

Charity registration number 1186255

Company registration number 09243292 (England and Wales)

INVISIBLE FLOCK CO
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

INVISIBLE FLOCK CO

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Audibert	
	A R A Bertram	
	B Elliot	
	Dr C L Jewitt	
	E M Rutherford	
	C Schoeps	
	Dr Kinnari Bhatt	(Appointed 9 September 2022)
	B Esapathi	(Appointed 7 June 2022)
	Dr R Labianco	(Appointed 7 June 2022)
Charity number	1186255	
Company number	09243292	
Registered office	Unit 8a Longside Jebb Lane Haigh Barnsley S75 4BS	
Independent examiner	Frances Clapham FCA , CK Accounting Services No 4 Castle Court 2 Castlegate Way Dudley West Midlands DY1 4RH	

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INVISIBLE FLOCK CO

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charitable Company's Articles of Association, the Companies Act 2006 and "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).

Objectives and activities

The charity trustees have had regard to the charity commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant. This includes being aware of the guidance and taking it into account when relevant.

Invisible Flock's charitable objectives are:

The promotion of the arts, in particular, but not exclusively, the art of drama.

Invisible Flock operates at the intersection of **art, technology and the environment**.

Invisible Flock builds, develops and produces high quality public and digital art that can be experienced by large audiences all over the world.

We are artist led makers and producers.

All of our work is developed through rigorous research and co-design processes with expert communities; local and global in dialogue. We infiltrate many sectors working to have a creative impact on ecology, politics, health and society.

Invisible Flock is driven by four core aims; **global connectivity, true innovation, collaborative processes and ecological action**.

- **Global Connectivity**

Exploring and influencing which voices and knowledges drive global change and utilising art as a power to share perspectives and experiences that are often hidden, marginalised or complex, with a broad audience. We believe that our practice is made stronger, more effective and agile through diverse, global networks and collaborations.

- **True innovation**

Prioritising development and utilising new technologies to create effective and resilient future practices. Through our artists support programs we foster and expand digital skills leveraging the studio as a shared resource committed to dismantling socio-economic barriers to cultural innovation.

- **Collaborative processes**

Placing collaboration at the heart of our mission means we do not place boundaries around what we can create, who is involved and where it might exist. Working across disciplines and contexts we develop work with a rich variety of people as co-designers to develop new types of creative practice.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

- **Ecological action**

We dedicate our time to exploring how art practices can offer new perspectives and understandings of land, climate, ecosystem and planetary health issues. We strongly believe in the power of art to communicate these issues at a public and policy level and we work closely with collaborators and experts living at the forefront of environmental collapse to do so.

Invisible Flock is a multi award winning studio pushing at the definitions of what art practice can look like, where it happens and who it happens with.

Our work follows 3 strands;

World Class innovative Artworks; engaging audiences in a variety of forms and spaces.

We continue to experiment and push at new experiential forms of digital art, ***bringing world-class culture to audiences in the UK.*** Through this strand we engage large, diverse audiences and participants in a variety of forms and spaces, finding poetic ways to meet and move our audiences.

Our strategy to widen public access to our work is achieved through how we approach both site and artform. Our works have multiple points of access and audiences are as likely to find our projects in a hospital or on a phone as they are in a gallery. We work in a huge variety of contexts, from low engagement areas in rural parts of England to city streets up and down the country, always considering geographical reach, site and inclusive design at every level of production.

Global environmental communities; Building cross sector partnerships

Invisible Flock has 94 live and long lasting international partnerships across the world. Our international partnerships are with other artists, indigenous leaders, cultural organisations and festivals, designers, technologists, academics and more. Throughout our 15 years we have continued to ***strengthen our international connections to other cultural organisations and creative and cultural practitioners.*** We build international relationships that are ongoing not limited to one off events, but grounded in sustainability, trust and shared challenges. We prioritise research and development practices, embedding ourselves deeply within a context and collaborating always with those who have deep personal knowledge of that context.

Creating Future Practices: Technical innovation, collaboration and skill building.

Technological innovation remains the backbone of our practice.

Invisible Flock is committed to ***supporting innovation, research and development, new skills and the use of new technologies.*** This ideology is at the heart of our studio.

In a perpetually evolving world of new technologies, artist's need to be in a constant state of learning, training and iteration and we intend to drive and share this process, drawing from other sectors and skill sets, as well as practical R&D.

Our studio residency focuses on:

- Increasing access to digital art making through dismantling costs and barriers to the use of new technologies
- Opening up resources to others with a strong focus on our studio location as a priority area.
- Creating paid residency and development opportunities for those underrepresented in the digital arts. ***Being able to draw on a talent pool that reflects society as a whole and is much wider and deeper than it is now.***
- How we can implement re-use and re-configuration of technologies as an environmental strategy.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

2021/22 was a landmark year for the organisation.

In April 2021 we received confirmation of successful funding from the Wellcome Trust to support a two year international project and residency. In October 2021 we therefore began running two studio spaces, one from our existing base at the Yorkshire Sculpture Park and the second at the Wellcome Collection in London.

The Wellcome Award also allowed us to secure 3 new additional members of the team to be based at the London Hub.

The year was busily populated with activities across our strategic programme including development of new large scale projects, exhibition of work nationally and internationally, in addition to support over 50 additional artists through our work and residency programme.

PUBLIC REALM

This strand of our project focussed on development in 2021/22. Specifically developing **Forest**, a durational artwork about how we can imagine and build a symbiotic future with the natural world that will be presented in 2023. Forest will interact with an audience in three states across 2023 - a digital online work, an exhibition and animation of a piece of urban disused land.

Leeds 2023 have received Heritage Lottery Funding to support the project which will be a co-production with Invisible Flock.

During 2021/22 we ran a feasibility exercise for the project that included;

- mapping and deep research of potential sites for the work in Leeds - undertaking a search for a challenging site, that can be prioritised for nature from both a legal and ecological perspective
- artistic development of the idea at Oulanka Research Station in Finland
- an ongoing series of online workshops that facilitated conversations - Forest as Research and Forest as Human

SOCIALLY ENGAGED

In 2021 we won the Wellcome Trust Hub Award, to bring researchers and creative professionals together at Wellcome Collection in a collaborative residency.

Our winning proposal, **Land Body Ecologies**, explores the relationship between mental health and ecosystem health, working with artists, indigenous leaders, medics, activists and scientists.

In this project we are leading a team of 30 practitioners from different fields in 6 countries, including Kenya, Uganda, India, the Arctic, Thailand and UK, collaborating with over 500 community members.

In August 2021 we began the process of designing and preparing the residency space, moving in on 1st October 2021. In November we held a launch event at the hub, announcing the start of this ambitious project.

The project has multiple ongoing outputs in development throughout 2021/22 including a podcast, academic publications, live events and workshops.

LBE Podcast – A six-episode podcast series sharing stories of Solastalgia from land-dependent and indigenous communities affected by environmental change.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

INTERNATIONALLY FOCUSED

Microtonal is a sound installation funded by British Council Pakistan to be presented at the 3rd Karachi Biennale in November 2022. Throughout 2021/22 we began development of this new piece of work, including conducting a site visit in February 2022.

Microtonal is a sound installation exploring the stories, cultures and land that can be found in between the notes of the western chromatic scale. It is a collaboration between Faqir Zulfikar, the master potter Allahjurio and Invisible Flock.

Allahjurio is 92 and lives and works in the desert region of Sindh, he is the only known craftsman to create the Borindo, a clay wind instrument that the Faqir was taught to play by his father. Faqir Zulfikar is the only known artist to play the Borindo and as such is the only person standing between it and a form of cultural extinction.

The Borindo, a simple wind instrument made from the earth of Sindh, named after an insect whose nest it resembles, is emblematic of the many discreet cultures in Sindh and throughout the region that are disappearing as those who hold the knowledge of the practices are fewer and fewer.

Microtonal uses this deep cultural and personal history with this object to explore, through sound, the encoded symbolism held within this instrument. Each Borindo is given a voice of its own, created out of 200 microcontrollers (one per borindo), each one acting as a discrete oscillator tuned to the exact resonant frequency of its associated clay instrument. This resonance amplifies the otherwise almost imperceptible sine wave into a full voice and as a chorus the system explores scales and soundscapes, responding to the sound of their immediate environment as well as field recordings and sound captured from the land they originate from.

Walk Like a Bee is a collaboration with the Ban Nong Tao Pgak'yau (Karen) community, Siwakorn Odochao and new media artist Jennifer Katanyoutanant. The project was supported by a British Council Connecting Cultures award.

During the summer of 2021, we engaged the Ban Nong Tao community in an art workshop that asked youth to draw pictures of “ໂຄ່ນປາ”, the rotational farming origin story. Siwakorn Odochao designed and directed the format, which involved kids asking elders in their family to tell them the story. The kids then spent a week drawing it out and came together to share their imaginings with each other.

Using the drawings done by young people in this workshop we together developed an animation for “ໂຄ່ນປາ”, the origin story of rotational farming – a centuries old Pgak'yau practice of growing rice and forest. This animation was presented alongside a series of online talks at ARS Electronica Festival in Austria.

Iara is an online video work that looks to understand the life cycle and stories of the Macacarecuia tree (*Eschweilera tenuifolia*), a tree species of the igapó forests (seasonally-flooded forests on the margins of blackwater rivers flooded forests) and one of the oldest trees in the Amazon, approximately 1200 years old.

It was commissioned by LABVERDE as part of the Programa Pontes Oi Futuro, supported by the British Council Brazil.

This work remains online and was also presented at the Oasis Exhibition in Timisoara, Romania, alongside a video work from Aurora, in September 2021.

INVISIBLE FLOCK CO

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

IDEATION

During 2021/22 we continued **The Cost of Innovation + residencies** - Residencies are an important element to our studio practice and we supported 11 artists across the year. The Cost of Innovation is a 3 year project during which we offer opportunities to artists to join us in investigating models and tools for innovation in our sector.

OTHER

Blood Land Embrace is an animation we supported, commissioned by Journeys Festival. In October 2021 we facilitated an outdoor projection work in public squares in Manchester and Leicester.

A Portrait in Ten Parts is a collaboration with Umar Butt, commissioned by the ARC, Stockton. This audio installation was presented in Stockton across one month in August 2021.

Press was achieved across a number of online and printed national and international avenues including;

- <https://www.sebastianmay.com/11-questions-with/2021/05/27/invisible-flock>
- <https://pro.europeana.eu/post/seven-tips-for-digital-storytelling-with-cultural-heritage>
- <https://www.bbc.com/culture/article/20210609-the-sounds-that-make-us-calmer>
- <https://healthpolicy-watch.news/indigenous-people-trauma/>
- Bold Report, Pakistan on Microtonal - print item

As trustees responsible for Invisible Flock Co. we have taken into account the Charity Commission's public benefit guidance including the following;

- Making decisions to ensure our purpose provides public benefit
- Making decisions to manage risks of detriment or harm to our charity's beneficiaries or to the public in general that might result from carrying out the purpose
- Making decisions about who benefits in ways that are consistent with the purpose
- Making decisions to make sure any personal benefits are no more than incidental

Financial review

Arts Council England are Invisible Flock's principal funder and supported the organisation with the following grants in 2021/22:

£198,558 - National Portfolio Organisation (treated as unrestricted income)

£52,568 - Small Capital Grant (treated as restricted income)

The £1,100,000 Wellcome Trust Hub Award budget is split between grants and operations. With a £834,017 Grant paid to Invisible Flock in quarterly instalments covering salaries, collaborators fees, some materials, equipment and production costs. And £265,983 Operations budget staying with Wellcome Trust to facilitate the running of the Euston Hub.

The restricted grant income paid to Invisible Flock during 2021/22 totals £267,447.

Income generated for charitable activities in the year amounted to:

£2,066 - International Partnerships - The Finnish Institute London (restricted)

£3,773 - Talks and Workshops (unrestricted)

£36,830 - Fees and Commissions (unrestricted)

INVISIBLE FLOCK CO

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

It is the policy of the trustees to raise and maintain free reserves up to a level that equates to 6 months operational expenditure plus redundancy costs for staff. Due to the large scale nature of our work we also need to consider substantial debtors costs within this figure. This was reviewed and updated in light of additional risks associated with COVID-19 and economic recession.

The calculated ambition for organisational reserves is therefore £201,856.

Reserves as of 31st March 2022 are £314,265 consisting of £167,729 restricted and £146,536 unrestricted amounts.

Our current level of reserves provide us with resilience as an organisation to not have to overly rely on pursuing commissions or projects that do not fit with our organisational objectives. It gives us room to autonomously build our aims over the next two years with redefined priorities.

We note that this is a substantial increase and it may take a number of years to achieve this level of reserves. But it will be created by fees and commissions from touring or exhibition work in addition to Exhibition Tax Relief.

Structure, governance and management

The company is a Company Limited by Guarantee without share capital. The trustees therefore do not have any interest in the share capital of the company.

New trustees are advertised or applications invited, candidates are interviewed by the Creative Director and Executive Producer who recommend appointment to the board.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J Audibert

A R A Bertram

B Elliot

Dr C L Jewitt

E M Rutherford

C Schoeps

Dr Kinnari Bhatt

(Appointed 9 September 2022)

B Esapathi

(Appointed 7 June 2022)

Dr R Labianco

(Appointed 7 June 2022)

The Trustees' report was approved by the Board of Trustees.

E M Rutherford

Trustee

12 December 2022

INVISIBLE FLOCK CO

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INVISIBLE FLOCK CO

I report to the Trustees on my examination of the financial statements of Invisible Flock Co (the Charitable Company) for the year ended 31 March 2022.

Responsibilities and basis of report

As the Trustees of the Charitable Company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Charitable Company 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 Charitable Company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charitable Company's gross income exceeded £250,000 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 ICAEW, 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 that in any material respect:

- 1 accounting records were not kept in respect of the Charitable Company as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Frances Clapham FCA
CK Accounting Services

No 4 Castle Court 2
Castlegate Way
Dudley
West Midlands
DY1 4RH

Dated: 12 December 2022

INVISIBLE FLOCK CO

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	2	198,588	320,015	518,603	198,588	31,442	230,030
Charitable activities	3	40,603	2,066	42,669	60,289	2,255	62,544
Other income	4	11	-	11	-	-	-
Total income		239,202	322,081	561,283	258,877	33,697	292,574
<u>Expenditure on:</u>							
Raising funds	5	1,415	-	1,415	5,602	390	5,992
Charitable activities	6	213,725	222,835	436,560	258,750	29,359	288,109
Total expenditure		215,140	222,835	437,975	264,352	29,749	294,101
Net incoming/(outgoing) resources before transfers		24,062	99,246	123,308	(5,475)	3,948	(1,527)
Gross transfers between funds		5,756	(5,756)	-	(2,378)	2,378	-
Net income/(expenditure) for the year/ Net movement in funds		29,818	93,490	123,308	(7,853)	6,326	(1,527)
Fund balances at 1 April 2021		116,718	74,239	190,957	124,571	67,913	192,484
Fund balances at 31 March 2022		146,536	167,729	314,265	116,718	74,239	190,957

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 10 to 19 form part of these financial statements.

INVISIBLE FLOCK CO

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		116,472		82,145
Current assets					
Debtors	11	63,515		24,686	
Cash at bank and in hand		147,366		92,533	
		210,881		117,219	
Creditors: amounts falling due within one year	12	(13,088)		(8,407)	
Net current assets			197,793		108,812
Total assets less current liabilities			314,265		190,957
Income funds					
Restricted funds	14		167,729		74,239
<u>Unrestricted funds</u>					
Designated funds	15	39,486		39,486	
General unrestricted funds		107,050		77,232	
			146,536		116,718
			314,265		190,957

The notes on pages 10 to 19 form part of these financial statements.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 12 December 2022

E M Rutherford
Trustee

Company registration number 09243292

INVISIBLE FLOCK CO

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Invisible Flock Co is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 8a Longside, Jebb Lane, Haigh, Barnsley, S75 4BS.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charitable Company's Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 Charitable Company is a Public Benefit Entity as defined by FRS 102.

The Charitable Company has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charitable Company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charitable Company.

1.4 Income

Income is recognised when the Charitable Company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charitable Company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

INVISIBLE FLOCK CO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Charitable Company to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading. All expenditure is inclusive of irrecoverable VAT.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	15% reducing balance
Fixtures and fittings	15% reducing balance
Technical assets	15% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the Charitable Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The Charitable Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charitable Company's balance sheet when the Charitable Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

INVISIBLE FLOCK CO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charitable Company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charitable Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 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 Charitable Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Company 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.

INVISIBLE FLOCK CO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Grants	198,588	320,015	518,603	198,588	31,442	230,030

3 Charitable activities

	2022 £	2021 £
Fees and commissions	36,830	59,614
Services	3,773	582
Talks and workshops	2,066	2,348
	42,669	62,544
Analysis by fund		
Unrestricted funds	40,603	60,289
Restricted funds	2,066	2,255
	42,669	62,544

4 Other income

	Unrestricted funds	Total
	2022 £	2021 £
Bank interest received	11	-

INVISIBLE FLOCK CO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

5 Raising funds

	Unrestricted funds	Unrestricted funds	Restricted funds	Total
	2022 £	2021 £	2021 £	2021 £
<u>Fundraising and publicity</u>				
Marketing & PR	1,415	5,602	390	5,992
	<u>1,415</u>	<u>5,602</u>	<u>390</u>	<u>5,992</u>

6 Charitable activities

	2022 £	2021 £
Depreciation and impairment	1,014	-
Artists fees	6,476	10,173
Collaborating-artists fees	4,761	9,040
Project and workshop materials	5,955	16,199
Studio and storage	15,688	16,312
Travel and subsistence	7,224	577
General Manager	12,961	9,690
Interactions engineer	1,559	16,169
Installation and logistics	-	185
Refunds	17	(3,126)
Wellcome Hub	127,851	-
	<u>183,506</u>	<u>75,219</u>
Share of support costs (see note 7)	247,535	198,671
Share of governance costs (see note 7)	5,519	14,219
	<u>436,560</u>	<u>288,109</u>
Analysis by fund		
Unrestricted funds	213,725	258,750
Restricted funds	222,835	29,359
	<u>436,560</u>	<u>288,109</u>

INVISIBLE FLOCK CO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

7 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	191,703	-	191,703	156,311	-	156,311
Depreciation	20,554	-	20,554	17,657	-	17,657
Computer running costs	9,981	-	9,981	1,406	-	1,406
Insurance	6,490	-	6,490	6,408	-	6,408
Office expenses	3,594	-	3,594	1,360	-	1,360
Printing, postage and courier charges	-	-	-	2,388	-	2,388
Light and heat	1,612	-	1,612	4,565	-	4,565
Subscriptions	5,969	-	5,969	3,028	-	3,028
Repairs and maintenance	580	-	580	1,770	-	1,770
Developers fees	6,804	-	6,804	3,700	-	3,700
Bank charges	249	-	249	78	-	78
Audit fees	-	-	-	-	6,500	6,500
Legal and professional	-	5,519	5,519	-	7,719	7,719
	<u>247,536</u>	<u>5,519</u>	<u>253,055</u>	<u>198,671</u>	<u>14,219</u>	<u>212,890</u>
Analysed between						
Charitable activities	<u>247,535</u>	<u>5,519</u>	<u>253,054</u>	<u>198,671</u>	<u>14,219</u>	<u>212,890</u>

Governance costs includes payments to the independent examiners (2021: auditors) of £2,950 (2021: £6,500) for independent examination (2021: audit) fees.

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charitable Company during the year. Equally there were no Trustee expenses incurred in the year.

9 Employees

The average monthly number of employees during the year was:

2022 Number	2021 Number
5	4
<u>5</u>	<u>4</u>

INVISIBLE FLOCK CO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Employees (Continued)

Employment costs	2022 £	2021 £
Wages and salaries	167,964	138,073
Social security costs	18,245	14,172
Other pension costs	5,494	4,066
	<u>191,703</u>	<u>156,311</u>

Total key management personnel remuneration for the year was £140,214 (2021: £119,516).

There were no employees whose annual remuneration was more than £60,000.

10 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Technical assets £	Total £
Cost				
At 1 April 2021	21,526	10,668	89,626	121,820
Additions	-	7,326	47,556	54,882
	<u>21,526</u>	<u>17,994</u>	<u>137,182</u>	<u>176,702</u>
At 31 March 2022				
	<u>21,526</u>	<u>17,994</u>	<u>137,182</u>	<u>176,702</u>
Depreciation and impairment				
At 1 April 2021	8,307	5,050	26,318	39,675
Depreciation charged in the year	1,983	1,942	16,630	20,555
	<u>10,290</u>	<u>6,992</u>	<u>42,948</u>	<u>60,230</u>
At 31 March 2022				
	<u>10,290</u>	<u>6,992</u>	<u>42,948</u>	<u>60,230</u>
Carrying amount				
At 31 March 2022	11,236	11,002	94,234	116,472
	<u>11,236</u>	<u>11,002</u>	<u>94,234</u>	<u>116,472</u>
At 31 March 2021	13,219	5,618	63,308	82,145
	<u>13,219</u>	<u>5,618</u>	<u>63,308</u>	<u>82,145</u>

11 Debtors

Amounts falling due within one year:	2022 £	2021 £
Trade debtors	57,953	17,224
Other debtors	-	143
Prepayments and accrued income	5,562	7,319
	<u>63,515</u>	<u>24,686</u>

INVISIBLE FLOCK CO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	8,035	1,237
Other creditors	1,353	670
Accruals and deferred income	3,700	6,500
	13,088	8,407

13 Retirement benefit schemes

Defined contribution schemes

The Charitable Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charitable Company in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £5,494 (2021 - £4,066).

INVISIBLE FLOCK CO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020 £	Movement in funds			Balance at 1 April 2021 £	Movement in funds			Transfers £	Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
The Cost of Innovation	67,913	18,942	(18,164)	3,831	72,522	52,568	(24,151)	-	-	100,939
Earth Tones Finland	-	2,255	(6,294)	-	(4,039)	2,066	-	-	-	(1,973)
Wellcome Hub Award	-	-	(375)	375	-	267,447	(198,684)	-	-	68,763
Forest	-	4,000	(941)	-	3,059	-	-	(3,059)	-	-
Wellcome Seed Fund	-	3,000	(1,172)	(1,828)	-	-	-	-	-	-
Walk Like A Bee	-	5,500	(2,803)	-	2,697	-	-	(2,697)	-	-
	67,913	33,697	(29,749)	2,378	74,239	322,081	(222,835)	(5,756)	167,729	

Restricted Funds noted above relate to individual grants and agreements to deliver artistic projects with the exception of The Cost of Innovation which relates to a grant to purchase capital items. Transfers between funds in the prior year related to the allocation of overheads to individual projects or the top up of funds to projects where there are small project deficits. In the current year, two funds were identified as unrestricted and as such were transferred to the correct closing funds balance.

INVISIBLE FLOCK CO

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2020 £	Movement in funds Incoming resources £	Balance at 1 April 2021 £	Movement in funds Incoming resources £	Balance at 31 March 2022 £
Research and Development Fund	39,486	-	39,486	-	39,486
	39,486	-	39,486	-	39,486

The Research and Development Fund is a fund designated by the Trustees to support future innovation.

16 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	17,978	98,494	116,472	18,837	63,308	82,145
Current assets/(liabilities)	128,558	69,235	197,793	97,881	10,931	108,812
	146,536	167,729	314,265	116,718	74,239	190,957

17 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).