

Company number: 00444351

Charity number: 236848

# Institute of Contemporary Arts Limited

Report and financial statements

For the year ended 31 March 2021

Contents

For the year ended 31 March 2021

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## Reference and administrative information

### Institute of Contemporary Arts Limited

Company number	00444351
Country of incorporation	United Kingdom

Charity number	236848
Country of registration	England & Wales

Registered office and operational address	The Mall, London SW1Y 5AH
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Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Wolfgang Tillmans, Chair <sup>[1] [2] [3] [4] [5]</sup>  
Dilyara Allakhverdova, Co-Chair Development Committee <sup>[1] [3]</sup>  
Sepake Angiama (joined 1 February 2021)  
Charles Asprey, Chair Nominations & Ethics Committee (joined 11 June 2020)  
Sara Blonstein <sup>[3] [5]</sup>  
Vanessa Carlos <sup>[3] [5]</sup>  
Robert Devereux, Chair Strategic Communications Committee <sup>[2] [4] [5]</sup>  
Pesh Framjee, Chair Finance & Audit Committee (departed 27 May 2021) <sup>[2]</sup>  
Amanda Gray (joined 24 September 2020) <sup>[5]</sup>  
Nabihah Iqbal (joined 3 December 2020) <sup>[4]</sup>  
Prue O'Day, Chair Nominations & Ethics Committee (departed 10 December 2020) <sup>[3] [4]</sup>  
Jo Stella-Sawicka <sup>[3] [5]</sup>  
Maria Sukkar, Co-Chair Development Committee <sup>[3] [4]</sup>  
Steve Wills, Chair Finance & Audit Committee (joined 27 May 2021) <sup>[2]</sup>

<sup>[1]</sup> membership of the Building Committee during the year

<sup>[2]</sup> membership of the Finance & Audit Committee during the year

<sup>[3]</sup> membership of the Development Committee during the year

<sup>[4]</sup> membership of the Nominations & Ethics Committee during the year

<sup>[5]</sup> membership of the Strategic Communications Committee during the year

### Key management personnel

Stefan Kalmár, Executive Director  
Kerry Bishop, Managing Director  
Richard Birkett, Chief Curator (departed 31 October 2020)  
Lauren Richards, Director of Finance  
Tom Campbell, Director of Operations and Visitor Services

## **Institute of Contemporary Arts Limited**

### **Reference and administrative information**

**For the year ended 31 March 2021**

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Principal bankers	Barclays Bank PLC Corporate Banking 1 Churchill Place London E14 5HP
Solicitors Corporate and commercial law	Mishcon de Reya LLP Africa House 70 Kingsway London WC2B 6AH
Employment and charity law	Withers LLP 16 Old Bailey London EC4M 7EG
Auditor Chartered accountants and statutory auditor	Sayer Vincent LLP Invicta House 108–114 Golden Lane London EC1Y 0TL

# Trustees' annual report

The trustees present their report and the audited financial statements for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements; the memorandum and articles of association; the requirements of a directors' report as required under company law; and the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities, applicable to charities preparing their accounts in accordance with Financial Reporting Standard (FRS) 102.

## Objectives and activities

### Purposes and aims

'The objects for which the Company is established are to promote the education of the community by encouraging the understanding, appreciation and development of the arts generally and particularly of contemporary art as expressed in painting, etching, engraving, drawing, poetry, philosophy, literature, drama, music, opera, ballet, sculpture, architecture, designs, photography, films, radio and television of educational and cultural value.'

– *Memorandum of Association of Living Arts Limited, founded on 22 July 1947;  
the company officially changed its name to the Institute of Contemporary Arts  
Limited by a Special Resolution passed on 23 July 1968*

The Institute of Contemporary Arts (ICA) was founded in 1946 by a collective of artists, poets and their supporters, including Peter Gregory, ELT Mesens, Roland Penrose, Herbert Read and Peter Watson. In 1947, Herbert Read described the ICA as 'a workshop where work is joy, a source of vitality and daring'.

The ICA moved to its present location on the Mall in spring 1968. On its opening, then-Director Michael Kustow remarked:

'If the new ICA becomes merely another cultural amenity, in a city well stacked with galleries, theatres and concert halls, it will have failed. It must become an active presence, a focal point where a nucleus of artists from all the contemporary arts can communicate urgent and needed messages ... A free space, in which the deepest questions that concern us as individuals and society can be explored in continuity ... A sustained enquiry into the roots of our present possibilities and discontents.'

**Executive Director's statement**

The ICA was approaching the 75th anniversary of our founding when London, the UK and the world entered a crisis that has permanently ruptured how we see ourselves and the world in which we live.

The ICA was founded with the firm belief that culture must speak to the most pressing issues facing society today. In the 1950s, it critically reflected consumer culture and became the birthplace of pop art. In the 1960 and '70s, it was a platform for critical debates on feminism and gay rights. In the 1980s and '90s, it was the home for postcolonial debates.

Since 2016, when I was appointed as the ICA's Executive Director, I have been tasked by the Board with reconnecting the ICA to these unique founding principles – founding principles that have made the ICA an iconic institutional model around the world. Today, the ICA works once again at the intersection of different artforms: across artists' moving image, new modes of documentary filmmaking, art, theatre, performance, literature, architecture and design, talks, symposia and workshops. Each speaks in equal parts to some of the most pressing issues that society faces today, among them debates on racial justice, social justice, technology and democracy.

As a cultural institution, it is up to us to articulate a different culture, to unleash the imagination of how things could be. This situation demands a new critical artistic practice: not only to help us to see how our lives are structured, but to help us to imagine how else we could live our lives. Black Quantum Futurism, the Center for Creative Ecology, the Centre for Human Technology, Forensic Architecture, Chelsea Manning, Metahaven, Laura Poitras, Paul B Preciado, Cameron Rowland, Edward Snowden, Audrey Tang, Christopher Kulendran Thomas, Tottenham Rights and Anna Lowenhaupt Tsing are just some of the voices who speak to this new practice and the ICA has or will be platforming.

Building on the legacy of what our co-founder Herbert Read called 'a daring experiment', we believe that if we are to advance as a society, then 'daring experiments' are needed today more than ever. As we approach our 75th anniversary, we are continuing our work with exactly that urgency: not only working with world-class artists to commission new works that connect with the public locally, nationally and internationally, but also embedding those voices into a programme and an organisation that dares to question the status quo, providing a much-needed platform for critical voices to be heard and seen.

Of course, we must not just platform these imaginative experiments – we must also start applying them to our own work. Through our collaboration with The Monitoring Group, one of the UK's leading anti-racist advocacy organisations, we are invested in a cross-organisational effort to build a truly anti-racist arts organisation for generations to come.

The past 17 months have reminded us all just how deep-set racism and economical inequalities continue to structure our society, and cultural organisations are no exception. The ICA is committed to working with progressive individuals and organisations to overcome barriers that prevent people from participating across our entire organisation: its governance, its staff, its business model and its programmes. If we can't change ourselves, our own organisation and the principles by which we organise, how can we ever demand change from others, let alone from society at large?

*– Stefan Kalmár, July 2021*

**Strategic goals for 2019–2025**

To deliver its unique mission, the ICA works to five core goals:

- Conceiving, producing and delivering an acclaimed world-class programme that leads critical discourse locally, nationally and internationally.
- Leading the field as a civic arts organisation that addresses its social responsibilities and challenges the status quo by becoming an innovator in the governance and leadership of contemporary culture as well as propagating social justice.
- Reaching beyond definitions of a contemporary arts audience by understanding all visitors as active participants in our programmes and building a diverse, inspiring community around the ICA.
- Building a new, more sustainable business model that secures the long-term stability and growth of our organisation, enabling us to significantly increase our investment in the production of new works, supporting artistic experimentation and risk-taking.
- Achieving a fully accessible and radically innovative building that will inspire generations to come and will enable us to foster a critical dialogue between different disciplines and forms of knowledge.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period, with the trustees reporting on the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. This review also helps the trustees ensure that the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how the charity's planned activities will contribute to the aims and objectives that have been set.

### **Achievements and programme highlights**

The ICA is once again today considered a true innovator. We continue to evolve our programmatic direction, reconnecting the ICA to our unique founding principles while reinvigorating the role of our iconic organisation. We present critical ideas that stand to innovate – while also aiming to apply some of these ideas in a cross-organisational effort to further improve our own organisational structure and conduct.

Our multi-disciplinary programme is equally focused around four central categories:

- Exhibitions
- Films
- Live
- Talks & Learning

#### Exhibitions

Exhibitions at the ICA are part of an ongoing programme where strands of thinking both reflect back and are carried forward. These strands centre on the work of artists from different global contexts whose approaches to art production share principles of critical enquiry, often departing from conventional gallery presentations. The ICA is a site for the production of new works and new ideas – for supporting artists in commissioning, developing and producing exhibition-based projects over an extended period of time.

Although the ICA's building closed in March 2020 and didn't reopen during the financial year, we did reach our audiences between April 2020 and March 2021 through the ICA Daily emails, which were produced and sent during lockdown, and through our online programme on Cinema 3, the digital platform we developed and launched in November 2020.

In addition to these initiatives, we teamed up with Dr. Martens to launch a new commissioning programme for Image Behaviour 2021, with an Open Call that invited emerging artists to submit proposals for new work. Running from 17 February to 30 March 2021, the Open Call received 1,035 applications for the seven production grants, which were worth a total of £60,000 (six grants of £5,000, one of £30,000). During the Open Call window, an applications surgery on 17 March attracted 216 prospective applicants. Following the closing date, the applications were longlisted internally, and were then reviewed independently and in several meetings by the selection panel, with artists Beatrice Dillon, Naeem Mohaiemen and Languid Hands (Rabz Lansiqout and Imani Robinson) along with Amber Henry of Dr. Martens.



### Film

The ICA Cinema focuses on independent films, foregrounding new cinematic languages while innovating and confronting the aesthetic and political boundaries commonly accepted by mainstream narratives.

Despite the challenging circumstances that the entire international film industry has had to face, the ICA has continued to discover and champion emerging voices and new developments in film and artists' moving image. As well as our daily film programme, presented digitally via Cinema 3 and (in normal times) at the ICA on The Mall, the ICA Cinema also brings ground-breaking films from underrepresented and emerging filmmakers to UK and Irish audiences through our film distribution arm, supporting innovative and boundary-pushing work from international filmmakers.

Between April 2020 and March 2021, in the context of the closure of the ICA building, the ICA Cinema:

- Launched Cinema 3, the ICA's digital platform, hosting a programme of two films per week – initially accessible to general audiences and then only to Members. Cinema 3 has allowed us to reach audiences across the UK, and brought us to the understanding that the platform should serve the same purpose even after our building has reopened: providing exclusive access to films for ICA Members inside and outside London, thereby encouraging membership.
- Presented FRAMES of REPRESENTATION (FoR) 2020 online on Cinema 3. This fifth edition focused on the role of spectatorship with a collection of works that explored the spaces between knowledge and participation. The programme premiered 20 films from Africa, Asia, Europe and the Americas, as well as 18 discussions and Q&As recorded over Zoom; while the FoR booklet, which featured commissioned essays for each film, was published online to coincide with the event. FoR was once again a successful space for discussion and exchange with audiences.
- Presented, exclusively with the BFI and in partnership with Janus Films, a retrospective of the work of Hong Kongese filmmaker Wong Kar Wai in February, which included the premieres of seven new restorations of Wong's films and generated consistently positive press coverage. The physical edition of this retrospective was later scheduled to be part of the ICA's reopening programme in July 2021.
- Presented 57 works from independent, international and often emerging filmmakers, of more than 20 nationalities, on Cinema 3, between its launch in mid-December 2020 and 21 March 2021. Three conversations with filmmakers were also recorded and shared with our audiences on Cinema 3. The selection of 57 films was exclusively composed of films that did not get wide distribution in the UK.

Live

Live at the ICA encompasses approaches to performance that are in some instances grounded in specific disciplinary enquiries, and in others in traverse contemporary classifications. Musicians, performance artists, playwrights, poets and choreographers develop and present work that – ordinarily, in non-pandemic times – often takes over the entire ICA building, from the theatre to the galleries and the cinemas.

During 2020–21, we:

- Supported queer and trans artists with a digital version of the *Inferno Summit* in December 2020, with this third iteration exploring the effects of COVID-19 on those working in nightlife.
- Launched the first series of *This Isn't a Dream: Conversations with Writers*, curated by Isabel Waidner, in January 2021. The series supports experimental writing via the format of a literary chat show presented on the free IGTV platform, broadcast as Instagram Lives and archived for future viewing on ICA's IGTV.
- Collaborated on *for k-punk*, honouring Mark Fisher's memorial for 2021 in January. The event took place around the release of *Postcapitalist Desire: The Final Lectures of Mark Fisher* (Repeater), and invited five musicians to respond to themes and provocations prompted by Fisher's last lectures.
- Provided funding in February 2021 for two archive lectures from 2019 and 2020 to be captioned and presented on Cinema 3 – making them accessible for international audiences. The two lectures were 'Staying with the Violence' by Sophie Lewis, a lecture drawing on her theories of surrogacy, gestational justice and family abolition that was followed by a discussion with poet Anne Boyer; and 'Carceral Aesthetics', where artist and writer Sable Elyse Smith and author Nicole R Fleetwood discuss their research into the carceral, the personal and the political.
- Supported international artists through a five-day broadcast as part of MycoTV in March 2021, giving space for a collective to take over Cinema 3 and curate a selection of international artists. The broadcast featured commissions by Zoë Claire Miller, Philipp Timischl, Mona Varichon in collaboration with Jacob Eisenmann and Bruno Zhu. Themes included a survey of the life of three Polly Pocket dolls as an homage to reality TV; an exploration of the Cité internationale des arts in Paris; the daily dramas of a rich variety of animal protagonists; and a road trip through a pre-pandemic United States.

### Talks & Learning

The ICA continues to be a vital site for the development of critical and cultural theory, and for alternative means of producing and advancing diverse forms of knowledge. The ICA's Talks & Learning programme loosely sits within three areas: individual talks and large-scale symposia centred on particular intersections of critical thought and practice; long-term research, often conducted with partners such as higher education institutions; and platforms for knowledge and skill-sharing between young people and artists, activists and cultural leaders, forming a social creative network. Under its banner, the ICA organises a broad range of events, gathering people at the ICA and elsewhere with the ambition to stage and progress challenging ideas that span culture, politics, activism and social justice.

The ICA's closure and reduced organisational capacity resulted in fewer public programmes. However, the three areas of the programme were developed in significant ways. Between April 2020 and March 2021, Talks & Learning activities included:

- Developing relationships with current and future partners at higher education institutions, by:
  - Lecturing for courses on behalf of the ICA at universities throughout England.
  - Delivering a course on Speculative Studies for the Architecture Association.
  - Collaborating with Kingston University, one of the ICA's university partners, to programme public events, such as Barby Asante's contribution to the Stanley Picker Public Lectures (October–December 2020) and a pre-recorded event that centred on the book *Institution as Praxis: New Curatorial Directions for Collaborative Research*.
  - Developing a collaborative doctoral award with sound artist Hodan Omar Elmi (aka DJ Hodan Styrene), which was funded by Techne in March 2021 to run from October 2021 to September 2024.
  - Initiating talks with Dr Jacek Ludwig Scarso, co-director of the Centre for Creative Arts, Cultures & Engagement at London Metropolitan University, about developing a collaborative research project; and delivering a workshop on curating Black feminist performance for the MA in Public Art & Performance.
  - Working with Dr Akanksha Mehta and Dr Ethiraj Gabriel Dattatreyan (September 2020–present) and supporting their application to the Economic & Social Research Council (ESRC) to create a research centre for critical race studies at Goldsmiths, University of London. If the proposal is funded, we will work with Dr Mehta, Dr Dattatreyan, Barby Asante and other colleagues at Goldsmiths to develop a course on anti-racism, abolition, and the arts, starting in October 2022.
- Continuing to develop platforms of knowledge and ICA programmes by and for young people, including:
  - Supervising the former John Lyon's Charity-funded Community Arts Apprentice, monitoring their coursework for Southwark College and developing plans for the new apprentice.
  - Creating a curatorial residency for bare minimum, a six-person, multi-disciplinary art collective (January 2020–present) and working with them to develop *This World Makes Us Sick*, a series of talks, workshops, screenings, and performances about illness, work, care, love and doing nothing.
  - Continuing to work alongside production partners Chisenhale Gallery, Dazed Media, NTS, SPACE, the Visible Institute at Kingston School of Art, Workflow and other specialist organisations across London on New Creatives, a nationwide series of commissioning opportunities developed by BBC Arts and Arts Council England for emerging artists working with

audio, moving image or interactive media. In 2020, two New Creatives Open Calls resulted in more than 1,400 applications. Building on this project, we commissioned former Open Call-enlisted New Creatives Dita Hashi, Sarah Roselle Khan and Ruari Paterson-Achenbach to produce a new film, performance and audio-visual work that engages with the idea of queer and diasporic archives.

- Applying for funding from Westminster Council to develop a programme for young people aged 16+ who live in the borough.

## **ICA beneficiaries and impact**

Although the ICA's building remained closed throughout the financial year, the ICA continued to reach wide audiences across the UK and internationally through multiple platforms.

### **Our venue**

In FY 2019–20, the ICA attracted a total of 334,000 visitors. However, the COVID-19 pandemic meant we were unable to welcome visitors to the ICA throughout FY 2020–21, with the exception of a brief but successful reopening of the building for the BFI London Film Festival in October 2020 that attracted 770 visitors.

### **Our website**

The ICA website at [ica.art](http://ica.art) received 2.6 million page views during the financial year.

### **Our social media accounts**

Our social media followers rose 6.3% from FY 2019–20 to FY 2020–21, and we now reach an audience of 500k people on socials.

### **Our email lists**

Aided by our pioneering ICA Daily, launched during the first lockdown in March 2020, our email subscriber base also expanded in FY 2020–21, rising 6.9% to 74,314.

### **Digital developments**

During closure, we turned our efforts to creating agile digital initiatives to engage, retain and grow audiences: developing original content for our website, social media channels and a new digital app.

We increased our digital footprint and engagement through:

- **ICA Daily**

This daily email, featuring recommendations and links from the Executive Director, the Curatorial team and ICA artists, was published daily to 75,000 email users. The series had two runs (23 March – 22 June & 6 November – 18 December 2020), showed considerable traction in engagement and attracted widespread media coverage (*The Guardian*, *The i*, *e-flux*).

- **Cinema 3**

Developed in house and launched in November 2020, our new digital platform attracted 10,000 users during its pilot phase.

We have increased our emphasis on the creation of original content and experimental digital events, with our use of Instagram Live having a positive impact on the growth of our channel during closure (+7% since FY 2019–20).

We have also reached a younger audience through our work for New Creatives, the talent development programme co-funded by BBC Arts and Arts Council England aimed at artists aged 16–30. There were 2,422 applicants to our Open Calls – including 850 applicants for the last Open Call alone.

We secured a new partnership with Bloomberg Philanthropies to highlight our programme through the worldwide Bloomberg Connects app from summer 2021, allowing international audiences to experience our programme from wherever they are in the world.

We have also developed new innovations on our marketing and communication channels, holding frequent talks, live events and learning experiences across Cinema 3, Instagram Live (see above) and Zoom.

*‘This sounds amazing! Have you always done streams? I’m disabled and housebound so I really appreciate it – so much more accessible! Please please continue it post-pandemic!! The number of events I haven’t been able to get to/join because I’ve not had the energy to travel! So helpful it being recorded too so can watch when I’m up to it and even split into several parts (especially good for fatigue).’*

– ICA Member, Instagram comment re Cinema 3

## Membership

The ICA offers three levels of membership: Red, Green and a concessionary Blue membership.

The COVID-19 pandemic led to the closure of the ICA building and a related lack of opportunity for ICA Members to enjoy the benefits of their membership. We developed and launched the Cinema 3 digital platform in November 2020 as an alternative programming outlet for Members, who were given free and unlimited access. Even so, this financial year saw the number of paying Members fall by 52.06%.

As of 31 March 2021, the ICA had 2,696 paying members: 224 Red members, 451 Green members and 2,018 Blue members. (Blue membership is open to individuals under the age of 26, students, disabled people, Jobseekers' Allowance claimants and pensioners – all important focuses for the ICA Membership scheme.) The ICA also has 1,567 complimentary members – 149 Red, 1,370 Green and 48 Blue – which are part of wider partnership agreements designed to increase audience reach and venue access through benefits in kind.

To better account for the costs of delivery of the membership scheme, which now includes free access to Cinema 3, and to adjust against competitive membership benchmarking in the Green and Blue tiers, the prices of Green and Blue membership have been revised. The new price points have a monthly payment option to ensure affordability, and offer exceptional value.

## Digital profile and communications

The organisation's communications and marketing strategy continues to prioritise digital activities, in line with the profile of our audiences. Over the last year, with all ICA programmes shifting online, we have maximised our usage of digital channels with a particular focus on Instagram, with our followers up by 6.7% during FY 2020–21.

In March 2020, we launched the ICA Daily, a collected list of daily recommendations from the ICA's curatorial team and guest editors. We sent a total of 135 editions, exceeded our regular benchmarks for email open rates by 6% and saw our email subscriber list grow by 9%. The ICA Daily also performed well on social media, with the best-performing week seeing 27,004 average daily Instagram impressions (up 50% from the benchmark in FY 2019–20).

In November 2020, we launched Cinema 3, the ICA's new digital platform, to coincide with FRAMES of REPRESENTATION, the ICA's annual film festival. Between November 2020 and the start of April 2021, a total of 13,598 tickets were booked for 77 events, including films, talks and live events. The best-performing event to date has been *For k-punk 2021: postcapitalist desires*, with 2,227 tickets booked. Once our building reopens in July 2021, we will continue to integrate Cinema 3 into our programmes, using it to extend our reach beyond the four walls of the ICA with the hope of building a larger international following.

The ICA has continued its role as a hub for New Creatives, a talent development programme co-funded by BBC Arts and Arts Council England that gives UK artists aged 16–30 the chance to develop their technical and creative skills and have commissions broadcast on BBC platforms. Four Open Calls took place during the two years of the programme – and between the first and last Open Call, the number of applications increased by 77% (totalling 2,422). This year, we also created a new resource on digital distribution for artists taking part in the scheme, and ends the scheme as the largest and most successful UK hub for New Creatives applications.

Building on the success of New Creatives, the ICA launched an Open Call for Image Behaviour, the ICA's annual convening for experiments in artists' moving images, in partnership with Dr. Martens. The Open Call resulted in over 1,000 applications.

Digital statistics	2018–19	2019–20	2020–21
Average monthly website visits	749,525	996,079	84,740
Average time spent on website	2m 09s	2m 00s	1m 56s
Instagram followers	89,100	114,153	121,783
YouTube subscribers	10,529	11,700	13,200
Twitter followers	189,994	189,745	189,950
Facebook fans	99,383	100,427	100,348

### Press coverage

Over the last year, the ICA has received press coverage in national mainstream and specialist arts press across print and online media. For example:

- *The Observer*, May 2020 – review of the ICA Daily  
'An infinite variety of online offerings, from film and video to artists' interviews, recommended music, poetry and books'
- *The i*, May 2020 – review of the ICA Daily  
'Like the institution itself, it is a defiantly thought-provoking antidote to the mainstream'
- *The Art Newspaper*, December 2020 – news announcement of the ICA's reopening  
'ICA London to reopen early 2021 after closing for almost a year'
- *Dazed Digital*, January 2021 – preview of *for k-punk*  
'Celebrate Mark Fisher's radical work and life at this digital ICA event'
- *The Guardian*, January 2021 – preview of *The World of Wong Kar Wai* on Cinema 3  
'Cinema screenings at the ICA and BFI Southbank will follow whenever the pandemic permits – but for now, in the midst of a wintry lockdown, a Wong feast feels just right'
- *The Art Newspaper*, February 2021 – preview of *for k-punk*  
'In theory and practice, the ICA's project fittingly suggests that only in our capacity for collective action and empathy can we achieve what Fisher was so desperate for: to reclaim political agency and build towards a more joyful and equitable future'
- *i-D*, February 2021 – announcement of Image Behaviour Open Call  
'The ICA wants to give you money to make your short film'
- *GQ*, March 2021 – inclusion of Artists' Film Club: Garage in ten coolest things to do from home right now  
'You have until 17 March to become fully engrossed in all the possibilities of that room'

- *The Wire*, March 2021 – review of for k-punk  
‘Not a reassessment, exactly, but an assessment with renewed vigour’

### **Organisational updates and business improvements**

Despite the unprecedented impact of COVID-19 on our organisation, including the closure of our building for FY 2020–21, we are proud to have developed, delivered and progressed a number of core strategic projects:

#### Following the data

We have consistently made data-driven decisions throughout the pandemic, assessing everything from COVID-19 infection rates to potential risks to operations. This approach has enabled us to avoid making larger job cuts and potential insolvency while simultaneously allowing us to create new programmes such as the ICA Daily and Cinema 3.

#### Increasing financial resilience

We increased our financial resilience by strengthening our finance and management expertise within the senior management team (SMT) and the Finance & Audit Committee, further improving our financial reporting and controls throughout the pandemic and building our reserves.

#### Restructuring our team

We utilised the lockdown period effectively by reviewing, discussing, restructuring and innovating internal processes across the entire organisation, resulting in role restructures and the creation of new roles: the new Head of Editions & Merchandise role; the reshaped Curatorial team role of Chief Producer; and the appointment of the new roles of Head of Partnerships and Head of Communications & Marketing.

#### Building our Board and Committees

The ICA Board evolved under Wolfgang Tillmans' leadership during the pandemic, with clearer Committee structures, the appointment of four new Board members and three new Committee appointments.

#### Reestablishing our food and beverage

After the departure of previous our restaurant and bar partner, and despite the current adverse climate for the hospitality industry, we are now able to welcome highly regarded industry experts to the ICA, which will add significantly to the culinary culture.



Cementing financial support

We have succeeded in making a strong case for the ICA's key role during times of crisis by gaining new financial support from corporations (Dr. Martens), foundations (Bloomberg Philanthropies) and city councils (Westminster), helping us to bring in new audiences and work with emerging UK artists.

Moving our programme online

In November, we hosted FRAMES of REPRESENTATION, our annual film festival, online for the first time, presenting 20 films and 18 Q&As/discussions over 14 days – and gaining experience that will inform our online work and reach for a post-pandemic world. We went on to host a season dedicated to the work of Wong Kar Wai, co-presented with the BFI, along with programmes commissioned specially by the ICA Curatorial team for Cinema 3, including *For k-punk: postcapitalist desires*, *INFERNO Summit* and *This World Makes Us Sick*. The strength of our programme has led our Cinema 3 audience to grow to over 10,000 active users since its launch in November 2020. At the same time, our work as part of New Creatives has received over 88,000 views on BBC iPlayer.

Speaking to today's situation

We have continued to work on our exhibition programme, commissioning and rescheduling a programme up until October 2022. We are reopening in July with *War Inna Babylon: The Community's Struggle for Truths and Rights*, an exhibition focused on the advocacy work of Tottenham Rights that spans the past 50 years of community activism against racism and police violence.

Commissioning new work

We are working with V-A-C Foundation in Moscow on what is one of the largest commissions and productions we have initiated in recent years: a new work by British-Tamil artist Christopher Kulendran Thomas that will be presented this autumn as part of his first survey exhibition, addressing the interrelation between technology, identity, reality and its impact on democracy. Following this show, we will be working with SWARM (the Sex Worker Advocacy & Resistance Movement), a collective founded and led by sex workers who believe in self-determination, solidarity and co-operation, on an exhibition entitled *Decriminalised Futures*.

Evolving our organisation

For the past 11 months, we have been working with The Monitoring Group, one of the UK's leading equality and anti-racism advocacy groups. (Tottenham Rights is an affiliate of The Monitoring Group.) Our work will help us to evolve and further increase the equality of opportunity for everyone across the organisation and in everything we do.

### **Capital Renovation Project**

The ICA has occupied the historic 12 Carlton House Terrace building, in the heart of the British establishment on the Mall, since 1968. These premises have not been renovated in the 52 years that the ICA has been in residence, and the building is now in urgent need of renovation work in order to bring it up to the standards expected of a 21st-century arts organisation.

The building's current configuration presents a number of major practical challenges to public safety, to accessibility and to the ICA's specific operations as a contemporary arts organisation. The building does not meet basic accessibility requirements; there are a number of issues with the roofing and heating; the layout of the ground-floor spaces is unsuitable for the needs of our programme; some plant required updating, as did the technical equipment in the cinema and theatre; and the air conditioning in the cinema was not fit for purpose. All of these difficulties, and others, make it impossible for the organisation to offer visitors the experience we should be providing.

The ICA's Capital Renovation Project is a programme of essential renovation works across the building that updates the utopian promise on which the organisation was founded. The project is designed to bring an innovative, fluid and fully accessible design that will inspire artists and audiences alike, and will allow the ICA to continue to lead the conversations for the next 50 years. It will:

- improve the layout and useability of our building so that the ICA can deliver a world-class programme focused equally on our four key categories (see above);
- retain the key characteristics of Jane Drew's original 1968 design scheme, including the retention of original features, style and materiality wherever possible;
- make the building fully accessible, with step-free access for all visitors to every part of the site;
- repair and update all infrastructure (including the roof), facilities, technical equipment, lighting, and mechanical, engineering and plumbing (MEP) systems;
- improve the acoustic performance of each space, including reducing negative impacts from one to another;
- expand the total available space for programming by converting spaces currently used for private hires into public spaces; and
- introduce a new space dedicated to research, learning and talks.

The main project was largely paused throughout FY 2020–21, and the decision was made to write off a significant portion of expenditure (£129,948) relating to work that has already been completed but that is now considered incompatible with plans for the future of the project.

The closure of the building has allowed us to progress with an initial phase of improvements selected from the masterplan, using £720,708 in funding from trusts and foundations:

- Technology upgrades to de-risk and futureproof the cinemas
- Upgrading the cinema climate control
- Refurbishing visitor facilities
- Redesigning the foyer/circulation areas, with a new box office and ICA Bookstore layout
- New foyer seating and soft finishes

These improvements, completed in time for our reopening in July 2021, will have significant benefits for visitor experience.

**Fundraising**

The ICA's fundraised income across all sources totalled £3,154,182 (2020: £1,267,762), including funding from our National Portfolio Organisation (NPO) grant of £878,310 (2020: £862,441) and Cultural Recovery Fund grants of £999,468 (2020: £nil). Restricted income from strategic grants and partnerships with ACE, the BBC, the British Film Institute, CHASE (Consortium for the Humanities and the Arts South-East England), Europa Cinemas, the Fidelity UK Foundation, Film London and the Foyle Foundation totalled £504,104.

As a result of financial uncertainty arising from the COVID-19 pandemic and lockdown, including reduced income from individuals and postponed corporate partnerships, fundraising revenue across individual giving, corporates, trusts and foundations totalled £200,266 (2020: £ 424,818).

## Financial review

The COVID-19 pandemic meant that the ICA's building remained closed for the entire financial year, with the exception of a brief opening in October 2020 purely for the BFI London Film Festival. This closure has had a severe impact on almost all the organisation's income streams, from development and visitor income to commercial earnings.

We mitigated this negative impact by tightly controlling expenditure throughout the year, reducing overall spending by £2.3m (compared to the previous year) by:

- restructuring our staffing model;
- reducing staffing numbers;
- scaling back the programme considerably (digital content only);
- saving on overheads and the cost of goods ordinarily sold at the ICA; and
- making optimum use of government assistance, such as the furlough scheme and rates relief.

Much-needed financial support from ACE injected £1m back into the organisation: covering essential costs, helping us to build our reserves and ensuring that we could plan for the future. We also claimed £710k from HMRC's Coronavirus Job Retention Scheme to offset the cost of furloughed staff.

## Income

The ICA generated total income of £3,735,928 in FY 2020–21 (2020: £3,863,895), a decrease of 3% over the previous financial year.

Commercial trading income was severely impacted by the continued closure of the building, earning £359,641 in the year (2020: £1,361,042).

- **Bookstore** £4k income (2019–20: £214k), a fall of 98% caused by the closure of the building during the pandemic.
- **Editions** £104k income (2019–20: 138k), 25% lower than the previous financial year.
- **Cinema** £50k income (2019–20: £451k), a drop of 89% that can be attributed to the closure of the building.
- **Memberships** £84k income (2019–20: £175k), 52% lower due to Members not being able to access their benefits with the building being closed.
- **Exhibition tickets** £nil income (2019–20: £27k), also attributable to the closure of the building.
- **Food & beverage** £nil income (2019–20: £80k) from the restaurant and catering due to the building's closure.
- **Hires** £102k (2019–20: £389k), down 74% due to COVID-19.

Unrestricted income related to programme activities fell to £41,608 (2019–20: £677,537). Restricted income funding strategic programme activities was £172,189 (2019–20: £554,496), reduced due to COVID-related programme rescheduling on the ACE/BBC New Creatives project.

Income from grants and donations totalled £3,154,182 (2019–20: £1,267,762), including annual ACE NPO grant funding of £878,310 (2019–20: £862,441), Cultural Recovery Funding of £999,468 and COVID Job Retention Scheme funding of £781,636. Donations from individuals totalled £144,768 (2019–20: £355,321).

### **Expenditure**

Expenditure at £3,042,289 (2019–20: £5,164,635) was tightly controlled throughout the year to ensure an overall surplus to rebuild reserves. This represents a decrease of £2,122,346 from the previous year, with programme spend reduced by £1,292,124 to £1,765,467 to reflect the reduced activity during the year. Charitable activities accounted for 85.4% (2019–20: 81.2%) of total expenditure.

### **Overall result**

The overall financial result for the year ended 31 March 2021 shows an operational surplus of £693,639.

### Net movement in funds

The operational surplus on the general fund was £706,288, less fund transfers totalling £209,837 from the general fund into designated funds. This resulted in an overall net increase in the general fund during FY 2020–21 of £496,451.

### Funds

The ICA's total reserves increased by £693,639 during FY 2021–21 across the organisation's operational activities and capital project activities, from £1,117,442 to £1,811,081 (2019–20: reserves drawn down by £1,300,740).

### Fixed assets

The value of the ICA's tangible fixed assets decreased by £85,987 to £659,666, largely due to the decision to write down expenditure relating to the Capital Renovation Project.

### Cash and cash equivalents

The ICA's cash balances on 31 March 2020 totalled £1,276,644 (31 March 2019: £468,011), including operational cash of £252,675 (31 March 2019: £251,358).

### Outlook

As with many other cultural institutions, the ICA's largest risk is currently the continued global political and economic volatility caused by COVID-19, which has impacted most income streams. We have mitigated some risk to our income-earning activities by implementing a broad business model for our reopening, with diversified income streams, and have also introduced a digital programme. Our strong commercial and marketing plans, unique programme and press awareness will ensure that we are able to continue reaching our communities.

We are continually monitoring the COVID-19 situation, following all government guidelines and staying alert to the threat of new variants. We have established our outlook for FY 2021/22 based on our renewed focus on increasing our business resilience, stability and financial sustainability, while also working to rebuild our reserves and manage both risks and financial controls. Changes at both SMT and Board level during FY 2019–20 and FY 2020–21 have strengthened the organisation's leadership, placing an increased emphasis on developing and supporting key stakeholders – staff, artists, audiences, membership and donors. We remain committed to delivering

a challenging programme for diverse audiences, and are determined to take all necessary steps to ensure we can continue to do so for years to come.

## Principal risks and uncertainties

The Board maintains an ongoing risk assessment of the significant financial and non-financial risks to which the ICA is exposed. This risk assessment process identifies the strategies that are already in place to minimise risks, along with any further actions that may be required to mitigate them.

As part of its risk management strategy, the Board reviews the risks facing the organisation and the progress made in implementing systems to mitigate these risks, enhancing internal procedures as appropriate to minimise any potential impact on the ICA should any identified risks materialise. The ICA also maintains a risk register, which is reviewed regularly by the Finance & Audit Committee and annually by the full Board. The ICA's current principal risks are detailed below:

- **COVID-19 global pandemic**

COVID-19 has had an immediate and significant impact on the ICA's operations and finances. The building closed to the public on 16 March 2020 and aside from a 12-day period in October 2020, when the Cinema briefly reopened to present several BFI London Film Festival screenings, it has remained closed since. The principal current risks and concerns are sustained losses to development and earned income. The SMT took immediate action to revise budgets, control cash flow, utilise government assistance schemes and undertake a staffing restructure, and the ICA's planned programme timeline has also been adjusted for a proposed reopening in July 2021. Ahead of this proposed reopening, work on measures to comply with government health, safety and social-distancing guidelines has been completed, meaning that the organisation will be ready to safely reopen the building to both staff and visitors.

- **Income generation**

There is a risk that the ICA's targets for both earned and raised income are not met, partly due to events outside the ICA's control (such as COVID-19 or a potential future pandemic, Brexit or a recession), and/or that the organisation must rely on fewer income sources and thus suffers from a reduced diversification of risk. The SMT, with the Board acting as critical partners, plans to strengthen existing income streams and explore new opportunities in order to rebuild the ICA's reserves – helping to ensure its financial stability in times of crises such as these.

- **ICA venue**

There is a concern that the ICA's building could become unfit for the purposes of presenting our programme, failing to meet the needs and expectations of visitors, artists, partners, funders and other stakeholders. During 2020–21, we strategically invested in upgrading elements of our building and facilities in preparation for our wider Capital Renovation Project.

## Reserves policy and going concern

### Reserves policy

In summary, the ICA's funds can be broken down as follows:

		<u>2021</u>		<u>2020</u>
Total funds at 31 March	£	1,811,081	£	1,117,442
<i>Represented by:</i>				
Restricted funds	£	679,533	£	540,652
Designated funds				
Maintenance fund	£	150,000	£	150,000
Fixed assets and related funds	£	403,084	£	344,777
Unrestricted 'free' reserves	£	578,464	£	82,013

Total funds have increased in line with the financial result for the year. Further details on the movement of all the charity's funds are contained in note 21a to the financial statements.

Our reserves policy dictates that the unrestricted general funds (excluding designated funds) must provide adequate working capital to sustain our core programme and other activities, and to manage medium-term risk, for a period of approximately three months in the event of an unanticipated reduction in income, major unforeseen expenditure, or other business and cashflow difficulties. The unrestricted general fund, which can also be described as the ICA's 'free' reserves, is £578k at the end of the year (2020: £82k), which does not cover three months' future operating costs (calculated to be around £1m) but is a notable improvement of nearly £500k on the previous year.

The ICA maintains a number of designated funds that relate to its fixed assets. The balance on the designated fund reflecting the net book value of non-restricted fixed assets increased to £403,084 as at 31 March 2021 (2020: £344,777). The organisation also retains a designated maintenance fund of £150,000 (2019: £150,000) to support the regular and substantial maintenance work that is required to maintain 12 Carlton House Terrace, the ICA's central location and operating base: a Grade I listed building, which requires specific maintenance and capital works under the terms of our lease with The Crown Estate.

The restricted funds represent grants received from ACE for programme activity and funds received towards the forthcoming ICA Capital Renovation Project.

### Accumulated surplus

The ICA's accumulated surplus as at 31 March 2021 was £1,811,081 (2020: £1,117,442).

### Results of subsidiary companies

ICA Enterprises Limited made an operating profit for the financial year of £58,240 (2019–20: £299,066), with £58,240 being payable under Gift Aid to the ICA (2019–20: £299,066).

Friends of the Institute of Contemporary Arts London, Inc. (FoICAL) was set up as a subsidiary in the USA in November 2017 to support our charitable activities and programme. FoICAL is consolidated as a subsidiary undertaking of the ICA on the basis that its by-laws give the ICA power to appoint and remove members of the Board of FoICAL. In the year to 31 March 2021, FoICAL generated £10,509 of income (2019–20: £52,900) and a profit of £1,433 (2019–20: £2,013 loss). No grants were awarded in the year (2019–20: £38,821) to the ICA.

### **Going concern**

The SMT and the Board recognise the need to prioritise rebuilding the ICA's reserves and ensuring its financial stability beyond March 2022, and have set a budget that is expressly designed to do so. Work has already taken place to help mitigate the risks facing the organisation, particularly around income generation, and the SMT has utilised the various support mechanisms instigated and offered by the UK government. The Board and the SMT are both closely monitoring performance to ensure that the aims set out in the new budget are met and the organisation's reserves have been further strengthened by the end of the 2021–22 financial year.

In light of the above, the SMT and the Board believe it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

### **Fundraising**

Our Development team ensures we follow best practice for charitable fundraising, active participation in fundraising regulation and compliance with the most recent codes of conduct. We continue to regularly review our policies and processes to check they are periodically refreshed, in particular with reference to our ongoing major fundraising campaign for the ICA Capital Renovation Project. In particular, the ICA:

- ensures adherence to the Code of Fundraising Practice and pays the annual Fundraising Levy;
- employs due diligence to ensure that significant financial contributions from, and partnerships and agreements with, individuals and organisations comply with legal, ethical and best practice regulations and guidance;
- does not use professional fundraisers or commercial participators;
- ensures that the charity's fundraising practice complies with all data protection regulations and best practice guidance;
- ensures that the charity's fundraising practice protects vulnerable people; and
- ensures adherence to and regular review of the charity's Ethical Policy, which covers both fundraising and commercial activities.

We have received no complaints about our fundraising practices in the last financial year (2019–20: no complaints).



## Structure, governance and management

The ICA is a charitable company limited by guarantee, governed by the Memorandum and Articles of Association, with operational governance vested in the Board.

Board members are subject to re-election every three years, with a maximum term of nine years for a unique contribution. Prospective Board members are identified by existing Board members and through consultations with staff and outside parties. The Nominations & Ethics Committee makes recommendations to the full Board for consideration and approval. The skills, diversity, network and appropriate experience of Board are reviewed regularly by the Nominations & Ethics Committee to achieve the optimum balance of support of the Executive by the Board. A skills table is available to Board members and assists the Nominations & Ethics Committee in ensuring appropriate skills are sought for all new appointments.

Prior to their appointment, candidates meet with the Chair, Executive Director and if appropriate, executive staff and other Board members. Upon their appointment, new Board members receive comprehensive induction information and appropriate introductory meetings.

The full Board meets at least four times each year. At the end of each Board meeting, Board members are invited to comment on the content of the meeting in closed session with the Chair and raise suggestions for matters to be discussed at the next meeting. An internal Code of Governance gives clear guidance to Board members and is reviewed annually by the Board.

Board members meet with the Chair each year, individually and informally, for review and discussion of their role. The performance of the Chair is reviewed annually by the Board. The Chair meets regularly with the Executive Director with an agenda to ensure that the Board is apprised of relevant developments within the organisation between meetings.

Wolfgang Tillmans' vision is to ensure that artistic disciplines and the organisation's theoretical agenda – for example, film, art, literature, music, performance, philosophy and so on – have equal representation on the ICA Board. The composition of the Board is focused on a constellation of various mindsets – risk-takers, people who are more cautious, technical experts, cultural producers – to drive forward the ICA.

We are thrilled to have recently welcomed five new UK Board members:

- Sepake Angiama (joined 1 February 2021) is the Artistic Director of the Institute of International Visual Arts (Iniva), which is home to the Stuart Hall Library, a rich resource for a globalised discourse on the curatorial and artistic practice of artists and curators from Latin America, Africa, Asian, Caribbean and the Diaspora.
- Charles Asprey (joined 11 June 2020) has worked with artists as a curator, collector and publisher since the early 1990s. He recently commissioned and completed Cabinet Gallery, a RIBA Award-winning building in the Vauxhall Pleasure Gardens, and in late 2020 he co-produced the first monograph with artist Tenant of Culture.
- Amanda Gray (joined 24 September 2020) is a Partner in Mishcon Private, specialising in art law and working across a diverse range of legal problems faced by those operating within the art market and related

fields. She is the pro-bono General Counsel for Ditchling Museum of Art + Craft, Sussex, which houses the permanent collection of works by the Ditchling Guild.

- Nabihah Iqbal (joined 3 December 2020) is a musician, producer, DJ and broadcaster from London who has hosted a bi-weekly show on NTS Radio for over seven years, drawing on her studies in history and ethnomusicology to explore musical traditions and cultures without boundaries. She was a resident on BBC radio during 2018-20, presenting shows on BBC Radio 1, the BBC World Service and the BBC Asian Network.
- Steve Wills (joined 27 May 2021) is a former Partner of EY, the global accounting firm. A qualified accountant, he has a background specialising in a range of consulting services, risk management and audit, and is also a member of the Tate Members Advisory Council.

The ICA has introduced new committees to enhance its governance, and ensure closer working between the Board, the SMT and the rest of the organisation. The Finance & Audit Committee (F&A) continues to meet between one and two weeks before each Board meeting to review, in detail, the charity's financial affairs and risk register in order to make recommendations to the full Board. F&A is chaired by a Board member (currently, Steve Wills) with Executive and Board members forming the Committee. The Board presents its reports and financial statements each year in accordance with current accounting standards, the Companies Act 2006 and the Statement of Recommended Practice (SORP) – Accounting and Reporting by Charities, applicable to charities preparing their accounts in accordance with Financial Reporting Standard (FRS) 102.

Alongside the Finance & Audit Committee, the ICA has four other committees: the Building Committee, which leads on the logistics of our Capital Renovation Project; the Development Committee, which has strategic oversight of our fundraising; the Nominations & Ethics Committee, which has expanded to include ethics and recently undertook a review of the Board; and the Strategic Communications Committee, which is responsible for marketing and commercial activities. New committee members are being actively recruited as part of succession planning for new Board members in order to ensure longer-term stabilisation and resilience.

All trustees give their time voluntarily and receive no benefits from the charity.

The Board has delegated day-to-day executive management of the organisation to the Executive Director (Stefan Kalmár). The Executive Director is supported by the SMT in all aspects of organisational strategy and management, including programme and curatorial, operations, visitor services, commercial and finance.

The ICA is committed to a continuous programme of governance review and improvement. The Board has reviewed the Charity Governance Code and how it applies to the charity, and has agreed to follow the Code and each of its seven principles, which relate to: organisational purpose; leadership; integrity; decision-making, risk and control; board effectiveness; diversity; and openness and accountability.

#### **Remuneration policy for key management personnel and staff**

The remuneration procedure for the Directors is led by the Chair alongside the Board and F&A, taking into account performance and benchmarked against salaries paid in comparable organisations. The Directors are responsible for staff remuneration reviews, which occur annually or at transition points within the context of overall budgets approved by the Board. Remuneration for all posts is regularly benchmarked externally.

ICA Apprentices are paid equivalent to the London Living Wage (LLW). The ICA has been a London Living Wage employer since 1 May 2017, receiving formal accreditation as a Living Wage employer in February 2019 and adopting the latest LLW rate increase with effect from 1 April 2021.

**Policy for the employment of disabled persons**

The ICA is committed to promoting equal opportunities for all of its staff and job applicants, and to upholding the Equality Act 2010. We aim to create an environment that is free from discrimination or harassment, and we promote diversity and equality through our recruitment strategy. We encourage applications from all backgrounds, communities and industries, and we are committed to having a team that is made up of diverse skills, experiences and abilities. We are taking steps to resolve the barriers to access in some of our offices, and in the meantime are continuing to encourage interest from applicants who require reasonable adjustments within the workplace.

ICA policies and salaries are regularly benchmarked with our peers to achieve improvements and greater impacts, not least in line with ACE's Creative Case for Diversity. The ICA embraces statutory guidelines and regularly consults with Disability representatives to improve our offers and revise our policies.

**Equality, diversity and belonging**

The ICA seeks to promote an organisational environment that opposes discrimination at all levels, whether on grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation, backed up by clear and thorough policy and training.

We are committed to building an organisation that is a true representation of our city and our country today by supporting Black, Brown and Asian people, women, LGBTQI+ and people with (dis)abilities, as well as those from disenfranchised socio-economic backgrounds, disadvantaged and underrepresented communities, to participate and provide opportunities to be part of our work. We are currently looking inwards at the structures and dynamics within the ICA to make sure that our organisational culture aligns with our inclusive programme, and are reviewing all our policies and processes to respond to and lead on the critical issues of racial inequality and anti-Blackness in our society. We will continue to platform the work of artists of many ethnicities and from diverse backgrounds, and to foreground the critical discourse around social justice both in the UK and internationally.

### **Working with The Monitoring Group**

In July 2020, the Board appointed The Monitoring Group (TMG) to work with us. Led by Suresh Grover and Dorothea Jones, TMG is a leader in anti-racism and equality reviews, and has 40 years' experience as a leading anti-racist charity: promoting civil rights and fighting for justice. TMG was recommended to the ICA by our forthcoming exhibition collaborators Tottenham Rights – thus speaking to the ways in which our programmatic work is and must continue to have a positive impact on our own internal structures and conduct.

TMG is leading an independent, and objective process to develop recommendations, actions and bespoke training for the ICA's Board, SMT and wider team, which will be at the forefront of our priorities in FY 2021/22 and beyond. Over the past three years, the ICA has begun to establish a framework to discuss prison reform, racial justice, gender justice and systemic racism in our programmes, commissioning and presenting work by the likes of Homi K Bhabha, Black Quantum Futurism, Forensic Architecture, Cameron Rowland, Christopher Kulendran Thomas and Tottenham Rights. Our work with TMG will support us to put these words into an action plan, ensuring that our internal structures and processes match our progressive programme – and driven by the belief that if we expect society to change, we need to start by becoming living and working examples that change is possible.

### **Employee information**

The ICA employs full-time and part-time permanent staff, guaranteed-hours contracted and casual workers, freelancers and staff on fixed-term project-based contracts for a variety of roles. The organisation is organised and run within the following departments: Communications & Marketing, Curatorial, Development, the Directors' Office, Events, Finance, Operations, Sales & Visitor Services, and Technical.

To keep staff abreast of updates to the organisation and its programme, we have monthly staff meetings, weekly team meetings, fortnightly Managers' meetings, exhibition briefings as appropriate, and 360-degree project meetings and debriefs. The ICA has a recognition agreement in place with BECTU and holds regular meetings with staff representatives.

All staff have access to a Handbook that includes policies and information relating to, among others: staff benefits; health and safety; holidays; sickness and absence; IT; maternity, paternity and parental leave; harassment; grievances and disputes; and whistleblowing. Staff are also provided with staff cards that give them access to discounts and ICA benefits; and permanent staff have access to an online HR portal that allows them to update their personal details, access company policies and keep track of their attendance, annual leave and absences.

All staff also have access to a confidential employee assistance programme, provided by Health Assured, that provides free support on employment, financial and personal matters, including health and well-being.

## **Funds held as custodian trustee on behalf of others**

The ICA holds no custodian funds.

## **Statement of trustees' responsibilities**

The trustees (who are also directors of Institute of Contemporary Arts Limited for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 13 (2020: 13). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

## **Auditor**

Sayer Vincent LLP was reappointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

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The trustees' annual report has been approved by the trustees on 26 July 2021 and signed on their behalf by:

Wolfgang Tillmans  
Chair

# Independent auditor's report

## Opinion

We have audited the financial statements of the Institute of Contemporary Arts (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

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

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

## Independent auditor's report

To the members of

Institute of Contemporary Arts Limited

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### Other information

The other information comprises the information included in the trustees' annual report other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.



## **Responsibilities of the trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Auditor's responsibilities for the audit of the financial statements**

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

## Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance and audit committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent auditor's report**

**To the members of**

**Institute of Contemporary Arts Limited**

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### **Use of our report**

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Judith Miller (Senior statutory auditor)

26 July 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor  
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

# Institute of Contemporary Arts Limited

## Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted General £	Designated £	Restricted £	2021 Total £	2020 Total £
<b>Income from:</b>						
Grants, donations and legacies	3	2,804,182	—	350,000	3,154,182	1,267,762
Charitable activities						
Programme activities	4	41,608	—	172,189	213,797	1,232,033
Other trading activities	5	359,641	—	—	359,641	1,361,042
Investments		3,196	—	—	3,196	3,058
Other		5,112	—	—	5,112	—
<b>Total income</b>		<b>3,213,739</b>	<b>—</b>	<b>522,189</b>	<b>3,735,928</b>	<b>3,863,895</b>
<b>Expenditure on:</b>						
Raising funds	6	162,899	151,530	129,948	444,377	626,008
Charitable activities						
Programme activities	6	1,512,107	—	253,360	1,765,467	3,057,591
Associated activities	6	832,445	—	—	832,445	1,148,168
Exceptional item	26	—	—	—	—	332,868
<b>Total expenditure</b>		<b>2,507,451</b>	<b>151,530</b>	<b>383,308</b>	<b>3,042,289</b>	<b>5,164,635</b>
<b>Net income/ (expenditure) for the year</b>	7	<b>706,288</b>	<b>(151,530)</b>	<b>138,881</b>	<b>693,639</b>	<b>(1,300,740)</b>
Transfers between funds		(209,837)	209,837	—	—	—
<b>Net movement in funds</b>		<b>496,451</b>	<b>58,307</b>	<b>138,881</b>	<b>693,639</b>	<b>(1,300,740)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		82,013	494,777	540,652	1,117,442	2,418,182
<b>Total funds carried forward</b>		<b>578,464</b>	<b>553,084</b>	<b>679,533</b>	<b>1,811,081</b>	<b>1,117,442</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 21 to the financial statements.

## Balance sheet

As at 31 March 2021

		The group		The charity	
		2021	2020	2021	2020
	Note	£	£	£	£
<b>Fixed assets:</b>					
Tangible assets	12	659,666	745,653	659,666	745,653
Debenture loan to subsidiary company		—	—	25,000	25,000
Investments	13	—	—	2	2
		<u>659,666</u>	<u>745,653</u>	<u>684,668</u>	<u>770,655</u>
<b>Current assets:</b>					
Stock	16	179,551	123,114	179,551	123,114
Debtors	17	327,271	211,153	256,615	173,616
Current asset investments	13	1,023,969	216,653	1,023,969	216,653
Cash at bank and in hand		252,675	251,358	212,313	219,353
		<u>1,783,466</u>	<u>802,278</u>	<u>1,672,448</u>	<u>732,736</u>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	18	(632,051)	(430,489)	(578,759)	(417,240)
<b>Net current assets</b>		<u>1,151,415</u>	<u>371,789</u>	<u>1,093,689</u>	<u>315,496</u>
<b>Total assets less current liabilities</b>		<u>1,811,081</u>	<u>1,117,442</u>	<u>1,778,357</u>	<u>1,086,151</u>
<b>Total net assets</b>		<u><u>1,811,081</u></u>	<u><u>1,117,442</u></u>	<u><u>1,778,357</u></u>	<u><u>1,086,151</u></u>
<b>Funds:</b>	21				
Restricted income funds		<u>679,533</u>	<u>540,652</u>	<u>679,533</u>	<u>540,652</u>
Unrestricted income funds:					
Designated funds – other		553,084	494,777	553,084	494,777
General funds		578,464	82,013	545,740	50,722
Total unrestricted funds		<u>1,131,548</u>	<u>576,790</u>	<u>1,098,824</u>	<u>545,499</u>
<b>Total funds</b>		<u><u>1,811,081</u></u>	<u><u>1,117,442</u></u>	<u><u>1,778,357</u></u>	<u><u>1,086,151</u></u>

Approved by the Board on 26 July 2021 and signed on their behalf by:

Wolfgang Tillmans  
Chair

# Institute of Contemporary Arts Limited

## Consolidated statement of cash flows

For the year ended 31 March 2021

	Note	2021	2020
		£	£
Cash flows from operating activities	22		
Net cash provided by/(used in) operating activities		1,000,928	(681,832)
Cash flows from investing activities:			
Dividends, interest and rents from investments		3,196	3,058
Purchase of fixed assets		(195,491)	(36,926)
Net cash used in investing activities		(192,295)	(33,868)
Change in cash and cash equivalents in the year		808,633	(715,700)
Cash and cash equivalents at the beginning of the year		468,011	1,183,711
Cash and cash equivalents at the end of the year	23	1,276,644	468,011

**1 Accounting policies**

**a) Statutory information**

Institute of Contemporary Arts is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address (and principal place of business) is The Mall, London SW1Y 5AH.

**b) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The accounting policies are unchanged from the previous year, with the addition of a policy on how heritage assets are recognised (m).

Assets and liabilities are initially recognised at historical cost convention as modified by the revaluation of certain fixed assets or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company – Institute of Contemporary Arts Limited; its wholly-owned subsidiary registered in England and Wales – ICA Enterprises Limited; and its US subsidiary – Friends of the Institute of Contemporary Arts London, Inc. on a line-by-line basis.

Transactions and balances between the ICA and its subsidiaries have been eliminated from the consolidated financial statements. Balances with the subsidiaries are disclosed in the notes of the ICA's balance sheet. A separate statement of financial activities, or income and expenditure account, for the ICA itself is not presented because the ICA has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

**c) Public benefit entity**

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

**d) Going concern**

The Board consider that there are no material uncertainties about the ICA's ability to continue as a going concern.

**1 Accounting policies (continued)**

**e) Income**

Income is recognised when the ICA has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the ICA has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

The principal source of grant income is Arts Council England.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Other trading activities represents ICA Enterprises Limited’s income derived from sponsorships, the sale of films, the café bar and the private hire of the ICA’s spaces. Incoming resources are accounted for when ICA Enterprises Limited has entitlement to the funds, certainty of receipt and the amount is measurable. Where income is received in advance it is deferred until such a point as ICA Enterprises Limited is entitled to the income.

**f) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the ICA has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the ICA of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the Board’s annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the ICA which is the amount the ICA would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**g) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the ICA; this is normally upon notification of the interest paid or payable by the bank.



**1 Accounting policies (continued)**

**h) Fund accounting**

The ICA maintains the following funds:

**Restricted funds**

Restricted funds represent grants, donations and legacies received which the donor allocates for specific purposes.

**Endowment funds**

These represent donations received which are expendable endowment funds and may be applied for any purposes within the ICA's objects.

**General unrestricted funds**

These represent funds which are expendable to use to further any purposes of the ICA. Unrestricted funds are expendable at the discretion of the Board in the furtherance of the objectives of the ICA. Such funds may be held in order to finance both working capital and capital investment.

**Designated funds**

Designated funds are unrestricted funds of the ICA which have been set aside by the Board to fund particular future activities of the ICA.

**i) Expenditure**

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

Expenditure is classified under the following activity headings:

Costs of raising funds relate to the costs incurred by the ICA in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose, and costs of commercial trading activities.

Expenditure on charitable activities includes the costs of programme and associated activities undertaken to further the purposes of the ICA and their associated support costs.

**1 Accounting policies (continued)**

**j) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the ICA is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the ICA is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Raising funds	8%
Programme activities	32%
Associated activities	5%
Support costs	3%
Governance costs	42%

Support and governance costs are re-allocated to each of the activities on the following basis, which is an estimate, based on staff time, of the amount attributable to each activity.

Raising funds	15%
Programme activities	58%
Associated activities	27%

Governance costs are the costs associated with the governance arrangements of the ICA. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the ICA's activities.

**k) Operating leases**

Rental charges are charged to the statement of financial activities on a straight-line basis over the term of the lease.

**1 Accounting policies (continued)**

**l) Tangible and intangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The cost of long leasehold buildings is depreciated over the unexpired term of the lease. Improvements to leasehold premises and other assets are depreciated as set out below:

Long leasehold buildings	over the length of the lease
Leasehold improvement	5%
Website	20%
Fixtures and fittings including soft furnishings and other building innovation	20%
Furniture and equipment including computer hardware, technical equipment, office equipment and furniture	20%–33.33%

**m) Heritage assets**

The ICA maintains heritage assets including documents, press cuttings, and multimedia recordings. There is a lack of records kept on the original purchase costs; these assets also have no readily available market values. For these reasons, the heritage assets are not recognised in the balance sheet.

**n) Investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The ICA does not acquire put options, derivatives or other complex financial instruments.

**o) Investments in subsidiaries**

Investments in subsidiaries are at cost.

**1 Accounting policies (continued)**

**p) Stocks**

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow-moving and defective stocks. Donated items of stock, held for distribution or resale, are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

**q) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**r) Cash at bank and in hand**

Cash at bank and cash in hand comprises cash that is required for working capital requirements and excludes cash held for investment and other long-term purposes.

**s) Creditors and provisions**

Creditors and provisions are recognised where the ICA has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**t) Financial instruments**

The charity 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.

**u) Pensions**

The ICA makes payments to defined contribution pension schemes on behalf of employees. The assets of the schemes are held separately from those of the ICA in independently administered funds. The pension cost charge represents contributions payable to the funds during the year. The ICA has no liability under the schemes other than the payment of those contributions.

Notes to the financial statements

For the year ended 31 March 2021

2 Detailed comparative of prior year figures

	General £	Designated £	Restricted £	Total £
<b>Income from:</b>				
Grants, donations and legacies	1,202,588	—	65,174	1,267,762
Charitable activities				
Programme activities	677,537	—	554,496	1,232,033
Other trading activities	1,361,042	—	—	1,361,042
Investment	3,058	—	—	3,058
<b>Total income</b>	<b>3,244,225</b>	<b>—</b>	<b>619,670</b>	<b>3,863,895</b>
<b>Expenditure on:</b>				
Raising funds	484,090	141,918	—	626,008
Charitable activities				
Programme activities	2,613,214	—	444,377	3,057,591
Associated activities	1,148,168	—	—	1,148,168
Exceptional item	332,868	—	—	332,868
<b>Total expenditure</b>	<b>4,578,340</b>	<b>141,918</b>	<b>444,377</b>	<b>5,164,635</b>
<b>Net (expenditure)/ income for the year</b>	<b>(1,334,115)</b>	<b>(141,918)</b>	<b>175,293</b>	<b>(1,300,740)</b>
Transfers between funds	514,918	(514,918)	—	—
<b>Net movement in funds</b>	<b>(819,197)</b>	<b>(656,836)</b>	<b>175,293</b>	<b>(1,300,740)</b>
<b>Total funds brought forward</b>	<b>901,210</b>	<b>1,151,613</b>	<b>365,359</b>	<b>2,418,182</b>
<b>Total funds carried forward</b>	<b>82,013</b>	<b>494,777</b>	<b>540,652</b>	<b>1,117,442</b>

Notes to the financial statements

For the year ended 31 March 2021

**3a Income from grants, donations and legacies (current year)**

	Unrestricted £	Restricted £	2021 Total £
Arts Council England	1,877,778	—	1,877,778
Other grants	781,636	350,000	1,131,636
Donations	144,768	—	144,768
	<u>2,804,182</u>	<u>350,000</u>	<u>3,154,182</u>

**3b Income from grants, donations and legacies (prior year)**

	Unrestricted £	Restricted £	2020 Total £
Arts Council England	862,441	—	862,441
Other grants	—	50,000	50,000
Donations	340,147	15,174	355,321
	<u>1,202,588</u>	<u>65,174</u>	<u>1,267,762</u>

**4a Income from charitable activities (current year)**

	Unrestricted £	Restricted £	2021 Total £
Arts Council England	—	55,000	55,000
Exhibition and Theatre Tax Relief	—	—	—
Exhibition income	9,710	99,104	108,814
Box office	1,898	—	1,898
Sponsorship	—	—	—
Education and Learning	30,000	18,085	48,085
	<u>41,608</u>	<u>172,189</u>	<u>213,797</u>

Notes to the financial statements

For the year ended 31 March 2021

**4b Income from charitable activities (prior year)**

	Unrestricted £	Restricted £	2020 Total £
Arts Council England	–	350,000	350,000
Exhibition and Theatre Tax Relief	112,946	–	112,946
Exhibition income	57,861	204,496	262,357
Box office	452,789	–	452,789
Sponsorship	33,941	–	33,941
Education and Learning	20,000	–	20,000
Total income from charitable activities	677,537	554,496	1,232,033

**5a Income from other trading activities (current year)**

	Unrestricted £	Restricted £	2021 Total £
Sales of books, merchandise and Artists' Editions	107,407	–	107,407
Membership schemes	84,358	–	84,358
Bar/café income	1,595	–	1,595
Hire income	102,019	–	102,019
Other	64,262	–	64,262
	359,641	–	359,641

**5b Income from other trading activities (prior year)**

	Unrestricted £	Restricted £	2020 Total £
Sales of books, merchandise and Artists' Editions	586,269	–	586,269
Membership schemes	175,663	–	175,663
Bar/café income	110,167	–	110,167
Hire income	388,598	–	388,598
Other	100,345	–	100,345
	1,361,042	–	1,361,042

Notes to the financial statements

For the year ended 31 March 2021

6a Analysis of expenditure (current year)

		Charitable activities					
	Cost of raising funds	Programme activities	Associated activities	Governance costs	Support costs	2021 Total	2020 Total
	£	£	£	£	£	£	£
Staff costs (Note 8)	229,119	730,209	219,003	35,000	628,705	<b>1,842,036</b>	2,035,068
Cinema	-	34,292	-	-	-	<b>34,292</b>	239,464
Exhibitions	-	188,089	-	-	-	<b>188,089</b>	610,729
Education, talks and events	-	-	-	-	-	-	92,135
Other projects	-	-	-	-	-	-	-
Marketing and new media	4,340	2,745	165,946	-	-	<b>173,031</b>	188,052
Live and performances	-	-	-	-	-	-	109,423
Supporter development	5,005	-	-	-	-	<b>5,005</b>	60,421
Hire	3,747	-	-	-	-	<b>3,747</b>	66,578
Legal and professional fees	-	-	-	53,200	13,786	<b>66,986</b>	13,207
Audit fees	-	-	-	14,800	-	<b>14,800</b>	14,100
Premises	-	-	-	-	138,707	<b>138,707</b>	326,520
Overheads	-	6,946	-	-	348,340	<b>355,286</b>	631,117
Trading costs	-	-	68,782	-	-	<b>68,782</b>	303,036
Depreciation	-	-	-	-	151,528	<b>151,528</b>	141,917
	242,211	962,281	453,731	103,000	1,281,066	3,042,289	4,831,767
Support costs	187,121	743,414	350,531	-	(1,281,066)	-	-
Governance costs	15,045	59,772	28,183	(103,000)	-	-	-
<b>Total expenditure</b>	<b>444,377</b>	<b>1,765,467</b>	<b>832,445</b>	<b>-</b>	<b>-</b>	<b>3,042,289</b>	4,831,767



Notes to the financial statements

For the year ended 31 March 2021

6b Analysis of expenditure (prior year)

	Charitable activities			Governance costs	Support costs	2020 Total
	Cost of raising funds	Programme activities	Associated activities			
	£	£	£	£	£	£
Staff costs (Note 8)	266,655	892,507	266,600	35,000	574,306	2,035,068
Cinema	—	239,464	—	—	—	239,464
Exhibitions	—	610,729	—	—	—	610,729
Education, talks and events	—	92,135	—	—	—	92,135
Other projects	—	—	—	—	—	—
Marketing and new media	11,375	3,444	173,233	—	—	188,052
Live and performances	—	109,423	—	—	—	109,423
Supporter development	60,421	—	—	—	—	60,421
Hire	66,578	—	—	—	—	66,578
Legal and professional fees	—	—	—	10,707	2,500	13,207
Audit fees	—	—	—	14,100	—	14,100
Premises	—	—	—	—	326,520	326,520
Overheads	—	30,570	—	—	600,547	631,117
Trading costs	—	—	303,036	—	—	303,036
Depreciation	—	—	—	—	141,917	141,917
	405,029	1,978,272	742,869	59,807	1,645,790	4,831,767
Support costs	213,230	1,041,473	391,087	—	(1,645,790)	—
Governance costs	7,749	37,846	14,212	(59,807)	—	—
<b>Total expenditure 2020</b>	<b>626,008</b>	<b>3,057,591</b>	<b>1,148,168</b>	<b>—</b>	<b>—</b>	<b>4,831,767</b>

7 Net income/(expenditure) for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	151,528	141,917
Loss on disposals of tangible fixed assets	129,498	251,845
Operating lease rentals:		
Property	21,014	21,014
Auditors' remuneration (excluding VAT):		
Audit	14,800	14,100

Notes to the financial statements

For the year ended 31 March 2021

**8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	1,627,695	1,822,596
Redundancy and termination costs	22,072	–
Social security costs	150,052	169,840
Employer's contribution to defined contribution pension schemes	42,217	42,632
	<u>1,842,036</u>	<u>2,035,068</u>

The following number of employees received employee benefits (excluding employer national insurance and pension costs) during the year between:

	2021 No.	2020 No.
£60,000 – £69,999	2	4
£70,000 – £79,999	–	–
£80,000 – £89,999	–	–
£90,000 – £99,999	2	–
£100,000 – £109,999	–	1

The total employee benefits including employer national insurance contributions and pension contributions of the key management personnel were £382,665 (2020: £388,866).

The Members of the Board, the charity's trustees, were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No Members of the Board received payment for professional or other services supplied to the charity (2020: £nil).

Notes to the financial statements

For the year ended 31 March 2021

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	Full time		Part time	
	2021	2020	2021	2020
	No.	No.	No.	No.
Raising funds	6.00	6.00	–	–
Programme activities	12.00	14.00	26.00	24.00
Associated activities	3.00	3.00	15.00	16.00
Support	9.00	7.00	5.00	5.00
Governance	1.00	1.00	–	–
	<b>31.00</b>	<b>31.00</b>	<b>46.00</b>	<b>45.00</b>

10 Related party transactions

The following related party transactions occurred during the 2020–21 financial year:

- FoICAL made a grant of £nil or US\$nil to the ICA (2020: £38,821 or US\$46,216).
- A management charge of £22,000 (2020: £155,000) and a debenture loan interest of £1,250 (2020: £1,250) were charged by the ICA to the trading subsidiary, the ICA Enterprises Limited.
- ICA Enterprises Limited made a gift aided donation of £58,240 (2020: £299,066) to the ICA.
- The ICA received £24,858 of donations from members of the Board during the financial year (2020: £42,403) and £nil from members of the FoICAL Board (2020: £19,244).
- The ICA received donation pledges totalling £3,317,570 (before gift aid) in support of the ICA Capital Renovation Project from members of the Board and their associated charitable trusts and foundations during the financial year (2020: £3,180,070). These pledges will be recognised as income when a signed and witnessed deed of gift is entered into between the ICA and each donor.

There are no other donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary ICA Enterprises Limited gift aids available profits to the parent charity.

Notes to the financial statements

For the year ended 31 March 2021

12 Tangible fixed assets

**The charity and group**

	Fixed assets in the course of construction	Long leasehold buildings £	Improvements to leasehold buildings £	Website	Fixtures and fittings £	Furniture and equipment £	<b>Total £</b>
<b>Cost</b>							
At the start of the year	201,568	150,000	33,000	57,892	539,228	161,969	<b>1,143,657</b>
Additions in year	–	–	184,962	–	3,500	7,029	<b>195,491</b>
Disposals in year	(129,948)	–	–	–	(2,446)	(7,589)	<b>(139,983)</b>
At the end of the year	71,620	150,000	217,962	57,892	540,282	161,409	<b>1,199,165</b>
<b>Depreciation</b>							
At the start of the year	–	46,996	29,400	11,578	203,729	106,301	<b>398,004</b>
Charge for the year	–	2,235	2,100	11,579	112,642	22,974	<b>151,530</b>
Eliminated on disposal	–	–	–	–	(2,446)	(7,589)	<b>(10,035)</b>
At the end of the year	–	49,231	31,500	23,157	313,925	121,686	<b>539,499</b>
<b>Net book value At the end of the year</b>	71,620	100,769	186,462	34,735	226,357	39,723	<b>659,666</b>
At the start of the year	201,568	103,004	3,600	46,314	335,499	55,668	<b>745,653</b>

All of the above assets are used for charitable purposes.

A decision was made to write off a portion of the expenditure (£129,948) relating to work that has already been completed but that is now considered incompatible with plans for the future of the project.

**13 Investments**

	<b>The group</b>		<b>The charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed asset investments</b>				
Investment in subsidiary	—	—	2	2
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

In addition to the above, the ICA holds current asset investments of £1,023,969 (2020: £216,653). This is cash held separately, which is not being used as working capital.

Notes to the financial statements

For the year ended 31 March 2021

14 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of ICA Enterprises Limited, a company with registration number 01461527 in England. The subsidiary is used for non-primary purpose trading activities. Available profits are gift aided to the charitable company.

The charitable company has the power to appoint all members and directors of Friends of the Institute of Contemporary Arts London, Inc. (FoICAL) and the ability to benefit from FoICAL; as such FoICAL is treated as a subsidiary undertaking of the ICA.

All activities of ICA Enterprises Limited and FoICAL have been consolidated on a line by line basis in the statement of financial activities. A summary of the results of the subsidiaries is shown below.

	FoICAL		ICA Enterprises	
	2021	2020	2021	2020
	£	£	£	£
Turnover	10,509	52,900	103,614	533,269
Cost of sales	—	—	(3,747)	(66,578)
Gross profit	10,509	52,900	99,867	466,691
Administrative expenses	(9,076)	(16,092)	(18,377)	(11,375)
Grant awarded to the ICA	—	(38,821)	—	—
Management charge payable to parent undertaking	—	—	(22,000)	(155,000)
Operating profit	1,433	(2,013)	59,490	300,316
Interest payable	—	—	(1,250)	(1,250)
Profit on ordinary activities before tax	1,433	(2,013)	58,240	299,066
Gift Aid to parent undertaking	—	—	—	—
Corporation Tax	—	—	—	—
<b>Profit/(loss) for the financial year after tax</b>	<b>1,433</b>	<b>(2,013)</b>	<b>58,240</b>	<b>299,066</b>
<b>Retained earnings</b>				
Retained earnings brought forward	6,289	8,302	25,002	25,002
Profit/(loss) for the financial year	1,433	(2,013)	58,240	299,066
Profits distributed to parent under Gift Aid	—	—	(58,240)	(299,066)
<b>Retained earnings carried forward</b>	<b>7,722</b>	<b>6,289</b>	<b>25,002</b>	<b>25,002</b>
The aggregate of the assets, liabilities and funds was:				
Assets	15,358	7,003	284,674	105,367
Liabilities	(7,636)	(714)	(259,672)	(80,365)
<b>Funds</b>	<b>7,722</b>	<b>6,289</b>	<b>25,002</b>	<b>25,002</b>

Notes to the financial statements

For the year ended 31 March 2021

15 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021	2020
	£	£
Gross income	3,645,055	3,771,863
Result for the year	692,206	(1,298,726)

16 Stock

	The group and charity	
	2021	2020
	£	£
Bookshop, merchandise and editions	179,551	123,114

17 Debtors

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	84,547	65,475	17,731	41,778
Amounts owed from group undertakings	—	—	—	—
Other debtors	2,980	12,272	2,980	12,272
Prepayments and accrued income	239,744	133,406	235,904	119,566
	327,271	211,153	256,615	173,616

Notes to the financial statements

For the year ended 31 March 2021

18 Creditors

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	216,000	152,955	207,901	146,370
Amounts owed to group undertakings	—	—	189,016	13,227
Taxation and social security	12,921	69,849	12,921	99,452
Other creditors	13,650	13,349	13,650	13,349
Accruals	100,191	78,221	84,982	63,277
Deferred income	289,289	116,115	70,289	81,565
	<b>632,051</b>	<b>430,489</b>	<b>578,759</b>	<b>417,240</b>

19 Deferred income

The deferred income comprises the advance payments for grants and the hires of the ICA's venue that are to be delivered in the future.

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Balance at the beginning of the year	116,115	113,887	81,565	31,402
Amount released to income in the year	(116,115)	(113,887)	(81,565)	(31,402)
Amount deferred in the year	289,289	116,115	70,289	81,565
	<b>289,289</b>	<b>116,115</b>	<b>70,289</b>	<b>81,565</b>



20a Analysis of group net assets between funds (current year)

	General unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	–	403,084	256,582	659,666
Net current assets	578,464	150,000	422,951	1,151,415
<b>Net assets at the end of the year</b>	<b>578,464</b>	<b>553,084</b>	<b>679,533</b>	<b>1,811,081</b>

20b Analysis of group net assets between funds (prior year)

	General unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	–	344,777	400,876	745,653
Net current assets	82,013	150,000	139,776	371,789
<b>Net assets at the end of the year</b>	<b>82,013</b>	<b>494,777</b>	<b>540,652</b>	<b>1,117,442</b>

Notes to the financial statements

For the year ended 31 March 2021

21a Movements in funds (current year)

	At the start of the year	Income & gains	Expenditure & losses	Transfers	Exception- al item	At the end of the year
	£	£	£	£	£	£
<b>Restricted funds:</b>						
Cinema	–	38,749	(38,749)	–	–	–
Apprenticeships	–	18,085	(18,085)	–	–	–
BBC New Creatives	139,776	115,355	(196,526)	–	–	58,605
ICA Capital Renovation Project	400,876	350,000	(129,948)	–	–	620,928
<b>Total restricted funds</b>	<b>540,652</b>	<b>522,189</b>	<b>(383,308)</b>	<b>–</b>	<b>–</b>	<b>679,533</b>
<b>Unrestricted funds:</b>						
Designated funds:						
Maintenance fund	150,000	–	–	–	–	150,000
Fixed asset reserve	344,777	–	(151,530)	209,837	–	403,084
ICA Capital Renovation Project	–	–	–	–	–	–
Programme fund	–	–	–	–	–	–
<b>Total designated funds</b>	<b>494,777</b>	<b>–</b>	<b>(151,530)</b>	<b>209,837</b>	<b>–</b>	<b>553,084</b>
<b>General funds</b>	<b>82,013</b>	<b>3,213,739</b>	<b>(2,507,451)</b>	<b>(209,837)</b>	<b>–</b>	<b>578,464</b>
<b>Total unrestricted funds</b>	<b>576,790</b>	<b>3,213,739</b>	<b>(2,658,981)</b>	<b>–</b>	<b>–</b>	<b>1,131,548</b>
<b>Total funds</b>	<b>1,117,442</b>	<b>3,735,928</b>	<b>(3,042,289)</b>	<b>–</b>	<b>–</b>	<b>1,811,081</b>

Purposes of restricted funds

Cinema

This fund represents the money received from CHASE (Consortium for the Humanities and the Arts South-East England), the British Film Institute, Film London and Europa Cinemas to support the cost of Cinema at the ICA. This was fully spent in 2020–21.

Apprenticeships

This fund represents the money from the John Lyon's Charity to support the cost of apprenticeships at the ICA from 2019 to 2022.

BBC New Creatives

This fund represents money received from Arts Council England to enable the ICA to deliver the BBC New Creatives programme from 2019 to 2021.

**Notes to the financial statements**

**For the year ended 31 March 2021**

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ICA Capital Renovation Project

This fund represents the money received from Arts Council England grants, Heritage Lottery Fund grants and individual donations towards the ICA Capital Renovation Project. This is a transformational capital campaign that will refurbish the ICA venue and make the organisation more sustainable for the future. This project started in 2015 and is anticipated to complete in 2025. The balance of the fund at as 31 March 2021 was £620,928 (2020: £400,876).

**Purposes of designated funds**

Maintenance fund

The maintenance fund is used to earmark funds for the cost of the five-yearly redecoration and repairs to the exterior of 12 Carlton House Terrace, London SW1Y 5AH. These works are undertaken by Crown Estates, the freeholder of 12 Carlton House Terrace, and invoiced to the ICA under the terms of the lease of the building.

Fixed asset reserve

The fixed asset reserve has been designated by the Board to represent the unrestricted net book value of fixed as at 31 March 2021. This designation reflects the fact that these assets are in use by the charity and are not of the nature where they could be readily disposed of for a substantial consideration.

ICA Capital Renovation Project

Following the application of the Capital Renewal designated fund on strategic investment in improvements to the ICA building and visitor facilities in 2017–18, the Board reviewed the unrestricted funds and established a designated fund for the ICA Capital Renovation Project. This fund represents the Board's commitment to augment any restricted funds specifically received from donors, funders and supporters for the purposes of the ICA Capital Renovation Project, with funds from ICA's own accumulated surpluses. The balance of the fund as at 31 March 2020 was £nil (2020: nil).

Programme fund

The programme fund was established by the Board in 2011–12 to provide resources for the ICA's programmes. The fund was reviewed in 2018–19 and released to the general fund to reflect the availability of the supporting cash funds for general charitable purposes of the ICA.

**Transfers between funds**

Transfer between funds represent general unrestricted funds which have been designated for specific purposes by the Board. The total transfers from general unrestricted funds for the 2020–21 financial year was £154,509 (2020: £514,918 transfers to general unrestricted funds).

Notes to the financial statements

For the year ended 31 March 2021

21b Movements in funds (prior year)

	At the start of the year	Income & gains	Expenditure & losses	Transfers	Exception- nal item	At the end of the year
	£	£	£	£	£	£
<b>Restricted funds:</b>						
Cinema	–	69,356	(69,356)	–	–	–
Jonathan Ruffer	–	1,440	(1,440)	–	–	–
Cameron Rowland	–	20,000	(20,000)	–	–	–
Apprenticeships	–	24,500	(24,500)	–	–	–
Learning and Education	–	5,000	(5,000)	–	–	–
BBC New Creatives	14,483	434,200	(308,907)	–	–	139,776
Sake Bar	–	15,174	(15,174)	–	–	–
ICA Capital Renovation Project	350,876	50,000	–	–	–	400,876
<b>Total restricted funds</b>	365,359	619,670	(444,377)	–	–	540,652
<b>Unrestricted funds:</b>						
Designated funds:						
Maintenance fund	150,000	–	–	–	–	150,000
Fixed asset reserve	751,613	–	(141,918)	(264,918)	–	344,777
ICA Capital Renovation Project	250,000	–	–	(250,000)	–	–
Programme investment	–	–	–	–	–	–
<b>Total designated funds</b>	1,151,613	–	(141,918)	(514,918)	–	494,777
<b>General funds</b>	901,210	3,244,225	(4,245,472)	514,918	(332,868)	82,013
<b>Total unrestricted funds</b>	2,052,823	3,244,225	(4,387,390)	–	(332,868)	576,790
<b>Total funds</b>	2,418,182	3,863,895	(4,831,767)	–	(332,868)	1,117,442

Notes to the financial statements

For the year ended 31 March 2021

22 Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	693,639	(967,872)
Depreciation charges	151,530	141,917
Dividends and interest from investments	(3,196)	(3,058)
Loss on the disposal of fixed assets	129,948	251,845
(Increase)/decrease in stocks	(56,437)	(6,910)
(Increase)/decrease in debtors	(116,118)	190,357
Increase/(decrease) in creditors	201,562	44,757
	<u>1,000,928</u>	<u>(348,964)</u>

23 Analysis of cash and cash equivalents

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	251,358	1,317	252,675
Notice deposits (less than 3 months)	216,653	807,316	1,023,969
	<u>468,011</u>	<u>808,633</u>	<u>1,276,644</u>

24 Operating lease commitments

The group and charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2021 £	2020 £	2021 £	2020 £
Less than one year	18,402	18,402	2,612	2,612
One to five years	73,608	73,608	4,571	7,183
Over five years	902,766	921,168	—	—
	<u>994,776</u>	<u>1,013,178</u>	<u>7,183</u>	<u>9,795</u>

**25 Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

**26 Exceptional items**

Exceptional items are items that are significant by virtue of their size and nature. It is believed this exceptional item is relevant for a better understanding of the underlying business performance of the ICA and is therefore shown separately on the face of the statement of financial activities. This note provides detail of the exceptional items reported in both the current and prior year.

In early 2019, the ICA reached a settlement in relation to a legal claim against the organisation. The claim related to an isolated historical asbestos exposure that occurred over 40 years ago. The claim has been fully settled and all associated costs totalling £332,868 were paid and recognised in 2019–20. Due to the size and nature of this settlement, this expenditure was recognised as exceptional in the prior year.

There were no exceptional items in 2020–21.