi-year income to support organisational resilience
- Lay the groundwork for a long-term Imagination Venue capable of sustaining permanent public engagement

In early 2026, we secured a significant new grant from The National Lottery Community Fund, confirming delivery of a five-year programme across London, Belfast and Doncaster, with planned expansion into two additional locations in Years 3 and 4. The programme has a total value of £2.38 million, of which £1.3 million will be delivered by the Institute of Imagination over five years through its consortium leadership role. Payments commence in April 2026 on a six-monthly basis.

This award provides important forward funding certainty and enables the Charity to extend its place-based learning model to new communities while strengthening long-term programme sustainability. This investment further strengthens the Charity's role as a national consortium lead and supports delivery at increased geographic scale.

However, the challenges facing children remain urgent. Creativity, confidence and problem-solving skills have never mattered more, especially when it comes to STEAM learning. With sustained support from partners, funders and communities, the Institute of Imagination is well positioned to reach significantly more children and educators in the years ahead while maintaining programme quality and financial discipline.

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

STRUCTURE, GOVERNANCE, AND MANAGEMENT

The Charity is a company limited by guarantee without share capital and is governed by its memorandum and articles of association. The charity owns the entire share capital of IOI Enterprise Limited, the principal activity of which is the delivery of commercial programmes that ultimately benefit the charity financially and reputationally.

The Trustees who served during the year and at the date of signing, were:

- B J Demeroutis
- M Dorion
- T Gilbert
- B Koby
- C Metcalfe
- S Sotomey
- C Tavernier
- D Uehlein

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

New Trustees are appointed with a view to maintaining an appropriate balance of skills and experience. Appointments of Trustees are reviewed by a senior sub-committee of the Board together with members of Management and Leadership and ratified by the Board of Trustees. Trustees hold office for a fixed term of 3 years with a maximum of 6 years with the extensions beyond this by exception only. All Trustees receive information about their responsibilities as a part of their induction. Training is provided to existing Trustees as and when the need arises.

The Charity's approach to fundraising is to work with our Trustees and existing supporters to identify new sources of funds and then engage and inspire them with our work. Our focus is on statutory, corporates, trusts and foundations, and major donors as well as generating income from events. We seek to build long-term relationships with our supporters demonstrating a high social return on investment. We do not currently use commercial participators or external fundraisers. We are registered with the Fundraising Regulator and follow applicable law and recognised standards.

The Trustees have paid due regard to the public benefit guidance published by the Charity Commission.

Day to day management responsibilities in 2025 were carried out by the CEO and other key management personnel in the Director group, who are rewarded at rates competitive for the sector.

Levels of delegated authority, from Trustees to management have been detailed in the Financial Policies and Procedures document. Commitment levels have been set as follows:

- Over £100,000 by the Chair of the Board of Trustees
- £25,001 to £100,000 by a Trustee who is a member of the Finance and Advancement (FAC) Committee
- £1,000 to £25,000 by the CEO
- Under £1,000 by a Head of Department

The authority limits were reviewed by the Finance and Advancement Committee and approved by the Trustees.

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

Public Benefit Statement

The Institute of Imagination is dedicated to unlocking the power of imagination to enhance the life chances of children, particularly those from underserved and underrepresented communities. We are committed to ensuring that our activities provide a tangible public benefit, as outlined by the Charity Commission. Our programs not only improve educational outcomes but also inspire children to aspire to careers in STEAM fields, thereby contributing to their long-term personal and professional development. By focusing on play-based learning and creative engagement, we empower children to develop essential skills that will serve them throughout their lives.

The Trustees are committed to upholding the principles of public benefit in all our activities, ensuring that our work continues to make a meaningful difference in the lives of children and educators alike.

Provision of annual report and basis of preparation

The Trustees, who are directors for the purposes of company law, provide the annual report together with the financial statements of the charitable group and company for the year ended 31 December 2025.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 second edition - October 2019) (effective 1 January 2019). The Trustees have chosen to take advantage of the small company's exemption from preparing a strategic report.

Principal risks and mitigations

The Trustees have considered the principal strategic, operational and financial risks facing the Charity through its established risk management framework.

The most significant risk relates to financial sustainability, including the Charity's ability to secure sufficient income and maintain an appropriate balance of restricted and unrestricted funding in a challenging external funding environment. This risk is mitigated through active income diversification, forward financial planning and regular monitoring of performance against budget and forecasts. This risk is further mitigated by the securing of significant multi-year funding commitments, including a five-year award from The National Lottery Community Fund.

As programme activity and strategic partnerships continue to develop, Trustees recognise risks relating to organisational capacity and resilience, including workforce sustainability, retention of organisational knowledge and the delivery of programmes within available resources. These risks are managed through workforce planning, strengthened operational oversight and ongoing review of delivery commitments.

The Charity's increasing reliance on digital systems and emerging technologies introduces risks relating to cybersecurity, data protection and technological capability. Appropriate controls, policies and system oversight are in place to mitigate these risks and are subject to regular review.

Trustees also recognise reputational and delivery risks, including safeguarding, health and safety, programme quality and partner confidence. These are mitigated through established safeguarding procedures, governance oversight and robust programme management and monitoring arrangements.

Financial performance and liquidity are closely monitored throughout the year. In lower-income scenarios, Trustees are satisfied that expenditure can be deferred or adjusted without permanent detriment to the Charity's ability to deliver its charitable objectives.

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

Fundraising & Income Generation

The external funding environment remained highly competitive throughout 2025. Leadership therefore maintained a strong focus on disciplined cost management, active pipeline oversight and continued diversification of income sources.

Building on commitments outlined in the previous Annual Report, the Charity successfully strengthened its fundraising infrastructure and broadened income generation activity. The Institute of Imagination now operates a diversified five-pillar income model:

1. Corporate partnerships
2. Trusts and foundations
3. High-net-worth individuals
4. Consultancy and commercial opportunities
5. Events and philanthropic engagement

During the year the Charity:

- Confirmed LEGO as a multi-year anchor partner
- Expanded consultancy relationships, including work with the BBC and CHANEL
- Strengthened monthly pipeline management and Board Finance Committee oversight
- Successfully launched its first fundraising event
- Worked to secured a major five-year award from The National Lottery Community Fund, representing £1.3 million of confirmed programme income to the Charity

The National Lottery award materially strengthens forward income visibility and supports delivery across multiple UK regions from 2026 onwards. Initial income of approximately £193,000 is expected p.a. across Years 1–2, with increased investment in subsequent years aligned to programme expansion.

This progress reflects a deliberate shift toward longer-term, multi-year funding partnerships that balance innovation with organisational stability.

Together, these developments demonstrate progress toward a more predictable and risk-balanced income profile supported by long-term institutional partnerships.

The Charity continues to maintain rigorous fundraising governance. Pipeline performance and income forecasts are reviewed monthly by the Finance Committee, and fundraising activity operates in accordance with applicable law and recognised standards. The Institute of Imagination remains registered with the Fundraising Regulator.

Our objective remains a balanced funding portfolio combining restricted programme investment with increased unrestricted income capable of supporting organisational resilience and with a key focus on the future growth of our reserves.

“Supporting the iOi has been genuinely transformative, not just for the children, but for me too. I’ve seen first-hand how my support helps unlock potential in young people who might otherwise be overlooked. In return, I get something priceless: the joy of seeing children thrive, and the deep satisfaction of knowing I’ve played a part in shaping brighter, more imaginative futures.” **Karen Jankel, Donor**

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL REVIEW

2025 income was slightly lower than 2024, however the Charity moved into 2026 having already confirmed 76% of the 2026 budgeted income:

- Funding secured from LEGO for 2026.
- Continued core support from key individual donors.
- Subsequent to the year end, the Charity confirmed a five-year funding award from The National Lottery Community Fund totalling £1.3 million to the Institute of Imagination. This materially strengthens income security beyond 2026 and supports medium-term organisational planning and sustainable programme growth.

The annual cost base has been streamlined without compromising quality or reach, enabling us to deliver programmes that strengthen core skills for tens of thousands of children each year. Notwithstanding, during the year, the principal source of funding was donations.

Total income of £512,281 (2024: £572,531) including donations of £477,002 (2024: £557,686) used to fund our programmes and our operating costs. Expenditure of £527,684 (2024: £638,069) consisted of raising funds £108,031 (2024: £171,007) and charitable activities of £419,653 (2024: £467,062) relating to programme activity.

The Balance Sheet shows cash at bank of £742,227 as at 31 December 2025. £617,721 of this is LEGO funding received in advance for 2026 programme delivery, as is included in Creditors: amounts falling due within one year. iOi acts as agent for £367,555 of this amount payable to grant partners, with the remaining £250,166 retained for iOi's own programme delivery. Under agency accounting (SORP FRS 102 paragraph 16.6), the grant partners' share is excluded from income, expenditure and reserves in these financial statements.

Reserves

It is the policy of the Charity to maintain unrestricted free reserves equivalent to three to six months of operating expenditure. Operating expenditure was carefully managed during 2025 and, at current spend levels, equates to a revised target range of £116,030–£232,060 as at 31 December 2025 (2024: £132,000–£264,000).

While the overall level of reserves has not materially increased against lower expenditure, existing reserves at year end provided coverage of less than three months of operating spend. This position, which has persisted for several years, reflects the timing of grant receipts, the restricted nature of much of the Charity's income, and the start-up profile of certain projects.

The Trustees consider this temporary situation manageable, as the Charity can continue to meet its liabilities as they fall due. Holding reserves at this level enables the Charity to manage timing differences in income, absorb risk, and meet its obligations while continuing to deliver its charitable objectives.

To address the persistent shortfall and return reserves to the target range, the Finance Committee has reviewed and approved a multi-year financial plan, incorporating prudent forecasts, proactive income diversification, and appropriate cost controls. This demonstrates a feasible plan to rebuilding reserves to the agreed target range by 31 December 2026, subject to ongoing monitoring and adjustment. The Trustees and Finance Committee will track progress against this plan at each meeting, with reserves and cash flow remaining standing agenda items.

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2025

Investment Policy

At the end of 2025 and 2024, the Charity held no fixed asset investments, any surpluses are held in short term cash deposits.

When funds allow, the charity may invest in a portfolio of investment products. The Charity will not invest directly in sectors that it deems in conflict with its charitable mandate and objectives, notably arms, pornography, and tobacco. The Charity, through investments in fixed income and equity mutual funds, exchange traded funds (ETFs) and/or other investment products, recognises that it may have indirect exposure to some, or all, of these sectors. However, further to consultation with its investment advisers and in the context of the overall holdings of these investment products, the Charity is of the view that its exposure to these sectors, to the extent it exists, is very small.

The charity will continually revalue its portfolio and be vigilant against exposure to sectors it deems inappropriate. Once the capital base of the charity allows for it, the Finance & Advancement Committee will consider dedicated Socially Responsible Investing (SRI) products and assess whether these are appropriate for the portfolio in terms of diversification, costs, and risk profile. Long term, it is the ambition of the Institute of Imagination to move closer towards "pure" SRI products.

Going Concern

The Trustees met on 16 March 2026 to consider whether the Institute of Imagination should prepare its financial statements on a going concern basis. They concluded it is appropriate to do so, as 76% of the 2026 budgeted income was confirmed before the start of 2026, likely funders have been identified for the remaining 27%, and bids have already been submitted for 2026 and 2027 potential funds.

iOi maintains an adaptable cost structure with tight cost controls. The Trustees are satisfied that iOi remains a going concern for at least twelve months from the date of approval of these financial statements.

The Trustees monitor cash flow closely and will continue to adjust the cost base and income generation plans to ensure the charity remains financially viable while delivering its charitable objectives.

The Trustees additionally note the confirmation of multi-year National Lottery funding commencing in April 2026, further supporting the assessment that the Charity remains a going concern.

And finally

None of our achievements would be possible without the commitment of our outstanding team, Trustees, donors, partners and supporters. Their belief in our work continues to drive our impact forward.

On behalf of the Trustees and staff at the Institute of Imagination, and everyone who benefits from our programmes, we offer our heartfelt thanks to our generous supporters.

INSTITUTE OF IMAGINATION

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025**

TRUSTEES' RESPONSIBILITY STATEMENT

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 the profit or loss of the company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

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

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



B J Demeroutis

Chair

Date: 07 May 2026

INSTITUTE OF IMAGINATION

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INSTITUTE OF IMAGINATION ('the Group')

I report to the charity Trustees on my examination of the consolidated accounts of the Group comprising the Institute of Imagination ('the parent Charity') and its subsidiary undertaking for the year ended 31 December 2025.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the parent Charity (and its directors for the purposes of company law) you are responsible for the preparation of the consolidated accounts of the Group in accordance with the requirements of the Companies Act 2006 ('the 2006 Act') and you have chosen to prepare consolidated accounts for the Group. You are satisfied that the accounts of both parent Charity and the Group are not required by either company or charity law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the consolidated accounts are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Group's accounts carried out under section 152 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 152(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the consolidated accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

INDEPENDENT EXAMINER'S STATEMENT

Since the Trustees have opted to prepare consolidated accounts for the Group your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the parent Charity and its subsidiaries as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

INSTITUTE OF IMAGINATION

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2025

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the parent Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: *Nikki Loan*

Dated: 07 May 2026

Nikki Loan FCA

PETERS ELWORTHY & MOORE

Chartered Accountants
Salisbury House
Station Road
Cambridge
CB1 2LA

INSTITUTE OF IMAGINATION

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
INCOME FROM:					
Donations and legacies	4	198,990	278,012	477,002	557,686
Charitable activities	5	9,750	-	9,750	12,370
Other trading activities	6	22,442	-	22,442	-
Investments	7	3,087	-	3,087	2,475
TOTAL INCOME		234,269	278,012	512,281	572,531
EXPENDITURE ON:					
Raising funds	8	108,031	-	108,031	171,007
Charitable activities	9	127,017	292,636	419,653	467,062
TOTAL EXPENDITURE		235,048	292,636	527,684	638,069
NET MOVEMENT IN FUNDS		(779)	(14,624)	(15,403)	(65,538)
RECONCILIATION OF FUNDS:					
Total funds brought forward		65,354	50,000	115,354	180,892
Net movement in funds		(779)	(14,624)	(15,403)	(65,538)
TOTAL FUNDS CARRIED FORWARD		64,575	35,376	99,951	115,354

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

The notes on pages 20 to 37 form part of these financial statements.

INSTITUTE OF IMAGINATION
REGISTERED NUMBER: 04921852

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note	2025 £	2024 £
FIXED ASSETS			
Tangible assets	12	1,209	3,909
		<u>1,209</u>	<u>3,909</u>
CURRENT ASSETS			
Debtors	14	6,140	55,900
Cash at bank and in hand		742,227	83,347
		<u>748,367</u>	<u>139,247</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	15	(649,625)	(27,802)
		<u>98,742</u>	<u>111,445</u>
NET CURRENT ASSETS			
		<u>99,951</u>	<u>115,354</u>
TOTAL NET ASSETS			
		<u><u>99,951</u></u>	<u><u>115,354</u></u>
CHARITY FUNDS			
Restricted funds	16	35,376	50,000
Unrestricted funds	16	64,575	65,354
		<u>99,951</u>	<u>115,354</u>
TOTAL FUNDS			
		<u><u>99,951</u></u>	<u><u>115,354</u></u>

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

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

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.

INSTITUTE OF IMAGINATION
REGISTERED NUMBER: 04921852

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2025

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



B J Demeroutis

Chair

Date: 07 May 2026

The notes on pages 20 to 37 form part of these financial statements.

INSTITUTE OF IMAGINATION
REGISTERED NUMBER: 04921852

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2025

	Note	2025 £	2024 £
FIXED ASSETS			
Tangible assets	12	1,209	3,909
Investments	13	10	10
		<u>1,219</u>	<u>3,919</u>
CURRENT ASSETS			
Debtors	14	7,504	56,019
Cash at bank and in hand		742,227	83,123
		<u>749,731</u>	<u>139,142</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	15	(649,567)	(27,715)
		<u>100,164</u>	<u>111,427</u>
NET CURRENT ASSETS			
		<u>101,383</u>	<u>115,346</u>
TOTAL NET ASSETS			
		<u><u>101,383</u></u>	<u><u>115,346</u></u>
CHARITY FUNDS			
Restricted funds	16	35,376	50,000
Unrestricted funds		66,007	65,346
		<u>101,383</u>	<u>115,346</u>
TOTAL FUNDS			
		<u><u>101,383</u></u>	<u><u>115,346</u></u>

The Charity's net movement in funds for the year was £(13,963) (2024 - £(65,543)).

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

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

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.

**INSTITUTE OF IMAGINATION
REGISTERED NUMBER: 04921852**

**CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2025**

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



B J Demeroutis
Chair
Date: 07 May 2026

The notes on pages 20 to 37 form part of these financial statements.

INSTITUTE OF IMAGINATION

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 £	2024 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	18	655,793	(76,021)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		3,087	2,475
NET CASH PROVIDED BY INVESTING ACTIVITIES		3,087	2,475
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		658,880	(73,546)
Cash and cash equivalents at the beginning of the year		83,347	156,893
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	19	742,227	83,347

The notes on pages 20 to 37 form part of these financial statements

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

Institute of Imagination is a Charity incorporated in the United Kingdom and registered in England and Wales under the Companies Act. The address of the registered office is School 360, 5 Sugar House Lane, London, E15 2QS.

The nature of the Charity's operations and its principal activities are set out in the Trustees' report.

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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Institute of Imagination 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.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 GOING CONCERN

The Trustees have conducted a thorough review of updated income and expenditure forecasts, reflecting that 76% of the 2026 income was confirmed prior to the commencement of the year. This review also considered the capacity to adjust expenditures as necessary.

Additionally, the confirmation of multi-year funding from the National Lottery, which will commence in April 2026, further reinforces the assessment that the Charity is expected to remain a going concern. Based on these forecasts, the Trustees are satisfied that the iOi will continue as a going concern for at least twelve months from the date of approval of these financial statements.

The Trustees are monitoring cash flow and will continuously review the cost structure and income generation strategies to ensure the Charity's financial viability while fulfilling its charitable objectives.

Thus, the Trustees continue to adopt the going concern basis in preparing the annual financial statements.

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

2. ACCOUNTING POLICIES (CONTINUED)**2.3 INCOME**

Income is recognised in the statement of financial activities when it becomes receivable, and the entitlement, measurement and probable principles are met.

Income is deferred only to the extent that it has been received in advance for specific conditions to be met.

Donated services are included at their estimated open market value to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Grants are recognised in income based on management's judgment regarding entitlement, measurement, and probability. Typically a grant is recognised in full when it is awarded. If a grant is for specific performance or there are unmet conditions the grant is deferred until those are met.

Where the charity acts as an agent and receives funds to be distributed to other organisations, only the portion of the grant that the charity is entitled to retain for its own activities is recognised as income. Amounts held for, or passed on to, other entities under agency arrangements are excluded from income and are recognised as liabilities until distributed.

2.4 EXPENDITURE

All expenses are recognised when an invoice is received. Provisions are included in the statement of financial activities to the extent that goods and services have been contracted for but not yet received.

Raising funds are costs related to the generation of voluntary income for the Charity.

Expenditure on charitable activities is any that relates directly to fulfilling the charitable objects of the Charity and includes allocated support and governance costs as well as direct costs.

Governance costs, included in support costs, relate to the direct running of the Charity, allowing the Charity to operate and generate the information required for public accountability.

Staff costs and support costs are analysed and apportioned on the basis of management's estimation of the time spent on each activity.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

2. ACCOUNTING POLICIES (CONTINUED)

2.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Depreciation is provided on the following basis:

Fixtures and fittings	-	25% straight-line
Computer equipment	-	25% straight-line

2.6 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 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.

2.8 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.

2.9 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 Charity 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.

2.10 FINANCIAL INSTRUMENTS

The Group 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.

2.11 OPERATING LEASES

Expenditure on operating leases is accounted for on a straight-line basis over the life of a lease.

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

2. ACCOUNTING POLICIES (CONTINUED)**2.12 PENSIONS**

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

2.13 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 Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the application of the Group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Critical accounting estimates and assumptions:

Income received as an agent

iOi management consider the substance of one of their principal funding arrangements to represent an agency agreement, with iOi responsible for collating the reporting, performance and finance of the other grantees. Consequently, £248,012 of the grant has been recognised in income and £308,810 of the grant is passed directly to other grantees. There was no balance outstanding at the year end.

The Trustees do not consider there to be any further critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	198,990	-	198,990	316,266
Grants	-	278,012	278,012	241,420
	198,990	278,012	477,002	557,686
TOTAL 2024	316,266	241,420	557,686	

There were no donated services in 2025 or 2024.

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Commercial Programmes	9,750	9,750	12,370
TOTAL 2024	12,370	12,370	

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Fundraising events	21,842	21,842	-
School and partnership sales	600	600	-
	22,442	22,442	-

All income from trading activities in 2025 and 2024 was unrestricted.

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

7. INVESTMENT INCOME

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Bank interest	3,087	3,087	2,475
TOTAL 2024	2,475	2,475	

8. EXPENDITURE ON RAISING FUNDS

FUNDRAISING TRADING EXPENSES

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Fundraising expenses	1,451	1,451	5,125
Fundraising consultancy	30,150	30,150	-
Fundraising support costs	4,024	4,024	6,469
Fundraising salaries	72,406	72,406	159,413
	108,031	108,031	171,007
TOTAL 2024	171,007	171,007	

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Management and governance	84,710	136,375	221,085	164,092
Marketing and PR	-	16,155	16,155	45,719
Experience and learning	155,647	26,766	182,413	257,251
	240,357	179,296	419,653	467,062
TOTAL 2024	292,514	174,548	467,062	

ANALYSIS OF DIRECT COSTS

	Management 2025 £	Fundraising 2025 £	Experience and Learning 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	84,710	-	125,777	210,487	267,420
Programmes	-	-	29,870	29,870	25,094
	84,710	-	155,647	240,357	292,514
TOTAL 2024	50,216	16,732	225,566	292,514	

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Management 2025 £	Marketing 2025 £	Experience and Learning 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	75,938	2,746	-	78,684	80,564
Administration	30,670	400	18,773	49,843	52,459
Recruitment and training	4,361	-	-	4,361	2,852
IT costs	13,057	170	7,993	21,220	22,858
Marketing and communications	-	12,839	-	12,839	5,869
Governance costs	12,349	-	-	12,349	9,946
	<u>136,375</u>	<u>16,155</u>	<u>26,766</u>	<u>179,296</u>	<u>174,548</u>
TOTAL 2024	<u><u>113,876</u></u>	<u><u>28,987</u></u>	<u><u>31,685</u></u>	<u><u>174,548</u></u>	

Governance costs are comprised of legal fees of £3,449 (2024: £311) and accountancy fees of £8,900 (£9,764).

10. INDEPENDENT EXAMINER'S REMUNERATION

	2025 £	2024 £
Fees payable to the Charity's independent examiner in respect of:		
Independent examination of the charity's annual financial statements	7,280	7,000
Other services to the group	2,645	3,670
	<u><u>7,280</u></u>	<u><u>3,670</u></u>

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

11. STAFF COSTS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Wages and salaries	324,236	454,779	324,236	454,779
Social security costs	27,997	39,102	27,997	39,102
Contribution to defined contribution pension schemes	9,344	13,516	9,344	13,516
	361,577	507,397	361,577	507,397

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

	Group 2025 No.	Group 2024 No.	Charity 2025 No.	Charity 2024 No.
Management	3	4	3	4
Support	4	8	4	8
	7	12	7	12

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	Group 2024 No.
In the band £80,001 - £90,000	-	1
In the band £100,001 - £110,000	1	-

None of the Trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the year (2024: Nil).

Key management personnel are defined as the Director Group that includes the CEO and Executive Co-Directors. The total employment benefits paid to key management personnel (including employer's national insurance and pension contributions) during the year was £229,439 (2024: £205,687).

Key management personnel are remunerated at market rate.

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

12. TANGIBLE FIXED ASSETS
GROUP

	Fixtures and fittings £	Computer equipment £	Total £
COST			
At 1 January 2025	19,841	34,753	54,594
Disposals	-	(14,391)	(14,391)
At 31 December 2025	19,841	20,362	40,203
DEPRECIATION			
At 1 January 2025	19,841	30,844	50,685
Charge for the year	-	2,700	2,700
On disposals	-	(14,391)	(14,391)
At 31 December 2025	19,841	19,153	38,994
NET BOOK VALUE			
At 31 December 2025	-	1,209	1,209
At 31 December 2024	-	3,909	3,909

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

12. TANGIBLE FIXED ASSETS (CONTINUED)

CHARITY

	Fixtures and fittings £	Computer equipment £	Total £
COST			
At 1 January 2025	19,841	18,168	38,009
At 31 December 2025	19,841	18,168	38,009
DEPRECIATION			
At 1 January 2025	19,841	14,259	34,100
Charge for the year	-	2,700	2,700
At 31 December 2025	19,841	16,959	36,800
NET BOOK VALUE			
At 31 December 2025	-	1,209	1,209
At 31 December 2024	-	3,909	3,909

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

13. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
CHARITY	
COST	
At 1 January 2025	10
AT 31 DECEMBER 2025	10
NET BOOK VALUE	
AT 31 DECEMBER 2025	10
AT 31 DECEMBER 2024	10

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
IOI Enterprise Limited	11069407	School 360, 5 Sugar House Lane, London, E15 2QS	Delivery of programmes to commercial partners

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
IOI Enterprise Limited	1,430	(1,430)	(1,422)

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

14. DEBTORS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
DUE WITHIN ONE YEAR				
Amounts owed by group undertakings	-	-	1,364	119
Other debtors	1,433	-	1,433	-
Prepayments and accrued income	4,707	55,900	4,707	55,900
	6,140	55,900	7,504	56,019

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Bank overdrafts	58	-	-	-
Trade creditors	5,968	2,889	5,968	2,889
Other taxation and social security	8,008	8,112	8,008	8,112
Other creditors	370,424	5,438	370,424	5,351
Accruals and deferred income	265,167	11,363	265,167	11,363
	649,625	27,802	649,567	27,715

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
DEFERRED INCOME				
Deferred income at 1 January 2025	-	-	-	-
Resources deferred during the year	249,981	-	249,981	-
	249,981	-	249,981	-

Deferred income relates to grant income received in advance of the associated project.

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

16. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2025 £	Income £	Expenditure £	Balance at 31 December 2025 £
UNRESTRICTED FUNDS				
Institute of Imagination	65,346	234,269	(233,618)	65,997
IOI Enterprise Limited	8	-	(1,430)	(1,422)
	<u>65,354</u>	<u>234,269</u>	<u>(235,048)</u>	<u>64,575</u>
RESTRICTED FUNDS				
STEAM	-	75,000	(56,250)	18,750
Community Programmes	50,000	203,012	(236,386)	16,626
	<u>50,000</u>	<u>278,012</u>	<u>(292,636)</u>	<u>35,376</u>
TOTAL OF FUNDS	<u><u>115,354</u></u>	<u><u>512,281</u></u>	<u><u>(527,684)</u></u>	<u><u>99,951</u></u>

Unrestricted funds are those which are available for the general purposes of the Charity at the discretion of the Trustees.

Restricted fund income relates to donations for the following activities:

- The Schools Programme Fund supports in-school learning activities.
- The Imagination Box Fund supports the production and distribution of activity boxes to children and families.
- The Outreach Programme Fund that supports selected community-based activities throughout London.
- Creative Sparks supports teachers with an online professional development offer.
- Aldgate and Allhallows support families with creative workshops.

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

16. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2024 £	Income £	Expenditure £	Balance at 31 December 2024 £
UNRESTRICTED FUNDS				
Institute of Imagination	180,889	331,111	(446,654)	65,346
IOI Enterprise Limited	3	-	5	8
	<u>180,892</u>	<u>331,111</u>	<u>(446,649)</u>	<u>65,354</u>
RESTRICTED FUNDS				
Funding for Imagination Boxes	-	160,000	(160,000)	-
STEAM	-	75,000	(25,000)	50,000
Community Programmes	-	6,420	(6,420)	-
	<u>-</u>	<u>241,420</u>	<u>(191,420)</u>	<u>50,000</u>
TOTAL OF FUNDS	<u>180,892</u>	<u>572,531</u>	<u>(638,069)</u>	<u>115,354</u>

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	1,209	-	1,209
Current assets	463,010	285,357	748,367
Creditors due within one year	(399,644)	(249,981)	(649,625)
TOTAL	64,575	35,376	99,951

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	3,909	-	3,909
Current assets	89,247	50,000	139,247
Creditors due within one year	(27,802)	-	(27,802)
TOTAL	65,354	50,000	115,354

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2025 £	Group 2024 £
Net expenditure for the year (as per Statement of Financial Activities)	(15,403)	(65,538)
ADJUSTMENTS FOR:		
Depreciation charges	2,700	3,510
Interest from investments	(3,087)	(2,475)
Decrease in debtors	49,760	17,269
Increase/(decrease) in creditors	622,146	(28,787)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	656,116	(76,021)

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2025 £	Group 2024 £
Cash in hand	741,645	32,912
Notice deposits (more than 3 months)	582	50,435
TOTAL CASH AND CASH EQUIVALENTS	742,227	83,347

20. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2025 £	Cash flows £	At 31 December 2025 £
Cash at bank and in hand	83,347	658,880	742,227
Bank overdrafts repayable on demand	-	(58)	(58)
	83,347	658,822	742,169

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

21. PENSION COMMITMENTS

The Charity operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to the statement of financial activities in the year ended 31 December 2025 was £9,344 (2024: £13,516). Contributions of £1,910 (2024: £2,488) were outstanding at the balance sheet date.

22. OTHER COMMITMENTS

As at 31 December 2025, the Charity was committed to payments of £9,600 (2024: £9,600) under a license agreement for premises.

23. RELATED PARTY TRANSACTIONS

None of the Trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the year (2024: None).

In the current year, two Trustees and a connected person purchased tickets to one of the Charity's fundraising events on normal commercial terms. The total value of these transactions was £1,074 (2024: £Nil). No conditions were attached to this income, and no material benefits other than entry to the relevant fundraising event was provided.

In the prior year, the Charity received an unconditional donation of £5,000 from a Trustee.

There were no balances outstanding with related parties at the yearend.

There were no other related party transactions (2024: None).

Accounts

Registered number: 04921852
Charity number: 1109276

INSTITUTE OF IMAGINATION

UNAUDITED

ANNUAL TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

INSTITUTE OF IMAGINATION

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INSTITUTE OF IMAGINATION

**LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2024**

Trustees

B J Demeroutis, Chair
M Dorion
T Gilbert
A Greenberg (resigned 23 September 2025)
B Koby
C Metcalfe
S Sotomey
C Tavernier
D Uehlein

Company registered number

04921852

Charity registered number

1109276

Registered office

School 360
5 Sugar House Lane
London
E15 2QS

Chief executive officer

M A Morales

Accountants

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

Solicitors

Joelson JD LLP
2 Marylebone Road
London
NW1 4DF

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Introduction by the Chair of Trustees

This year at the Institute of Imagination (iOi) has been defined by resilience and commitment, and an unwavering commitment to our mission. Like many charities in the sector, in 2024 we faced significant challenges including economic uncertainty, shifts in funding patterns, and the need to operate more leaner than ever, but our team and community of supporters rose to meet them. I am immensely proud of how we have navigated these pressures while continuing to grow our impact for thousands of children. Like many charities, we know further challenges lie ahead, but we remain focused, determined, and united in our resolve to meet them head-on.

Basil Demeroutis
Chair of Trustees

Reflecting on 2024

In 2024, while the need to support underserved children's skills and life prospects grew, the fundraising landscape remained difficult. With public funding under pressure and the grant making and philanthropic landscape becoming more competitive, sustaining our work required careful financial management, determined fundraising, and at times, tough operational decisions.

Despite these conditions, we delivered transformative programmes that reached 17,620 children and 1,071 educators across 96 schools, focusing on underserved and underrepresented communities. Our evidence-led approach showed 100% growth in children's creative thinking skills and a 92% increase in teachers' confidence in creative teaching. We also saw significant gains in children's problem-solving, communication, and hands-on making skills, paving the way for more ambitious aspirations in STEM and future-focused careers. Our mission - to unlock the power of imagination to improve children's life chances - has guided every decision. Even in the most challenging moments, it has been the spark that kept our work moving forward.

Navigating Challenges with Focus

We managed a tougher funding climate with careful cost control and a sharper focus on income. Trustees and executives worked closely to accelerate fundraising and deepen donor relationships. By year end, our finances were stabilised, a strong pipeline for the year ahead was in place, and a high-quality programme delivery for the children and educators we serve.

Strengthening Partnerships and Programmes

The Power of Play

Our long-term relationship with The LEGO Group entered a new, more ambitious phase with the launch of the LEGO Foundation funded Power of Play Programme in the London Borough of Tower Hamlets. Alongside our partners, Save The Children, Young V&A and Easy Peasy, we began working closely with schools, families and communities to support learning through play activities across the borough. By year end this moved into phase 2 for 2025. Moving forwards as Consortium Lead in the Tower Hamlets "Power of Play" coalition programme, in 2025 we will begin coordinating delivery with Save the Children, Young V&A, EasyPeasy, and Ambition Aspire Achieve.

In 2024, however, our work included:

- Establishing four Hub Schools as centres of excellence in learning through play.
- Delivering iOi STEAM Live sessions to 36 schools, providing teacher training, and immersive "Days of Play" to thousands of children.
- Beginning work on a caregiver engagement model to launch in 2025.

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

The success of this first year, which included measurable improvements in children's creativity, confidence, and communication, led LEGO to grow their support for this programme into 2025.

iOi STEAM Live & ImagineED

Our iOi STEAM Live programme continued to thrive, reaching pupils through interactive, creativity-driven learning. In schools like St Joseph's RC Primary, we saw measurable gains not only in creative thinking but also in problem-solving and collaboration. ImagineED, our online platform, was further integrated into programme delivery, expanding access to resources for teachers and reinforcing in-person learning. We launched Creative Sparks, a dedicated programme to support teachers working in schools in low socio-economic areas with STEAM learning practices.

Evidence of Impact

Our refined impact measurement framework proved invaluable this year. Highlights include:

- 100% growth in children's creative thinking skills.
- 92% increase in teachers' confidence in creative teaching.
- Growth in children's problem-solving skills, communication skills (+30%), and capacity to make and build (+53%).
- Evidence of shifts in career aspirations, with children naming new roles such as game designer, robotics creator, astronaut, surgeon, and engineer.

This data not only drives programme improvement but also strengthens our case to funders, policymakers, and partners.

Advocacy and Sector Influence

As a member of the Raising The Nation National Play Commission, our CEO contributed to shaping recommendations for a National Play Strategy for England. Through his role, he positioned iOi as a sector voice on play-based learning, connecting us to influential stakeholders and further embedding our thought leadership in education reform.

Looking Ahead

2025 will see us:

- Growing The Power of Play Programme as a consortium lead and focusing our activity on caregiver engagement.
- Continuing our Creative Sparks programme with funder support.
- Pursuing a broader and more diversified funding base to reduce dependency on a small donor pool.

The road ahead is not without its challenges, but with a lean, skilled team, a maturing partnership portfolio, and a clear strategy, we are preparing for 2025.

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Our Structure, governance and management

The Charity is a company limited by guarantee without share capital and is governed by its memorandum and articles of association. The charity owns the entire share capital of IOI Enterprise Limited, the principal activity of which is the delivery of commercial programmes that ultimately benefit the charity financially and reputationally. The Trustees who served during the year and at the date of signing, were:

- B J Demeroutis
- M Dorion
- T Gilbert
- A Greenberg (resigned 23 September 2025)
- B Koby
- C Metcalfe
- S Sotomey
- C Tavernier
- D Uehlein

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

New Trustees are appointed with a view to maintaining an appropriate balance of skills and experience. Appointments of Trustees are reviewed by a senior sub-committee of the Board together with members of Management and Leadership and ratified by the Board of Trustees. Trustees hold office for a fixed term of 3 years and one third of Trustees are considered for reappointment at annually. All Trustees receive information about their responsibilities as a part of their induction. Training is provided to existing Trustees as and when the need arises.

The Charity's approach to fundraising is to work with our Trustees and existing supporters to identify new sources of funds and then engage and inspire them with our work. Our focus is on statutory, corporates, trusts and foundations, and major donors as well as generating income from events. We seek to build long-term relationships with our supporters demonstrating a high social return on investment. We do not currently use commercial participators or external fundraisers. We are registered with the Fundraising Regulator and follow applicable law and recognised standards.

The Trustees have paid due regard to the public benefit guidance published by the Charity Commission.

Day to day management responsibilities in 2024 were carried out by the CEO and other key management personnel in the Director group, who are rewarded at rates competitive for the sector.

Levels of delegated authority, from Trustees to management have been detailed in the Financial Policies and Procedures document. Commitment levels have been set as follows:

- Over £100,000 by the Chair of the Board of Trustees
- £25,001 to £100,000 by a Trustee who is a member of the Finance and Advancement (FAC) Committee
- £1,000 to £25,000 by the CEO
- Under £1,000 by a Head of Department

The authority limits were reviewed by the Finance and Advancement Committee and approved by the Trustees.

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

Public Benefit Statement

The Institute of Imagination (iOi) is dedicated to unlocking the power of imagination to enhance the life chances of children, particularly those from underserved and underrepresented communities. We are committed to ensuring that our activities provide a tangible public benefit, as outlined by the Charity Commission. Our programs not only improve educational outcomes but also inspire children to aspire to careers in STEAM fields, thereby contributing to their long-term personal and professional development. By focusing on play-based learning and creative engagement, we empower children to develop essential skills that will serve them throughout their lives.

In navigating the challenges of a difficult funding landscape, we have maintained a strong focus on financial sustainability while prioritizing the needs of the communities we serve. Our partnerships with organizations such as The LEGO Group and Save the Children have further amplified our impact, allowing us to expand our reach and enhance the quality of our programs.

The Trustees are committed to upholding the principles of public benefit in all our activities, ensuring that our work continues to make a meaningful difference in the lives of children and educators alike.

Provision of annual report and basis of preparation

The Trustees, who are directors for the purposes of company law, provide the annual report together with the financial statements of the charitable group and company for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 second edition - October 2019) (effective 1 January 2019). The Trustees have chosen to take advantage of the small company's exemption from preparing a strategic report.

Principal risks and mitigations

The Trustees have assessed the major risks to which the Charity is exposed. The principal risk for the organisation is in respect economic weakness that might have a long-term effect on both programming and fundraising. Reputational damage from a failure in safeguarding or health and safety, and inadequate financial reserves disrupting the Charity's work remain the other major risks for the organisation in 2024.

These risks have been mitigated in part by careful and ongoing planning and systematic fundraising. Expenditure is closely managed to ensure liquidity remains satisfactory.

In lower income scenarios, the Trustees have determined that expenditure could be postponed or cancelled without permanent detriment to the organisation's ability to meet its charitable purpose.

Fundraising & Income Generation

We run a three-pillar model which includes Corporate Partnerships & Consultancy, Trusts & Foundations, and High-Net-Worth Individuals (HNWIs) with conservative forecasting and regular Board/Finance Committee oversight. Mid-year we tightened our pipeline to keep plans realistic.

The result was that we moved to a positive cash position after 4 gifts totalling £70k. Cost control and a leaner team helped stabilise finances without compromising delivery.

Corporates: The LEGO "Power of Play" partnership advanced from a successful first phase to confirmation of iOi as lead partner for 2025. We also cultivated prospects across retail, life sciences, property and media and grew our consulting marginally through work with the BBC and CHANEL.

Trusts & Foundations: Alongside confirmed supporters we progressed a rolling bid pipeline, pacing applications

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

to reflect longer decision cycles.

HNWIs: Major gifts remained pivotal, stewarded via targeted CEO/trustee engagement and site visits.

In 2024 we created a new fundraising video and in 2025 we will refresh our website.

Our 2025 plan:

Diversify the donor base while consolidating anchors: convert a wider set of corporates, sequence multi-year foundation bids around our evidence, build a compact circle of HNWI leaders on multi-year pledges and maintain pipeline prospect discipline with monthly Finance Committee check ins which include pipeline and fundraising plan reviews.

What we hope to see is a broader, more balanced income mix, higher unrestricted and multi-year commitments, steady conversion, and continued cash stability with reserves rebuilding.

Financial review

While income was lower than originally budgeted, we closed the year in a position of stability:

- Funding secured from LEGO for 2025.
- Continued core support from key individual donors.
- Growth in corporate and consultancy income streams, including work with BBC and CHANEL.

We reduced our annual cost base without compromising quality or reach, enabling us to deliver work that improves core skills for tens of thousands of children each year.

During the year, the principal source of funding continued to be donations. Total income of £572,531 (2023: £604,639) including donations of £557,686 (2023: £529,540) used to fund our programmes and our operating costs. Expenditure of £638,069 (2023: £863,672) consisted of raising funds £164,538 (2023: £210,567) and charitable activities of £473,531 (2023: £653,105) relating to programme activity.

Reserves

It is the policy of the Charity to maintain unrestricted (free) reserves equivalent to three to six months of operating expenditure. At current spend levels, this equates to £132,000–£264,000 as at 31st December 2024. Holding reserves at this level enables the Charity to manage timing differences in income, absorb risk, and meet its obligations while continuing to deliver its charitable objectives.

Like many charities in 2024, unrestricted reserves dipped below the target range, reflecting the timing of grant receipts, the restricted nature of much of our income, and the start-up profile of projects. The Trustees consider such temporary dips acceptable provided the Charity can continue to meet liabilities as they fall due and, in an alternative scenario, effect an orderly wind-down in a manner considerate of beneficiaries, staff and creditors.

To manage this position, the Trustees continue to closely monitor cash flow and will implement cost controls and flex expenditure if required. The Charity is proactively pursuing an income plan with prudent forecasts which provide the Trustees with comfort that the Charity can rebuild reserves to remain consistently within the set target range.

Investment Policy

At the end of 2024 and 2023, the Charity held no fixed asset investments, any surpluses are held in short term cash deposits.

When funds allow, the charity may invest in a portfolio of investment products. The charity will not invest directly in sectors that it deems in conflict with its charitable mandate and objectives, notably arms, pornography, and

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

tobacco. The charity, through investments in fixed income and equity mutual funds, exchange traded funds (ETFs) and/or other investment products, recognises that it may have indirect exposure to some, or all, of these sectors. However, further to consultation with its investment advisers and in the context of the overall holdings of these investment products, the charity is of the view that its exposure to these sectors, to the extent it exists, is very small.

The charity will continually revalue its portfolio and be vigilant against exposure to sectors it deems inappropriate. Once the capital base of the charity allows for it, the Finance & Advancement Committee will consider dedicated Socially Responsible Investing (SRI) products and assess whether these are appropriate for the portfolio in terms of diversification, costs, and risk profile. Long term, it is the ambition of the Institute of Imagination to move closer towards “pure” SRI products.

Going Concern

The Trustees met on 4th September 2025 to consider whether the Institute of Imagination (iOi) is a going concern and concluded that it is appropriate to prepare these financial statements on a going concern basis. Having reviewed updated cash-flow forecasts and the underlying assumptions including committed and probable income from major funders and other sources, together with the ability to flex expenditure, the Trustees are satisfied that the iOi remains a going concern for at least twelve months from the date of approval of these financial statements.

The Trustees are monitoring cash closely and will continue to adjust our cost base and income generation plans to ensure the charity remains financially viable while delivering its charitable objectives.

While not currently envisaged, should a managed wind-down become necessary, the Trustees are confident that available reserves and forecast inflows would enable this to be carried out in an orderly wind-down that meets all obligations to staff, beneficiaries and partners.

And finally,

Our work is only possible because of our extraordinary team, Trustees, donors, partners, and supporters. Their unwavering support has made all our achievements possible, and we extend our deepest gratitude to each and every one of them.

On behalf of the Trustees and staff at the Institute of Imagination and all those who are impacted by our work, we would like to thank our generous supporters.

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 the profit or loss of the company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

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

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



B J Demeroutis

Chair

Date: 26 September 2025

INSTITUTE OF IMAGINATION

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024**

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INSTITUTE OF IMAGINATION ('the Group')

I report to the charity Trustees on my examination of the consolidated accounts of the Group comprising the Institute of Imagination ('the parent Charity') and its subsidiary undertaking for the year ended 31 December 2024.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the parent Charity (and its directors for the purposes of company law) you are responsible for the preparation of the consolidated accounts of the Group in accordance with the requirements of the Companies Act 2006 ('the 2006 Act') and you have chosen to prepare consolidated accounts for the Group. You are satisfied that the accounts of both parent Charity and the Group are not required by either company or charity law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the consolidated accounts are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Group's accounts carried out under section 152 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 152(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the consolidated accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

INDEPENDENT EXAMINER'S STATEMENT

Since the Trustees have opted to prepare consolidated accounts for the Group your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the parent Charity and its subsidiaries as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I draw users' attention to the going concern information included in the financial review within the Trustees' Report and accounting policy 2.2.

INSTITUTE OF IMAGINATION

**INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the parent Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: *Nikki Loan*

Dated: 26 September 2025

Nikki Loan FCA

PETERS ELWORTHY & MOORE

Chartered Accountants
Salisbury House
Station Road
Cambridge
CB1 2LA

INSTITUTE OF IMAGINATION

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
INCOME FROM:					
Donations and legacies	4	316,266	241,420	557,686	529,540
Other trading activities	5	12,370	-	12,370	70,865
Investments	6	2,475	-	2,475	4,234
TOTAL INCOME		331,111	241,420	572,531	604,639
EXPENDITURE ON:					
Raising funds	7	164,538	-	164,538	210,567
Charitable activities	8	282,111	191,420	473,531	653,105
TOTAL EXPENDITURE		446,649	191,420	638,069	863,672
NET MOVEMENT IN FUNDS		(115,538)	50,000	(65,538)	(259,033)
RECONCILIATION OF FUNDS:					
Total funds brought forward		180,892	-	180,892	439,925
Net movement in funds		(115,538)	50,000	(65,538)	(259,033)
TOTAL FUNDS CARRIED FORWARD		65,354	50,000	115,354	180,892

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

The notes on pages 17 to 34 form part of these financial statements.

INSTITUTE OF IMAGINATION
REGISTERED NUMBER: 04921852

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	11	3,909	7,419
		<u>3,909</u>	<u>7,419</u>
CURRENT ASSETS			
Debtors	13	55,900	73,169
Cash at bank and in hand		83,347	156,893
		<u>139,247</u>	<u>230,062</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	14	(27,802)	(56,589)
		<u>111,445</u>	<u>173,473</u>
NET CURRENT ASSETS			
		<u>115,354</u>	<u>180,892</u>
TOTAL NET ASSETS			
		<u>115,354</u>	<u>180,892</u>
CHARITY FUNDS			
Restricted funds	15	50,000	-
Unrestricted funds	15	65,354	180,892
		<u>115,354</u>	<u>180,892</u>
TOTAL FUNDS			
		<u>115,354</u>	<u>180,892</u>

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

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

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.

INSTITUTE OF IMAGINATION
REGISTERED NUMBER: 04921852

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

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



B J Demeroutis
Chair
Date: 26 September 2025

The notes on pages 17 to 34 form part of these financial statements.

INSTITUTE OF IMAGINATION
REGISTERED NUMBER: 04921852

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
FIXED ASSETS			
Tangible assets	11	3,909	7,419
Investments	12	10	10
		<u>3,919</u>	<u>7,429</u>
CURRENT ASSETS			
Debtors	13	56,019	125,659
Cash at bank and in hand		83,123	97,203
		<u>139,142</u>	<u>222,862</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	14	(27,715)	(49,402)
		<u>111,427</u>	<u>173,460</u>
NET CURRENT ASSETS			
		<u>115,346</u>	<u>180,889</u>
TOTAL NET ASSETS			
		<u>115,346</u>	<u>180,889</u>
CHARITY FUNDS			
Restricted funds	15	50,000	-
Unrestricted funds		65,346	180,889
		<u>115,346</u>	<u>180,889</u>
TOTAL FUNDS			
		<u>115,346</u>	<u>180,889</u>

The Charity's net movement in funds for the year was £(65,543) (2023 - £(259,063)).

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

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

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.

INSTITUTE OF IMAGINATION
REGISTERED NUMBER: 04921852

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

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



B J Demeroutis
Chair
Date: 26 September 2025

The notes on pages 17 to 34 form part of these financial statements.

INSTITUTE OF IMAGINATION

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	17	(76,021)	(419,438)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		2,475	4,234
Purchase of tangible fixed assets		-	(3,845)
NET CASH PROVIDED BY INVESTING ACTIVITIES		2,475	389
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(73,546)	(419,049)
Cash and cash equivalents at the beginning of the year		156,893	575,942
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	18	83,347	156,893

The notes on pages 17 to 34 form part of these financial statements

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

Institute of Imagination is a Charity incorporated in the United Kingdom and registered in England and Wales under the Companies Act. The address of the registered office is School 360, 5 Sugar House Lane, London, E15 2QS.

The nature of the Charity's operations and its principal activities are set out in the Trustees' report.

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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Institute of Imagination 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.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 GOING CONCERN

The Trustees, having reviewed updated cash-flow forecasts and the underlying assumptions, including committed and probable income from major funders and other sources, together with the ability to flex expenditure have concluded that it is appropriate to prepare these financial statements on a going concern basis. Based on these forecasts the Trustees are satisfied that the iOi remains a going concern for at least twelve months from the date of approval of these financial statements. The Trustees are monitoring cash closely and will continue to adjust the cost base and income generation plans to ensure the charity remains financially viable while delivering its charitable objectives. While not currently envisaged, should a managed wind-down become necessary, the Trustees are confident that available reserves and forecast inflows would enable this to be carried out in an orderly wind-down that meets all obligations to staff, beneficiaries and partners. This is considered when assessing the reserves policy set out in the Trustees' report.

They therefore continue to adopt the going concern basis in preparing the annual financial statements.

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

2. ACCOUNTING POLICIES (CONTINUED)

2.3 INCOME

Income is recognised in the statement of financial activities when it becomes receivable, and the entitlement, measurement and probable principles are met.

Income is deferred only to the extent that it has been received in advance for specific conditions to be met.

Donated services are included at their estimated open market value to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Grants are recognised in income based on management's judgment regarding entitlement, measurement, and probability. Typically a grant is recognised in full when it is awarded. If a grant is for specific performance or there are unmet conditions the grant is deferred until those are met.

2.4 EXPENDITURE

All expenses are recognised when an invoice is received. Provisions are included in the statement of financial activities to the extent that goods and services have been contracted for but not yet received.

Raising funds are costs related to the generation of voluntary income for the Charity.

Expenditure on charitable activities is any that relates directly to fulfilling the charitable objects of the Charity and includes allocated support and governance costs as well as direct costs.

Governance costs, *included in support costs*, relate to the direct running of the Charity, allowing the Charity to operate and generate the information required for public accountability.

Staff costs and support costs are analysed and apportioned on the basis of management's estimation of the time spent on each activity.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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

2.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2. ACCOUNTING POLICIES (CONTINUED)

2.5 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)

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

Depreciation is provided on the following basis:

Fixtures and fittings	-	25% straight-line
Computer equipment	-	25% straight-line

2.6 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 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.

2.8 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.

2.9 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 Charity 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.

2.10 FINANCIAL INSTRUMENTS

The Group 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.

2.11 OPERATING LEASES

Expenditure on operating leases is accounted for on a straight-line basis over the life of a lease.

2.12 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. ACCOUNTING POLICIES (CONTINUED)

2.13 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 Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the application of the Group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Critical accounting estimates and assumptions:

The Trustees do not consider there to be any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	316,266	-	316,266	309,540
Grants	-	241,420	241,420	220,000
	316,266	241,420	557,686	529,540
TOTAL 2023	309,540	220,000	529,540	

Donations and gifts are derived from targeted fundraising by the organisation. There were no donated services in 2024 or 2023.

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
School and partnership sales	12,370	12,370	2,924
Corporate sales	-	-	67,941
	<u>12,370</u>	<u>12,370</u>	<u>70,865</u>
TOTAL 2023	<u>70,865</u>	<u>70,865</u>	

All income from trading activities in 2024 and 2023 was unrestricted.

6. INVESTMENT INCOME

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Bank interest	<u>2,475</u>	<u>2,475</u>	<u>4,234</u>
TOTAL 2023	<u>4,234</u>	<u>4,234</u>	

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7. EXPENDITURE ON RAISING FUNDS

FUNDRAISING TRADING EXPENSES

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Fundraising expenses	5,125	5,125	33,784
Fundraising salaries	159,413	159,413	176,783
	164,538	164,538	210,567
TOTAL 2023	210,567	210,567	

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Management and governance	50,216	113,876	164,092	218,581
Fundraising costs	-	6,469	6,469	-
Marketing and PR	16,732	28,987	45,719	131,976
Experience and learning	225,566	31,685	257,251	302,548
	292,514	181,017	473,531	653,105
TOTAL 2023	450,845	202,260	653,105	

ANALYSIS OF DIRECT COSTS

	Management 2024 £	Fundraising 2024 £	Experience and Learning 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	50,216	16,732	200,472	267,420	396,296
Programmes	-	-	25,094	25,094	54,549
	50,216	16,732	225,566	292,514	450,845
TOTAL 2023	93,838	54,459	302,548	450,845	

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Management 2024 £	Fundraising 2024 £	Marketing 2024 £	Experience and Learning 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	60,431	-	16,732	3,401	80,564	109,668
Administration	14,994	3,959	3,755	17,311	40,019	53,832
Recruitment and training	2,852	-	-	-	2,852	17,683
Temporary staff	16,020	-	-	-	16,020	17,308
IT costs	9,504	2,510	2,381	10,973	25,368	29,946
Marketing and communications	-	-	6,119	-	6,119	14,218
Cancelled invoices relating to 2021 legal fees	-	-	-	-	-	(47,990)
Governance costs	10,075	-	-	-	10,075	7,595
	<u>113,876</u>	<u>6,469</u>	<u>28,987</u>	<u>31,685</u>	<u>181,017</u>	<u>202,260</u>
TOTAL 2023	<u><u>124,743</u></u>	<u><u>-</u></u>	<u><u>77,517</u></u>	<u><u>-</u></u>	<u><u>202,260</u></u>	

Governance costs are comprised of legal fees of £311 (2023: £930) and accountancy fees of £9,764 (£6,665).

9. INDEPENDENT EXAMINER'S REMUNERATION

	2024 £	2023 £
Fees payable to the Charity's independent examiner in respect of:		
Independent examination of the charity's annual financial statements	7,000	6,480
Other services to the group	3,670	1,455
	<u><u>7,000</u></u>	<u><u>1,455</u></u>

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. STAFF COSTS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Wages and salaries	454,779	602,708	454,779	602,708
Social security costs	39,102	62,463	39,102	62,463
Contribution to defined contribution pension schemes	13,516	17,576	13,516	17,576
	507,397	682,747	507,397	682,747

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

	Group 2024 No.	Group 2023 No.	Charity 2024 No.	Charity 2023 No.
Management	4	6	4	6
Support	8	9	8	9
	12	15	12	15

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	Group 2023 No.
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	-	1

None of the Trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the year (2023: Nil).

Key management personnel are defined as the Director Group that includes the CEO and Executive Co-Directors. The total employment benefits paid to key management personnel (including pension contributions) during the year was £169,105 (2023: £187,335).

Key management personnel are remunerated at market rate.

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

11. TANGIBLE FIXED ASSETS
GROUP

	Fixtures and fittings £	Computer equipment £	Total £
COST			
At 1 January 2024	19,841	34,753	54,594
At 31 December 2024	19,841	34,753	54,594
DEPRECIATION			
At 1 January 2024	19,841	27,334	47,175
Charge for the year	-	3,510	3,510
At 31 December 2024	19,841	30,844	50,685
NET BOOK VALUE			
At 31 December 2024	-	3,909	3,909
At 31 December 2023	-	7,419	7,419

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

11. TANGIBLE FIXED ASSETS (CONTINUED)

CHARITY

	Fixtures and fittings £	Computer equipment £	Total £
COST			
At 1 January 2024	19,841	18,168	38,009
At 31 December 2024	19,841	18,168	38,009
DEPRECIATION			
At 1 January 2024	19,841	10,749	30,590
Charge for the year	-	3,510	3,510
At 31 December 2024	19,841	14,259	34,100
NET BOOK VALUE			
At 31 December 2024	-	3,909	3,909
At 31 December 2023	-	7,419	7,419

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

12. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
CHARITY	
COST OR VALUATION	
At 1 January 2024	10
AT 31 DECEMBER 2024	10
NET BOOK VALUE	
AT 31 DECEMBER 2024	10
AT 31 DECEMBER 2023	10

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
IOI Enterprise Limited	11069407	School 360, 5 Sugar House Lane, London, E15 2QS	Delivery of programmes to commercial partners

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
IOI Enterprise Limited	5	5	8

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

13. DEBTORS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
DUE WITHIN ONE YEAR				
Trade debtors	-	53,723	-	11,123
Amounts owed by group undertakings	-	-	119	95,089
Other debtors	-	86	-	87
Prepayments and accrued income	55,900	19,360	55,900	19,360
	<u>55,900</u>	<u>73,169</u>	<u>56,019</u>	<u>125,659</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	2,889	5,094	2,889	5,094
Other taxation and social security	8,112	30,262	8,112	23,162
Other creditors	5,438	1,973	5,351	1,886
Accruals and deferred income	11,363	19,260	11,363	19,260
	<u>27,802</u>	<u>56,589</u>	<u>27,715</u>	<u>49,402</u>

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2024 £	Income £	Expenditure £	Balance at 31 December 2024 £
UNRESTRICTED FUNDS				
Institute of Imagination	180,889	331,111	(446,654)	65,346
IOI Enterprise Limited	3	-	5	8
	<u>180,892</u>	<u>331,111</u>	<u>(446,649)</u>	<u>65,354</u>
RESTRICTED FUNDS				
Funding for Imagination Boxes	-	160,000	(160,000)	-
Schools Programme	-	75,000	(25,000)	50,000
Community Programmes	-	6,420	(6,420)	-
	<u>-</u>	<u>241,420</u>	<u>(191,420)</u>	<u>50,000</u>
TOTAL OF FUNDS	<u><u>180,892</u></u>	<u><u>572,531</u></u>	<u><u>(638,069)</u></u>	<u><u>115,354</u></u>

Unrestricted funds are those which are available for the general purposes of the Charity at the discretion of the Trustees.

Restricted fund income relates to donations for the following activities:

- The Schools Programme Fund supports in-school learning activities
- The Imagination Box Fund supports the production and distribution of activity boxes to children and families
- The Outreach Programme Fund that supports selected community-based activities throughout London.

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2023 £	Income £	Expenditure £	Balance at 31 December 2023 £
UNRESTRICTED FUNDS				
Institute of Imagination	310,135	316,698	(445,944)	180,889
IOI Enterprise Limited	(32)	67,941	(67,906)	3
	<u>310,103</u>	<u>384,639</u>	<u>(513,850)</u>	<u>180,892</u>
RESTRICTED FUNDS				
Funding for Imagination Boxes	113,072	10,000	(123,072)	-
Schools Programme	16,750	170,000	(186,750)	-
Community Programmes	-	40,000	(40,000)	-
	<u>129,822</u>	<u>220,000</u>	<u>(349,822)</u>	<u>-</u>
TOTAL OF FUNDS	<u>439,925</u>	<u>604,639</u>	<u>(863,672)</u>	<u>180,892</u>

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	3,909	-	3,909
Current assets	89,247	50,000	139,247
Creditors due within one year	(27,802)	-	(27,802)
TOTAL	65,354	50,000	115,354

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	7,419	7,419
Current assets	230,062	230,062
Creditors due within one year	(56,589)	(56,589)
TOTAL	180,892	180,892

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2024 £	Group 2023 £
Net expenditure for the period (as per Statement of Financial Activities)	(65,538)	(259,033)
ADJUSTMENTS FOR:		
Depreciation charges	3,510	5,458
Interest from investments	(2,475)	(4,234)
Decrease/(increase) in debtors	17,269	(48,116)
Decrease in creditors	(28,787)	(113,513)
NET CASH USED IN OPERATING ACTIVITIES	(76,021)	(419,438)

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2024 £	Group 2023 £
Cash in hand	32,912	155,547
Notice deposits (more than 3 months)	50,435	1,346
TOTAL CASH AND CASH EQUIVALENTS	83,347	156,893

19. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	156,893	(73,546)	83,347
	156,893	(73,546)	83,347

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

20. PENSION COMMITMENTS

The Charity operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to the statement of financial activities in the year ended 31 December 2024 was £13,516 (2023: £17,576). Contributions of £2,488 (2023: £Nil) were outstanding at the balance sheet date.

21. OTHER COMMITMENTS

As at 31 December 2024, the Charity was committed to payments of £9,600 (2023: £3,600) under a license agreement for premises.

22. RELATED PARTY TRANSACTIONS

None of the Trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the year (2023: None).

During the year, 1 trustee made a personal donation to the Charity of £5,000 (2023: £Nil). No benefits were received as a result of this donation and no restrictions were place on the use of the funds (2023: None).

There were no other related party transactions (2023: None).

Accounts

Registered number: 04921852
Charity number: 1109276

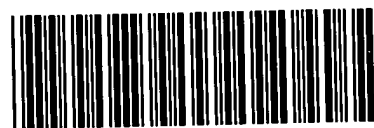
INSTITUTE OF IMAGINATION

UNAUDITED

ANNUAL TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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INSTITUTE OF IMAGINATION

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INSTITUTE OF IMAGINATION

**LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustees

Lady A Shaw-Scott Adjaye (resigned 22 March 2023)
B J Demeroutis, Chair
M Dorion
T Gilbert
A Greenberg
Dr L Guyton (resigned 22 March 2023)
B Koby
C Metcalfe
S Sotomey
C Tavernier
D Uehlein
L Watson (resigned 31 December 2023)

Company registered number

04921852

Charity registered number

1109276

Registered office

School 360
5 Sugar House Lane
London
E15 2QS

Chief executive officer

M A Morales

Accountants

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

INSTITUTE OF IMAGINATION

**LEGAL AND ADMINISTRATIVE INFORMATION (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Solicitors

Joelson JD LLP
2 Marylebone Road
London
NW1 4DF

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Introduction by the Chair of Trustees

Welcome to the Institute of Imagination's annual report, a testament to our unwavering commitment to nurturing young minds and fostering creativity. As Chair of Trustees, I am honoured to share the remarkable results of our work in 2023.

Basil Demeroutis
Chair of Trustees

Charitable Objectives

The Charity's objective is to champion opportunities for children and young people of all backgrounds, focused on developing their imaginations, a quality that is vital to creativity and the ability to adapt and thrive in a rapidly changing world.

The Trustees have paid due regard to the public benefit guidance published by the Charity Commission.

In the coming years, the Charity will focus on marginalised 5 to 11 year old children in London's disadvantaged boroughs, with a plan to grow our work in regionally in areas of disadvantage in England to follow.

Reflecting on 2023: A Year of Transformative Impact at the Institute of Imagination

As we look back on 2023, I'm excited to share the remarkable impact of the work we've accomplished at the Institute of Imagination (iOi). Our impact mission - developing creative thinking skills and raising educational and career aspirations - has never been more critical. In the UK, 4 million children are growing up in poverty, often without the resources or opportunities to shape their own futures. At iOi, we recognize that meaningful change begins by unlocking imagination. Unfortunately, this vital spark remains dormant in many children, limiting their ability to envision a brighter future. This leaves them vulnerable to long-term unemployment and diminished life prospects, with untapped potential leading to lost opportunities.

Through our diverse programs and activities, we ignite the imaginations of children from underserved and underrepresented communities. These transformative learning experiences empower them to shape their futures. A standout example is a young boy named Mason.

Five years after his first encounter with iOi, Mason returned this year to participate in our in-person program, *My Big Idea*. He shared with us: "School taught me the basics, but the Institute of Imagination helped me understand the future." Our early intervention empowered him to succeed - earning him a scholarship to a top secondary school and easily passing his entrance exams. His grandmother, Sherry, added: "It opened Mason's mind to all these possibilities." Mason's success serves as a testament to how imagination, when unlocked, can truly transform lives.

Mason's story is just one of many. In 2023, we reached 32,000 children from underserved and underrepresented communities, delivering scalable programs with lasting impact. Our evidence-based approach underscores our commitment to measurable outcomes and meaningful change.

Reaching More Through Innovative Programs

Our *iOi STEAM Live* curriculum-enrichment program reached over 200 schools, with children participating 26,490 times through digitally broadcasted workshops. Importantly, these sessions also included 1,658 teacher-training interactions, expanding our influence within the education sector.

In addition, 265 participants - including 149 children and 107 adults - engaged in our full-day *My Big Idea* event, held in Newham and Lambeth libraries. The events encouraged children to generate ideas aimed at fostering social and environmental sustainability in their communities.

We also distributed 5,000 Imagination Boxes, including 1,991 to refugee families and 128 to children with Special

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Educational Needs and Disabilities (SEND).

Demonstrating Measurable Impact

In 2023, we introduced a new Impact Measurement framework, allowing us to more clearly evidence and demonstrate our impact. The results are promising: 83% of children who participated in our workshops showed improved creative thinking skills, and more children are now aspiring to pursue careers in STEAM (Science, Technology, Engineering, Arts, and Mathematics) fields.

Looking Ahead: Driving Systemic Change

As we look to the future, our strategic focus is on driving systemic change. While our programs continue to grow in both reach and depth, we are committed to challenging outdated learning systems. To this end, we partnered with Bath Spa University to publish our first research paper, highlighting the importance of creativity and imagination. This research has already inspired and supported other organizations in enhancing educational approaches through the development of creative thinking skills.

Partnerships and Collaboration

Our long-standing partnership with The LEGO Group continues to thrive, and this year we expanded our collaborations. Together with Save the Children, EasyPeasy, and the Young V&A, we are developing a high-impact program in Tower Hamlets. We are focused on delivering this initiative and are eager to scale its impact in the coming years.

Our structure, governance and management

The Charity is a company limited by guarantee without share capital and is governed by its memorandum and articles of association. The Charity owns the entire share capital of IOI Enterprise Limited, the principal activity of which is the delivery of commercial programmes that ultimately benefit the charity financially and reputationally.

The Trustees who served during the year and at the date of signing, were:

Lady A Shaw-Scott Adjaye (resigned 22 March 2023)
B J Demeroutis
M Dorion
T Gilbert
A Greenberg
Dr L Guyton (resigned 22 March 2023)
B Koby
C Metcalfe
S Sotomey
C Tavernier
D Uehlein
L Watson (resigned 31 December 2023)

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

New Trustees are appointed with a view to maintaining an appropriate balance of skills and experience. Appointments of Trustees are reviewed by a senior sub-committee of the Board together with members of Management and Leadership and ratified by the Board of Trustees. Trustees hold office for a fixed term of 3 years and one third of Trustees are considered for reappointment annually. All Trustees receive information about their responsibilities as a part of their induction. Training is provided to existing Trustees as and when the need arises.

The Charity's approach to fundraising is to work with our Trustees and existing supporters to identify new

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

sources of funds and then engage and inspire them with our work. Our focus is on statutory, corporates, trusts and foundations, and major donors as well as generating income from events. We seek to build long-term relationships with our supporters demonstrating a high social return on investment. We do not currently use commercial participators or external fundraisers. We are registered with the Fundraising Regulator and follow applicable law and recognised standards.

The Trustees have paid due regard to the public benefit guidance published by the Charity Commission.

Day to day management responsibilities in 2023 were carried out by the CEO and other key management personnel in the Director group, who are rewarded at rates competitive for the sector.

Levels of delegated authority, from Trustees to management have been detailed in the Financial Policies and Procedures document. Commitment levels have been set as follows:

- Over £100,000 by the Board of Trustees
- £25,001 to £100,000 by a Trustee who is a member of the Finance and Advancement (FAC) Committee
- £1,000 to £25,000 by the CEO
- Under £1,000 by a Head of Department

The authority limits were reviewed by the Finance and Advancement Committee and approved by the Trustees.

Provision of annual report and basis of preparation

The Trustees, who are directors for the purposes of company law, provide the annual report together with the financial statements of the charitable group and company for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 second edition - October 2019) (effective 1 January 2019). The Trustees have chosen to take advantage of the small company's exemption from preparing a strategic report.

Principal risks and mitigations

The Trustees have assessed the major risks to which the Charity is exposed. The principal risk for the organisation is in respect economic weakness that might have a long-term effect on both programming and fundraising. Reputational damage from a failure in safeguarding or health and safety, and inadequate financial reserves disrupting the Charity's work remain the other major risks for the organisation in 2024.

These risks have been mitigated in part by careful and ongoing planning and systematic fundraising.

Expenditure is closely managed to ensure liquidity remains satisfactory.

In lower income scenarios, the Trustees have determined that expenditure could be postponed or cancelled without permanent detriment to the organisation's ability to meet its charitable purpose.

Financial review

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure, estimated to be between £175,000 and £350,000 at 31 December 2023. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. At the end of the year, reserves of £180,892 (2022: £439,925) were held including restricted funds in 2022 of £129,822 and £nil in 2023. This level

INSTITUTE OF IMAGINATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

of reserves is therefore consistent with the policy. During the year, the principal source of funding was donations.

Total income of £604,639 (2022: £826,425) included donations of £529,540 (2022: £615,713) used to fund our programmes and our operating costs. Expenditure of £863,672 (2022: £873,573) consisted of raising funds £210,567 (2022: £206,836) and charitable activities of £653,105 (2022: £666,737) relating to programme activity.

Investment Policy

At the end of 2023 and 2022, all investments were held in cash.

When funds allow, the Charity may invest in a portfolio of investment products. The Charity will not invest directly in sectors that it deems in conflict with its charitable mandate and objectives, notably arms, pornography, and tobacco. The Charity, through investments in fixed income and equity mutual funds, exchange traded funds (ETFs) and/or other investment products, recognises that it may have indirect exposure to some, or all, of these sectors. However, further to consultation with its investment advisers and in the context of the overall holdings of these investment products, the Charity is of the view that its exposure to these sectors, to the extent it exists, is very small.

The Charity will continually revalue its portfolio and be vigilant against exposure to sectors it deems inappropriate. Once the capital base of the charity allows for it, the Finance & Advancement Committee will consider dedicated Socially Responsible Investing (SRI) products and assess whether these are appropriate for the portfolio in terms of diversification, costs, and risk profile. Long term, it is the ambition of the Institute of Imagination to move closer towards "pure" SRI products.

Going Concern

The Trustees assess whether the use of the going concern basis of preparation is appropriate and whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity and the Group to continue as a going concern. The Trustees' key assumptions include an assessment of reasonably certain income from the Lego Foundation and other sources. The Trustees are monitoring cash flow closely and have evidence that expenditure can be flexed as necessary. For example, some staff hours have been voluntarily reduced while further funding is found. After preparing annual financial plans in 2024, updated and extended into 2025 the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence during the year from the date of approval of the financial statements and therefore continue to adopt the going concern basis of preparing the annual financial statements.

And finally,

Our work is only possible because of our extraordinary team, Trustees, donors, partners, and supporters. Their unwavering support has made all our achievements possible, and we extend our deepest gratitude to each and every one of them.

On behalf of the Trustees and staff at the Institute of Imagination and all those who are impacted by our work, we would like to thank our generous supporters.

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 the profit or loss of the company for that period. In preparing these financial

INSTITUTE OF IMAGINATION

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

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

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



B J Demeroutis

Chair

Date: 27 September 2024

INSTITUTE OF IMAGINATION

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023**

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INSTITUTE OF IMAGINATION ('the Group')

I report to the charity Trustees on my examination of the consolidated accounts of the Group comprising the Institute of Imagination ('the parent Charity') and its subsidiary undertaking for the year ended 31 December 2023.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the parent Charity (and its directors for the purposes of company law) you are responsible for the preparation of the consolidated accounts of the Group in accordance with the requirements of the Companies Act 2006 ('the 2006 Act') and you have chosen to prepare consolidated accounts for the Group. You are satisfied that the accounts of both parent Charity and the Group are not required by either company or charity law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the consolidated accounts are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Group's accounts carried out under section 152 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 152(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the consolidated accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the parent Charity and its subsidiaries as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I draw users' attention to the going concern information included in the financial review within the Trustees' Report and accounting policy 2.2.

INSTITUTE OF IMAGINATION

**INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the parent Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Nikki Loan

Dated: 27 September 2024

FCA

PETERS ELWORTHY & MOORE

Chartered Accountants

Salisbury House

Station Road

Cambridge

CB1 2LA

INSTITUTE OF IMAGINATION

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOME FROM:					
Donations and legacies	4	309,540	220,000	529,540	615,713
Other trading activities	5	70,865	-	70,865	209,683
Investments	6	4,234	-	4,234	1,029
TOTAL INCOME		384,639	220,000	604,639	826,425
EXPENDITURE ON:					
Raising funds		210,567	-	210,567	206,836
Charitable activities	7	303,283	349,822	653,105	666,737
TOTAL EXPENDITURE		513,850	349,822	863,672	873,573
NET MOVEMENT IN FUNDS		(129,211)	(129,822)	(259,033)	(47,148)
RECONCILIATION OF FUNDS:					
Total funds brought forward		310,103	129,822	439,925	487,073
Net movement in funds		(129,211)	(129,822)	(259,033)	(47,148)
TOTAL FUNDS CARRIED FORWARD		180,892	-	180,892	439,925

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

The notes on pages 15 to 31 form part of these financial statements.

INSTITUTE OF IMAGINATION
REGISTERED NUMBER: 04921852

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	10	7,419	9,032
		<u>7,419</u>	<u>9,032</u>
CURRENT ASSETS			
Debtors	12	73,169	25,053
Cash at bank and in hand		156,893	575,942
		<u>230,062</u>	<u>600,995</u>
Creditors: amounts falling due within one year	13	(56,589)	(170,102)
		<u>173,473</u>	<u>430,893</u>
NET CURRENT ASSETS			
		<u>180,892</u>	<u>439,925</u>
TOTAL NET ASSETS		<u>180,892</u>	<u>439,925</u>
CHARITY FUNDS			
Restricted funds	14	-	129,822
Unrestricted funds	14	180,892	310,103
		<u>180,892</u>	<u>439,925</u>
TOTAL FUNDS		<u>180,892</u>	<u>439,925</u>

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

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

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

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

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



B J Demeroutis

Chair

Date: 27 September 2024

The notes on pages 15 to 31 form part of these financial statements.

INSTITUTE OF IMAGINATION
REGISTERED NUMBER: 04921852

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	10	7,419	9,019
Investments	11	10	10
		<u>7,429</u>	<u>9,029</u>
CURRENT ASSETS			
Debtors	12	125,659	221,849
Cash at bank and in hand		97,203	336,159
		<u>222,862</u>	<u>558,008</u>
Creditors: amounts falling due within one year	13	(49,402)	(127,085)
		<u>173,460</u>	<u>430,923</u>
NET CURRENT ASSETS		<u>173,460</u>	<u>430,923</u>
TOTAL NET ASSETS		<u><u>180,889</u></u>	<u><u>439,952</u></u>
CHARITY FUNDS			
Restricted funds	14	-	129,822
Unrestricted funds	14	180,889	310,130
TOTAL FUNDS		<u><u>180,889</u></u>	<u><u>439,952</u></u>

The Charity's net movement in funds for the year was £(259,063) (2022 - £(41,639)).

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

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

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.

**INSTITUTE OF IMAGINATION
REGISTERED NUMBER: 04921852**

**CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2023**

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



B J Demeroutis

Chair

Date: 27 September 2024

The notes on pages 15 to 31 form part of these financial statements.

INSTITUTE OF IMAGINATION

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	16	(419,438)	(43,112)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interests and rents from investments		4,234	1,029
Purchase of tangible fixed assets		(3,845)	(2,178)
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		389	(1,149)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(419,049)	(44,261)
Cash and cash equivalents at the beginning of the year		575,942	620,203
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	17	156,893	575,942

The notes on pages 15 to 31 form part of these financial statements

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1. GENERAL INFORMATION

Institute of Imagination is a Charity incorporated in the United Kingdom and registered in England and Wales under the Companies Act. The address of the registered office is School 360, 5 Sugar House Lane, London, E15 2QS.

The nature of the Charity's operations and its principal activities are set out in the Trustees' report.

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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Institute of Imagination 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.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 GOING CONCERN

The Trustees have reviewed forecasts including cash flow forecasts for 12 months from the date of approval and based on reasonable income assumptions do not expect a material funding gap given committed expenditure. The Trustees are monitoring cash flow closely and have evidence that expenditure can be flexed as necessary. For example, staff hours could be further reduced while additional funding is found. Therefore the Trustees expect the Charity and the Group to have adequate resources to continue in operational existence during the forecast period. They therefore continue to adopt the going concern basis in preparing the annual financial statements.

2.3 INCOME

Income is recognised in the statement of financial activities when it becomes receivable, and the entitlement, measurement and probable principles are met.

Income is deferred only to the extent that it has been received in advance for specific conditions to be met.

Donated services are included at their estimated open market value to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

Grants are recognised in income based on management's judgment regarding entitlement,

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (CONTINUED)

2.3 INCOME (CONTINUED)

measurement, and probability. Typically a grant is recognised in full when it is awarded. If a grant is for specific performance or there are unmet conditions the grant is deferred until those are met.

2.4 EXPENDITURE

All expenses are recognised when an invoice is received. Provisions are included in the statement of financial activities to the extent that goods and services have been contracted for but not yet received.

Raising funds are costs related to the generation of voluntary income for the Charity.

Expenditure on charitable activities is any that relates directly to fulfilling the charitable objects of the Charity and includes allocated support and governance costs as well as direct costs.

Governance costs, *included in support costs*, relate to the direct running of the Charity, allowing the Charity to operate and generate the information required for public accountability.

Staff costs and support costs are analysed and apportioned on the basis of management's estimation of the time spent on each activity.

2.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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

Depreciation is provided on the following basis:

Fixtures and fittings	-	25% straight-line
Computer equipment	-	25% straight-line
Library Equipment	-	50% straight-line

2.6 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

2.7 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.

2.8 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.

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. ACCOUNTING POLICIES (CONTINUED)

2.9 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 Charity 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.

2.10 FINANCIAL INSTRUMENTS

The Group 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.

2.11 OPERATING LEASES

Expenditure on operating leases is accounted for on a straight-line basis over the life of a lease.

2.12 PENSIONS

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Balance Sheet.

2.13 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 Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

In the application of the Group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there to be any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	309,540	-	309,540	285,817
Grants	-	220,000	220,000	329,896
	<u>309,540</u>	<u>220,000</u>	<u>529,540</u>	<u>615,713</u>
TOTAL 2022	<u><u>285,817</u></u>	<u><u>329,896</u></u>	<u><u>615,713</u></u>	

Donations and gifts are derived from targeted fundraising by the organisation. There were no donated services in 2023 or 2022.

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. INCOME FROM OTHER TRADING ACTIVITIES**Income from non charitable trading activities**

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
School and partnership sales	2,924	2,924	5,459
Corporate sales	67,941	67,941	204,224
	<u>70,865</u>	<u>70,865</u>	<u>209,683</u>
TOTAL 2022	<u>209,683</u>	<u>209,683</u>	

All income from trading activities in 2023 and 2022 was unrestricted.

6. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	4,234	4,234	1,029
	<u>1,029</u>	<u>1,029</u>	
TOTAL 2022	<u>1,029</u>	<u>1,029</u>	

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Management and governance	93,838	124,743	218,581	283,068
Marketing and PR	54,459	77,517	131,976	116,326
Experience and learning	302,548	-	302,548	267,343
	<u>450,845</u>	<u>202,260</u>	<u>653,105</u>	<u>666,737</u>
TOTAL 2022	<u>393,446</u>	<u>273,291</u>	<u>666,737</u>	

ANALYSIS OF DIRECT COSTS

	Management 2023 £	Marketing 2023 £	Experience and Learning 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	93,838	54,459	247,999	396,296	336,986
Programmes	-	-	54,549	54,549	56,460
	<u>93,838</u>	<u>54,459</u>	<u>302,548</u>	<u>450,845</u>	<u>393,446</u>
TOTAL 2022	<u>79,794</u>	<u>46,309</u>	<u>267,343</u>	<u>393,446</u>	

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Management 2023 £	Marketing 2023 £	Total funds 2023 £	As restated Total funds 2022 £
Staff costs	59,398	50,270	109,668	62,787
Administration	52,624	1,208	53,832	89,339
Recruitment and training	17,683	-	17,683	45,511
Temporary staff	17,308	-	17,308	19,174
IT costs	18,125	11,821	29,946	24,781
Marketing and communications	-	14,218	14,218	17,484
Cancelled invoices relating to 2021 legal fees	(47,990)	-	(47,990)	-
Governance costs	7,595	-	7,595	14,215
	<u>124,743</u>	<u>77,517</u>	<u>202,260</u>	<u>273,291</u>
TOTAL 2022 AS RESTATED	<u>203,274</u>	<u>70,017</u>	<u>273,291</u>	

Governance costs are comprised of legal fees of £930 (2022: £2,005) and accountancy fees of £6,665 (£11,350).

The analysis of the support costs has been extended in 2023 to give more information. As a result the 2022 comparatives have been restated.

8. INDEPENDENT EXAMINER'S REMUNERATION

	2023 £	2022 £
Fees payable to the Charity's independent examiner in respect of:		
Independent examination of the charity's annual financial statements	6,665	10,950
Other services to the group	1,270	1,422

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

9. STAFF COSTS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	602,708	488,243	602,708	488,243
Social security costs	62,463	47,491	62,463	47,491
Contribution to defined contribution pension schemes	17,576	14,365	17,576	14,365
	682,747	550,099	682,747	550,099

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

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
Management	6	4	6	4
Support	9	8	9	8
	15	12	15	12

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	-	1
In the band £90,001 - £100,000	1	1

None of the Trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the year (2022: Nil).

Key management personnel are defined as the Director Group that includes the CEO and Executive Co-Directors. The total employment benefits paid to key management personnel (including pension contributions) during the year was £187,335 (2022: £220,864).

Key management personnel are remunerated at market rate.

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. TANGIBLE FIXED ASSETS**GROUP**

	Fixtures and fittings £	Computer equipment £	Total £
COST			
At 1 January 2023	19,841	30,908	50,749
Additions	-	3,845	3,845
At 31 December 2023	<u>19,841</u>	<u>34,753</u>	<u>54,594</u>
DEPRECIATION			
At 1 January 2023	19,043	22,674	41,717
Charge for the year	798	4,660	5,458
At 31 December 2023	<u>19,841</u>	<u>27,334</u>	<u>47,175</u>
NET BOOK VALUE			
At 31 December 2023	<u>-</u>	<u>7,419</u>	<u>7,419</u>
At 31 December 2022	<u>798</u>	<u>8,234</u>	<u>9,032</u>

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. TANGIBLE FIXED ASSETS (CONTINUED)

CHARITY

	Fixtures and fittings £	Computer equipment £	Total £
COST			
At 1 January 2023	19,841	14,323	34,164
Additions	-	3,845	3,845
At 31 December 2023	19,841	18,168	38,009
DEPRECIATION			
At 1 January 2023	19,043	6,102	25,145
Charge for the year	798	4,647	5,445
At 31 December 2023	19,841	10,749	30,590
NET BOOK VALUE			
At 31 December 2023	-	7,419	7,419
At 31 December 2022	798	8,221	9,019

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

11. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
CHARITY	
COST	
At 1 January 2023	10
AT 31 DECEMBER 2023	10
NET BOOK VALUE	
AT 31 DECEMBER 2023	10
AT 31 DECEMBER 2022	10

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity
IOI Enterprise Limited	11069407	School 360, 5 Sugar House Lane, London, E15 2QS	Delivery of programmes to commercial partners

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
IOI Enterprise Limited	67,941	67,905	36	4

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

12. DEBTORS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
DUE WITHIN ONE YEAR				
Trade debtors	53,723	-	11,123	-
Amounts owed by group undertakings	-	-	95,089	202,521
Other debtors	86	66	87	66
Prepayments and accrued income	19,360	24,987	19,360	19,262
	73,169	25,053	125,659	221,849

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	5,094	80,818	5,094	80,818
Other taxation and social security	30,262	21,085	23,162	14,155
Other creditors	1,973	6,921	1,886	6,834
Accruals and deferred income	19,260	61,278	19,260	25,278
	56,589	170,102	49,402	127,085

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 January 2023 £	Income £	Expenditure £	Balance at 31 December 2023 £
UNRESTRICTED FUNDS				
Institute of Imagination	310,135	316,698	(445,944)	180,889
IOI Enterprise Limited	(32)	67,941	(67,906)	3
	<u>310,103</u>	<u>384,639</u>	<u>(513,850)</u>	<u>180,892</u>
RESTRICTED FUNDS				
Funding for Imagination Boxes	113,072	10,000	(123,072)	-
Schools Programme	16,750	170,000	(186,750)	-
Community Programmes	-	40,000	(40,000)	-
	<u>129,822</u>	<u>220,000</u>	<u>(349,822)</u>	<u>-</u>
TOTAL OF FUNDS	<u><u>439,925</u></u>	<u><u>604,639</u></u>	<u><u>(863,672)</u></u>	<u><u>180,892</u></u>

Unrestricted funds are those which are available for the general purposes of the Charity at the discretion of the Trustees.

Restricted fund income relates to donations for the following activities:

- The Schools Programme Fund supports in-school learning activities
- The Imagination Box Fund supports the production and distribution of activity boxes to children and families
- The Outreach Programme Fund that supports selected community-based activities throughout London.

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. STATEMENT OF FUNDS (CONTINUED)**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
UNRESTRICTED FUNDS				
Institute of Imagination	429,922	292,305	(412,092)	310,135
IOI Enterprise Limited	5,492	204,224	(209,748)	(32)
	<u>435,414</u>	<u>496,529</u>	<u>(621,840)</u>	<u>310,103</u>
RESTRICTED FUNDS				
Funding for Imagination Boxes	-	173,072	(60,000)	113,072
Schools Programme	-	16,750	-	16,750
Outreach Programme	51,550	140,074	(191,624)	-
Local Government funded programmes	5,029	-	(5,029)	-
Community Programme responding to COVID	(4,920)	-	4,920	-
	<u>51,659</u>	<u>329,896</u>	<u>(251,733)</u>	<u>129,822</u>
TOTAL OF FUNDS	<u>487,073</u>	<u>826,425</u>	<u>(873,573)</u>	<u>439,925</u>

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	7,419	7,419
Current assets	230,062	230,062
Creditors due within one year	(56,589)	(56,589)
TOTAL	180,892	180,892

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	9,032	-	9,032
Current assets	471,173	129,822	600,995
Creditors due within one year	(170,102)	-	(170,102)
TOTAL	310,103	129,822	439,925

INSTITUTE OF IMAGINATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2023 £	Group 2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(259,033)	(47,148)
ADJUSTMENTS FOR:		
Depreciation charges	5,458	17,140
Interest from investments	(4,234)	(1,029)
Decrease/(increase) in debtors	(48,116)	128,368
Decrease in creditors	(113,513)	(140,443)
NET CASH USED IN OPERATING ACTIVITIES	(419,438)	(43,112)

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £
Cash in hand	155,547	473,422
Notice deposits (less than 3 months)	1,346	102,520
TOTAL CASH AND CASH EQUIVALENTS	156,893	575,942

18. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	575,942	(419,049)	156,893
	575,942	(419,049)	156,893

INSTITUTE OF IMAGINATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

19. PENSION COMMITMENTS

The Charity operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to the statement of financial activities in the year ended 31 December 2023 was £17,576 (2022: £14,365). No contributions (2022: £3,056) were outstanding at the balance sheet date.

20. OTHER COMMITMENTS

As at 31 December 2023, the Company was committed to payments of £3,600 (2022: £9,600) under a license agreement for premises.

21. RELATED PARTY TRANSACTIONS

None of the Trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the year (2022: Nil).

There were no other related party transactions.

Accounts

Institute of Imagination

Charity Registration No. 1109276
Company Registration No. 04921852

Annual Trustees' report and financial statements **For the year ended 31 December 2022**

Institute of Imagination

Annual report and financial statements For the year ended 31 December 2022

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Institute of Imagination

Legal and administrative information

Trustees

Lady A Shaw-Scott Adjaye (resigned 22 March 2023)

B J Demeroutis

M Dorion

T Gilbert

A Greenberg

K Grussing (resigned 31 December 2022)

Dr L Guyton (resigned 22 March 2023)

B Koby

C Metcalfe

M Reilly (resigned 31 December 2022)

S Sotomey

C Tavernier

D Uehlein

L Watson

CEO

M Allen

Charity number

1109276

Company number

04921852

Principal address and Registered office

School 360

5 Sugar House Lane

London

E15 2QS

Bankers

Coutts & Co

440 Strand

London

WC2R 0QS

Lawyers

Joelson JD LLP

2 Marylebone Road

London

NW1 4DF

Accountants

Peters Elworthy & Moore

Salisbury House

Station Road

Cambridge

CB1 2LA

Institute of Imagination

Trustees' report

Introduction by the Chair of Trustees

2022 was an important year for the Institute of Imagination (iOi) as our team redoubled their commitment to create the space, tools and opportunities for creativity to thrive.

I hope this report gives you an insight into the results achieved by the charity and how in the face of acute challenges for children in our society we have developed, scaled and are becoming a force for change for children's learning.

Basil Demeroutis,
Chair of Trustees

Report from the CEO

The Institute of Imagination (iOi) is a well-established education charity. We work with parents, teachers, youth and community leaders and academics. We design and deliver creative learning experiences across the arts, sciences and digital technologies for marginalised and disadvantaged children. These experiences empower children today to believe they can build a just, fair and sustainable world tomorrow.

Through our vital work with primary school-aged children, we are delivering practical, scalable and transformative solutions. We have engaged with over 140,000 children since our charity was formed, and with many more parents, teachers, community leaders and other educators in England and in selected countries around the world helping transform children's lives with fundamental skills which can help them navigate a rapidly changing world.

Supporting children to develop creativity and aspiration must be a priority for everyone. It is especially vital for those with the poorest opportunities. Unlocking the innovator and entrepreneur within each child, and their imagination, should be a child's right. We understand the power of creativity, so now more than ever, we are working hard to scale our reach and be a force for change within the education system. With access to creative learning, our children will be prepared for an uncertain future and be equipped with the confidence and ambition to thrive.

So I hope this report gives you a snapshot into our 2022 results and how we have evolved and developed to enable us to be well placed for the road ahead.

Martin Allen Morales,
CEO

2022: Summary of our activities

The financial year 2022 saw a range of initiatives aimed at positively impacting children's education and well-being. Through STEAM activities and fostering creativity, these programs contributed to empowering the next generation and paving the way for a brighter and more equitable future.

iOi Schools Programme

During the year, the iOi Schools Programme made a significant impact on children's education and learning. The programme successfully reached 9,450 children through 95 schools and provided crucial support to 656 educators and teachers. Through live broadcasts directly to classrooms, the iOi Schools Programme delivered highly engaging STEAM activities and supportive workshop materials, resources and equipment. This initiative not only enhanced the learning experience for the children but also encouraged their curiosity and creativity across multiple subjects.

RE:CODE

The RE:CODE programme offered educational resources and opportunities in areas facing challenges, this initiative aimed to provide equal learning prospects for children irrespective of their background. Through RE:CODE, these children had access to quality digital education, which can have far-reaching effects on their future prospects and socio-economic mobility. The programme used LEGO Education kits and a highly successful mentor approach to engage primary schools through a local University Technical College (UTC). Over the course of the 12 week programme, young mentors aged 16-19 from the UTC supported Key Stage 2 children on creating innovative prototypes for future eco homes and eco cities. The programme worked with 6 school classes, 1124 children, 18 teachers and 28 young mentors.

Institute of Imagination

Trustees' report

Lambeth Digital Heroes

The iOi continued to build deep impact, working alongside hyper local communities. In Lambeth we worked in partnership with community hubs including Millennium Community Solutions and The Baytree Centre and with Local Authority services like Lambeth's virtual schools to provide digital creative experiences to children who would not normally have access to these learning opportunities. Over 5 weeks we ran immersive workshops using innovative tools and technologies before handing the Digital Heroes club onto the hub to continue legacy work (with some capacity and training support). We worked with over 300 children directly through the clubs but many hundreds more participated through legacy workshops. We also loaned out over 500 digital devices to children and families. Digital Heroes legacy workshops continue to thrive.

Micro:bit international workshops – India

Working internationally, the iOi was commissioned by The micro:bit Educational Foundation and The British Council in India to support over 100 teachers in the creative training of micro:bit. Linked to the Sustainable Development Goals and the Foundation's 'do your bit' challenge, we supported teachers through live online workshops, empowering the teachers to deploy micro:bit classes in their regional schools.

Imagination Box

The Imagination Box initiative touched the lives of 4,069 children and their families during the year. This program focused on nurturing creativity and imagination among children by providing them with hands-on and interactive activities. By involving families, the initiative sought to strengthen the bond between parents and children and create a supportive learning environment at home. Encouraging creativity from a young age can significantly impact a child's cognitive and emotional development, laying the foundation for a well-rounded personality.

iOi at Home

The iOi's digital content platform, iOi at Home, continued to support educators and families with on demand activities which enables participants to engage in iOi at their own pace. The growing repository of videos and downloadable content supports our programmes with additional material.

Disney Nordics

The iOi continued to provide consultancy services to a range of businesses including Disney where we collaborated with the Nordics Team to design and deliver a highly interactive workshop for social media influencers in Copenhagen. The aim of the workshop was to promote the power of imagination and play to parents. The resulting content from the workshop reached 1,498,769 users and had 1,525,407 impressions through social media channels.

Key Statistics for the Year

The charity reached 23,132 children and young people across the year through programmes, events and other activities. In addition a total of 736 teachers and educational professionals were enrolled in programmes.

The focus of work in the Schools Programme was 9 London Boroughs, supporting marginalised and disadvantaged children in areas of high indices of deprivation. A total of 9,450 children were reached in 314 classes at 95 schools.

Charitable Objectives

The charity's objective is to champion opportunities for children and young people of all backgrounds, focused on developing their imaginations, a quality that is vital to creativity and the ability to adapt and thrive in a rapidly changing world.

The Trustees have paid due regard to the public benefit guidance published by the Charity Commission.

In the coming years, the charity will focus on marginalised 5 to 11 year old children in London's disadvantaged boroughs, with a plan to grow our work in regionally in areas of disadvantage in England to follow.

Institute of Imagination

Trustees' report

If we have already started work internationally, we will complete this but carefully consider future work internationally so that we can focus on England as a priority in the near future.

Provision of annual report and basis of preparation

The Trustees, who are directors for the purposes of company law, provide the annual report together with the financial statements of the charitable group and company for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 second edition - October 2019) (effective 1 January 2019). The Trustees have chosen to take advantage of the small company's exemption from preparing a strategic report.

Structure, governance and management

The Charity is a company limited by guarantee without share capital and is governed by its memorandum and articles of association. The charity owns the entire share capital of IOI Enterprise Limited, the principal activity of which is the delivery of commercial programmes that ultimately benefit the charity financially and reputationally.

The Trustees who served during the year and at the date of signing, were:

Lady A Shaw-Scott Adjaye (resigned 22 March 2023)

B J Demeroutis

M Dorion

T Gilbert

A Greenberg

K Grussing (resigned 31 December 2022)

Dr L Guyton (resigned 22 March 2023)

B Koby

C Metcalfe

M Reilly (resigned 31 December 2022)

S Sotomey

C Tavernier

D Uehlein

L Watson

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

New Trustees are appointed with a view to maintaining an appropriate balance of skills and experience. Appointments of Trustees are reviewed by a senior sub-committee of the Board together with members of Management and Leadership and ratified by the Board of Trustees. Trustees hold office for a fixed term of 3 years and one third of Trustees are considered for reappointment at annually. All Trustees receive information about their responsibilities as a part of their induction. Training is provided to existing Trustees as and when the need arises.

The Charity's approach to fundraising is to work with our Trustees and existing supporters to identify new sources of funds and then engage and inspire them with our work. Our focus is on statutory, corporates, trusts and foundations, and major donors as well as generating income from events. We seek to build long-term relationships with our supporters demonstrating a high social return on investment. We do not currently use commercial participators or external fundraisers. We are registered with the Fundraising Regulator and follow applicable law and recognised standards.

The Trustees have paid due regard to the public benefit guidance published by the Charity Commission.

Day to day management responsibilities in 2022 were carried out by the CEO and other key management personnel in the Director group, who are rewarded at rates competitive for the sector.

Institute of Imagination

Trustees' report

Levels of delegated authority, from Trustees to management have been detailed in the Financial Policies and Procedures document. Commitment levels have been set as follows:

- Over £100,000 by the Board of Trustees
- £25,001 to £100,000 by a Trustee who is a member of the Finance and Advancement (FAC) Committee
- £1,000 to £25,000 by the CEO
- Under £1,000 by a Head of Department

The authority limits were reviewed by the Finance Committee and approved by the Trustees.

Principal risks and mitigations

The Trustees have assessed the major risks to which the Charity is exposed. The principal risk for the organisation is in respect to the weaker UK economy and economic instability arising from other global factors that might have a long-term effect on both programming and fundraising. Reputational damage from a failure in safeguarding or health and safety, and inadequate financial reserves disrupting future plans remain the other major risks for the organisation in 2023.

These risks have been mitigated in part by careful planning in the context of a thorough strategic review completed in 2022. Better planning, market research and fundraising development have strengthened the organisation already.

The Trustees remain confident about levels of annual income and funding targets. Expenditure is closely managed to ensure liquidity remains satisfactory.

In lower income scenarios, the Trustees have determined that expenditure could be postponed or cancelled without permanent detriment to the organisation's ability to meet its charitable purpose.

Thanks to our Supporters

Our success and continued development in 2022 were made possible thanks to the generosity of our supporters. On behalf of the Trustees and staff at the Institute of Imagination and all those who are impacted by our work, we would like to thank the following for their generous support in 2022:

- AG Manly Charitable Trust
- Aspers Good Causes Fund
- Charles Skey Charitable Trust
- The Childhood Trust
- Lego Company Ltd
- Paul Hamlyn Foundation
- Re-Tek UK Ltd
- Royal Docks
- Walcot Foundation
- Young Londoners Fund
- ZVM Rangoonwala Foundation UK

And all those who made a donation but who wish to remain anonymous.

Financial review

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six months of expenditure, estimated to be between £250,000 and £500,000 at 31 December 2022. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised.

At the end of the year, reserves of £439,925 (2021: £487,073) were held including restricted funds of £129,822 (2021: £51,659) leaving free reserves of £310,103. This level of reserves is therefore consistent with the policy.

Institute of Imagination

Trustees' report

The Trustees, having reviewed the income and expenditure forecasts for at least one year from the date of approval of the financial statements, and having considered future planned activities, consider that the charity has adequate resources for its operations. The Trustees therefore continue to adopt the going concern basis of preparing the annual financial statements.

During the year, the principal source of funding was donations. Total income of £826,425 (2021: £1,151,191) included donations of £615,713 (2021: £966,884) used to fund our programmes and our operating costs. Expenditure of £873,573 (2021: £926,612) consisted of raising funds £ 206,836 (2021: £151,106) and charitable activities of £666,737 (2021: £775,506) relating to programme activity.

Investment Policy

At the end of 2022 and 2021, all investments were held in cash.

When funds allow, the charity may invest in a portfolio of investment products. The charity will not invest directly in sectors that it deems in conflict with its charitable mandate and objectives, notably arms, pornography, and tobacco. The charity, through investments in fixed income and equity mutual funds, exchange traded funds (ETFs) and/or other investment products, recognises that it may have indirect exposure to some, or all, of these sectors. However, further to consultation with its investment advisers and in the context of the overall holdings of these investment products, the charity is of the view that its exposure to these sectors, to the extent it exists, is very small.

The charity will continually revalue its portfolio and be vigilant against exposure to sectors it deems inappropriate. Once the capital base of the charity allows for it, the Finance & Advancement Committee will consider dedicated Socially Responsible Investing (SRI) products and assess whether these are appropriate for the portfolio in terms of diversification, costs, and risk profile. Long term, it is the ambition of the Institute of Imagination to move closer towards “pure” SRI products.

Approved by the Board of Trustees
and signed on behalf of the Board of Trustees



B J Demeroutis
Chair of Trustees

Date: 28 September 2023

Institute of Imagination

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 the profit or loss of the company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

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

Institute of Imagination

Independent examiner's report to the trustees of institute of imagination ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 December 2022

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Institute of Imagination

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Nikki Loan

Nikki Loan (Examiner)

For and on behalf of

Peters Elworthy & Moore

Chartered Accountants

Independent Examiner

Salisbury House

Station Road

Cambridge

CB1 2LA

Date: 28 September 2023

Institute of Imagination

Consolidated Statement of Financial activities, including income and expenditure account for the year ended 31 December 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations	3	285,817	329,896	615,713	765,802	201,082	966,884
Other trading activities	4	209,683	-	209,683	184,183	-	184,183
Investment income		1,029	-	1,029	124	-	124
Total income		<u>496,529</u>	<u>329,896</u>	<u>826,425</u>	<u>950,109</u>	<u>201,082</u>	<u>1,151,191</u>
Expenditure on:							
Trading and raising funds	5	(206,836)	-	(206,836)	(151,106)	-	(151,106)
Charitable activities	5	(415,004)	(251,733)	(666,737)	(568,254)	(207,252)	(775,506)
Total expenditure		<u>(621,840)</u>	<u>(251,733)</u>	<u>(873,573)</u>	<u>(719,360)</u>	<u>(207,252)</u>	<u>(926,612)</u>
Net movement in funds		<u>(125,311)</u>	<u>78,163</u>	<u>(47,148)</u>	<u>230,749</u>	<u>(6,170)</u>	<u>224,579</u>
Reconciliation of funds:							
Total funds brought forward	18	<u>435,414</u>	<u>51,659</u>	<u>487,073</u>	<u>204,665</u>	<u>57,829</u>	<u>262,494</u>
Total funds carried forward		<u><u>310,103</u></u>	<u><u>129,822</u></u>	<u><u>439,925</u></u>	<u><u>435,414</u></u>	<u><u>51,659</u></u>	<u><u>487,073</u></u>

There were no other recognised gains or losses other than those listed above and net (expenditure)/ income for the year. All income and expenditure derive from continuing activities.

The notes on pages 14 to 27 form part of these financial statements.

Institute of Imagination

Consolidated Balance sheet As at 31 December 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	13	9,032	23,994
Current assets			
Debtors	14	25,053	153,421
Cash at bank and in hand		575,942	620,203
		600,995	773,624
Creditors: amounts falling due within one year	15	(170,102)	(310,545)
Net current assets		430,893	463,079
Total assets less current liabilities		439,925	487,073
The funds of the Charity:			
Restricted funds	18	129,822	51,659
Unrestricted funds	18	310,103	435,414
		439,925	487,073

The deficit of the parent charity for the year for Companies Act purposes is £49,170 (2021: surplus of £169,253). As permitted by section 408 of the Companies Act, no separate statement of financial activities is presented in respect of the parent charity.

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

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

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

The financial statements of the Institute of Imagination (registration number: 04921852) were approved by the Board of Trustees and authorised for issue on 28 September 2022. They were signed on its behalf by:



B J Demeroutis
Chair of Trustees

The notes on pages 14 to 27 form part of these financial statements.

Institute of Imagination

Charity Balance sheet As at 31 December 2022

	Notes	2022 £	2021 £
Fixed assets			
Investment in subsidiary	11	10	10
Tangible assets	13	9,019	18,472
		<u>9,029</u>	<u>18,482</u>
Current assets			
Debtors	14	221,849	54,327
Cash at bank and in hand		336,159	617,937
		<u>558,008</u>	<u>672,264</u>
Creditors: amounts falling due within one year	15	(127,085)	(209,155)
Net current assets		<u>430,923</u>	<u>463,109</u>
Total assets less current liabilities		<u>439,952</u>	<u>481,591</u>
The funds of the Charity:			
Restricted funds	18	129,822	51,659
Unrestricted funds	18	310,130	429,932
		<u>439,952</u>	<u>481,591</u>

The financial statements of the Institute of Imagination (registration number: 04921852) were approved by the Board of Trustees and authorised for issue on 28 September 2022. They were signed on its behalf by:



B J Demeroutis
Chair of Trustees

The notes on pages 14 to 27 form part of these financial statements.

Institute of Imagination

Consolidated Cash flow statement For the year ended 31 December 2022

	Note	2022 £	2021 £
Net cash flows from operating activities	21	(43,112)	258,147
Cash flows from investing activities			
Investment income		1,029	124
Purchase of tangible fixed assets		(2,178)	(13,093)
Net cash flows from investing activities		(1,149)	(12,969)
Net (decrease)/increase in cash and cash equivalents in the year		(44,261)	245,178
Cash and cash equivalents at the beginning of the year		620,203	375,025
Total cash and cash equivalents at the end of the year		575,942	620,203
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		575,942	620,203
Cash and cash equivalents		575,942	620,203

The notes on pages 14 to 27 form part of these financial statements.

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies

General information and basis of accounting

Institute of Imagination is a Charity incorporated in the United Kingdom and registered in England and Wales under the Companies Act. The address of the registered office is:

School 360
5 Sugar House Lane
London
E15 2QS

The nature of the Charity's operations and its principal activities are set out in the Trustees' report on pages 2 to 16.

Basis of preparation

The financial statements are prepared under the historical cost basis of accounting except for investments held at revalued amounts, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 second edition - October 2019) (effective 1 January 2019), and the Companies Act 2006.

The functional currency of the Institute of Imagination is considered to be pounds sterling because that is the currency of the primary economic environment in which the Charity operates.

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

Basis of consolidation

The financial statements have been prepared in respect of the Charity and its wholly owned subsidiary undertaking IOI Enterprise Limited, a company incorporated and registered in England and Wales. These financial statements have been consolidated on a line-by-line basis and the results of the subsidiary undertaking are disclosed in note 12. The consolidated entity is referred to as 'the Group'. The Charity has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual statement of financial activities.

Statement of cash flows

The Charity has taken advantage of the exemption in FRS 102 from preparing a statement of cash flows, on the basis that it is a qualifying entity and the Group statement of cash flows included in these financial statements includes the cash flows of the Charity.

Going concern

The Trustees, after preparing financial plans annually, have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Fund accounting

Unrestricted funds are those which are available for the general purposes of the Charity at the discretion of the Trustees.

Restricted funds are those which have been received for undertaking an activity specified by the donor. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies (continued)

Income

Income is recognised in the statement of financial activities when it becomes receivable, and the entitlement, measurement and probable principals are met.

Income is deferred only to the extent that it has been received in advance for specific conditions to be met.

Donated services are included at their estimated open market value to the charity.

Expenditure

All expenses are recognised when an invoice is received. Provisions are included in the statement of financial activities to the extent that goods and services have been contracted for but not yet received.

Raising funds are costs related to the generation of voluntary income for the Charity.

Expenditure on charitable activities is any that relates directly to fulfilling the charitable objects of the Charity.

Governance costs relate to the direct running of the Charity, allowing the Charity to operate and generate the information required for public accountability.

Staff costs and support costs are analysed and apportioned on the basis of management's estimation of the time spent on each activity.

Investment and bank deposits

Fixed asset investments are stated at market value. Gains and losses arising from either the change in market value or on sale are included in the Statement of Financial Activities including the income and expenditure account. Income from listed investments is accrued when due for payment. In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment. Interest on deposits is accrued on a daily basis.

In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment.

Tangible fixed assets and depreciation

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

Computer equipment	25% straight-line basis
Fixtures, fittings and equipment	25% straight-line basis
Library Equipment	50% straight line basis

Tangible fixed assets are tested only for impairment when an indicator exists. Fixed assets below £1,000 are not capitalised.

Trade debtors and creditors

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies (continued)

Defined pension contribution scheme

The Charity runs a defined contribution pension scheme whereby the amount charged to the statement of financial activities is in respect of the pension contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part II, section 466 onwards) or section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized in respect of all timing difference that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Monetary assets and liabilities are translated into sterling at the exchange rate ruling on the balance sheet date. Foreign exchange gains are recognised as other income and foreign exchange losses are recognised within the relevant category of charitable activity expenditure for the period in which they are incurred.

Operating leases

Expenditure on operating leases is accounted for on a straight-line basis over the life of a lease.

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there to be any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2022

3. Income from donations

	Unrestricted funds 2021 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	285,817	329,896	615,713	765,802	201,082	996,884
Total	285,817	329,896	615,713	765,802	201,082	996,884

Donations and gifts are derived from targeted fundraising by the organisation. There were no donated services in 2022 or 2021.

4. Analysis of income from trading activities

	2022 £	2021 £
Corporate sales	204,224	184,183
School and partnership sales	5,459	-
	<u>204,683</u>	<u>184,183</u>

All income from trading activities in 2022 and 2021 was unrestricted.

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2022

5. Expenditure

	2022 £	2021 £
Raising funds	206,836	151,106
Charitable activities		
Activities undertaken directly	393,446	551,220
Support costs (note 7)	259,936	212,201
Governance costs (note 7)	13,355	12,855
Total	666,737	775,506
	873,573	926,612

Charitable activities undertaken directly primarily constitute research and development in the Imagination Labs and finding a suitable site to establish a permanent centre.

Cost of raising funds includes salaries and other direct fundraising costs.

	Cost of raising funds £	Charitable activities £	Support costs £	Total 2022 £	Cost of raising funds £	Charitable activities £	Support costs £	Total 2021 £
Management and governance	56,995	79,794	203,274	340,063	47,373	42,555	225,057	404,194
Fundraising costs	139,154	-	-	139,154	94,098	-	-	94,098
Marketing and PR	10,687	46,309	70,017	127,013	9,635	40,949	89,210	50,584
Experience and learning	-	267,343	-	267,343	-	377,736	-	377,736
	206,836	393,446	273,291	873,573	151,106	461,240	314,267	926,612

6. Auditors' remuneration

	2022 £	2021 £
Auditor's remuneration:		
- Fees payable for audit of the charity's annual financial statements	-	11,300
- Fees payable for the Independent examination of the charity's annual financial statements	10,950	-
- Fees payable for other services to the group	1,422	850

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2022

7. Analysis of governance and support costs

	2022 £	2021 £
Administration costs	126,863	78,208
Staff costs	108,292	120,303
IT expenses	24,781	15,689
Total support costs	259,936	212,201
Legal and professional costs (governance)	13,355	12,855
Total governance and support costs	273,291	225,056

Support costs are those which allow charitable activities to be carried out but which do not relate directly to an activity.

Governance costs are those which are attributable to the Charity's compliance with constitutional and statutory requirements, including audit. Governance costs have been allocated to charitable activities as they relate directly to fulfilling the objects of the Charity.

8. Trustees

None of the Trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the year (2021: nil).

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2022

9. Employees

The payroll costs were as follows:

	2022	2021
Group and Charity	£	£
Wages and salaries	488,243	451,366
Social security costs	47,491	45,884
Other pension costs	14,365	12,816
	<u>550,099</u>	<u>510,066</u>

The average monthly number of full time and part time employees during the year was:

Group and Charity	2022 No.	2021 No.
Management	4	4
Support	8	7
	<u>12</u>	<u>11</u>

The number of employees whose employee benefits (including redundancy costs but excluding employers pension costs) was £60,000 or more was:

	2022 No.	2021 No.
£90,001 to £100,000	1	-
£60,001 to £70,000	<u>1</u>	<u>2</u>

Key management personnel are defined as the Director Group that includes the CEO and Executive Co-Directors. The total employment benefits paid to key management personnel (including pension contributions) during the year was £220,864 (2021: £272,518).

Key management personnel are remunerated at market rate.

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2022

10. Tax on profit of trading subsidiary

	2022 £	2021 £
Analysis of tax charge on current activities		
UK corporation tax at 19% based on profit for the year	-	-
Factors affecting tax charge for the year		
The tax assessed for the year is the same as (2021: the same as) the standard rate of corporation tax in the UK of % (2021: 19%). The differences are explained below:		
	2022 £	2021 £
(Profit) before tax	(203)	(118)
Profit multiplied by standard rate of corporation tax in the UK of 19%	(38)	(22)
Use of losses	-	11
Qualifying charitable donations	38	11
	-	-

11. Investment in subsidiary

Charity	Total £
Cost	
At 1 January 2022	10
Additions	-
At 31 December 2022	10

The Charity owns the entire issued ordinary share capital of IOI Enterprise Limited. The registered office of the subsidiary is the same as that of the Charity. The principal activity of the company is the delivery of programmes to commercial partners.

12. Principal subsidiary

Subsidiary name	IOI Enterprise Limited	
Company registration number	11069407	
Basis of control	100% ownership	
	2022	2021
Total assets as at 31 December 2022	£245,520	£167,070
Total liabilities as at 31 December 2022	£245,552	£161,588
Total funds as at 31 December 2022	(£32)	£5,482
Turnover for the year ended 31 December 2022	£204,224	£169,915
Expenditure for the year ended 31 December 2022	£209,738	£114,588
(Deficit) / Surplus for the year ended 31 December 2022	(£5,514)	£55,327

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2022

13. Tangible fixed assets

Group	Library Equipment £	Computer Equipment £	Total £
Cost			
At 1 January 2022	19,841	28,730	48,571
Additions	-	2,178	2,178
Disposals	-	-	-
At 31 December 2022	19,841	30,908	50,749
Accumulated depreciation			
At 1 January 2022	10,706	13,871	24,577
Charge for the year	8,337	8,803	17,140
At 31 December 2022	19,043	22,674	41,717
Net book value			
At 31 December 2022	798	8,234	9,032
At 31 December 2021	9,135	14,589	23,994
Charity	Library Equipment £	Computer equipment £	Total £
Cost			
At 1 January 2022	19,841	12,145	31,986
Additions	-	2,178	2,178
At 31 December 2022	19,841	14,323	34,164
Accumulated depreciation			
At 1 January 2022	10,706	2,808	13,514
Charge for the year	8,337	3,294	11,631
At 31 December 2022	19,043	6,102	25,145
Net book value			
At 31 December 2022	798	8,221	9,019
At 31 December 2021	9,135	9,337	18,472

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2022

14. Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Debtors after more than one year				
Amounts owed from subsidiary undertaking	-	-	-	-
Debtors within one year				
Trade debtors	-	136,199	-	16,200
Other debtors	66	11,376	66	11,376
Prepayments and accrued income	24,987	5,846	19,262	5,846
Amounts owed from subsidiary undertaking	-	-	202,521	20,905
	<u>25,053</u>	<u>153,421</u>	<u>221,849</u>	<u>54,327</u>

15. Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	80,818	81,656	80,818	80,068
Taxes and social security costs	21,085	34,911	14,155	34,911
Other creditors	6,921	15,728	6,834	16,641
Accruals	61,278	178,250	25,278	38,252
Amounts owed to subsidiary undertaking	-	-	-	39,283
	<u>170,102</u>	<u>310,545</u>	<u>127,085</u>	<u>209,155</u>
	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Deferred income at 1 Jan 2022	105,000	-	-	-
Resources deferred during the year	-	105,000	-	-
Amounts released from previous periods	(105,000)	-	-	-
	<u>-</u>	<u>105,000</u>	<u>-</u>	<u>-</u>

16. Called-up share capital

The Charity is limited by guarantee without share capital.

17. Commitments under operating leases

At 31 December 2022 the Group and Charity had £nil non-cancellable operating leases commitment which falls within less than one year.

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2022

18. Analysis of group charitable funds – Current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Unrestricted Funds				
Institute of Imagination	429,922	292,305	412,092	310,135
IOI Enterprise Limited	5,492	204,224	209,748	(32)
	<u>435,414</u>	<u>496,529</u>	<u>621,840</u>	<u>310,103</u>
Restricted funds				
Outreach Programme	51,550	140,074	(191,624)	-
Local Government funded programmes	5,029	-	(5,029)	-
Community Programme responding to COVID	(4,920)	-	4,920	-
Funding for Imagination Boxes	-	173,072	(60,000)	113,072
Schools Programme	-	16,750	-	16,750
	<u>51,659</u>	<u>329,896</u>	<u>251,733</u>	<u>129,822</u>
	<u>487,073</u>	<u>826,425</u>	<u>873,573</u>	<u>439,925</u>

The charity only reserves comprise the unrestricted Institute of Imagination fund and the Restricted funds.

Analysis of group charitable funds – Prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
Unrestricted Funds				
Institute of Imagination	254,500	780,194	(604,772)	429,922
IOI Enterprise Limited	(49,835)	169,915	(114,588)	5,492
	<u>204,665</u>	<u>950,109</u>	<u>(719,360)</u>	<u>435,414</u>
Restricted funds				
Lambeth Community Programme	16,719	-	(16,719)	-
Black Heart Foundation	-	25,000	(25,000)	-
Lerek Foundation	-	30,000	(30,000)	-
Outreach Programme	8,470	51,550	(8,470)	51,550
Local Government funded programmes	1,385	47,923	(49,308)	5,029
Community Programme responding to COVID	31,255	46,500	(77,755)	(4,920)
	<u>57,829</u>	<u>201,082</u>	<u>(207,252)</u>	<u>51,659</u>
	<u>262,494</u>	<u>1,151,191</u>	<u>(926,612)</u>	<u>487,073</u>

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2022

18. Analysis of charitable funds – Current year (continued)

Unrestricted funds are those which are available for the general purposes of the Charity at the discretion of the Trustees.

Restricted fund income of £329,896 (2021: £201,082) relates to donations for the following activities:

- The Schools Programme Fund supports in-school learning activities
- The Imagination Box Fund supports the production and distribution of activity boxes to children and families
- The Outreach Programme Fund that supports selected community-based activities throughout London.

Restricted fund in the prior year supported:

- Lambeth Community Programme Fund supported activities directed towards local Lambeth residents.
- The Outreach Programme Fund supported selected community-based activities throughout London.
- Local Government Funded Programmes were supported by grants provided by local authorities and other government bodies.
- The 'Community Programme responding to COVID' supported home programming.
- The Black Heart Foundation supported an Imagination Box programme
- The Lerak Foundation supported a community art installation and programme

19. Analysis of net assets between funds – Current year

	Unrestricted funds £	Restricted funds £	Total £
Group			
Fund balances at 31 December 2022:			
Investments	-	-	-
Tangible assets	9,032	-	9,032
Current assets	471,173	129,822	600,995
Creditors: amounts falling due within one year	(170,102)	-	(170,102)
	<u>310,103</u>	<u>129,822</u>	<u>439,925</u>
Charity			
Fund balances at 31 December 2022:			
Investments	10	-	10
Tangible assets	9,019	-	9,019
Current assets	428,186	129,822	558,008
Creditors: amounts falling due within one year	(127,085)	-	(127,085)
	<u>310,130</u>	<u>129,822</u>	<u>439,952</u>

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2022

Analysis of net assets between funds – Prior year

	Unrestricted funds £	Restricted funds £	Total £
Group			
Fund balances at 31 December 2021:			
Investments	-	-	-
Tangible assets	23,994	-	23,994
Current assets	721,965	51,659	773,624
Creditors: amounts falling due within one year	(310,545)	-	(310,545)
	<u>435,414</u>	<u>51,659</u>	<u>487,073</u>
Charity			
Fund balances at 31 December 2021:			
Investments	10	-	10
Tangible assets	18,472	-	18,472
Current assets	620,605	51,659	672,264
Creditors: amounts falling due within one year	(209,155)	-	(209,155)
	<u>429,932</u>	<u>51,659</u>	<u>481,591</u>

20. Related party transactions

No donations were received from Trustees during the year.

In 2021, a donation received from Black Heart Foundation, a party related to a trustee, amounted to £25,000 and a donation from John Lyons Charity, a party with a mutual Trustee, amounted to £25,900.

There were no other related party transactions.

21. Reconciliation of net (expenditure)/income to cash generated by operating activities

	Group 2022 £	Group 2021 £
Net income/(expenditure) per statement of financial activities	(47,148)	224,579
Add back depreciation charge	17,140	13,409
Deduct investment income	(1,029)	(124)
(Increase)/decrease in debtors	128,368	(130,020)
Increase/(decrease) in creditors	(140,443)	150,303
Cash (used)/generated by operating activities	<u>(43,112)</u>	<u>258,147</u>

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2022

22. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	473,422	518,258
Notice Deposits (up to 3 months)	102,520	101,945
Total cash and cash equivalents	<u>575,942</u>	<u>620,203</u>

Analysis of changes in net debt

	At 1 Jan 2022	Cash Flows	At 31 Dec 2022
Cash at bank and in hand	620,203	(44,261)	575,942

23. Employee benefits

Defined contribution schemes

The Charity operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to the statement of financial activities in the year ended 31 December 2022 was £12,555 (2021: £12,816). Contributions of £3,056 (2021 - £ Nil) were outstanding at the balance sheet date.

24. Other commitments

As at 31 December 2022, the Company was committed to payments of £9,600 (2021 - £6,400) under a license agreement for premises.

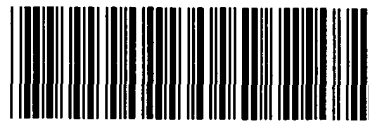
Accounts

Institute of Imagination

Charity Registration No. 1109276
Company Registration No. 04921852

Annual Trustees' report and financial statements **For the year ended 31 December 2021**

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Institute of Imagination

Annual report and financial statements For the year ended 31 December 2021

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Institute of Imagination

Legal and administrative information

Trustees

Lady A Shaw-Scott Adjaye
B J Demeroutis
M Dorion
T Gilbert (appointed 13 June 2022)
A Greenberg (appointed 13 June 2022)
K Grussing
Dr L Guyton
B Koby
C Metcalfe
M Reilly
S Sotomey (appointed 13 June 2022)
C Tavernier (appointed 13 June 2022)
D Uehlein
L Watson

Management and Leadership

M Allen
T Doust
S Dittmer (resigned 24 May 2022)

Charity number

1109276

Company number

04921852

Principal address and Registered office

School 360
5 Sugar House Lane
London
E15 2QS

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

Lawyers

Joelson JD LLP
2 Marylebone Road
London
NW1 4DF

Auditor

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Institute of Imagination

Trustees' report

Introduction by the Chair of Trustees

Like with many organisations, 2021 was an exceptional year for the Institute of Imagination (iOi) in so many ways. On the one hand, our purpose has never been clearer, or more essential within the communities we serve. And of course on the other hand, organisations of all forms have faced never before seen challenges across every aspect of their work – from people, to strategy, to funding – creating fundamental shifts in the very nature of their existence.

For so many of us, it is clear that this last year has had the most acute impact on the children in our society. Marginalised in numbers that is perhaps unmatched in living memory, children have been threatened with losing access to education, family, friends and other social and support structures, even food and shelter. The essence of what defines childhood, and the means of growth and development that every child, everywhere, deserves as an inalienable right.

The mission of the iOi has never been more relevant and needed.

I am extremely proud of the team who, often through their own personal challenges, re-doubled their commitment to this mission. As described below, the pivot to on-line accelerated during 2021 and we delivered programs to more than 33,000 people including 27,000 children through virtual and hybrid experiences. Organisationally, we faced these challenges head on by growing our capabilities with key new team members, who quickly got up to speed and helped to develop and grow our programmes in both scope and reach. Together, the team has dynamically evolved our strategy to enable us to lean into our impact objectives.

And through this work, we saw with clarity that while the challenges of this past year prevented much for our children, the one thing these events could not slow was their insatiable imaginations, the gift intrinsic in every young person's mind, everywhere. I hope this report gives you a thorough insight into the great work we achieved during this year.

I encourage you to join us in our mission, and support our belief that "imagination is the source of all human achievement". Sir Ken Robinson (1950 – 2020), iOi Founding Patron.

Basil Demeroutis,
Chair of Trustees

Report from the CEO

Children today face an uncertain future and that uncertainty is compounded for marginalised and disadvantaged children. 65% of children entering primary school today will ultimately end up working in completely new job types that don't yet exist and education systems are failing to prepare them for the future of work. Children set their aspirations as young as 7 but according to the OECD, by that age they are already facing limits on their future aspirations in work.

Through our vital work, we are delivering a practical, scalable and transformative solution. The Durham Commission of 2019 states "Through engaging in opportunities for creative learning, grounded in subject-knowledge and understanding, students' creative capacity will be nurtured, and their (children's) personal, social and academic development is greatly enriched." So our work is focused on ensuring that imagination and creativity are prioritised by creating the space, tools, and opportunities for creativity to thrive so that every child has the equal opportunity and skills to imagine and achieve their fullest potential.

We design and deliver creative learning experiences across the arts, sciences, and digital technologies. Through these we offer vital life skills, such as problem solving, collaboration, critical thinking and curiosity. These enhance children's development, increasing their creativity, get them ready for the foundational skills that prepare them for the future of work and raise their aspirations for the future.

Despite the ongoing challenges of the Covid-19 pandemic, during 2021 at the Institute of Imagination we continued to thrive and grow our offer to thousands of children, their teachers and families across London and internationally. We

Institute of Imagination

Trustees' report

have emerged from the pandemic with expertise in blended learning, combining live programmes with digital delivery alongside creating toys and tools to reach those without technology.

In July of 2021, I was delighted to join the iOi as our new Chief Executive and began further developing our strategic review, worked on strengthening our processes and policies as well as our team with greater digital, project management and campaign development experience. We brought in new Trustees with deeper experience in education, digital and finance and together began to strategically position the iOi for our next important steps forward.

We started by asking what our beneficiaries urgently need and want from us. Then we developed our new Purpose, Mission and Vision statements. We looked back to our work in the last 10 years and analysed over a hundred of our activities alongside devising growth plans for those we had started the previous year. This proved pivotal as these helped evolve our work into digital, products and programmes that are deeply embedded in local disadvantaged communities.

We identified key focus parameters so as to achieve greater impact. These now include a focus on:

1. Marginalised 5 to 11 year old children as a critical age group.
2. Prioritising London's disadvantaged boroughs, with a plan to grow our work regionally in areas of disadvantage in England to follow. If we had already begun work internationally, we would then complete this but have carefully considered future work internationally so that we can focus on England as a priority in the near future.
3. Parents, carers, teachers, community leaders as key partners in our work.
4. A two channel approach of
 - a) Doing and delivering: programmes, products and platforms.
 - b) Catalysing and convening: developing thought-leadership and building a movement of educators championing our imagination through collaborative research and community building initiatives.

The above has transformed our initial idea of a big central London cultural institution to a far reaching vision where a greater number of marginalised children are prepared for the future of work.

To achieve this we are now working on more focused and longer term objectives than in recent years. So as part of our strategy, at the end of 2021 we began to scale our key Schools Programme, delivered more Imagination Boxes and grew our RE:CODE and Digital Heroes programmes. We are now also developing our research capabilities in collaboration with key academic partners and organisations and are firmly focused on impact breadth as well as depth with the support of our Trusts & Foundations, Corporates and high net worth philanthropic champions. As we enter into our next stage of growth, we want to thank all our partners and funders including Paul Hamlyn Foundation, John Lyons Charity, Lego and Charles Skey Charitable Trust for their support this last year and we look forward to working with them and new partners in the coming year.

Martin Allen Morales,

CEO

2021: Summary of our activities

iOi's blended learning approach for schools and parents

Following the rapid transition to online and remote learning in 2020, the iOi continued to develop opportunities for digital content and live broadcast, leading to the emergence of a more blended approach in the delivery of our activities. The approach, which used digital as an enabler to expand our reach and impact, continued to provide tactile and immersive experiences while also empowering teachers, parents and those who support children, to facilitate the experience in person.

It was thanks to the development and learnings of our iOi at Home platform which helped us develop our new Schools Programme: empowering teachers to integrate innovative content and workshops to their curriculum work. iOi at Home which was supported by Paul Hamlyn Foundation, was designed to support parents in disadvantaged communities with dedicated online programmes for their children. The expertise gained here helped us launch our Schools Programmes with live broadcasts direct into the classroom, engaging with up to 30 classes simultaneously in each broadcast.

Institute of Imagination

Trustees' report

Pre-recorded extension activities and bite-sized videos supported the continuation of our work in the home via our iOi at Home platform. As the UK emerged from the pandemic, we continued to provide activities in person and in live settings but with technology as a key tool to enable connectivity, collaboration and community.

Building recovery from the pandemic – The Big Build

In the spring, as the country began to open up, the iOi made plans to bring people back together safely through a celebratory and creative programme which focused on the London borough of Newham's Year of the Young Person. Working with 16 partner schools across the borough, The Big Build brought together children to co-create a public art project. Collaborating with local artist Anne Harlid and international designers Collective Paper Aesthetics, schools designed eight large sculptures that were installed across the borough in locations that included The Olympic Park, Westfield Stratford and Libraires. The project provided opportunities for children, their school communities and the public to come together safely and in outdoor spaces. Alongside the larger sculptural installations, mini-build workshops ran across the borough in school classrooms, libraries and homes.

Imagination Box

Following the success of the launch of our Imagination Box prototype during the pandemic, which was generously supported by The John Lyon's Charity, we worked on the creation of a more fully developed product to support children and families with SEND across London boroughs. Working with FAM Studio we designed a more compact box that could fit through a letterbox enabling it to reach thousands more families. The new box was themed 'Colours' and supported a range of sensory projects including shadow theatre, squeeze fidgets and whirly puppets. In December we launched a successful crowd fund campaign to extend the Imagination Box to children in hospitals to help support anxiety and psychological distress. The box was also distributed to families with SEND across the boroughs of Harrow, Barnet and Brent (John Lyon's supported boroughs) alongside live in person make-a-long workshops.

Back to in person public workshops and events

In the summer we worked alongside Guatemala's entry for the London Design Biennale, Nostalgia, to bring an interactive and highly immersive art piece to audiences who would not normally engage with the Biennale, held at London's Somerset House. Nostalgia was an immersive interactive sound installation and workshop programme for children and families visiting The Royal Docks in Newham. Commissioned by the Royal Docks Culture Team, the programme invited the public to engage with the installation, reflect on the sounds and movement of water and experiment through tinkering and making workshops. The Cultural Team also commissioned a further set of public engagement workshops as part of their activation in and around The Royal Dock's Millennium Mills and as part of Open House weekend. Here we provided virtual tours of the Mills for children who were too young to enter the building alongside paper city workshops, which provided participants with the opportunity to re-imagine Millennium Mills and the Docks through sculptural making.

Save Make Reinvent

In the autumn, we launched a new theme of work entitled 'Save Make Reinvent'. The theme brought four new highly interactive workshop activities into iOi's rich tapestry of content, exploring how we can reimagine our economy of things from a linear economy to a more circular one by reinventing with waste. Activities included creating natural inks from food scraps and natural materials, rethinking junk and giving it a new lease of life through junk bots, circular economy stories using digital stop motion animations and inventing circular economy machines with LEGO robotics kits. Save Make Reinvent was launched at a similar time to the COP 26 talks in Glasgow and was well received by teachers, families and children. It has subsequently driven the growth of our new Schools Programme, which developed further in 2022.

Young mentors

The iOi continued to work directly with children and young people and to strengthen those audiences that support our beneficiaries including teachers, parents and carers and community leaders. This was extended in 2021 to young mentors through our RE:CODE programme, supported by LEGO Group and in partnership with London Design Engineering University Technical College. The programme trained and equipped a group of 150 young mentors aged 16-19 to support six primary school classes on the theme of eco-homes using LEGO Education's new Spike Essential Robotics Kits. Mentors welcomed primary school children into the University Technical College and visited the primary

Institute of Imagination

Trustees' report

schools to support on ideation, making, problem solving and coding challenges. RE:CODE will look to expand this approach with young mentors and UTCs into 2022.

Our home of Newham

With further disruption at the beginning of the year having a significant impact on communities and schools, the iOi maintained its support in one of the hardest hit areas of the pandemic: the London borough of Newham. This region of the capital, where the iOi resides and works, remains a significant partner in our programmes as we develop a community of practice with children, teachers, primary schools, the University Technical College and the Local Authority.

International work

Following the success of our partnership with The British Council and The micro:bit education foundation in Hong Kong, Tanzania and Malawi, India and Spain, we continued to grow our international work in partnership with ministries of education in Tunisia and Nepal. Through blended and virtual broadcast workshops we trained school teachers, who received class packs of micro:bits from the foundation, in creative ways of using the micro:bit as an invention tool. The programme also supported schools in how to apply for the foundation's annual do:your bit challenge, which adds social purpose to digital learning and allows students to apply their digital skills to real world solutions based on the UN Global Goals.

Key Statistics for the Year

We reached a total of 33,294 people across the year through programmes, events and public installations. Of this total 27,313 were children. We worked with 244 primary schools and 326 classes from those schools. We loaned 2,690 digital devices to support schools and families who had limited access to digital technologies. We worked across six London boroughs: Newham, Lambeth, Barnet, Harrow, Barking and Dagenham and Brent. We worked in two countries outside of the UK: Tunisia and Nepal.

Charitable Objectives

The charity's objective is to champion opportunities for children and young people of all backgrounds, focused on developing their imaginations, a quality that is vital to creativity and the ability to adapt and thrive in a rapidly changing world.

The Trustees have paid due regard to the public benefit guidance published by the Charity Commission.

In the coming years, the charity will focus on marginalised 5 to 11 year old children in London's disadvantaged boroughs, with a plan to grow our work in regionally in areas of disadvantage in England to follow.

If we have already started work internationally, we will complete this but carefully consider future work internationally so that we can focus on England as a priority in the near future.

Provision of annual report and basis of preparation

The Trustees, who are directors for the purposes of company law, provide the annual report together with the audited financial statements of the charitable group and company for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 second edition - October 2019) (effective 1 January 2019). The Trustees have chosen to take advantage of the small company's exemption from preparing a strategic report.

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Trustees' report

Structure, governance and management

The Charity is a company limited by guarantee without share capital and is governed by its memorandum and articles of association. The charity owns the entire share capital of IOI Enterprise Limited, the principal activity of which is the delivery of a comprehensive activity programme for the Charity and other parties.

The Trustees who served during the year and at the date of signing, were:

Lady A Shaw-Scott Adjaye

B J Demeroutis

M Dorion

T. Gilbert (appointed 13 June 2022)

A Greenberg (appointed 13 June 2022)

K Grussing

Dr L Guyton

B Koby

C Metcalfe

M Reilly

S Sotomey (appointed 13 June 2022)

C Tavernier (appointed 13 June 2022)

D Uehlein

L Watson

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

New Trustees are appointed with a view to maintaining an appropriate balance of skills and experience. Appointments of Trustees are reviewed by a senior sub-committee of the Board together with members of Management and Leadership and ratified by the Board of Trustees. Trustees hold office for a fixed term of 3 years and one third of Trustees are considered for reappointment at annually. All Trustees receive information about their responsibilities as a part of their induction. Training is provided to existing Trustees as and when the need arises.

The Charity's approach to fundraising is to work with our Trustees and existing supporters to identify new sources of funds and then engage and inspire them with our work. Our focus is on statutory, corporates, trusts and foundations, and major donors as well as generating income from events. We seek to build long-term relationships with our supporters demonstrating a high social return on investment. We do not currently use commercial participators or external fundraisers. We are registered with the Fundraising Regulator and follow applicable law and recognised standards.

The Trustees have paid due regard to the public benefit guidance published by the Charity Commission.

Day to day management responsibilities in 2021 were carried out by the CEO and other key management personnel in the Director group, who are rewarded at rates competitive for the sector.

Levels of delegated authority, from Trustees to management have been detailed in the Financial Policies and Procedures document. Commitment levels have been set as follows:

- Over £100,000 by the Board of Trustees
- £25,001 to £100,000 by a Trustee who is a member of the Finance and Advancement (FAC) Committee
- £5,000 to £25,000 by the CEO
- Under £5,000 by a Head of Department

The authority limits were reviewed by the Finance Committee and approved by the Trustees.

Principal risks and mitigations

The Trustees have assessed the major risks to which the Charity is exposed. The principal risk for the organisation is in respect to recovery from the 2020 pandemic and economic instability arising from that and, latterly, other global

Institute of Imagination

Trustees' report

factors that might have a long-term effect on both programming and fundraising. Reputational damage from a failure in safeguarding or health and safety, and inadequate financial reserves disrupting future plans remain the other major risks for the organisation in 2022.

These risks have been mitigated in part by way of the continuing strategic review referenced in the CEO's report above which has included specific recommendations for operational policies and financial planning which are now being implemented. Better planning, market research and fundraising development have strengthened the organisation already.

As of today, the Trustees are confident about the current guaranteed annual income and potential income. Expenditure is being closely managed and there are clear liquidity forecast and funding targets to meet.

In a lower income scenario, the Trustees have determined that expenditure could be postponed or cancelled without permanent detriment to the organisation's ability to meet its charitable purpose in future.

Thanks to our Supporters

Our success and continued development in 2021 were made possible thanks to the generosity of our supporters. On behalf of the Trustees and staff at the Institute of Imagination and all those who are impacted by our work, we would like to thank the following for their generous support in 2021:

- Paul Hamlyn Foundation
- Young Londoners Fund
- John Lyons Charity
- Black Heart Foundation
- CAF Resilience Fund
- Lambeth Digital Inclusion Fund
- Royal Docks
- Lerak Foundation
- Charles S French
- Chapman Charitable Trust
- Charles Skey Charitable Trust
- The Capital Group
- Aspers Good Causes Fund
- The Childhood Trust

And all those who made a donation but who wish to remain anonymous.

Financial review

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure, estimated to be between £225,000 and £450,000 at 31 December 2021. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. At the end of the year, reserves of £487,073 (2020: £262,494) were held including restricted funds of £51,659 (2020: £57,829) leaving free reserves of £435,411. This level of reserves is therefore consistent with the policy. During the year, the principal source of funding was donations. Total income of £1,151,191 (2020: £741,518) included donations of £966,884 (2020: £664,157) used to fund our programmes and our operating costs. Expenditure of £926,612 (2020: £888,127) consisted of raising funds £151,106 (2020: £189,459) and charitable activities of £775,506 (2020: £698,668) relating to programme activity.

Investment Policy

At the end of 2021 and 2020, all investments were held in cash.

When funds allow, the charity may invest in a portfolio of investment products. The charity will not invest directly in sectors that it deems in conflict with its charitable mandate and objectives, notably arms, pornography, and tobacco. The charity, through investments in fixed income and equity mutual funds, exchange traded funds (ETFs) and/or other

Institute of Imagination

Trustees' report

investment products, recognises that it may have indirect exposure to some, or all, of these sectors. However, further to consultation with its investment advisers and in the context of the overall holdings of these investment products, the charity is of the view that its exposure to these sectors, to the extent it exists, is very small.

The charity will continually revalue its portfolio and be vigilant against exposure to sectors it deems inappropriate. Once the capital base of the charity allows for it, the Finance & Advancement Committee will consider dedicated Socially Responsible Investing (SRI) products and assess whether these are appropriate for the portfolio in terms of diversification, costs, and risk profile. Long term, it is the ambition of the Institute of Imagination to move closer towards "pure" SRI products.

Going Concern

The Trustees assess whether the use of the going concern basis of preparation is appropriate and whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity and the Group to continue as a going concern. After preparing detailed five-year financial plans in 2020, updated in 2022 for the period 2023-2025, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence during the year from the date of approval of the financial statements and therefore continue to adopt the going concern basis of preparing the annual financial statements.

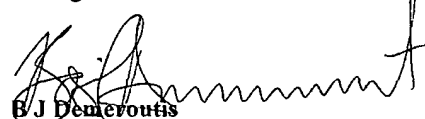
Disclosure of information to auditor

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditor is unaware; and each Trustee has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Peters Elworthy & Moore have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Trustees
and signed on behalf of the Board of Trustees



B.J. Demeroutis
Chair of Trustees

Date: 21 September 2022

Institute of Imagination

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 the profit or loss of the company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

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

Institute of Imagination

Independent auditor's report to the Trustees of Institute of Imagination

OPINION

We have audited the financial statements of Institute of Imagination (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Statement of Cash Flows and the related notes. 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 group's and of the parent charitable company's affairs as at 31 December 2021 and of the group's 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 and 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 group 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 group'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 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.

Institute of Imagination

Independent auditor's report to the Trustees of Institute of Imagination (continued)

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:

- The parent charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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.

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.

Institute of Imagination

Independent auditor's report to the Trustees of Institute of Imagination (continued)

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. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our knowledge and experience of the sector;
- we obtained an understanding of the legal and regulatory framework applicable to the company and how the company is complying with that framework;
- we obtained an understanding of the company's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance.
- we identified which laws and regulations were significant in the context of the company. The laws and regulations we considered in this context were Companies Act 2006 and UK taxation legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items;
- in addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the company ability to operate or to avoid material penalty; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected, and alleged fraud and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of fraud through management bias and override of controls. In addressing the risk of fraud through management bias and override of controls we:

- tested a sample journal entries to identify significant or unusual transactions;
- investigated the rationale behind significant or unusual transactions; and
- assessed whether judgements and assumptions made by management were indicative of potential bias.

Institute of Imagination

Independent auditor's report to the Trustees of Institute of Imagination (continued)

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but were not limited to:

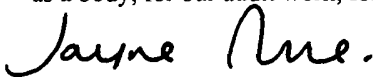
- agreeing financial statement disclosures to underlying supporting documentation; reviewing minutes of meetings of those charged with governance; and
- enquiring of management as to any actual and potential litigation, claims and any correspondence with regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non compliance. Auditing standards also limit the audit procedures required to identify non compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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. 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 members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jayne Rowe (Senior statutory auditor)

For and on behalf of
Peters Elworthy & Moore
Chartered Accountants
Statutory Auditor
Salisbury House
Station Road
Cambridge
CB1 2LA

Date: *29. September 2022.*

Institute of Imagination

Consolidated Statement of Financial activities, including income and expenditure account for the year ended 31 December 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations	3	765,802	201,082	966,884	423,347	240,810	664,157
Other trading activities	4	184,183	-	184,183	56,700	-	56,700
Investment income		124	-	124	707	-	707
Other Income		-	-	-	19,954	-	19,954
Total income		<u>950,109</u>	<u>201,082</u>	<u>1,151,191</u>	<u>500,708</u>	<u>240,810</u>	<u>741,518</u>
Expenditure on:							
Trading and raising funds	5	(151,106)	-	(151,106)	(189,459)	-	(189,459)
Charitable activities	5	(568,254)	(207,252)	(775,506)	(479,413)	(219,255)	(698,668)
Total expenditure		<u>(719,360)</u>	<u>(207,252)</u>	<u>(926,612)</u>	<u>(668,872)</u>	<u>(219,255)</u>	<u>(888,127)</u>
Net movement in funds		<u>230,749</u>	<u>(6,170)</u>	<u>224,579</u>	<u>(168,164)</u>	<u>21,555</u>	<u>(146,609)</u>
Reconciliation of funds:							
Total funds brought forward	18	<u>204,665</u>	<u>57,829</u>	<u>262,494</u>	<u>372,829</u>	<u>36,274</u>	<u>409,103</u>
Total funds carried forward		<u>435,414</u>	<u>51,659</u>	<u>487,073</u>	<u>204,665</u>	<u>57,829</u>	<u>262,494</u>

There were no other recognised gains or losses other than those listed above and net (expenditure)/ income for the year.
All income and expenditure derive from continuing activities.
The notes on pages 18 to 31 form part of these financial statements.

Institute of Imagination

Consolidated Balance sheet As at 31 December 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	13	23,994	24,311
Current assets			
Debtors	14	153,421	23,401
Cash at bank and in hand		620,203	375,025
		773,624	398,426
Creditors: amounts falling due within one year	15	(310,545)	(160,243)
Net current assets		463,079	238,183
Total assets less current liabilities		487,073	262,494
The funds of the Charity:			
Restricted funds	18	51,659	57,829
Unrestricted funds	18	435,414	204,665
		487,073	262,494

The surplus of the parent charity for the year for Companies Act purposes is £169,253 (2020 deficit: £146,757). As permitted by section 408 of the Companies Act, no separate statement of financial activities is presented in respect of the parent charity.

The financial statements of the Institute of Imagination (registration number: 04921852) were approved by the Board of Trustees and authorised for issue on 21 September 2022. They were signed on its behalf by:


B J Demeroutis
Chair of Trustees

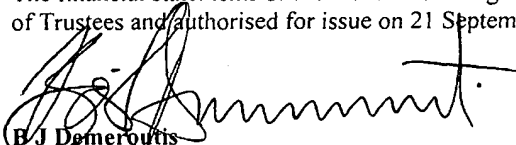
The notes on pages 18 to 31 form part of these financial statements.

Institute of Imagination

Charity Balance sheet As at 31 December 2021

	Notes	2021 £	2020 £
Fixed assets			
Investment in subsidiary	11	10	10
Tangible assets	13	18,472	16,533
		<u>18,482</u>	<u>16,543</u>
Current assets			
Debtors	14	54,327	62,548
Cash at bank and in hand		617,937	371,555
		<u>672,264</u>	<u>434,103</u>
Creditors: amounts falling due within one year	15	(209,155)	(138,308)
Net current assets		<u>463,109</u>	<u>295,795</u>
Total assets less current liabilities		<u>481,591</u>	<u>312,338</u>
The funds of the Charity:			
Restricted funds	18	51,659	57,829
Unrestricted funds	18	429,932	254,509
		<u>481,591</u>	<u>312,338</u>

The financial statements of the Institute of Imagination (registration number: 04921852) were approved by the Board of Trustees and authorised for issue on 21 September 2022. They were signed on its behalf by:


B J Demeroutis
Chair of Trustees

The notes on pages 18 to 31 form part of these financial statements.

Institute of Imagination

Consolidated Cash flow statement For the year ended 31 December 2021

	Note	2021 £	2020 £
Net cash flows from operating activities	21	258,147	(54,475)
Cash flows from investing activities			
Investment income		124	707
Purchase of tangible fixed assets		(13,093)	(16,753)
Net cash flows from investing activities		(12,969)	(16,046)
Net increase in cash and cash equivalents in the year		245,178	(70,521)
Cash and cash equivalents at the beginning of the year		375,025	445,546
Total cash and cash equivalents at the end of the year		620,203	375,025
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		620,203	375,025
Cash and cash equivalents		620,203	375,025

The notes on pages 18 to 31 form part of these financial statements.

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2021

1. Accounting policies

General information and basis of accounting

Institute of Imagination is a Charity incorporated in the United Kingdom and registered in England and Wales under the Companies Act. The address of the registered office is:

School 360
5 Sugar House Lane
London
E15 2QS

The nature of the Charity's operations and its principal activities are set out in the Trustees' report on pages 2 to 16.

Basis of preparation

The financial statements are prepared under the historical cost basis of accounting except for investments held at revalued amounts, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 second edition - October 2019) (effective 1 January 2019), and the Companies Act 2006.

The functional currency of the Institute of Imagination is considered to be pounds sterling because that is the currency of the primary economic environment in which the Charity operates.

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

Basis of consolidation

The financial statements have been prepared in respect of the Charity and its wholly owned subsidiary undertaking IOI Enterprise Limited, a company incorporated and registered in England and Wales. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 12. The consolidated entity is referred to as 'the Group'. The Charity has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual statement of financial activities.

Statement of cash flows

The Charity has taken advantage of the exemption in FRS 102 from preparing a statement of cash flows, on the basis that it is a qualifying entity and the Group statement of cash flows included in these financial statements includes the cash flows of the Charity.

Going concern

The Trustees, after preparing financial plans annually, have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Fund accounting

Unrestricted funds are those which are available for the general purposes of the Charity at the discretion of the Trustees.

Restricted funds are those which have been received for undertaking an activity specified by the donor. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2021

1. Accounting policies (continued)

Income

Income is recognised in the statement of financial activities when it becomes receivable, and the entitlement, measurement and probable principals are met.

Income is deferred only to the extent that it has been received in advance for specific conditions to be met.

Donated services are included at their estimated open market value.

Expenditure

All expenses are recognised when an invoice is received. Provisions are included in the statement of financial activities to the extent that goods and services have been contracted for but not yet received.

Raising funds are costs related to the generation of voluntary income for the Charity.

Expenditure on charitable activities is any that relates directly to fulfilling the charitable objects of the Charity.

Governance costs relate to the direct running of the Charity, allowing the Charity to operate and generate the information required for public accountability.

Staff costs and support costs are analysed and apportioned on the basis of management's estimation of the time spent on each activity.

Investment and bank deposits

Fixed asset investments are stated at market value. Gains and losses arising from either the change in market value or on sale are included in the Statement of Financial Activities including the income and expenditure account. Income from listed investments is accrued when due for payment. In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment. Interest on deposits is accrued on a daily basis.

In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment.

Tangible fixed assets and depreciation

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

Computer equipment	25% straight-line basis
Fixtures, fittings and equipment	25% straight-line basis
Library Equipment	50% straight line basis

Tangible fixed assets are tested only for impairment when an indicator exists. Fixed assets below £1,000 are not capitalised.

Trade debtors and creditors

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Institute of Imagination

Notes to the financial statements

For the year ended 31 December 2021

1. Accounting policies (continued)

Defined pension contribution scheme

The Charity runs a defined contribution pension scheme whereby the amount charged to the statement of financial activities is in respect of the pension contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part II, section 466 onwards) or section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized in respect of all timing difference that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Monetary assets and liabilities are translated into sterling at the exchange rate ruling on the balance sheet date. Foreign exchange gains are recognised as other income and foreign exchange losses are recognised within the relevant category of charitable activity expenditure for the period in which they are incurred.

Operating leases

Expenditure on operating leases is accounted for on a straight-line basis over the life of a lease.

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there to be any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2021

3. Income from donations

funds	Unrestricted 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Donations and gifts	<u>765,802</u>	<u>201,082</u>	<u>996,884</u>	<u>423,347</u>	<u>240,810</u>	<u>664,157</u>

Donations and gifts are derived from targeted fundraising by the organisation. There were no donated services in 2021 or 2020.

4. Analysis of income from trading activities

	2021 £	2020 £
Public admissions	-	223
Corporate sales	184,183	34,652
School and partnership sales	-	10,682
Other trading income	-	11,143
	<u>184,183</u>	<u>56,700</u>

All income from trading activities in 2021 and 2020 was restricted

Other Income 2021: Nil (2020: £19,954) in prior year related to government grants receivable under coronavirus job retention Scheme (CJRS) to cover salaries of furloughed staff.

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2021

5. Expenditure

	2021 £	2020 £
Raising funds	151,106	189,459
Charitable activities		
Activities undertaken directly	551,220	457,522
Support costs (note 7)	212,201	174,759
Governance costs (note 7)	<u>12,855</u>	<u>66,387</u>
Total	775,506	698,668
	<u>926,612</u>	<u>888,127</u>

Charitable activities undertaken directly primarily constitute research and development in the Imagination Labs and finding a suitable site to establish a permanent centre.

Cost of raising funds includes salaries and other direct fundraising costs.

	Cost of raising funds £	Charitable activities & Support £	Governance costs £	Total 2021 £	Cost of raising funds £	Charitable activities & Support £	Governance costs £	Total 2020 £
Management and governance	47,373	343,966	12,855	404,194	70,758	238,307	66,387	375,452
Fundraising costs	94,098	-	-	94,098	102,620	-	-	102,620
Marketing and PR	9,635	40,949	-	50,584	16,081	45,284	-	61,365
Experience and learning	-	377,736	-	377,736	-	348,690	-	348,690
	<u>151,106</u>	<u>762,651</u>	<u>12,855</u>	<u>926,612</u>	<u>189,459</u>	<u>632,281</u>	<u>66,387</u>	<u>888,127</u>

6. Auditors' remuneration

	2021 £	2020 £
Auditor's remuneration:		
- Fees payable to the charity's auditor for the audit of the charity's annual financial statements	9,800	9,000
- Fees payable to the charity's auditor for other services to the group	<u>850</u>	<u>860</u>

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2021

7. Analysis of governance and support costs

	2021	2020
	£	£
Administration costs	78,208	22,500
Staff costs	120,303	135,082
IT expenses	15,689	17,177
Total support costs (note 5)	212,201	174,759
 Audit and professional costs	 12,855	 66,387
	<u>225,056</u>	<u>241,146</u>

Support costs are those which allow charitable activities to be carried out but which do not relate directly to an activity.

Governance costs are those which are attributable to the Charity's compliance with constitutional and statutory requirements, including audit. Governance costs have been allocated to charitable activities as they relate directly to fulfilling the objects of the Charity.

8. Trustees

None of the Trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the year (2020: nil).

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2021

9. Employees

The payroll costs were as follows:

	2021	2020
	£	£
Group and Charity		
Wages and salaries	451,366	452,862
Social security costs	45,884	42,809
Other pension costs	12,816	12,504
	<u>510,066</u>	<u>508,175</u>

The average monthly number of full time and part time employees during the year was:

	2021	2020
	No.	No.
Group and Charity		
Management	4	4
Support	7	5
	<u>11</u>	<u>9</u>

The number of employees whose employee benefits (including redundancy costs but excluding employers pension costs) was £60,000 or more was:

	2021	2020
	Number	Number
£80,001 to £90,000	-	1
£60,001 to £80,000	2	2
	<u>2</u>	<u>3</u>

Key management personnel are defined as the Director Group that includes the CEO, former Chief Executive and Co-Directors. The total employment benefits paid to key management personnel (including pension contributions) during the year was £272,518 (2020: £229,393) which included redundancy costs of £nil (2020: £nil).

Key management personnel are remunerated at market rate.

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2021

10. Tax on profit of trading subsidiary

	2021 £	2020 £
Analysis of tax charge on current activities		
UK corporation tax at 19% based on profit for the year	-	-
	<u> </u>	<u> </u>
Factors affecting tax charge for the year		
The tax assessed for the year is the same as (2020: higher than) the standard rate of corporation tax in the UK of % (2020: 19%). The differences are explained below:		
	2021 £000	2020 £000
(Profit) before tax	(106)	(147)
	<u> </u>	<u> </u>
Profit multiplied by standard rate of corporation tax in the UK of 19%	(20)	(28)
Deferred tax not recognised	20	28
	<u> </u>	<u> </u>
	-	-
	<u> </u>	<u> </u>

11. Investment in subsidiary

Charity	Total £
Cost	
At 1 January 2021	10
Additions	-
	<u> </u>
At 31 December 2021	10
	<u> </u>

The Charity owns the entire issued ordinary share capital of IOI Enterprise Limited. The registered office of the subsidiary is the same as that of the Charity. The principal activity of the company is the delivery of a comprehensive programme of activities for a range of audiences.

12. Principal subsidiary

Subsidiary name	IOI Enterprise Limited
Company registration number	11069407
Basis of control	100% ownership
 Total assets as at 31 December 2021	 £167,070
Total liabilities as at 31 December 2021	£161,588
Total surplus as at 31 December 2021	£5,482
Turnover for the year ended 31 December 2021	£169,915
Expenditure for the year ended 31 December 2021	£114,588
Profit for the year ended 31 December 2021	£55,327

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2021

13. Tangible fixed assets

Group	Library Equipment	Computer Equipment	Fixtures, fittings, and equipment	Total
	£	£	£	£
Cost				
At 1 January 2021	14,298	42,385	27,413	84,097
Additions	5,543	7,550	-	13,093
Disposals	-	(21,205)	(27,413)	(48,619)
At 31 December 2021	19,841	28,730	-	48,571
Accumulated depreciation				
At 1 January 2021	1,583	30,790	27,413	59,786
Charge for the year	9,123	4,286	-	13,409
Depreciation on disposals	-	(21,205)	(27,413)	(48,618)
At 31 December 2021	10,706	13,871	-	24,577
Net book value				
At 31 December 2021	9,135	14,589	-	23,994
At 31 December 2020	12,715	11,596	-	24,311
Charity	Library Equipment	Computer equipment	Fixtures, fittings, and equipment	Total
	£	£	£	£
Cost				
At 1 January 2021	14,298	25,800	27,413	67,511
Additions	5,543	7,550	-	13,093
Disposals	-	(21,205)	(27,413)	(48,618)
At 31 December 2021	19,841	12,145	-	31,986
Accumulated depreciation				
At 1 January 2021	1,583	21,982	27,413	50,978
Charge for the year	9,123	2,031	-	11,154
Depreciation on disposal	-	(21,205)	(27,413)	(48,618)
At 31 December 2021	10,706	2,808	-	13,514
Net book value				
At 31 December 2021	9,135	9,337	-	18,472
At 31 December 2020	12,715	3,818	-	16,533

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2021

14. Debtors

	<u>Group</u>		<u>Charity</u>	
	2021	2020	2021	2020
	£	£	£	£
Debtors after more than one year				
Amounts owed from subsidiary undertaking	-	-	-	45,792
Debtors within one year				
Trade debtors	136,199	-	16,200	-
Other debtors	11,376	18,022	11,376	11,372
Prepayments and accrued income	5,846	5,379	5,846	5,384
Amounts owed from subsidiary undertaking	-	-	20,905	-
	<u>153,421</u>	<u>23,401</u>	<u>54,327</u>	<u>62,548</u>

15. Creditors: amounts falling due within one year

	<u>Group</u>		<u>Charity</u>	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	81,656	80,170	80,068	79,588
Taxes and social security costs	34,911	10,693	34,911	10,693
Other creditors	15,728	1,942	16,641	1,179
Accruals	178,250	67,438	38,252	32,438
Amounts owed to subsidiary undertaking	-	-	39,283	14,410
	<u>310,545</u>	<u>160,243</u>	<u>209,155</u>	<u>138,308</u>

	<u>Group</u>		<u>Charity</u>	
	2021	2020	2021	2020
	£	£	£	£
Deferred income at 1 Jan 2021	-	15,000	-	-
Resources deferred during the year	105,000	-	-	-
Amounts released from previous periods	-	(15,000)	-	-
	<u>105,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

16. Called-up share capital

The Charity is limited by guarantee without share capital.

17. Commitments under operating leases

At 31 December 2021 the Group and Charity had £6,400 non-cancellable operating leases commitment which falls within less than one year.

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2021

18. Analysis of charitable funds – Current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
Unrestricted Funds				
Institute of Imagination	254,500	780,194	(604,772)	429,922
IOI Enterprise Limited	(49,835)	169,915	(114,588)	5,492
	<u>204,665</u>	<u>950,109</u>	<u>(719,360)</u>	<u>435,414</u>
Restricted funds				
Lambeth Community Programme	16,719	-	(16,719)	-
Black Heart Foundation	-	25,000	(25,000)	-
Lerek Foundation	-	30,000	(30,000)	-
Outreach Programme	8,470	51,550	(8,470)	51,550
Local Government funded programmes	1,385	47,923	(49,308)	5,029
Community Programme responding to COVID	31,255	46,500	(77,755)	(4,920)
	<u>57,829</u>	<u>201,082</u>	<u>(207,252)</u>	<u>51,659</u>
	<u>262,494</u>	<u>1,151,191</u>	<u>(926,612)</u>	<u>487,073</u>

Analysis of charitable funds – Prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
Unrestricted Funds				
Institute of Imagination	422,811	444,008	(612,319)	254,500
IOI Enterprise Limited	(49,982)	56,700	(56,553)	(49,835)
	<u>372,829</u>	<u>500,708</u>	<u>(668,872)</u>	<u>204,665</u>
Restricted funds				
Lambeth Community Programmes	167	32,447	(32,089)	16,719
Outreach Programme	19,913	54,867	(66,310)	8,470
Local Government funded programmes	-	61,832	(60,447)	1,385
Community Programme responding to COVID	-	91,664	(60,409)	31,255
	<u>36,274</u>	<u>240,810</u>	<u>(219,225)</u>	<u>57,829</u>
	<u>409,103</u>	<u>741,518</u>	<u>(888,127)</u>	<u>262,494</u>

Unrestricted funds are those which are available for the general purposes of the Charity at the discretion of the Trustees.

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2021

18. Analysis of charitable funds – Current year (continued)

Restricted fund income of £201,082 (2020: £240,810) relates to donations for the following activities:

- Lambeth Community Programme fund supports activities directed towards local Lambeth residents.
- The Outreach Programme fund supports other community-based activities throughout London.
- Local Government funded programmes are supported by grants provided by local authorities and other government bodies.
- The Community Programme responding to COVID supports home programming.
- The Black Heart Foundation in support of the Imagination Box programme
- The Lerak Foundation in support of a community art installation and programme

19. Analysis of net assets between funds – Current year

	Unrestricted funds £	Restricted funds £	Total £
Group			
Fund balances at 31 December 2021:			
Investments	-	-	-
Tangible assets	23,994	-	23,994
Current assets	721,965	51,659	773,624
Creditors: amounts falling due within one year	(310,545)	-	(310,545)
	<u>435,414</u>	<u>51,659</u>	<u>487,073</u>
Charity			
Fund balances at 31 December 2021:			
Investments	10	-	10
Tangible assets	18,472	-	18,472
Current assets	620,605	51,659	672,264
Creditors: amounts falling due within one year	(209,155)	-	(209,155)
	<u>429,932</u>	<u>51,659</u>	<u>481,591</u>

Analysis of net assets between funds – Prior year

	Unrestricted funds £	Restricted funds £	Total £
Group			
Fund balances at 31 December 2020:			
Investments	-	-	-
Tangible assets	13,174	11,137	24,311
Current assets	351,734	46,692	398,426
Creditors: amounts falling due within one year	(160,243)	-	(160,243)
	<u>204,665</u>	<u>57,829</u>	<u>262,494</u>

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2021

Charity

Fund balances at 31 December 2020:

Investments	10	-	10
Tangible assets	5,396	11,137	16,533
Current assets	387,411	46,692	434,103
Creditors: amounts falling due within one year	(138,308)	-	(138,308)
	<u>254,509</u>	<u>57,829</u>	<u>312,338</u>

20. Related party transactions

During the year, IOI Enterprise Ltd charged the Institute of Imagination £41,006 for services relating to the delivery of Imagination Lab and other outreach programmes.

Institute of Imagination charged IOI Enterprise Ltd £13,869 for management, premises and human resources.

In 2021, a donation received from Black Heart Foundation, a party related to a trustee, amounted to £25,000 and a donation from John Lyons Charity, a party with a mutual Trustee, amounted to £25,900.

No donations were received from Trustees during the previous year.

21. Reconciliation of net (expenditure)/income to cash generated by operating activities

	Group 2021 £	Group 2020 £
Net income/(expenditure) per statement of financial activities	224,579	(146,609)
Add back depreciation charge	13,409	9,342
Deduct investment income	(124)	(707)
(Increase)/decrease in debtors	(130,020)	72,905
Increase/(decrease) in creditors	150,303	10,594
Cash generated by operating activities	<u>258,147</u>	<u>(54,475)</u>

Institute of Imagination
Notes to the financial statements
For the year ended 31 December 2021

22. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	518,258	273,181
Notice Deposits (3 months or more)	101,945	101,844
Total cash and cash equivalents	620,203	375,025

Analysis of changes in net debt

	At 1 Jan 2021	Cash Flows	At 31 Dec 2021
Cash at bank and in hand	375,025	£245,178	620,203

23. Employee benefits

Defined contribution schemes

The Charity operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to the statement of financial activities in the year ended 31 December 2021 was £12,816 (2020: £12,504). Contributions of £Nil (2020 - £Nil) were outstanding at the balance sheet date.

24. Other commitments

As at 31 December 2021, the Company was committed to payments of £6,400 (2020 - £8,756) under a license agreement for premises.

Accounts

Institute of Imagination

Charity Registration No. 1109276

Company Registration No. 04921852

Annual Trustees' report and financial statements

For the year ended 31 December 2020

Institute of Imagination

Annual report and financial statements For the year ended 31 December 2020

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Institute of Imagination

Legal and administrative information

Trustees

Lady A Shaw-Scott Adjaye
B J Demeroutis
M Dorion
K Grussing
Dr L Guyton
B Koby
R Lewis (resigned 28 February 2021)
C Metcalfe
M Reilly
D Uehlein
N Viner (resigned 11 March 2020)
L Watson

Management and Leadership

G Binns (resigned CEO 31 January 2021)
M Allen (appointed CEO 26 July 2021)
T Doust (appointed Co-Director 31 January 2021)
S Dittmer (appointed Co-Director 31 January 2021)

Charity number

1109276

Company number

04921852

Registered and Principal address

F1 Expressway
Dock Road
London
E16 1AH

Bankers

Coutts & Co
440 Strand
London
WC2R 0QS

Auditor

Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Institute of Imagination

Trustees' responsibilities statement

Trustees' Report

The Institute of Imagination (iOi) is a charity delivering pioneering, accessible, programmes that support the educational, cultural and creative wellbeing of children and families. Through imagination, we focus on the vital development of problem solving, play, and skill drawing on key innovations from science, technology, the arts, maths, and engineering.

In a year dominated by the aftershocks of the Covid-19 pandemic, we grew the depth and breadth of our impact at a time when charitable organisations have been under threat and yet are most needed. We did this by adapting every aspect of our operation, people, programmes, and platforms. Our organisational agility supported both reinforcement of our current work, where there was dramatically increased urgent need, and new critical programmes delivered in new hybrid ways. This was made possible by accelerating digitally delivered programmes and giving birth to new initiatives, creating new physical products, and creatively offering our in-person work in line with our impact targets.

We launched new on-line programmes under the umbrella of iOi at Home. We created new products like the Imagination Box for children with Special Educational Needs and Disabilities (SEND). Organisationally, our planned-for office move to the London borough of Newham showed how quickly we can embed ourselves in a community and how we can then purposefully deliver a variety of creative learning programmes and activities to communities that are most in need.

This has only been possible thanks to the exceptional support of our donors, funders, partners, and patrons as well as our passionate and energetic team who live and breathe our mission. For this, we are incredibly grateful.

In addition to delivering our critical programs, in 2020 we underwent an in-depth strategic review, the results of which have supported an important and exciting five-year plan to build an even more compelling proposition for communities in London that are most in need of our support, whilst continuing to grow our programmes with national and international reach.

Our five year plan is built around five key goals:

1. Developing outstanding programmes to empower children and young people with vital skills while supporting their wellbeing and ability to flourish.
2. Delivering at scale and opening a new space in London devoted to Imagination.
3. Using our influence to lead on the relationship between imagination and creativity in society, championing their value and importance in the cultural and education sectors.
4. Renewing and scaling our organisation to ensure that we can achieve our ambitions while retaining our agility.
5. Building out financial sustainability by developing existing income streams and building new ones.

2020 Highlights

iOi programmes have in the past mostly centred on creating experiential spaces with thousands of children and families attending in person each year. Our task in 2020 was to turn the challenges created by Covid-19 into opportunities for the organisation, prioritising solutions to deliver our programmes digitally. Much was tried, tested, and learned, and through our analytic and failure-positive organisational approach, our digital programme pilot developed into a new project called "iOi at Home".

iOi at Home

When the world went into lockdown in 2020 and schools closed for in-person learning, it was the largest disruption to education in history. The United Nations estimates that nearly 1.6 billion global learners in more than 190 countries were affected. Across the UK and across the world, home learning became the new normal. This disruption brought on technological and social challenges for children. Among these, those without access to technology could not complete their lessons from home. And without connectivity to the outside world, opportunities to socialise, play, and be creative were closed off. In response to this crisis, we launched iOi at Home.

In the absence of live programmes, iOi at Home became our flagship programme of creativity, designed to support continuous learning beyond the formal school environment and offering dynamic creative programmes online. Our

Institute of Imagination

Trustees' responsibilities statement

pilot programme guided children through, for example, basic aerodynamics and how to experiment with a wind tunnel made with a hairdryer and cardboard. This was achieved through online video tutorials, bespoke digital assets developed in partnership with schools and educators, and where appropriate, supply of physical assets to children and their families. As well as providing a 100% virtual experience, delivery of iOi at Home activities was via physical “hubs”: local organisations including library services, food banks, and schools were all used. The iOi at Home pilot focused on serving the community of Newham and we plan on expanding the programme in future. This expansion will draw from the learnings of where the programmes has been both successful and unsuccessful. Some of the challenges of managing and lending digital equipment have made it onerous for the iOi to become a repository of digital lending. This has led to a change in strategy where we support the iOi at Home Hubs in providing equipment to them to distribute and loan.

Digital Lending Library

The pandemic highlighted the severity of the digital divide, with evidence suggesting that the attainment gap is severely wider for children from families where technological access is limited. So we created a Digital Lending Library to accompany the iOi at Home programme, ensuring that any barrier to accessing technology (and using iOi at Home) could be overcome for households in need. Through the Digital Lending Library, our iOi at Home families were provided with essential technology like tablets and laptops, as well as specialist creative tech to support activities like 3D design and computational invention and robotics. In this programme, libraries and community hubs also proved invaluable partners in the lending of equipment and audience development.

Imagination Hubs

2020 was our second year of a three-year programme offering creative events for schools and families with Special Educational Needs and Disabilities (SEND) children in Brent, Barnet, and Harrow. Adjusting this programme in the middle of the pandemic proved challenging but ultimately successful. After consultation with parents and community partners, we realised that we needed to create a way of connecting our physical materials for play, making and imagination with our digital delivery of our offer. This resulted in the creation of the prototype for what was to become The Imagination Box; packages containing materials and instructions for creative activities which were distributed to 300 families. These simulated the activity that children would have learned in a live environment, but with the added flexibility for them to engage at their leisure, a consideration that is so important for many SEND learners.

The Imagination Box

Born out of the success of our Imagination Hubs programme we were able to take The Imagination Box, to its next step. Designed to primarily engage SEND learners and boost their creativity, resilience, and wellbeing, our 2020 pilot reached 600 families, 100 more than we have anticipated, and was a huge success with 100% of participants stating the Imagination Box was an effective and engaging tool for supporting their children.

We have since evolved the Imagination Box offer and expanded the programme to more families in 2021. We are seeking opportunities to generate greater impact, reach, and potentially income from this and further innovative products.

Lambeth Sparks

Lambeth Sparks, our creative digital programme for low-income families and their children in Lambeth, was adapted for online delivery and continued into its second year. Some 108 children from Vauxhall, Loughborough Junction, and Streatham Hill signed up for creative workshops and aspirational live interviews with leaders from creative companies like Innocent Smoothies and Aardman Animation. These special conversations were then connected to workshop activities such as brand marketing and stop-frame animation.

Institute of Imagination

Trustees' responsibilities statement

Digital Creatives in partnership with OnSide Future Youth Zone

In January 2020, we launched Digital Creatives, a new three-year programme for young people in Barking and Dagenham in partnership with OnSide Future Youth Zone, a state-of-the-art youth centre providing after-school and weekend activities for children and young people aged 7 to 21. Digital Creatives is designed to equip young people who are at higher risk of entering the criminal justice system with new creative and digital skills and to support them in applying these skills to real world creative challenges.

Imagination Lab Learn Hubs

Our Imagination Lab Learn Hubs were supposed to provide a physical incubation space for teachers and pupils to collectively engage in creative programmes that they could then continue at school, integrating projects and pedagogy into teaching practice. School closures meant that after our first in-person Lab Learn Hub, we pivoted to online with teachers from schools in Southwark who, over two twilight insets, were taught how to integrate micro:bit microcomputing into their practice alongside creative approaches to projects. In total, we were only able to deliver two Lab Learn Hubs, the first took place before the pandemic in October 2019. The second, mentioned above, was virtual. As the UK went in and out of lockdowns, the logistics of engaging schools to come together for a large event or to join virtually became a challenge. As a result we weren't able to complete the final two Lab Learn Hubs, despite planning for them. We reached 180 children and 25 teachers in our first in person Lab Learn Hub and 14 teachers (and those teacher's classes) in the second virtual Lab Learn Hub. This meant we fell short of the overall target of 720 children and 80 teachers.

RE:CODE London

Our flagship partnership programme with LEGO Group ran across three London schools as a "Virtual RE:CODE". Robotics kits and iPads were sent to the schools ahead of workshops, and we broadcast content into classrooms. The success of this partnership means we are now in a position to amplify our reach of the RE:CODE programme with LEGO in 2021.

Join the Docks Cultural Commission

In December, the iOi was commissioned by The Royal Docks to create an interactive external project that could engage safely with local audiences across the Docks and more widely across Newham. Working with industrial designers Concept Shed, *Switch the Docks* captured the stories from Newham residents who were asked to imagine the Docks in the past, the present and the future. The month-long installation featured four wooden crate light boxes that told these stories in an animated composition. The light boxes have been so successful that they have remained in the Docks since installation and evolving into new installations in October 2021.

Commercial Programmes (facilitated by iOi Enterprise)

Following the successful pilot of our international digital making programme in partnership with the British Council, which took place in Hong Kong in autumn 2019, we launched a major expansion of the work. Building and strengthening our relationship with the British Council and in partnership with the Micro:bit Education Foundation, our team worked in India (Delhi), Africa (Malawi and Tanzania) and Europe (Spain) to engage with teachers and educators on how to use the micro:bit computer in creative and imaginative ways, strengthening opportunities for engagement with children and young people in coding and creativity.

Key Statistics for the Year

We had aspired to work with more than 20,000 people in 2020. Despite the challenges brought on by the pandemic, the iOi worked with just under 10,000 people across its programmes, both digitally and in live settings.

The urgent need across London is clear. In our home borough of Newham, for example, approximately 60% of the population lives below the poverty line. Our ability to connect important topics from the world around us to local

Institute of Imagination

Trustees' responsibilities statement

audiences through unique, engaging and creative programmes, enables our communities to develop new thinking and new ideas, strengthening resilience and the capacity to respond to global challenges including climate change, automation, and skills shortfall.

We were equally successful in adapting our delivery of existing in-person programmes with schools across Barking, Dagenham, Brent, Barnet, and Harrow. We also worked with LEGO on their company-wide play day which fostered play and creativity for their employees. And of course becoming more digitally focused with our delivery means that our programmes are available to anyone, anywhere.

Total number of unique programmes we ran: 9

Total number of people engaged: 9,307

Total number of which were children: 6,000

Total number who have Special Educational Needs and Disabilities: 1,738

Total number of schools worked with: 31

Charitable Objectives

The charity's objective is to champion opportunities for children and young people of all backgrounds, focused on developing their imaginations, a quality that is vital to creativity and the ability to adapt and thrive in a rapidly changing world.

The Trustees have paid due regard to the public benefit guidance published by the Charity Commission.

Over the next five years, our mission is to ensure that more than 850,000 people will directly encounter our innovative programmes. We will equip and enable young people to be resilient change agents for the future. Our work will be renowned globally. Imagination will be understood as the root of creativity and innovation.

Provision of annual report and basis of preparation

The Trustees, who are directors for the purposes of company law, provide the annual report together with the audited financial statements of the charitable group and company for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 second edition - October 2019) (effective 1 January 2019). The Trustees have chosen to take advantage of the small company's exemption from preparing a strategic report.

Structure, governance and management

The Charity is a company limited by guarantee without share capital and is governed by its memorandum and articles of association. The charity owns the entire share capital of IOI Enterprise Limited, the principal activity of which is the delivery of a comprehensive activity programme for the Charity and other parties.

The Trustees who served during the year and at the date of signing, were:

Lady A Shaw-Scott Adjaye

B J Demeroutis

M Dorion

K Grussing

Dr L Guyton

B Kobayashi

R Lewis

(resigned 28 February 2021)

C Metcalfe

M Reilly

D Uehlein

Institute of Imagination

Trustees' responsibilities statement

N Viner
L Watson (resigned 11 March 2020)

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

New Trustees are appointed with a view to maintaining an appropriate balance of skills and experience. Appointments of Trustees are reviewed by the Search Committee and ratified by the Board of Trustees. Trustees hold office for a 4-year fixed term and one third of Trustees are considered for reappointment at the annual general meeting. All Trustees receive information about their responsibilities as a part of their induction. Training is provided to existing Trustees as and when the need arises.

The Charity's approach to fundraising is to work with our Trustees and existing supporters to identify new sources of funds and then engage and inspire them with our work. Our focus is on statutory, corporates, trusts and foundations, and major donors as well as generating income from events. We seek to build long-term relationships with our supporters demonstrating a high social return on investment. We do not currently use commercial participators or external fundraisers. We are registered with the Fundraising Regulator and follow applicable law and recognised standards.

The Trustees have paid due regard to the public benefit guidance published by the Charity Commission.

Day to day management responsibilities in 2020 were carried out by the CEO and other key management personnel in the Director group, who are rewarded at rates competitive for the sector.

Levels of delegated authority, from Trustees to management have been detailed in the Financial Policies and Procedures document. Commitment levels have been set as follows:

- Over £100,000 approved by the Board of Trustees
- £25,001 to £100,000 approved by a Trustee who is a member of the Finance Committee
- Over £5,000 to £25,000 approved by the CEO.
- Under £5,000 approved by a Head of Department

The authority limits were reviewed by the Finance Committee and approved by the Trustees.

Upon resignation of the CEO on 31 January 2021, from 1 February 2021, the Directors were appointed as Co-Directors and these assumed the responsibility of the CEO until 25 July. From 26 July 2021, a new CEO assumed responsibility and levels of delegated authority have now been reinstated as above.

Principal risks and mitigations

The Trustees have assessed the major risks to which the Charity is exposed. The principal risks are risks in respect to post-pandemic recovery and the pandemic's long-term effect on both programming and fundraising, reputational damage from a failure in safeguarding or health and safety, and inadequate financial reserves disrupting future plans.

These risks have been mitigated in part by way of a thorough Business Review for 2020-25 being conducted since the pandemic which included specific recommendations for operational policies and financial planning which are now being implemented.

The Business Review has been a catalyst for a change in leadership and also better planning, market research and business development all of which has strengthened the organisation already. As of today, the Trustees are confident about the current guaranteed annual income and potential income. Expenditure is being closely managed and there are clear liquidity forecast and funding targets to meet.

In a lower income scenario, the Trustees have determined that expenditure could be reduced to lower levels without permanent detriment to the organisation's ability to meet its charitable purpose.

Institute of Imagination

Trustees' responsibilities statement

Thanks to our Supporters

Our success and continued development in 2020 were made possible thanks to the generosity of our Imagineers. On behalf of the Trustee and staff at the Institute of Imagination and all those who are impacted by our work, we would like to thank the following for their generous support in 2020:

- Black Heart Foundation
- Charles Skey Charitable Trust
- City Bridge Trust
- Lego Group
- Paul Hamlyn Foundation
- Portal Trust
- The John Lyons Charity
- Walcott Foundation
- Young Londoners Fund
- The Childhood Trust

And all those who made a donation but who wish to remain anonymous.

Institute of Imagination

Trustees' responsibilities statement

Financial review

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure, estimated to be between £200,000 and £400,000 at 31 December 2020. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. At the end of the year, reserves of £262,494 (2019: 409,103) were held including restricted funds of £57,829 (2019: £36,274). This level of reserves is therefore consistent with the policy,

During the year, the principal source of funding was donations. Total income of £741,517 (2019: £632,081) included donations of £664,157 (2019: £483,173) used to fund our programmes and our operating costs.

Expenditure of £888,127 (2019: £1,308,239) consisted of raising funds £138,688 (2019: £281,232), trading expenses £50,771 (2019: £80,752) and charitable activities of £698,668 (2019: £946,255) relating to continuing programme activity.

Investment Policy

On occasions, the charity invests in a portfolio of investment products. The charity will not invest directly in sectors that it deems in conflict with its charitable mandate and objectives, notably arms, pornography, and tobacco. The charity, through investments in fixed income and equity mutual funds, exchange traded funds (ETFs) and/or other investment products, recognises that it may have indirect exposure to some, or all, of these sectors. However, further to consultation with its investment advisers and in the context of the overall holdings of these investment products, the charity is of the view that its exposure to these sectors, to the extent it exists, is very small.

The charity will continually revalue its portfolio and be vigilant against exposure to sectors it deems inappropriate. Once the capital base of the charity allows for it, the Finance & Advancement Committee will consider dedicated Socially Responsible Investing (SRI) products and assess whether these are appropriate for the portfolio in terms of diversification, costs, and risk profile. Long term, it is the ambition of the Institute of Imagination to move closer towards "pure" SRI products.

At the end of 2020, all investments were held in cash.

Going Concern

The Trustees assess whether the use of the going concern basis of preparation is appropriate i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. After preparing five-year financial plans, as part of the 2020 Strategic Review, and an assessment in September 2021 in respect of the year from the date of approval of the financial statements, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of preparing the annual financial statements.

Disclosure of information to auditor

The Trustees who held office at the date of approval of this Trustees' report confirm that, so far as they are each aware, there is no relevant audit information of which the Charity's auditor is unaware; and each Trustee has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Institute of Imagination

Trustees' responsibilities statement

Auditor

Peters Elworthy & Moore have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Trustees
and signed on behalf of the Board of Trustees



B J Demeroutis
Chair of Trustees

Date: 28 September 2021

Institute of Imagination

Trustees' responsibilities statement

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. 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 the profit or loss of the company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

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

Independent auditor's report to the Trustees of Institute of Imagination

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Institute of Imagination (the parent charity) and its subsidiaries (the group) for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, Charity Balance Sheet, Consolidated Statement of Cash Flows, and the related notes. 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 group's and of the parent charitable company's affairs as at 31 December 2020 and of the group's 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 and 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 Group's or the parent 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.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report 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 the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 Group 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.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent 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 group or the parent 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 Auditors' 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

- we identified the laws and regulations applicable to the charitable company through discussions with Trustees and other management, and from our charitable knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities Act 2011, taxation legislation and data protection, anti-bribery and employment legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- we reviewed the minutes of Trustees' meetings to identify and references to non-compliances with laws and regulations.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- we evaluated the assumptions and judgements used by management within significant accounting estimates and assessed whether these indicated evidence of management bias; and
- performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators such as the Charity Commission.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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.



Jayne Rowe (Senior statutory auditor)
For and on behalf of
Peters Elworthy & Moore

Chartered Accountants
Statutory Auditor

Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 29 September 2021

Institute of Imagination

Consolidated statement of financial activities, including income and expenditure account For the year ended 31 December 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Income from:							
Donations	3	423,347	240,810	664,157	385,849	97,324	483,173
Other trading activities	4	56,700	-	56,700	144,814	-	144,814
Investment income		707	-	707	4,094	-	4,094
Other Income	5	19,954	-	19,954	-	-	-
Total income		500,708	240,810	741,518	534,757	97,324	632,081
Expenditure on:							
Trading and raising funds	6	(189,459)	-	(189,459)	(361,984)	-	(361,984)
Charitable activities	9	(479,413)	(219,255)	(698,668)	(768,453)	(177,802)	(946,255)
Total expenditure		(668,872)	(219,255)	(888,127)	(1,103,437)	(177,802)	(1,308,239)
Net gains on investments		-	-	-	-	-	-
Net (expenditure)/income for the year		(168,164)	21,555	(146,609)	(595,680)	(80,478)	(676,158)
Reconciliation of funds:							
Total funds brought forward	19,20	372,829	36,274	409,103	968,509	116,752	1,085,261
Total funds carried forward		204,665	57,829	262,494	372,829	36,274	409,103

There were no other recognised gains or losses other than those listed above and net (expenditure)/ income for the year.

All income and expenditure derive from continuing activities.

The notes on pages 19 to 32 form part of these financial statements.

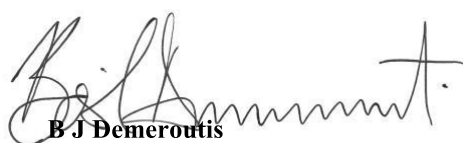
Institute of Imagination

Consolidated Balance sheet As at 31 December 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	14	24,311	16,900
Current assets			
Debtors	15	23,401	96,306
Cash at bank and in hand		375,025	445,546
		398,426	541,852
Creditors: amounts falling due within one year	16	(160,243)	(149,649)
Net current assets		238,183	392,203
Total assets less current liabilities		262,494	409,103
The funds of the Charity:			
Restricted funds	19,20	57,829	36,274
Unrestricted funds	19,20	204,665	372,829
		262,494	409,103

The deficit of the parent charity for the year for Companies Act purposes is £146,757 (2019: £673,440). As permitted by section 408 of the Companies Act, no separate statement of financial activities is presented in respect of the parent charity.

The financial statements of the Institute of Imagination (registration number: 04921852) were approved by the Board of Trustees and authorised for issue on 28 September 2021. They were signed on its behalf by:


B J Demeroutis
Chair of Trustees

The notes on pages 19 to 32 form part of these financial statements.

Institute of Imagination

Charity Balance sheet As at 31 December 2020

	Notes	2020 £	2019 £
Fixed assets			
Investment in subsidiary	12	10	10
Tangible assets	14	16,533	5,356
		16,543	5,366
Current assets			
Debtors	15	62,548	117,313
Cash at bank and in hand		371,555	432,323
		434,103	549,636
Creditors: amounts falling due within one year	16	(138,308)	(95,907)
		295,795	453,729
Net current assets		312,338	459,095
Total assets less current liabilities		312,338	459,095
The funds of the Charity:			
Restricted funds	19,20	57,829	36,274
Unrestricted funds	19,20	254,509	422,821
		312,338	459,095

The financial statements of the Institute of Imagination (registration number: 04921852) were approved by the Board of Trustees and authorised for issue on 28 September 2021. They were signed on its behalf by:


B J Demeroutis
Chair of Trustees

The notes on pages 19 to 32 form part of these financial statements.

Institute of Imagination

Consolidated Cash flow statement For the year ended 31 December 2020

	Note	2020 £	2019 £
Net cash flows from operating activities	22	(54,475)	(692,247)
Cash flows from investing activities			
Investment income		707	4,094
Purchase of tangible fixed assets		(16,753)	(2,793)
Net cash flows from investing activities		(16,046)	1,301
Net increase in cash and cash equivalents in the year		(70,521)	(690,946)
Cash and cash equivalents at the beginning of the year		445,546	1,136,492
Total cash and cash equivalents at the end of the year		375,025	445,546
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		375,025	445,546
Cash and cash equivalents		375,025	445,546

The notes on pages 19 to 32 form part of these financial statements.

Institute of Imagination

Notes to the financial statements (continued) For the year ended 31 December 2020

1. Accounting policies

General information and basis of accounting

Institute of Imagination is a Charity incorporated in the United Kingdom and registered in England and Wales under the Companies Act. The address of the registered office is:

F1 Expressway
Dock Road
London
E16 1AH

The nature of the Charity's operations and its principal activities are set out in the Trustees' report on pages 2 to 8.

Basis of preparation

The financial statements are prepared under the historical cost basis of accounting except for investments held at revalued amounts, in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2015) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 second edition - October 2019) (effective 1 January 2019), and the Companies Act 2006.

The functional currency of the Institute of Imagination is considered to be pounds sterling because that is the currency of the primary economic environment in which the Charity operates.

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

Basis of consolidation

The financial statements have been prepared in respect of the Charity and its wholly owned subsidiary undertaking IOI Enterprise Limited, a company incorporated and registered in England and Wales. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 13. The consolidated entity is referred to as the Group. The Charity has taken advantage of the exemption in section 408 of the Companies Act from disclosing its individual statement of financial activities.

Statement of cash flows

The Charity has taken advantage of the exemption in FRS 102 from preparing a statement of cash flows, on the basis that it is a qualifying entity and the Group statement of cash flows included in these financial statements includes the cash flows of the Charity.

Going concern

After preparing five year financial plans, as part of the 2020 Strategic Review, and an assessment in September 2021 in respect of the year from the date of approval of the financial statements, the Trustees have a reasonable expectation that the Charity and the Group have adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis of preparing the annual financial statements.

Fund accounting

Unrestricted funds are those which are available for the general purposes of the Charity at the discretion of the Trustees.

Restricted funds are those which have been received for undertaking an activity specified by the donor. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Institute of Imagination

Notes to the financial statements (continued) For the year ended 31 December 2020

Income

Income is recognised in the statement of financial activities when it becomes receivable, and the entitlement, measurement and probable principals are met. Income includes turnover from trading activities transacted by iOi Enterprise Ltd, the principal subsidiary.

Income is deferred only to the extent that it has been received in advance for specific conditions to be met.

Donated services are included at their estimated open market value.

Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

Expenditure

All expenses are recognised when an invoice is received. Provisions are included in the statement of financial activities to the extent that goods and services have been contracted for but not yet received.

Raising funds are costs related to the generation of voluntary income for the Charity. Expenditure on charitable activities is any that relates directly to fulfilling the charitable objects of the Charity. Governance costs relate to the direct running of the Charity, allowing the Charity to operate and generate the information required for public accountability.

Staff costs and support costs are analysed and apportioned on the basis of management's estimation of the time spent on each activity.

Investment and bank deposits

Fixed asset investments are stated at market value. Gains and losses arising from either the change in market value or on sale are included in the Statement of Financial Activities including the income and expenditure account. Income from listed investments is accrued when due for payment. In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment. Interest on deposits is accrued on a daily basis. In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment.

Tangible fixed assets and depreciation

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

Computer equipment	25% straight-line basis
Fixtures, fittings and equipment	25% straight-line basis
Library assets	50% straight-line basis

Tangible fixed assets are tested only for impairment when an indicator exists. Fixed assets below £1,000 are not capitalised.

Trade debtors and creditors

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve

Institute of Imagination

Notes to the financial statements (continued) For the year ended 31 December 2020

months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Defined pension contribution scheme

The Charity runs a defined contribution pension scheme whereby the amount charged to the statement of financial activities is in respect of the pension contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part II, section 466 onwards) or section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognized in respect of all timing difference that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Monetary assets and liabilities are translated into sterling at the exchange rate ruling on the balance sheet date. Foreign exchange gains are recognised as other income and foreign exchange losses are recognised within the relevant category of charitable activity expenditure for the period in which they are incurred.

Operating leases

Expenditure on operating leases is accounted for on a straight-line basis over the life of a lease.

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there to be any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

Institute of Imagination

Notes to the financial statements (continued) For the year ended 31 December 2020

3. Income from donations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Donations and gifts	423,347	240,810	664,157	385,849	97,324	483,173
Donations and gifts						
Unrestricted funds:						
Donations			423,347			280,546
Gift Aid			-			-
Donated services			-			105,303
			423,347			385,849

Donations and gifts are derived from targeted fundraising by the organisation. In 2019, donated services were provided pro-bono from Katten Munchin Rosenman UK LLP £27,303 and U+I £78,000. There were no equivalent donated services in 2020.

4. Analysis of income from trading activities

	2020 £	2019 £
Public admissions	223	43,453
Retail sales	-	4,897
Corporate sales	34,652	52,966
School and partnership sales	10,682	40,867
Other trading income	11,143	2,631
	56,700	144,814

All income from trading activities in 2020 and 2019 was unrestricted.

5. Other Income

Other operating income £19,954 (2019: £nil) represents government grants receivable under the Coronavirus Job Retention Scheme (CJRS) to cover salaries of furloughed staff. All Other Income was unrestricted.

Institute of Imagination

Notes to the financial statements (continued) For the year ended 31 December 2020

6. Expenditure

	2020 £	2019 £
Trading and raising funds	189,459	361,984
Charitable activities		
Activities undertaken directly	457,522	608,320
Support costs (note 8)	174,759	276,225
Governance costs (note 8)	66,387	61,710
Total	698,668	946,255
	888,127	1,308,239

Charitable activities undertaken directly primarily constitute research and development in the Imagination Labs and finding a suitable site to establish a permanent centre.

Cost of raising funds includes salaries and other direct fundraising costs.

	Cost of raising funds £	Charitable Activities & Support £	Governance costs £	Total 2020 £	Cost of raising funds £	Charitable activities & Support £	Governance costs £	Total 2019 £
Management and governance	70,758	238,307	66,387	375,452	208,767	294,512	61,710	564,989
Fundraising costs	102,620	-	-	102,620	89,716	-	-	89,716
Event property costs	-	-	-	-	-	78,000	-	78,000
Marketing and PR	16,081	45,284	-	61,365	63,501	-	-	63,501
Experience and learning	-	348,690	-	348,690	-	512,033	-	512,033
	189,459	632,281	66,387	888,127	361,984	844,545	61,710	1,308,239

7. Auditors' remuneration

	2020 £	2019 £
Auditor's remuneration:		
- Fees payable to the charity's auditor for the audit of the charity's annual financial statements	9,000	9,000
- Fees payable to the charity's auditor for other services to the group	860	2,518

Institute of Imagination

Notes to the financial statements (continued) For the year ended 31 December 2020

8. Analysis of governance and support costs

	2020 £	2019 £
Administration costs	22,500	30,292
Staff costs	135,082	229,268
IT expenses	17,177	16,665
Total support costs (note 6)	174,759	276,225
Audit and professional legal costs	66,387	61,710
	241,146	337,935

Support costs are those which allow charitable activities to be carried out but which do not relate directly to an activity.

Governance costs are those which are attributable to the Charity's compliance with constitutional and statutory requirements, including audit. Governance costs have been allocated to charitable activities as they relate directly to fulfilling the objects of the Charity.

9. Trustees

None of the Trustees (or any persons connected with them) received any remuneration or reimbursed expenses during the year (2019: £nil).

10. Employees

The payroll costs were as follows:

	2020 £	2019 £
Group and Charity		
Wages and salaries	452,862	575,240
Social security costs	42,809	55,040
Other pension costs	12,504	15,824
	508,175	646,104

The average monthly number of full time and part time employees during the year was:

	2020 No.	2019 No.
Group and Charity		
Management	4	4
Support	5	9
	9	13

Institute of Imagination

Notes to the financial statements (continued) For the year ended 31 December 2020

The number of employees whose employee benefits (including redundancy costs but excluding employers pension costs) was £60,000 or more was:

	2020 Number	2019 Number
£90,001 to £100,000	-	1
£80,001 to £90,000	1	-
£60,001 to £70,000	2	1

Key management personnel are defined as the Director Group that includes the former Chief Executive and the Co-Directors, previously Campaign Director and Director of Experience and Learning. The total employment benefits paid to key management personnel (including pension contributions) during the year was £229,393 (2019: £271,010) which included redundancy costs of £ nil (2019: £ nil).

Key management personnel are remunerated at market rate.

11. Tax on profit of trading subsidiary

	2020 £	2019 £
Analysis of tax charge on current activities		
UK corporation tax at 19% based on profit for the year	-	-
Factors affecting tax charge for the year		
The tax assessed for the year is the same as the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:		
	2020 £	2019 £
(Profit)/Loss before tax	(147)	2,817
(Profit)/Loss multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(28)	516
Deferred tax not recognized	28	(516)
	-	-

12. Investment in subsidiary

Charity	Total £
Cost	
At 1 January 2020	10
Additions	-
At 31 December 2020	10

The Charity owns the entire issued ordinary share capital of IOI Enterprise Limited. The registered office of the subsidiary is the same as that of the Charity. The principal activity of the company is the delivery of a comprehensive programme of activities for a range of audiences.

Institute of Imagination

Notes to the financial statements (continued) For the year ended 31 December 2020

13. Principal subsidiary

IOI Enterprise Limited

Subsidiary name	IOI Enterprise Limited
Company registration number	11069407
Basis of control	100% ownership

Total assets as at 31 December 2020	£32,301
Total liabilities as at 31 December 2020	£82,136
Total deficit as at 31 December 2020	£49,835
Turnover for the year ended 31 December 2020	£169,700
Expenditure for the year ended 31 December 2020	£169,553
Profit for the year ended 31 December 2020	£147

14. Tangible fixed assets

Group	Library Equipment	Computer equipment	Fixtures, fittings, and equipment	Total
	£	£	£	£
Cost				
At 1 January 2020	-	39,930	27,413	67,343
Additions	14,298	2,455	-	16,753
At 31 December 2020	14,298	42,385	27,413	84,096
Accumulated depreciation				
At 1 January 2020	-	25,907	24,536	50,443
Charge for the year	1,583	4,882	2,877	9,342
At 31 December 2020	1,583	30,789	27,413	59,785
Net book value				
At 31 December 2020	12,715	11,596	-	24,311
At 31 December 2019	-	14,023	2,877	16,900

Institute of Imagination

Notes to the financial statements (continued) For the year ended 31 December 2020

14. Tangible fixed assets (continued)

Charity	Library Equipment	Computer equipment	Fixtures, fittings, and equipment	Total
	£	£	£	£
Cost				
At 1 January 2020	-	23,595	27,413	51,008
Additions	14,298	2,205	-	16,503
At 31 December 2020	14,298	25,800	27,413	67,511
Accumulated depreciation				
At 1 January 2020		21,116	24,536	45,652
Charge for the year	1,583	866	2,877	5,326
At 31 December 2020	1,583	21,982	27,413	50,978
Net book value				
At 31 December 2020	12,715	3,818	-	16,533
At 31 December 2019	-	2,479	2,877	5,356

15. Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Debtors after more than one year				
Amounts owed from subsidiary undertaking	-	-	45,792	43,377
Debtors within one year				
Trade debtors	-	76,104	-	-
Other debtors	18,022	14,289	11,372	14,259
Prepayments and accrued income	5,379	5,913	5,384	4,403
Amounts owed from subsidiary undertaking	-	-	-	55,274
	23,401	96,306	62,548	117,313

Institute of Imagination

Notes to the financial statements (continued) For the year ended 31 December 2020

16. Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	80,170	56,489	79,588	53,207
Taxes and social security costs	10,693	17,206	10,693	17,206
Other creditors	1,942	8,632	1,179	8,172
Accruals	67,438	67,322	32,438	17,322
Amounts owed to subsidiary undertaking	-	-	14,410	-
	<u>160,243</u>	<u>149,649</u>	<u>138,308</u>	<u>95,907</u>
	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Deferred income at 1 Jan 2020	15,000	-	-	-
Resources deferred during the year	-	15,000	-	-
Amounts released from previous periods	(15,000)	-	-	-
	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>-</u>

17. Called-up share capital

The Charity is limited by guarantee without share capital.

18. Commitments under operating leases and other commitments

As at 31 December 2020, the Company was committed to payments of £36,219 (2019: £8,756) under a license agreement for premises. Neither the Group nor the Charity has any future lease payments under non-cancellable operating leases at 31 December 2020.

In 2020 and 2019, all amounts were payable in less than one year.

Institute of Imagination

Notes to the financial statements (continued) For the year ended 31 December 2020

19. Analysis of charitable funds – Current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
Unrestricted Funds				
Institute of Imagination	422,811	444,008	(612,319)	254,500
IOI Enterprise Limited	(49,982)	56,700	(56,553)	(49,835)
	<u>372,829</u>	<u>500,708</u>	<u>(668,872)</u>	<u>204,665</u>
Restricted funds				
Lambeth Community Programme	16,361	32,447	(32,089)	16,719
Outreach Programme	19,913	54,867	(66,310)	8,470
Local Government funded programmes	-	61,832	(60,447)	1,385
Community Programme responding to COVID	-	91,664	(60,409)	31,255
	<u>36,274</u>	<u>240,810</u>	<u>(219,255)</u>	<u>57,829</u>
	<u>409,103</u>	<u>741,518</u>	<u>(888,127)</u>	<u>262,494</u>

Restricted fund income of £240,810 (2019: £97,324) relates to donations for the following activities:

- Lambeth Community Programme fund supports activities directed towards local Lambeth residents.
- The Outreach Programme fund supports other community-based activities throughout London.
- Local Government funded programmes are supported by grants provided by local authorities and other government bodies.
- The Community Programme responding to COVID supports home programming.

Unrestricted funds are those which are available for the general purposes of the Charity at the discretion of the Trustees.

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Notes to the financial statements (continued) For the year ended 31 December 2020

Analysis of charitable funds – Prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Balance at 31 December 2019 £
Unrestricted Funds				
Institute of Imagination	1,014,406	389,943	(981,538)	422,811
IOI Enterprise Limited	(45,897)	144,814	(148,899)	(49,982)
	<u>968,509</u>	<u>534,757</u>	<u>(1,130,437)</u>	<u>372,829</u>
Restricted funds				
Cultural Residency	34,830	-	(34,830)	-
Lambeth Community Programmes	37,576	53,854	(75,069)	16,361
Outreach Programme	44,346	43,470	(67,903)	19,913
	<u>116,752</u>	<u>97,324</u>	<u>(177,802)</u>	<u>36,274</u>
	<u>1,085,261</u>	<u>632,081</u>	<u>(1,308,239)</u>	<u>409,103</u>

20. Analysis of net assets between funds – Current year

	Unrestricted funds £	Restricted funds £	Total £
Group			
Fund balances at 31 December 2020:			
Investments	-	-	-
Tangible assets	13,174	11,137	24,311
Current assets	351,734	46,692	398,426
Creditors: amounts falling due within one year	(160,243)	-	(160,243)
	<u>204,665</u>	<u>57,829</u>	<u>262,494</u>
Charity			
Fund balances at 31 December 2020:			
Investments	10	-	10
Tangible assets	5,396	11,137	16,533
Current assets	387,411	46,692	434,103
Creditors: amounts falling due within one year	(138,308)	-	(138,308)
	<u>254,509</u>	<u>57,829</u>	<u>312,338</u>

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Notes to the financial statements (continued) For the year ended 31 December 2020

Analysis of net assets between funds – Prior year

	Unrestricted funds £	Restricted funds £	Total £
Group			
Fund balances at 31 December 2019:			
Investments	-	-	-
Tangible assets	11,544	5,356	16,900
Current assets	510,934	30,918	541,852
Creditors: amounts falling due within one year	(149,649)	-	(149,649)
	<u>372,829</u>	<u>36,274</u>	<u>409,103</u>
Charity			
Fund balances at 31 December 2019:			
Investments	10	-	10
Tangible assets	-	5,356	5,356
Current assets	518,718	30,918	549,636
Creditors: amounts falling due within one year	(95,907)	-	(95,907)
	<u>422,821</u>	<u>36,274</u>	<u>459,095</u>

21. Related party transactions

During the year, IOI Enterprise Ltd charged the Institute of Imagination £113,000 (2019: £364,501) for services relating to programmes.

Institute of Imagination charged IOI Enterprise Ltd £88,623 (2019: £256,721) for management, premises and human resources. The trading balance owed by the parent at the year end was £14,410 (2019: owed to the parent £55,274).

At the end of the year a balance of £45,792 was outstanding to Institute of Imagination relating to a loan of £42,000 and accrued interest. The loan accrued interest in the year at a rate of Bank of England base rate plus 5% (2019: Bank of England base rate plus 5%).

In 2020, a donation received from Black Heart Foundation, a party related to a Trustee, amounted to £40,000 and a donation from John Lyons Charity, a party with a mutual Trustee, amounted to £25,900.

No donations were received from Trustees during the year.

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Notes to the financial statements (continued) For the year ended 31 December 2020

22. Reconciliation of net (expenditure)/income to cash generated by operating activities

	Group 2020 £	Group 2019 £
Net income/(expenditure) per statement of financial activities	(146,609)	(676,158)
Add back depreciation charge	9,342	11,352
Deduct investment income	(707)	(4,094)
(Increase)/decrease in debtors	72,905	(41,724)
Increase/(decrease) in creditors	10,594	18,377
Cash consumed by operating activities	(54,475)	(692,247)

23. Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £
Cash in hand	273,181	26,472
Notice Deposits (3 months or more)	101,844	419,074
	375,025	445,546

Analysis of changes in net debt

	At 1 Jan 2020	Cash Flows	At 31 Dec 2020
Cash at bank and in hand	445,546	(70,521)	375,025

24. Defined contribution pension scheme

The Charity operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to the statement of financial activities in the year ended 31 December 2020 was £12,504 (2019: £15,824). There were no contributions outstanding at the balance sheet date (2019: £6,239).