

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.

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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

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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>124,743</u>	<u>-</u>	<u>77,517</u>	<u>-</u>	<u>202,260</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

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
	55,900	73,169	56,019	125,659

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
	27,802	56,589	27,715	49,402

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).