
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>9,925</u></u>	<u><u>10,670</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).