

Company number: 00444351

Charity number: 236848

Institute of Contemporary Arts Limited

Report and financial statements

For the year ended 31 March 2020

Contents

For the year ended 31 March 2020

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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

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 (from September 2019) ^{[1] [2] [3] [4] [5]}
Hadeel Ibrahim, Chair (resigned September 2019) ^{[1] [2] [3] [4] [5]}
Chris Kirkland, Deputy Chair and Chair Building Committee (resigned October 2019) ^{[1] [2]}
Dilyara Allakhverdova, Co-Chair Development Committee ^{[1] [3]}
Charlotte Appleyard, Chair Development Committee (resigned October 2019) ^[3]
Sara Blonstein ^{[3] [5]}
Vanessa Carlos ^{[3] [5]}
Robert Devereux, Chair Strategic Communications Committee ^{[2] [4] [5]}
Pesh Framjee, Chair Finance & Audit Committee ^[2]
Prue O'Day, Chair Nominations & Ethics Committee ^{[3] [4]}
Jo Stella-Sawicka ^{[3] [5]}
Maria Sukkar, Co-Chair Development Committee ^{[3] [4]}
Francesca Thyssen-Bornemisza (resigned September 2019)

^[1] membership of the Building Committee during the year

^[2] membership of the Finance & Audit Committee during the year

^[3] membership of the Development Committee during the year

^[4] membership of the Nominations & Ethics Committee during the year

^[5] membership of the Strategic Communications Committee during the year

Key management personnel

Stefan Kalmár, Executive Director
Katharine Stout, Deputy Director (departed 12 May 2019)
Kerry Bishop, Managing Director (appointed 26 September 2019)
Richard Birkett, Chief Curator
Lisa Wong, Director of Finance (departed 3 July 2019)
Lauren Richards, Director of Finance (appointed 24 February 2020)
Tom Campbell, Director of Operations and Visitor Services

Institute of Contemporary Arts Limited

Reference and administrative information

For the year ended 31 March 2020

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 2020.

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.'

Vision

‘The ICA was founded in 1946, the aftermath of the Second World War, with the utopian vision that never again should there be war in Europe – and with the belief that if we are to advance as a society, we must outbalance the forces of rampant capitalism by building a strong public sector with organisations that think beyond quick returns. As such, the ICA’s role was and continues to be as a forum where cultural practices intersect with one other – and with different disciplines, different thought models, different ideas – in order to reimagine the underlying mechanisms that define our contemporary existence. Celebrating our 75th anniversary during a period that is seeing the biggest paradigm shift since the years of our founding means, for the ICA, understanding and discussing racial justice, social justice, the ecological crisis, the re-emergence of nationalism and the deep-rooted crisis of western democracies – not in isolation, but also in relation to each other and impact on the underlying conditions that produce them. A little like the pandemic itself: which is not just a collection of viruses, but it is a social relation among people, mediated by viruses.’

– *Stefan Kalmár, Executive Director*

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.

Strategic report

Stefan Kalmár, the ICA's Executive Director, is continuing to emphasise and revitalise the intellectual leadership of the ICA. The organisation has increased its research into and direct investment in the commissioning of exhibitions, live events, symposia, talks and film, and remains a strong advocate for both the representation of marginalised voices and the engagement of diverse communities.

Over the past year, the ICA has furthered deepened and expanded the range of opportunities it offers to artists, filmmakers and thinkers across age, gender, ethnic and socio-economic backgrounds, which in turn reflects the organisation's reciprocal sustained engagement with a wider range of audiences. The ICA is also prioritising perspectives from persons of colour across all aspects of its programme, while also continuing its investments in feminist, queer and radical content. In support of these ambitions and priorities, the Executive Director has introduced a more self-reflective and self-critical dialogue across the entire organisation in pursuit of the strategic goals set out above, which is facilitating more robust and productive internal evaluations of feedback received from all the organisation's stakeholders: visitors, staff, artists, the Board and peers.

Over the last year, the organisation has continued to improve its business model, building on the strengths of its core assets and activities, while enhancing and expanding fundraising and commercial activities with the aim of generating the resources necessary to underpin the ICA's mission, work and purpose. The global COVID-19 pandemic has meant that we have had to temporarily pause these improvements while we navigate through the closure of the venue and the financial risks it has brought to the organisation.

Achievements and programme highlights

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.

Between April 2019 and March 2020, the exhibitions programme:

- Reinforced our commitment to supporting young British artists by presenting *Moarg Keil* (30 January – 14 April 2019), the first major UK solo exhibition by acclaimed Scottish-born, London-based artist Morag Keil. The exhibition offered insightful and eloquent considerations of how a world increasingly mediated by technology and digital communication is having an impact on our day-to-day existence.
- Showed our continued engagement with the most powerful art and artists of the late 20th century by creating and presenting *I, I, I, I, I, I, I, Kathy Acker* (1 May – 4 August 2019), the first UK exhibition dedicated to the influential American writer. Collaboratively organised by our Chief Curator, Curator of Talks & Live, Curator of Artists' Film & Moving Image and Assistant Curator, this hugely ambitious exhibition and series of events illustrated Acker's work through major interdisciplinary programmes – including a performance in the ICA Theatre of Acker's never-before-staged play *Desire*, facilitated by Kate Valk and fellow members of New York's seminal Wooster Group along with London-based artists. The exhibition received wide acclaim, receiving highly positive reviews in *The Guardian* (★★★★★, 'A Babylonian beast of a show') and *The Evening Standard* (★★★★★, 'Brilliantly done').
- Illustrated our interest in bringing unfamiliar but important work to public attention by staging *Omnibus* (2 October 2019 – 12 January 2020), the first survey exhibition of the Berlin-based collective Honey-Suckle Company. Bringing together key moments from the group's 25-year history, the exhibition introduced Honey-Suckle Company to UK audiences, making powerful connections between the period in the 1990s when the group was formed and contemporary art today.
- Underlined our dedication to new work that engages with vital issues by presenting *3 & 4 Will. IV c. 73* (28 January – 13 December 2020), the first UK exhibition by American artist Cameron Rowland. This powerful show, which was interrupted by the closure of the ICA ahead of the COVID-19 lockdown, built on the artist's long-term inquiries into the material and genealogical remainders of the transatlantic slave trade and the interconnected reproduction of racial capitalism.
- Continued building and reinforcing strong relationships with international arts organisations by touring *I must create a Master Piece to pay the Rent*, our 2018 survey exhibition of the work of late American artist Julie Becker, to New York's MoMA PS1 (9 June – 2 September 2019).

Films

The ICA Cinema engages with films that push aesthetic boundaries and are socially and politically relevant, while also aiming to continuously discover and champion emerging voices and developments in film and artist moving image. The Cinema also brings ground-breaking films from underrepresented and emerging filmmakers to UK audiences through our distribution arm, supporting innovative and boundary-pushing work from international filmmakers.

Between April 2019 and March 2020, the ICA Cinema:

- Completed a full retrospective of the works of filmmaking duo Huillet-Straub, which began in 2018–19 and was staged in partnership with the Goethe-Institut and the British Film Institute (1 March – 5 May 2019). Featuring many rarely seen films, the retrospective opened at the ICA with the UK premiere of *From Today Until Tomorrow* (1996) and continued until 5 May, ending with an extended run for 2001 film *Workers, Peasants*.
- Celebrated the fourth edition of FRAMES of REPRESENTATION (FoR19; 12–20 April 2019) – the ICA's vital annual showcase for the cinema of the real, which again featured a broad and unclassifiable range of works blurring the boundaries between documentary and fiction. The programme explored the multifaceted concept of 'deframing' with the UK premieres of 18 films (12 features and 6 shorts) alongside one live cinema experiment, assorted discussion forums and a final symposium. We were delighted to welcome to the ICA the filmmakers of each featured film, creating a real sense of community and giving audiences the opportunity to engage closely with the voices behind these visually and politically unique works.
- Continued our ongoing collaboration with independent film production unit Terratrema, celebrating innovative film production in Portugal and across the globe, with the exclusive presentation of João Salaviza and Renée Nader Messor's mesmerising and Cannes Film Festival award-winning *The Dead and the Others* (June 2020).
- Presented seasons spotlighting the work of several major international directors, including: *Invisibles*, the first complete UK retrospective of late Mexican filmmaker Eugenio Polgovsky (25 August – 1 September 2019), complemented by two panel discussions; *In Focus* on Ukrainian director Sergei Loznitsa (10–16 September 2019), which included the UK premiere of *The Trial* followed by a Q&A with the director in a sold-out Cinema 1; *A Worm's Tail View Is Often the True One*, a nationwide season dedicated to radical Catalan filmmaker Pere Portabella (26 November 2019 – 15 February 2020); and *In Focus* on Japanese filmmaker Katsuya Tomita (6–15 December 2019), with the director in attendance for two discussions.
- Held a number of special screenings, including: the 50th-anniversary restoration premiere of Peter Whitehead's *The Fall*, which was shown for the first time on 7 November 1969 at the ICA (7 November 2019); and the UK premiere of Alison McAlpine's *Cielo*, followed by a Q&A with the director alongside Oscar-winning editor and sound composer Walter Murch (25 September 2019).

- Expanded our film distribution activity by showcasing and distributing 12 significant international films to more than 50 independent cinemas and arts centres, including: *Stones Have Laws*, which premiered at FoR19 and subsequently toured to 10 venues; Mariano Llinás' *La Flor*, with the director in attendance for a masterclass; Roberto Minervini's *What You Gonna Do When the World's on Fire?*, which was supported by a director's tour, received extensive press coverage and toured to 20 UK venues; Adele Tulli's *Normal*; Thomas Heise's *Heimat Is a Space in Time*; and Shengze Zhu's *Present.Perfect.*, which also premiered at FoR19 before receiving a wider release in January 2020.
- Continued a number of ongoing collaborations, including: our partnership with Terratreme (mentioned above), which yielded the presentations of *Djon África* (August 2019), *Campo* (October 2019) and *Alva* (December 2019); and partnerships with festivals such as the Open City Documentary Festival (September 2019), the BFI London Film Festival (October 2019), the London Korean Film Festival (November 2019), the London Palestine Film Festival (November 2019) and the London Short Film Festival (January 2020).
- Featured exclusive theatrical runs of many important films, which would otherwise have had only limited big-screen presentations in London and the UK, as part of our regular cinema programme, including: Mati Diop's *Atlantique*; Kantemir Balagov's *Beanpole*; the Safdie Brothers' *Uncut Gems*; and Olivier Meyrou's *Yves Saint-Laurent: The Last Collections*.

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 often takes over the entire ICA building, from the theatre to the galleries and the cinemas.

Between April 2019 and March 2020, our live activities included:

- *Temporal Deprogramming* (13–25 August 2019), an installation and accompanying live programme that was activated by US- and London-based collaborators of Black Quantum Futurism and included performances by experimental DJ Nkisi and musician-poet Moor Mother (Camae Ayewa, a founding member of Black Quantum Futurism).
- *Terra 79* (23 August 2019), a unique live experience of music, poetry and art in the ICA Theatre by progressive R&B musician Azekel, interdisciplinary poet Julianknxx and avant-garde musician Gaika that was presented alongside Gaika's installation *Ent Tropic* (23–24 August 2019).
- *Julianknxx and Friends Presents Caleb Femi and Shingai* (25 October 2019), talks and performances by Julianknxx, Noisettes frontwoman Shingai Shoniwa and former Young People's Laureate for London Caleb Femi that drew on Julianknxx's buzzing network of musicians, fashion designers and other creatives to place London-based African diaspora artists in conversation with each other – and centred the contributions of African immigrants to London life.

- *Inferno* (31 January 2020), a collaborative club night and queer techno rave by performance artist and DJ Lewis G Burton and DJ and producer Sebastian Bartz (Venice Calypso), giving a platform to emerging artists and DJs and showcasing new works by resident performance artists and special guests while advocating for queer, trans*, non-binary and female DJs and performers.
- *PDA X ICA* (28 February 2020), a late-night party celebrating the legacy of one of London's longest-running underground queer club nights with 'critically infused electronics, remixed R'n'B, unexpected a capellas and ambient breaks acting as anthems'.

Talks & Learning

The ICA has long been and 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 the banner of this programme, 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.

Between April 2019 and March 2020, Talks & Learning activities included:

- Cementing a deeper relationship with the Islington Centre for Refugees and Migrants. This relationship takes the form of monthly workshops in such areas as screen-printing, banner- and zine-making, oral history, music and playwrighting for students from the Islington Centre, followed by a communal vegan lunch prepared by intersectional vegan chef sisterwoman vegan (Safiya Robinson). We celebrated the students' progress over the course of a year with the ICA Studio exhibition *Freedom and Friendship* (15–29 August 2019), which explored voice, political expression and notions of home. Our relationship with the Islington Centre models a new way for arts institutions to work with refugees, asylum seekers and migrants by supporting such individuals to develop and present art that shares narratives which may be political or which may be entirely unconcerned with societal issues.
- Presented three major multidisciplinary programmes as part of *The Politics of Pleasure*, which centred Black gender non-conforming, non-binary, trans and femme audiences: *The Politics of Pleasure Family Reunion* (20 July 2019), with workshops by writer, artist and curator Ama Josephine Budge and dance innovator Kelechi 'Kelechneko' Okafor, and a reading group led by sisterwoman vegan; *Pleasure Genealogies* (7 September 2019), with installation artist Davinia-Ann Robinson, Booker Prize-winning author Bernardine Evaristo and DJ-scholar Lynnée Denise; and Weruzo Presents *Sisi* (9 November 2019), a live presentation and installation of the latest conceptual collection by emerging fashion brand Weruzo accompanied by two commissioned essays, all exploring the politics of women's pleasure and power through the lenses of transactional relationships, coming-of-age processes and women's empowerment in Nollywood films.

- Continued the Of Animacy Reading Group, a monthly gathering for thinking through feminist engagements with human and non-human agents in the material world led by curator Nella Aarne. In 2019, the reading group has been co-led by Jai McKenzie of the Perennial Institute and artist Sonia Levy.
- *Presented Feminism, Interrupted* (11 January, 15 February & 11 March 2020), a series of three study groups and a workshop investigating the themes of *Feminism, Interrupted: Disrupting Power* by black feminist activist and writer Lola Olufemi. Each study group focused on a particular chapter of the book.
- Presented *Five Volumes for Toni Morrison* (12–14 March 2020), a convening commemorating the life of the celebrated novelist, essayist, editor and professor. The programme included a keynote lecture by Farah Jasmine Griffin; a study group led by writer Lola Okolosie for young people on *The Bluest Eye*; a study group for adults led by Nina Reese; a commissioned 'visual remix' of archival ICA video *Guardian Conversations: Toni Morrison* (1986) by DJ Lynnée Denise; and a screening of the biographical documentary *The Pieces I Am* (2019).

University partnerships

Across 2019–20, the ICA collaborated with its university partners University of the Arts London, Kingston University, the University of Kent and Birkbeck, University of London on workshops and seminars with students, jointly curated public events and co-badged research. A major partnership with the Consortium for the Humanities and the Arts South-East England (CHASE) supported FoR19, and the ICA continued its MA course entitled The Contemporary in collaboration with the University of Kent.

ICA beneficiaries and impact

In 2019–20, the ICA attracted a total of 334,000 visitors. This figure was 6,000 fewer than in 2018–19, a small decline (1.8%) that can be entirely attributed to the closure of the building on 16 March 2020 in light of the COVID-19 pandemic. As of 29 February 2020, just before the pandemic escalated, visitor numbers were 3% higher than the same date in 2019, and the ICA was on track to exceed the previous year's visitor numbers before the pandemic led to the building's closure.

The ICA also sold more tickets in this financial year: a total of 84,486 tickets for film and live events, an increase of more than 6% on the ticket sales across the entire previous financial year despite the abovementioned closure of the building. Across all cinema screenings, we filled 32% of seats, an increase of 2% on 2018–19, with 27% of those seats being taken by ICA members (and, in turn, 17.5% of those seats taken by Red members).

The ICA has one of the youngest demographics of any major arts institution in Greater London. Data collected in 2019–20 showed that 43% of our audience is aged between 16 and 34 (+16% on survey data from other Greater London venues) and 19% identify as Black, Asian and minority ethnic (BAME; +3% on survey data from other Greater London venues).

Membership

The ICA runs a membership scheme divided into three tiers: Red, Green and Blue. This financial year saw membership income increase by 32%, with a total of 4,816 members, comprising 613 Red members, 820 Green members and 3,383 Blue members. The ICA also has 1,152 complimentary members – 20 Red, 270 Green and 862 Blue – which are part of wider partnership agreements designed to increase audience reach and venue access through benefits in kind.

Students, disabled people, unemployed people, and individuals under the age of 26 or over the age of 65 are important focuses for the ICA Membership scheme, with Blue (concessionary) membership offering low-cost access to the ICA programme. To better balance the costs of delivery and the price of the product, we increased the cost of a Blue membership from £15 to £20 on 1 February 2020, which still offers exceptional value to all those who qualify for the tier.

Digital profile and communications

The organisation's communications and marketing strategy prioritises digital activities in line with the profile of the ICA's audiences. Over the last year, we have seen growth across all social media platforms – with a particular focus on Instagram, on which we have increased our followers by 28.7% on 2018–19 through an increased emphasis on the creation of original content and the coverage of live performances at the ICA.

The ICA is a hub for New Creatives, a new talent development programme co-funded by BBC Arts and ACE that will give 500 UK-wide artists aged 16–30 the chance to develop their technical and creative skills and have commissions broadcast on BBC platforms. The first year of the programme saw the ICA enter into successful production and cross-promotional partnerships with Chisenhale Gallery, Dazed Media, NTS, SPACE, the Visible Institute at Kingston School of Art and Werkflow, with 1,583 applications across three open calls (with a fourth and final open call due to take place between August and October 2020). The ICA is the largest and most successful UK hub for New Creatives applications.

The ICA's website is the organisation's primary public channel. The site saw an increase of 32% in visitor traffic during 2019–20, a substantial rise that can be attributed to increased and improved marketing and press activity. The organisation launched its current website in spring 2018, and continues to refine and update the site in response to user feedback and data-driven insights and results (analytics). During the last 12 months, such updates and refinements included the successful implementation of a new box office system and customer relationship management (CRM) platform, integrated with Spektrix, in April 2019.

Digital statistics	2018–19	2019–20
Average monthly website visits	749,525	996,079
Average time spent on website	2m 09s	2m 00s
Instagram followers	89,100	114,153
YouTube subscribers	10,529	11,700
Twitter followers	189,994	189,745
Facebook fans	99,383	100,427

The ICA's dedicated online learning forum, the Social Creative Network (SCN), was due to be relaunched in April 2020, but this relaunch was postponed due to the COVID-19 pandemic.

Press coverage

Over the last year, the ICA has received extensive press coverage in national mainstream and specialist arts press across broadcast, print and online media. Here are just a few examples, drawn from across the year:

- *Sight & Sound*, May 2019 – preview of FRAMES of REPRESENTATION 2019
'One of the UK's most exciting documentary festivals'
- *The Guardian* (G2), 29 July 2019 – feature on *Desire*, part of *I, I, I, I, I, I, I, Kathy Acker*
'An unseen play by Kathy Acker is revealed ... part of an edgy multimedia tribute to Kathy Acker that sprawls across the ICA's lower floors'
- *Evening Standard* (ES magazine), 1 August 2019 – preview of *I, I, I, I, I, I, I, Kathy Acker*
'LAST CHANCE: the first exhibition dedicated to US writer Kathy Acker at the ICA ends this Sunday. Did we mention it's brilliant? Miss it and you'll kick yourself'
- *New Statesman*, 3 October 2019 – feature on Honey-Suckle Company: *Omnibus*
'"Time does not exist": 25 years of Honey-Suckle Company's strange, genre-bending art [in] *Omnibus*, a new exhibition at the ICA'
- *Prospect*, 5 November 2019 – interview with Homi K Bhabha
'[Homi K Bhabha's] talk at the ICA is something of a homecoming. Bhabha was on the board from 1993 and 1996 and is happy to reminisce about watching films with Stuart Hall and meeting Jacques Derrida. "I owe a huge debt to the ICA," he says'
- *ArtReview*'s Power 100, 13 November 2019 – feature on Stefan Kalmár
'[Stefan] Kalmár's Institute of Contemporary Arts continues to set the conversation in London. The recent Kathy Acker exhibition, in which the writer and feminist icon's own work was put into dialogue with contemporary artists, is a case in point. It might have split the critics – *ArtReview*'s writer challenged its "hagiography", *The Guardian* thought it "wild and wonderful" – but it certainly got people talking. Kalmár has also pursued the ICA's historic focus on integrating art and life by taking the post-show wind-down to another level: in March Rirkrit Tiravanija installed a permanent sake bar. But it's not all about kicking back. "We are in a time of crisis," Kalmár explained in reference to Brexit and the rise of populism. When, in September, Wolfgang Tillmans was announced as chair of the board, Kalmár stated that "these are times for artists to lead"'
- *Dazed Digital*, 19 February 2020 – preview of *Current Transmissions*
'The emerging artists capturing what diverse young life is like today ... Realised as part of New Creatives, the ICA's exhibition *Current Transmissions* promotes artists from backgrounds underrepresented in the arts'

- *ArtReview*, March 2020 – review of Cameron Rowland: *3 & 4 Will. IV c. 73*
‘There are ghosts haunting the ICA, crowded into the mostly empty rooms of Cameron Rowland’s first solo exhibition in the UK’
- The Wire, April 2020 – review of Helm + Graham Lambkin + Cucina Povera, part of *The Tender Interval*
‘Cucina Povera’s bare a cappella voice floats in celestial loops as the audience sit on the floor of the ICA’s main theatre to listen ... Hesitating questions of language and meaning come through ... Helm builds his cyclical rhythms once again, until a haunting foghorn eclipses an emergent melody, lingers awhile and abruptly ends’

Organisational updates and business improvements

Over the past year, we have continued to refine the strategic improvements made to the organisation, our venue and our business model by:

- Appointing Wolfgang Tillmans as Chair, marking the ICA’s return to an artist-led Board for the first time in more than three decades.
- Appointing Kerry Bishop, who brings with her a wealth of cross-sector strategic and commercial experience, and Lauren Richards, who brings wide-ranging third-sector experience gained at cultural organisations, as Managing Director and Finance Director respectively.
- Appointing a new Head of Partnerships to develop strategic partnerships, nationally and internationally, and continuing to expand our development team in order to better serve our donors by also appointing a Coordinator for our Friends programme.
- Appointing a new Head of Marketing, Comms & PR to lead on multi-channel campaigns to promote our programme more broadly.
- Appointing a strategic analyst to undertake a data-driven review and revision of our membership and admissions model.
- Opening *untitled 2019 (the form of the flower is unknown to the seed)*, a new permanent installation by artist Rirkrit Tiravanija comprising a sake bar with communal seating that has the secondary benefit of increasing potential revenue from private hires.
- Launching a new revenue stream in the form of a collaboration with Artek to produce artist-designed versions of Alvar Aalto’s design classic Stool 60; the first edition, a collaboration with artist Barbara Kruger, sold out of its run of 600 units.
- Continuing to make improvements to our website, including the addition of calendar functionality, a new highlights section and improvements to users’ purchasing pathway.
- Diversifying private hires income by cultivating relationships in the fashion, photography and media industries.
- Renegotiating our premises licence with Westminster Council in order to expand our flexibility for licensed activities, including the ability to open later every night (until 2am) and increasing the capacity in the ICA Theatre by 55 to 405.

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; the roof regularly leaks; there is no heating across the whole of the ground floor; the layout of the ground-floor spaces is unsuitable for the needs of our programme; the plant requires a update, as does the technical equipment in the cinema and theatre; and the air conditioning in the cinema is 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 to the building 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 project was largely paused throughout 2019–20. Notwithstanding the potential impact of the COVID-19 pandemic, the organisation is already planning to make progress on design development throughout 2020–21.

A decision was made to write off a significant portion of the expenditure (£251,845) relating to work that has already been completed but that is now considered incompatible with plans for the future of the project.

Fundraising

The ICA's fundraised income across all sources totalled £1,267,762 (2019: £1,281,701), including funding from our National Portfolio Organisation (NPO) grant from Arts Council England (ACE) of £862,441 (2019: £862,441). Restricted income from strategic grants and partnerships with ACE, the BBC and John Lyon's Charity totalled £475,200.

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 £424,818.

Financial review

The year 2019–20 was financially difficult for the ICA, as it was for so many arts organisations and charities around the UK, despite an increase in total income of 5%. The organisation was forced to weather two separate adverse situations that each had a major impact on the organisation's finances: the settlement of a legal claim that originated in the 1980s and predates the arrival of the organisation's current management team; and the COVID-19 pandemic, which resulted in substantial reductions in visitor income, individual giving and corporate donations (details below).

Income

The ICA generated total income of £3,863,895 (2018–19: £3,680,795) in 2019–20, an increase of 5% over the previous financial year.

Commercial trading income levels grew by 10% to £1,361,042 (2019: £1,229,208). This improvement can be attributed to strategic decisions and changes made in the previous year, which included the appointment of a new caterer and investments in improvements to our kitchen, restaurant/bar facilities, bookshop and other visitor-facing parts of the building.

- **Average spend per visitor** £5.54, 8% higher than 2018–19
- **Bookstore** £701 average daily sales, representing 4% annual income growth
- **Editions** £138k income, 23% lower than the previous financial year (2018–19: 179k)
- **Cinema** £451k income (2018–19: £479k); this fall of 6% compared to 2018–19 can be attributed to lost ticket sales and the closure of the building before the end of the financial year due to COVID-19
- **Memberships** £175k income, 31% higher than the previous financial year (2018–19: £134k)
- **Exhibition tickets** £27k income, 13% higher than the previous financial year (2018–19: £24k)
- **Food & beverage** Our catering partners, Arnold & Henderson, increased turnover by 14% over 2018–19, and the ICA received a direct share of £80k
- **Hires** £389k net income was 24% lower than the previous year (2018–19: £513k), which was largely due to cancellations brought about by COVID-19

Income from grants and donations totalled £1,267,762 (2018–19: £1,281,701), including annual ACE NPO grant funding of £862,441 (2018–19: £873,611). Donations from individuals totalled £355,321 (2018–19: £389,210).

Unrestricted income related to programme activities fell to £677,537 (2018–19: £932,359). Restricted income funding strategic programme activities fell to £554,496 (2018–19: £803,784) following the conclusion of our three-year Playback Touring and Festival project, funded by ACE, on 31 March 2019.

Expenditure

Expenditure was controlled throughout 2019–20 to 1% over budget, totalling £5,164,635 (2018–19: £4,048,654) for the financial year. This represents an increase of £1,115,981 from the previous year, which includes £332,868 allocated to the settlement of the legal claim and £251,845 of capital programme costs written off. Much of the remaining increase in expenditure can be attributed to a higher spend of £3,057,591 on programme activities in 2019–20 (2018–19: £2,560,371). Charitable activities accounted for 81.2% (2018–19: 85.1%) of total expenditure.

Exceptional circumstances

As mentioned above, the ICA suffered two major financial setbacks that were beyond the control of the current management but that have had a significant impact on the organisation's finances.

In early 2020, the ICA reached a settlement for a legal claim against the organisation relating to an isolated exposure to asbestos that occurred in the 1980s. As the insurance carrier is no longer solvent and all associated hard costs have been paid, and with considerable senior management time already absorbed by this matter, the claim was settled from the ICA's reserves. This settlement amounted to £332,868 and is shown as an exceptional item on the statement of financial activities.

In March 2020, the ongoing COVID-19 pandemic led to the closure of the ICA to the public. This closure led directly to a severe drop in expected income for the end of the financial year: taking into account falls in visitor income, individual giving and corporate income, the organisation suffered a COVID-19-related drop in expected income of around £360k in 2019–20. With the building remaining closed until spring 2021, this reduction in income will continue into 2020–21. The Board and SMT continue to address these risks and manage the losses to ensure the future financial strength of the ICA.

Overall result

The overall financial result for the year ended 31 March 2020 shows an operational deficit of £1,300,740.

Net movement in funds

Fund transfers totalling £514,918 from designated funds into the general fund resulted in an overall net fall in the general fund during the financial year of £819,197.

Funds

The ICA's total reserves were drawn down by £1,300,740 during the financial year across the organisation's operational activities, capital project activities and exceptional items, from £2,418,182 to £1,117,442 (2018–2019: reserves drawn down by £260,345).

Fixed assets

The value of the ICA's tangible fixed assets was reduced by £356,836 to £745,653 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 £468,011 (2019: £1,183,711), including operational cash of £251,358 (2019: £286,097).

Outlook

In common with other arts charities, the ICA faces great challenges in maintaining and increasing its income in sustainable ways – especially considering the reduction in ACE NPO funding from 24% of core income in 2018–19 to 22% in 2019–20, further increasing pressures on the efficiencies of earned and raised income sources. As detailed above, the COVID-19 pandemic has already had a major impact on the ICA's operations and its overall financial position.

In light of the challenges facing the organisation, including the impact of COVID-19, the leadership team is placing a renewed focus on increasing the ICA's business resilience, stability and financial sustainability, while also working to rebuild its reserves and manage both risks and financial controls. Changes in key personnel within the SMT and Board during 2019–20 have strengthened the organisation's leadership and direction, and there is an increased emphasis on developing and supporting key stakeholders – staff, artists, audiences, membership and donors. The ICA remains committed to delivering radical and challenging art to diverse audiences and is determined to take all necessary steps to ensure that it 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 spring 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 whenever it is both advisable and legal to do so.

- **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. In 2019–20, the ICA generated 78% (2018–19: 76%) of its revenue through a diversified portfolio of income streams from commercial and fundraising sources, which we actively and regularly monitor and review. During this period, only 22% (2018–19: 24%) of our total income was received from ACE, which includes the NPO grant (confirmed for the 2018–2022 period). The SMT, with the Board acting as critical friends, 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 2019–20, we continued to take active steps to strategically invest 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>2020</u>	<u>2019</u>
Total funds at 31 March	£ 1,117,442	£ 2,418,182
<i>Represented by:</i>		
Restricted funds	£ 540,652	£ 365,359
Designated funds		
Maintenance fund	£ 150,000	£ 150,000
Fixed asset and related funds	£ 344,777	£ 751,613
Capital Renovation Project	—	£ 250,000
Unrestricted 'free' reserves	£ 82,013	£ 901,210

Total funds have fallen 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.

The Board intends to maintain the unrestricted general funds (excluding designated funds) to provide adequate working capital to sustain the ICA's 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 cash-flow difficulties.

The current unrestricted general fund, which can also be described as the ICA's 'free' reserves, is £82,013 (2019: £901,210). This does not cover three months' future operating costs, which are calculated to be around £1 million. In response, the Board and the SMT have set a budget with the aim to rebuild reserves to an acceptable level, and are closely monitoring performance to ensure that the budget is met and the ICA's reserves have been strengthened by the end of the next financial year (2020–21). Creating additional oversight, the ICA's Finance & Audit Committee are continuing to review the organisation's cash flow and

management of reserves to ensure that they are in line with the organisation's activities, requirements and financial ambitions.

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 decreased to £344,777 as at 31 March 2020 (2019: £751,613). The organisation also retains a designated maintenance fund of £150,000 (2018–19: £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. A designated fund for the ICA's Capital Renovation Project was transferred to unrestricted reserves to cover losses within the financial year (2018–19: £250,000).

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 2020 was £1,117,442 (2019: £2,418,182).

Results of subsidiary companies

ICA Enterprises Limited made an operating profit for the financial year of £299,066 (2018–19: £421,428), with £299,066 being payable under Gift Aid to the ICA (2018–19: £421,428).

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 2020, FoICAL generated £52,900 of income (2018–19: £89,752) and a loss of £2,013 (2018–19: £22,873) after awarding grants of £38,821 (2018–19: £121,873) 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 2021, and have set a budget that is expressly designed to do so. Work is already under way to mitigate the risks facing the organisation, particularly around income generation, and the SMT has also taken steps to utilise 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 strengthened by the end of the 2020–21 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 ensure 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 (2018–19: 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 and updated 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 was elected as the new Chair of the ICA Board of Directors in September 2019. An artist who lives and works in London and Berlin, Tillmans has exhibited around the world since the early 1990s to widespread critical acclaim, and in 2000 became the first non-British artist to win the Turner Prize. He has served on the ICA Board since June 2017, and his appointment as Chair marks the ICA's return to an artist-led Board for the first time in more than 30 years.

The ICA has introduced new committees to enhance the governance of the ICA, 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, Pesh Framjee) 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. All staff with at least 12 months' service received a minimum 2% salary increase in April 2019.

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 December 2018, six months earlier than the mandated date of 31 May 2019.

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.

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.

Institute of Contemporary Arts Limited

Trustees' annual report

For the year ended 31 March 2020

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 2020 was 13 (2019: 14). 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.

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

Wolfgang Tillmans
Chair

Independent auditor's report

Opinion

We have audited the financial statements of Institute of Contemporary Arts Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2020, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve (12) months from the date when the financial statements are authorised for issue.

Independent auditor's report

To the members of

Institute of Contemporary Arts Limited

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Board's annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Board's annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Board's 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 its environment obtained in the course of the audit, we have not identified material misstatements in the Board's 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 trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as

Independent auditor's report

To the members of

Institute of Contemporary Arts Limited

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Responsibilities of 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.

Independent auditor's report

To the members of

Institute of Contemporary Arts Limited

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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)

27 January 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 2020

	Note	Unrestricted General £	Designated £	Restricted £	2020 Total £	2019 Total £
Income from:						
Grants, donations and legacies	3	1,202,588	-	65,174	1,267,762	1,281,701
Charitable activities						
Programme activities	4	677,537	-	554,496	1,232,033	1,164,960
Other trading activities	5	1,361,042	-	-	1,361,042	1,229,208
Investments		3,058	-	-	3,058	4,926
Total income		3,244,225	-	619,670	3,863,895	3,680,795
Expenditure on:						
Raising funds	6	484,090	141,918	-	626,008	604,475
Charitable activities						
Programme activities	6	2,613,214	-	444,377	3,057,591	2,560,371
Associated activities	6	1,148,168	-	-	1,148,168	883,808
Exceptional item	26	332,868	-	-	332,868	-
Total expenditure		4,578,340	141,918	444,377	5,164,635	4,048,654
Net (expenditure) / before netgains/ (losses) on investments		(1,334,115)	(141,918)	175,293	(1,300,740)	(367,859)
Net gains/ (losses) on investments		-	-	-	-	107,514
Net (expenditure) / income for the year	7	(1,334,115)	(141,918)	175,293	(1,300,740)	(260,345)
Transfers between funds		514,918	(514,918)	-	-	-
Net movement in funds		(819,197)	(656,836)	175,293	(1,300,740)	(260,345)
Reconciliation of funds:						
Total funds brought forward		901,210	1,151,613	365,359	2,418,182	2,678,527
Total funds carried forward		82,013	494,777	540,652	1,117,442	2,418,182

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 sheets

Company no. 00444351

As at 31 March 2020

		The group		The charity	
		2020	2019	2020	2019
	Note	£	£	£	£
Fixed assets:					
Tangible assets	12	745,653	1,102,489	745,653	1,102,489
Debenture loan to subsidiary company		-	-	25,000	25,000
Investments	13	-	-	2	2
		745,653	1,102,489	770,655	1,127,491
Current assets:					
Stock	16	123,114	116,204	123,114	116,204
Debtors	17	211,153	401,510	173,616	343,629
Current asset investments	13	216,653	897,614	216,653	897,614
Cash at bank and in hand		251,358	286,097	219,353	245,265
		802,278	1,701,425	732,736	1,602,712
Liabilities:					
one year	18	(430,489)	(385,732)	(417,240)	(345,326)
Net current assets		371,789	1,315,693	315,496	1,257,386
Total assets less current liabilities		1,117,442	2,418,182	1,086,151	2,384,877
Total net assets		1,117,442	2,418,182	1,086,151	2,384,877
Funds:	21				
Restricted income funds		540,652	365,359	540,652	365,359
Unrestricted income funds:					
Designated funds - other		494,777	1,151,613	494,777	1,151,613
General funds		82,013	901,210	50,722	867,905
Total unrestricted funds		576,790	2,052,823	545,499	2,019,518
Total funds		1,117,442	2,418,182	1,086,151	2,384,877

Approved by the Board on 26 January 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 2020

	Note	2020		2019	
		£	£	£	£
Cash flows from operating activities	22				
Net cash (used in)/ provided by operating activities		(681,832)		(565,663)	
Cash flows from investing activities:					
investments		3,058		4,926	
Purchase of fixed assets		(36,926)		(246,655)	
Increase/(draw down) of cash to/from fixed asset investments		-		1,591,699	
Net cash used in investing activities		(33,868)		1,349,970	
Change in cash and cash equivalents in the year		(715,700)		784,307	
Cash and cash equivalents at the beginning of the year		1,183,711		399,404	
Cash and cash equivalents at the end of the year	23	468,011		1,183,711	

Notes to the financial statements

For the year ended 31 March 2020

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.

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.

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 the Arts Council England.

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

1 Accounting policies (continued)

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.

h) Fund accounting

The ICA maintains the following funds:

i) Restricted funds

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

ii) Endowment funds

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

iii) 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.

iv) 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.

1 Accounting policies (continued)

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

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	41%
▪ Associated activities	15%
▪ Support costs	1%
▪ Governance costs	34%

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	13%
▪ Programme activities	63%
▪ Associated activities	24%

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.

Notes to the financial statements

For the year ended 31 March 2020

1 Accounting policies (continued)

1) 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:

<input type="checkbox"/> Long leasehold buildings	over the length of the lease
<input type="checkbox"/> Leasehold improvement	5%
<input type="checkbox"/> Website	20%
<input type="checkbox"/> Fixtures and Fittings including soft furnishings and other building innovation	20%
<input type="checkbox"/> Furniture and equipment including computer hardware, technical equipment, office equipment and furniture	20%-33.33%

m) 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.

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) 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.

p) 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.

1 Accounting policies (continued)

q) Cash at bank and in hand

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

r) 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.

s) 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.

t) 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.

2 Detailed comparative of prior year figures

	General £	Designated £	Restricted £	Total £
Income from:				
Donations and legacies	1,243,151	-	38,550	1,281,701
Charitable activities				
Programme activities	932,359	-	232,601	1,164,960
Other trading activities	1,229,208	-	-	1,229,208
Investment	4,926	-	-	4,926
Total income	3,409,644	-	271,151	3,680,795
Expenditure on:				
Raising funds	247,552	356,923	-	604,475
Charitable activities				
Programme activities	2,293,302	-	267,069	2,560,371
Associated activities	883,808	-	-	883,808
Total expenditure	3,424,662	356,923	267,069	4,048,654
Net income / expenditure before gains / (losses) on	(15,018)	(356,923)	4,082	(367,859)
Net (losses) on investments	107,514	-	-	107,514
Net income / expenditure	92,496	(356,923)	4,082	(260,345)
Transfers between funds	262,641	(254,141)	(8,500)	-
Net movement in funds	355,137	(611,064)	(4,418)	(260,345)
Total funds brought forward	546,073	1,762,677	369,777	2,678,527
Total funds carried forward	901,210	1,151,613	365,359	2,418,182

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

	Unrestricted £	Restricted £	2020 Total £
Arts Council England	862,441	-	862,441
Heritage Lottery Fund	-	-	-
Other grants	-	50,000	50,000
Donations	340,147	15,174	355,321
	1,202,588	65,174	1,267,762

Institute of Contemporary Arts Limited

Notes to the financial statements

For the year ended 31 March 2020

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

	Unrestricted	Restricted	2019 Total
	£	£	£
Arts Council England	862,441	11,170	873,611
Heritage Lottery Fund	-	18,880	18,880
Donations	380,710	8,500	389,210
	<u>1,243,151</u>	<u>38,550</u>	<u>1,281,701</u>

4a Income from charitable activities (current 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
	<u>677,537</u>	<u>554,496</u>	<u>1,232,033</u>

4b Income from charitable activities (prior year)

	Unrestricted	Restricted	2019 Total
	£	£	£
Arts Council England	-	76,317	76,317
Exhibition and Theatre Tax Relief	226,317	-	226,317
Exhibition income	105,771	153,844	259,615
Box Office	521,897	-	521,897
Sponsorship	32,224	-	32,224
Education and Learning	46,150	2,440	48,590
	<u>932,359</u>	<u>232,601</u>	<u>1,164,960</u>

Institute of Contemporary Arts Limited

Notes to the financial statements

For the year ended 31 March 2020

5a Income from other trading activities (current year)

	Unrestricted	Restricted	2020 Total
	£	£	£
Sales of Books, Merchandise and Artists'	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
	<u>1,361,042</u>	<u>-</u>	<u>1,361,042</u>

5b Income from other trading activities (Prior year)

	Unrestricted	Restricted	2019 Total
	£	£	£
Sales of Books, Merchandise and Artists'			
Editions	384,581	-	384,581
Membership Schemes	133,587	-	133,587
Bar/Café Income	106,615	-	106,615
Hire income	512,712	-	512,712
Other	91,713	-	91,713
	<u>1,229,208</u>	<u>-</u>	<u>1,229,208</u>

Institute of Contemporary Arts Limited

Notes to the financial statements

For the year ended 31 March 2020

6a Analysis of expenditure (current year)

		Charitable activities					
	Cost of raising funds	Programme activities	Associated activities	Governance costs	Support costs	2020 Total	2019 Total
	£	£	£	£	£	£	£
Staff costs (Note 8)	266,655	892,507	266,600	35,000	574,306	2,035,068	1,908,843
Cinema	-	239,464	-	-	-	239,464	208,245
Exhibitions	-	610,729	-	-	-	610,729	490,255
Education, Talks and Events	-	92,135	-	-	-	92,135	92,830
Other projects	-	-	-	-	-	-	3,213
Marketing and New Media	11,375	3,444	173,233	-	-	188,052	133,034
Live and Performances	-	109,423	-	-	-	109,423	82,324
Supporter Development	60,421	-	-	-	-	60,421	80,082
Hire	66,578	-	-	-	-	66,578	73,750
Legal and professional fees	-	-	-	10,707	2,500	13,207	35,706
Audit fees	-	-	-	14,100	-	14,100	13,800
Premises	-	-	-	-	326,520	326,520	322,853
Overheads	-	30,570	-	-	600,547	631,117	266,774
Trading costs	-	-	303,036	-	-	303,036	230,022
Depreciation	-	-	-	-	141,917	141,917	106,923
	405,029	1,978,272	742,869	59,807	1,645,790	4,831,767	4,048,654
Support costs	213,230	1,041,473	391,087	-	(1,645,790)	-	-
Governance costs	7,749	37,846	14,212	(59,807)	-	-	-
Total expenditure 2020	626,008	3,057,591	1,148,168	-	-	4,831,767	
Total expenditure 2019	604,475	2,560,371	883,808	-	-		4,048,654

Institute of Contemporary Arts Limited

Notes to the financial statements

For the year ended 31 March 2020

6a Analysis of expenditure (prior year)

	Charitable activities					
	Cost of raising funds	Programme activities	Associated activities	Governance costs	Support costs	2019 Total
	£	£	£	£	£	£
Staff costs (Note 8)	243,668	816,459	236,953	33,444	578,319	1,908,843
Cinema	-	208,245	-	-	-	208,245
Exhibitions	-	490,255	-	-	-	490,255
Education, Talks and Events	-	92,830	-	-	-	92,830
Other projects	-	-	3,213	-	-	3,213
Marketing and New Media	8,492	1,126	123,416	-	-	133,034
Live and Performances	-	82,324	-	-	-	82,324
Supporter Development	80,082	-	-	-	-	80,082
Hire	73,750	-	-	-	-	73,750
Legal and professional fees	-	-	-	21,404	14,302	35,706
Audit fees	-	-	-	13,800	-	13,800
Premises	-	-	-	-	322,853	322,853
Overheads	-	28,418	-	-	238,356	266,774
Trading costs	-	-	230,022	-	-	230,022
Depreciation	-	-	-	-	106,923	106,923
	405,992	1,719,657	593,604	68,648	1,260,753	4,048,654
Support costs	188,234	797,301	275,218	-	(1,260,753)	-
Governance costs	10,249	43,413	14,986	(68,648)	-	-
Total expenditure 2019	604,475	2,560,371	883,808	-	-	4,048,654
Total expenditure 2018	459,820	2,690,764	1,044,652	-	-	

Notes to the financial statements

For the year ended 31 March 2020

7 Net expenditure for the year

This is stated after charging:

	2020 £	2019 £
Depreciation	141,917	106,923
Operating lease rentals:		
Property	21,014	21,014
Auditors' remuneration (excluding VAT):		
Audit	14,100	13,800

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

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	1,822,596	1,702,070
Redundancy and termination costs	-	28,723
Social security costs	169,840	149,062
Employer's contribution to defined contribution pension schemes	42,632	28,988
	2,035,068	1,908,843

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

	2020 No.	2019 No.
£60,000 - £69,999	4	3
£70,000 - £79,999	-	-
£80,000 - £89,999	-	-
£90,000 - £99,999	-	-
£100,000 - £109,999	1	1

The total employee benefits including employer national insurance contributions and pension contributions of the key management personnel were £388,866 (2019: £400,652).

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 (2019: £nil). No Members of the Board received payment for professional or other services supplied to the charity (2019: £nil).

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	
	2020 No.	2019 No.	2020 No.	2019 No.
Raising funds	6.00	5.00	-	1.00
Programme activities	14.00	11.00	24.00	31.00
Associated activities	3.00	2.00	16.00	13.00
Support	7.00	7.00	5.00	6.00
Governance	1.00	1.00	-	-
	31.00	26.00	45.00	51.00

Notes to the financial statements

For the year ended 31 March 2020

10 Related party transactions

The following related party transactions occurred during the 2019/20 financial year:

- FoICAL made a grant of **£38,821** or **US\$46,216** to the ICA (2019: £121,873 or US\$160,351).
- A management charge of **£155,000** (2019: £140,000) and a debenture loan interest of **£1,250** (2019: £1,250) were charged by the ICA to the trading subsidiary, the ICA Enterprises Limited.
- ICA Enterprises Limited made a gift aided donation of **£299,066** (2019: £421,429) to the ICA.
- The ICA received **£42,403** of donations from members of the Board during the financial year (2019: £51,887) and **£19,244** from members of the FoICAL Board (2019: £27,400).
- The ICA received donation pledges totalling **£3,180,070** (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 (2019: £2,593,000). 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.

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	Total
	£	£	£	£	£	£	£
Cost							
At the start of the year	453,413	150,000	33,000	57,892	507,429	156,842	1,358,576
Additions in year	-	-	-	-	31,799	5,127	36,926
Disposals in year	(251,845)	-	-	-	-	-	(251,845)
At the end of the year	201,568	150,000	33,000	57,892	539,228	161,969	1,143,657
Depreciation							
At the start of the year	-	44,761	27,300	-	101,329	82,697	256,087
Charge for the year	-	2,235	2,100	11,578	102,400	23,604	141,917
At the end of the year	-	46,996	29,400	11,578	203,729	106,301	398,004
Net book value							
At the end of the year	201,568	103,004	3,600	46,314	335,499	55,668	745,653
At the start of the year	453,413	105,239	5,700	57,892	406,100	74,145	1,102,489

All of the above assets are used for charitable purposes.

A decision was made to write off a significant portion of the expenditure (£251,845) relating to work that has already been completed but that is now considered incompatible with plans for the future of the project.

13 Investments

	The group		The charity	
	2020	2019	2020	2019
	£	£	£	£
Fixed asset investments				
Fair value at the start of the year	-	1,415,335	-	1,415,335
Additions at cost	-	-	-	-
Disposal proceeds	-	(1,522,849)	-	(1,522,849)
Net gain / (loss) on change in fair value	-	107,514	-	107,514
Listed and mixed investments	-	-	-	-
Cash held by investment broker pending reinvestment	-	-	-	-
Investment in subsidiary	-	-	2	2
Fair value at the end of the year	-	-	2	2
Historic cost at the end of the year	-	-	-	-
The listed and mixed investments are made up of:				
Listed investments (UK and overseas)	-	-	-	-
Mixed investments including listed shares, bonds, properties and other (UK and overseas)	-	-	-	-
Fair value as above	-	-	-	-

The investment portfolio was transferred to an all cash position during 2019/20, following consultation with independent investment advisors, in light of volatile market conditions and to crystallise strong capital growth of the investments.

In addition to the above, the ICA holds current asset investments of **£216,653** (2019: £897,614). This is cash held separately, which is not being used as working capital.

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	
	2020	2019	2020	2019
	£	£	£	£
Turnover	52,900	89,752	533,269	641,608
Cost of sales	-	-	(66,578)	(73,052)
Gross profit	52,900	89,752	466,691	568,556
Administrative expenses	(16,092)	(10,461)	(11,375)	(5,878)
Grant awarded to the ICA	(38,821)	(102,164)	-	-
Management charge payable to parent	-	-	(155,000)	(140,000)
Other operating income	-	-	-	-
Operating profit	(2,013)	(22,873)	300,316	422,678
Interest payable	-	-	(1,250)	(1,250)
Profit on ordinary activities before tax	(2,013)	(22,873)	299,066	421,428
Gift Aid to parent undertaking	-	-	-	-
Corporate Tax	-	-	-	-
Profit / (loss) for the financial year after	(2,013)	(22,873)	299,066	421,428
Retained earnings				
Retained earnings brought forward	8,302	31,175	25,002	25,002
Profit/(loss) for the financial year	(2,013)	(22,873)	299,066	421,428
Profits distributed to parent under gift aid	-	-	(299,066)	(421,428)
Retained earnings carried forward	6,289	8,302	25,002	25,002
The aggregate of the assets, liabilities and				
Assets	7,003	22,670	105,367	123,440
Liabilities	(714)	(14,368)	(80,365)	(98,438)
Funds	6,289	8,302	25,002	25,002

15 Parent charity

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

	2020	2019
	£	£
Gross income	3,771,863	3,721,792
Result for the year	(1,298,726)	(237,474)

16 Stock

	The group and charity	
	2020	2019
	£	£
Bookshop,merchandise and editions	123,114	116,204

Notes to the financial statements

For the year ended 31 March 2020

17 Debtors

	The group 2020 £	2019 £	The charity 2020 £	2019 £
Trade debtors	65,475	130,410	41,778	74,670
Amounts owed from group undertakings	-	-	-	13,680
Other debtors	12,272	5,188	12,272	5,187
Prepayments and accrued income	133,406	265,912	119,566	250,092
	211,153	401,510	173,616	343,629

18 Creditors: amounts falling due within one year

	The group 2020 £	2019 £	The charity 2020 £	2019 £
Trade creditors	152,955	95,712	146,370	94,269
Amounts owed to group undertakings	-	-	13,227	58,718
Taxation and social security	69,849	78,942	99,452	78,942
Other creditors	13,349	23,451	13,349	23,451
Accruals	78,221	73,740	63,277	58,544
Deferred income	116,115	113,887	81,565	31,402
	430,489	385,732	417,240	345,326

19 Deferred income

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

	The group 2020 £	2019 £	The charity 2020 £	2019 £
Balance at the beginning of the year	113,887	100,469	31,402	6,888
Amount released to income in the year	(113,887)	(100,469)	(31,402)	(6,888)
Amount deferred in the year	116,115	113,887	81,565	31,402
Balance at the end of the year	116,115	113,887	81,565	31,402

20a Analysis of group net assets between funds (current 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
Net assets at the end of the year	82,013	494,777	540,652	1,117,442

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

	General unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	-	751,613	350,876	1,102,489
Net current assets	901,210	400,000	14,483	1,315,693
Net assets at the end of the year	901,210	1,151,613	365,359	2,418,182

21a Movements in funds (current year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	Exceptional item £	At the end of the year £
Restricted funds:						
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
Total restricted funds	365,359	619,670	(444,377)	-	-	540,652
Unrestricted funds:						
Designated funds:						
Maintenance fund	150,000	-	-	-	-	150,000
Fixed asset reserve	751,613	-	(141,918)	(264,918)	-	344,777
ICA Capital Renovation Project Programme	250,000	-	-	(250,000)	-	-
	-	-	-	-	-	-
Total designated funds	1,151,613	-	(141,918)	(514,918)	-	494,777
General funds	901,210	3,244,225	(4,245,472)	514,918	(332,868)	82,013
Total unrestricted funds	2,052,823	3,244,225	(4,387,390)	-	(332,868)	576,790
Total funds	2,418,182	3,863,895	(4,831,767)	-	(332,868)	1,117,442

Purposes of restricted funds

Cinema

This fund represents the money received from CHASE (Consortium for the Arts and Humanities South-East England) and the Europa Cinemas to support the cost of Cinema at the ICA. This was fully spent in 2019/20.

Jonathan Ruffer

This fund represents money received from the Art Fund to support the costs of the Jonathan Ruffer Curatorial Programmes. This was fully spent in 2019/20.

Cameron Rowland

This fund represents a donation from an individual to support the costs of the Cameron Rowland exhibition at the ICA. This was fully spent in 2019/20.

Apprenticeships

This fund represents money received from the John Lyon's Charity to support the cost of Apprenticeships at the ICA.

Learning and Education

This fund represents the money received from the Paul Mellon Centre to support the costs of the Artist Collective Summer School. This was fully spent in 2019/20.

BBC New Creatives

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

Sake Bar

This fund represents money received to support towards the costs of a new social space Sake Bar at the ICA in 2019/20.

ICA Capital Renovation Project

This fund represents the money received from the Arts Council England grants, the Heritage Lottery Fund grants and individual donations towards the ICA Capital Innovation 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 was £400,876 (2019: £350,876) and £52,537 (2019: £102,537) was pledged at as 31 March 2020.

21a Movements in funds (continued)

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 assets and the pledged balance **£52,537** (2019: £102,537) for the ICA's Capital Renovation Project as at 31 March 2020. 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 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: **£nil** (2019: £250,000).

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 2019/20 financial year was **£289,935** (2019: £262,641 transfers to general unrestricted funds).

21b Movements in funds (prior year)

	At the start of the year £	Income & gains £	Expenditure & losses £	Transfers £	At the end of the year £
Restricted funds:					
Cinema	-	40,037	(40,037)	-	-
Artists Film Biennial	-	7,461	(7,461)	-	-
Talks and Events	-	5,000	(5,000)	-	-
Learning and Education	10,608	2,440	(13,048)	-	-
Metahaven	-	84,878	(84,878)	-	-
Live and Performance	-	2,500	(2,500)	-	-
Julie Becker	-	13,968	(13,968)	-	-
Random Acts Additional Outcomes	-	21,290	(21,290)	-	-
Artists' Moving Image Network	38,343	22,027	(60,370)	-	-
BBC New Creatives	-	33,000	(18,517)	-	14,483
Staircase renovation	-	8,500	-	(8,500)	-
ICA Capital Renovation Project	320,826	30,050	-	-	350,876
Total restricted funds	369,777	271,151	(267,069)	(8,500)	365,359
Unrestricted funds:					
Designated funds:					
Maintenance fund	119,000	-	-	31,000	150,000
Fixed asset reserve	643,677	-	(106,923)	214,859	751,613
ICA Capital Renovation Project	500,000	-	(250,000)	-	250,000
Programme investment	500,000	-	-	(500,000)	-
Total designated funds	1,762,677	-	(356,923)	(254,141)	1,151,613
General funds	546,073	3,517,158	(3,424,662)	262,641	901,210
Total unrestricted funds	2,308,750	3,517,158	(3,781,585)	8,500	2,052,823
Total funds	2,678,527	3,788,309	(4,048,654)	-	2,418,182

Notes to the financial statements

For the year ended 31 March 2020

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

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(1,300,740)	(260,345)
Depreciation charges	141,917	106,923
(Gains)/losses on investments	-	(107,514)
Dividends and interest from investments	(3,058)	(4,926)
(Profit)/loss on the disposal of fixed assets	251,845	1,743
(Increase)/decrease in stocks	(6,910)	(70,295)
(Increase)/decrease in debtors	190,357	22,094
Increase/(decrease) in creditors	44,757	(253,343)
	(681,832)	(565,663)

23 Analysis of cash and cash equivalents

	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	286,097	(34,739)	251,358
Notice deposits (less than 3 months)	897,614	(680,961)	216,653
Total cash and cash equivalents	1,183,711	(715,700)	468,011

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 2020 £	2019 £	Equipment 2020 £	2019 £
Less than one year	18,402	18,402	2,612	2,612
One to five years	73,608	73,608	7,183	9,795
Over five years	921,168	939,570	-	-
	1,013,178	1,031,580	9,795	12,407

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 item

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 have been paid. Due to the size and nature of this settlement, this expenditure has been recognised as exceptional.

There were no exceptional items in 2018-19.