

Institute of Contemporary Arts Limited

Company number: 00444351 Charity number: 236848

Report and financial statements for the year ended 31 March 2019

Institute of Contemporary Arts Limited
Contents
For the year ended 31 March 2019

1	Reference and administrative information
3	Trustees' annual report
27	Independent auditor's report
32	Statement of financial activities (incorporating an income and expenditure account)
33	Balance sheet
34	Statement of cash flows
35	Notes to the financial statements

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:

Hadeel Ibrahim, Chair (from September 2018)^{1,2,3,4,5}
Donald Moore, Chair (resigned September 2018)¹
Chris Kirkland, Deputy Chair and Chair Building Committee^{1,2}
Dilyara Allakhverdova, co-Chair Development Committee^{2,5}
Charlotte Appleyard, Chair Development Committee⁵
Sara Blonstein^{3,5}
Vanessa Carlos^{3,5}
Robert Devereux, Chair Strategic Communications Committee
(appointed June 2018)^{1,3,4}
Pesh Framjee, Chair Finance & Audit Committee¹
Prue O'Day, Chair Nominations & Ethics Committee^{4,5}
Jo Stella-Sawicka^{3,5}
Maria Sukkar, co-Chair Development Committee^{4,5}
Wolfgang Tillmans
Francesca Thyssen-Bornemisza (appointed October 2018)

1. membership of the Finance and Audit Committee during the year
2. membership of the Building Committee during the year
3. membership of the Strategic Communications Committee during the year
4. membership of the Nominations & Ethics Committee during the year
5. membership of the Development Committee during the year

Key Management Personnel

Stefan Kalmar, Director
Katharine Stout, Deputy Director (departed 12 May 2019)
Richard Birkett, Chief Curator
Lisa Wong, Director of Finance
Tom Campbell, Director of Operations and Visitor Services
(appointed 3 April 2018)

Principal Bankers

Barclays Bank PLC
Corporate Banking
1 Churchill Place
London
E14 5HP

Solicitors

Corporate and commercial law:
JMW Solicitors LLP
No. 1 Byrom Place
Spinningfields
Manchester
M3 3HG

Employment and charity law:
Withers LLP
16 Old Bailey
London
EC4M 7EG

Auditors

Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
Invicta House
108–114 Golden Lane
LONDON
EC1Y 0TL

The trustees present their report and the audited financial statements for the year ended 31 March 2019.

Reference and administrative information set out on pages 1–2 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 – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with 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 22 July 1947.
(The company name changed to Institute of Contemporary Arts Limited by Special Resolution, passed on 23 July 1968.)

The ICA was founded in 1946 by a collective of artists, poets and their supporters, including Peter Gregory, E.L.T. 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 and Strategic Goals

'The Institute of Contemporary Arts in London has been the model for most ICAs that exist in the world today. Since its founding in 1946, the ICA is always contextualising contemporary culture within the socio-political conditions of the times. The ICA was founded as an institute (not a museum), contemporary (not modern), for all the arts not just art. As the

ICA's new director, it is my foremost goal to reconnect this organisation to this unique history: by leading those conversations that stand to innovate and upholding the idealistic promise on which the ICA was founded some 72 years ago.'

– Stefan Kalmár, Director

Strategic Goals for the planning period 2019–2025

In order to deliver its unique mission the Institute of Contemporary Arts works to five core goals:

Goal 1: Conceiving, producing and delivering an acclaimed world-class programme that leads critical discourse locally, nationally and internationally.

Goal 2: 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.

Goal 3: 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 Institute of Contemporary Arts.

Goal 4: 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.

Goals 5: 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. The trustees report 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. The review also helps the trustees ensure the charity's aims, objectives and activities remained 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 planned activities will contribute to the aims and objectives that have been set. The activities shown in this trustees' report demonstrate the public benefit provided by the ICA.

STRATEGIC REPORT

Over the last two years, Director Stefan Kalmár has foregrounded the intellectual leadership of the ICA – a position that the ICA held internationally for most of the 20th Century. We have increased our research and direct investment into the commissioning of exhibitions, live productions, symposia, talks, cinema and film. The ICA remains a strong advocate for the representation of marginalised voices and in the engagement of diverse communities. Over the past year, we have continued to deepen and introduce new opportunities across age, gender, ethnicities and socio-economic backgrounds that we offer to artists, filmmakers and thinkers, which in turn has reflected a reciprocal sustained engagement with a wider range of audiences. Overall, across all aspects of our programme, we have prioritised perspectives from persons of colour and continued our investments in feminist, queer and radical content. In support of this, Kalmár has introduced a more self-reflective and self-critical dialogue across the entire organisation in pursuit of our strategic goals, as set out above, facilitating more robust and productive internal evaluation of visitor, staff, Board, artist and peer feedback.

Over the last year, we have continued to improve and innovate our business model, building upon the strengths of our core assets and activities, while enhancing our fundraising and commercial activities, generating the resources necessary to underpin our mission, work and purpose. Whilst these business improvements have not materialised as quickly as we had hoped, we are confident the foundations are now in place to achieve a more sustainable business next year.

Strategic and urgent investment in parts of the business and the building continue to be necessary, serving as a reminder of the need for major capital renovations to repair, improve and expand our iconic venue. This project will secure our future and ensuring we are fully equipped to remain the leading voice for progressive culture for the next 50 years.

Achievements and programme highlights

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

- Exhibitions
- Films
- Talks & Learning
- Live

Exhibitions

Exhibitions at the ICA are considered part of an ongoing programme, where strands of thinking both reflect back and are carried forward. They 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; supporting artists in commissioning, developing and producing exhibition-based projects over an extended period of time.

2018–19

Counter Investigations: Forensic Architecture ran until mid-May 2018. The exhibition received significant positive press coverage and audience feedback and gained a nomination for the 2018 Turner Prize.

I must create a Master Piece to pay the Rent (8 June to 12 August 2018) was the first survey exhibition of the late Julie Becker (1972–2016). Embedded in the psychological, cinematic and material geographies of Los Angeles, Becker produced a legendary – yet underrepresented – body of work which included installation, sculpture, drawing, photography and video. The exhibition will tour to MoMA PS1 in June 2019.



Julie Becker, *I must create a Master Piece to pay the Rent*

In formation III (21 August–16 September 2018) was the third iteration of a discursive platform emphasising collective production and learning. Integrating talks, workshops and performances, this expansive series questioned notions of the ‘civic’ institution by reimagining the spaces of the ICA to consider how they are utilised and activated by public discourse. Programme highlights included a talk and study group with influential Brazilian philosopher Denise Ferreira da Silva; a poetry reading and live video exchange with members of Kongra Star, the confederation of women’s organisations in Rojava, Northern Syria; the support of the crip research group, who seek to create a new language around access and disability; a new installation by Indonesian poet and artist Khairani Barokka addressing themes of disability, gender, coloniality and consent; and a day-long celebration of women, sound and resistance.

Metahaven: VERSION HISTORY (3 October 2018–19 January 2019) focused on three moving image works by the Dutch collective Metahaven, including *Eurasia (Questions on Happiness)* (2018), produced by the ICA and co-commissioned by the Stedelijk Museum Amsterdam and Sharjah Art Foundation. The exhibition – and its extensive programme of related events – was well attended throughout its running and generated positive press reviews.

Morag Keil: Moarg Kiel (30 January–14 April 2019) was the first major solo exhibition in the UK by London-based artist Morag Keil, featuring new and reconceived works which articulate the impact of data-capitalism and digital technologies on contemporary subjectivities.



Morag Keil: Moarg Kiel

Films

The ICA has long maintained a commitment to screening independent film and video, presenting challenging and underrepresented international narrative cinema, documentary practices and experimental moving image works which navigate the space between the cinema and the gallery, often testing the boundaries of the cinema auditorium itself. The ICA also operates an in-house distribution agency which supports and circulates ground-breaking films.

2018–19

Over the past year, ICA Cinema strengthened its commitment to promoting, screening and distributing the best of international independent film and artists' moving image. Thirteen exclusive international releases were distributed across the UK to 49 independent cinemas and arts centres, including RaMell Ross' Oscar-nominated documentary *Hale County This Morning, This Evening*.

In April 2018, the ICA held the third edition of its annual film festival FRAMES of REPRESENTATION. Focusing on the cinema of the real, this year's festival centred around the theme of 'Landscape', with highlights including premieres of films such as *Black Mother* by Khalik Allah, *Dragonfly Eyes* by Xu Bing, and the beginning of a long-term collaboration with production collective TERRATREME.

Across the year, the ICA held premieres, directors' Q&As and workshops around vital works such Wang Bing's *Dead Souls*, Adirley Queirós' *Once There Was Brasilia*, Adina Pintilie's *Touch Me Not*, Gurcan Keltek's *Meteors*, and a video and sound installation by Joshua Bonnetta and J.P. Sniadecki based on their feature *El Mar la Mar*.

Retrospectives of the work of central figures in contemporary independent cinema included those on Lucrecia Martel (20–27 May 2018), and Daniele Huillet and Jean-Marie Straub (1 March–5 May 2019). The ICA also co-presented festivals including the SAFAR Film Festival (13–18 September 2018), the BFI London Film Festival (10–21 October 2018), the London Short Film Festival (11–20 January 2019), the Japan Foundation Touring Film Programme (2–12 February 2019), and the Essay Film Festival (26–31 March 2019).

In 2018, the ICA launched The Machine That Kills Bad People, a bi-monthly film club presented in collaboration with academic Erika Balsom, artist Beatrice Gibson, programmer Maria Palacios Cruz and artist Ben Rivers. Focusing on experimental and avant-garde film by female directors, the programme has included works by Barbara Loden, Laida Lertxundi, Anocha Suwichakornpong, Mary Helena Clark, Claire Denis, Mati Diop, Larisa Shepitko, Ute Aurand and Ulrike Pfeiffer, Gunvor Nelson, Margaret Salmon, Chick Strand, and Margaret Tait.

The recurring programme Artists' Film Club is a central aspect of the ICA's ongoing commitment to artists' film practices. Dedicated to the screening and discussion of moving image works by visual artists and those who work on the fringes of moving image practice, this year, the film club has screened new works by artists such as Ephraim Asili, Shen Xin, Frances Scholz, Laura O'Neill, Tobias Madison, Frances Stark, Juliet Jacques, Jeff Preiss, Jaf Yusuf, Celia Hay, and Marianne Murray. In June 2018, a significant survey of work by the late experimental filmmaker Toshio Matsumoto was held in collaboration with the Postwar Japan Moving Image Archive, and an ongoing collaboration with the London Community Video Archive included presentations and discussions with filmmakers including Nacheal Catnott and Olivia Plender.

Artists' Film Club is also a platform for production. In 2018–2019, the ICA commissioned and produced five films including Ayo Akingbade's *A is for Artist* (which premiered at the London Film Festival) and Olivia Plender's *Many Maids*

Make Much Noise. In early 2019, the ICA launched In Production, conceived in parallel with New Creatives – a series of commissioning opportunities developed by BBC Arts and Arts Council England for emerging artists aged 16–30 looking to enter the world of broadcast media. The project includes ongoing collaborations with five production partners (Kingston University, Dazed, Space, NTS and specialist interactive media producer Workflow), with an opportunity for selected participants to have their work broadcast on BBC channels in 2019. All participants will be given training and production support from industry professionals, production specialists and mentors.

Talks & Learning

Throughout its history, the ICA has been a vital site for the development of critical and cultural theory and 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 research 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. The Talks & Learning programme encompasses the many ways in which the production and presentation of culture provokes questions, changes perceptions and generates new ideas and possible futures. Under the banner of this programme, the ICA organises a broad range of events, gathering people in the ICA building and elsewhere with the ambition to stage and progress challenging ideas that span culture, politics, activism and social justice.

2018–19

The ICA held two substantial convenings during 2018–2019 that coalesced around key areas of intersection between critical theory and cultural production. Developed with academic Akwugo Emejulu, *Fugitive Feminism* focused on contemporary Black feminist politics. Across five days of talks, performances, discussions and workshops, contributors included Hortense Spillers, Gail Lewis, Shatema Threadcraft, Saidiya Hartman and Selina Thompson. *NEO ULTRA PUNK* stemmed from the work of artist Shu Lea Cheang and her propositions around a 'nouveau queer generation'. Across three days, the programme included varied contributions from artists and scholars including Zach Blas, Mijke van der Drift, Natasha Lala, Ayesha Tan Jones, Elizabeth Mputu, Hannah Quinlan and Rosie Hastings, and Giulia Casalini.

The ICA's regular Talks & Learning programme encompassed lectures, discussions, reading groups and workshops, including a keynote event with technologist and activist Chelsea Manning; talks with author Chris Kraus, art historian Elisabeth Lebovici, activist Marai Larasi, and writer and filmmaker Claudia Rankine;

symposia including Aspects of Capitalism Today, The Social in Architecture, and Plotting Decolonial Options: Translocal Interrogations; a discussion on the work of photographer, filmmaker and theorist Allan Sekula; and the Of Animacy Reading Group, which convenes monthly to think through feminist engagements with human and non-human agents in the material world.



Chelsea Manning in conversation with James Bridle

Talks and discussions running in conversation with the ICA's exhibition programme included a talk by writer Mark von Schlegell on the work of Julie Becker; a conversation with artists Metahaven on the 'cinema of the interface'; and Her Voice, a performative symposium led by sound artist and scholar Eleni Ikoniadou programmed in parallel with the exhibition *Morag Keil: Moarg Kiel*.

Live

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

2018–19

As part of the Live programme, the ICA commissioned, produced and presented two substantial live projects in 2018–2019: New York director and playwright Richard Maxwell's play *QUEENS ROW*, and sound artist and DJ Ain Bailey's *Congregation*, which encompassed a club night, a 'sonic roundtable' and a performance of new sound works. Both projects entailed production residencies at the ICA leading up to the presentation of the works.

The ICA also regularly presented new live works by artists, musicians, poets and performers including the recurring *Queers Read This* series focusing on experimental literature from queer and gender non-conforming writers; music performances by MHYSA, CHRISTEENE, Kuedo, M.E.S.H., Lair, Nkisi, Bonaventure, Jamaica!!, Sly & the Family Drone; and readings by artists and writers including Anne Boyer, Juliet Jacques, Saskia Vogel, Hannah Sullivan, Caspar Heinemann, Andrew Durbin, Holly Pester, James Massiah, Belinda Zhawi, Jackie Wang, and Eugene Ostashevsky.

For its fourth consecutive year, the annual Artist Self-Publishers' Fair (ASP4) was hosted at the ICA in December 2018, presenting over 70 UK and international independent artist self-publishers including Banner Repeater, Buried, Control, Dick Jewell, Emily Pope, OOMK, *Hate* magazine, 54 The Gate, Milly Thompson, Nervemeter, and John Russell.

University Partnerships

Across 2018–2019, the ICA collaborated with its university partners University of the Arts London, Kingston University, the University of Kent, and Birkbeck. These collaborations took the form of workshops and seminars with students, jointly curated public events, and co-badged research. A major partnership with AHRC university network CHASE supported the FRAMES of REPRESENTATION film festival, and the ICA continued its The Contemporary MA course in collaboration with the University of Kent.

Learning Partnerships

GUAP Magazine: Our ongoing Youth Partner *GUAP* is a video magazine dedicated to discovering emerging creative talent. In 2018–2019, *GUAP* collaborated with the ICA on a free monthly co-workspace called Social Work, and presented Young Kings, an intergenerational networking event for young black men to share knowledge, skills and develop professional practices, countering degrading and outmoded media narratives around black masculinity.

Shadow Sistxrs Fight Club: Shadow Sistxrs led a series of self-defence classes for women, trans women and non-binary people of colour, combining Brazilian jujitsu with medicinal and magical herbalism. They also held a collaborative workshop with artist collective Resis'Dance, using techniques grounded in the Theatre of the Oppressed to empower participants to intervene in discrimination on the dancefloor.

Social Creative Network (SCN): Social Creative Network (SCN) is a digital creative platform for young people that runs across Instagram and Facebook, managed by a number of SCN Ambassadors. Through SCN, the ICA has initiated the

production of texts and short films exploring themes of self-protection. Aspects of the work of partners such as *GUAP* magazine and Shadow Sistxrs Fight Club have also provided starting points for discussions and new contributions on the SCN platform.

Islington Centre for Refugees and Migrants: Across the year, we have delivered monthly art workshops with asylum seekers in collaboration with Islington Centre for Refugees and Migrants. Each workshop culminates with a community lunch prepared in collaboration with Rochelle Canteen and attended by workshop participants and staff from the centre and the ICA. In the last year, artist James Jessiman facilitated screen-printing workshops, participants learnt banner making with union and campaign banner maker Ed Hall, and collaborative publishing practice One of My Kind (OOMK) led zine-making workshops.

Youth Festival: In December, we held our annual day-long Youth Festival under the title *The UNFASHIONED Museum*. Organised in collaboration with the London College of Fashion, Sonic Gaze, and *GUAP*, the festival was co-curated by a group of talented students, designers, artists, bloggers and speakers, united by the desire to challenge the fashion industry's conservative tastes and ideologies, and to promote the rising influence of hip-hop, feminist and LGBTQI communities on contemporary culture. The day involved printing workshops, an immersive presentation by fashion label Maromas, discussions, spoken word performances, and DJ sets.

ICA Beneficiaries and Impact

In 2018–19 we reached 340K visitors. Our ticketed Cinema and events audience totalled 79.4K. Across all Cinema screenings, we filled 30% of seats with 27% of those seats being taken by members (12% by Red members).

The ICA has one of the youngest demographics for an arts institution. 68% aged between 16 and 34, an increase of 2% on last year. 23.5% of our audience is BME, a 2.7 increase on our BME audience last year.

ICA Membership 2018–19

On 15 March 2018, the ICA introduced the updated three-tier membership structure. The ICA Red Membership is a completely new membership tier, providing unlimited free access to all ICA programmes alongside the standard ICA Green Membership and concessionary ICA Blue Membership. The total number of ICA Red, Green and Blue Members at the end of 2018–19 was 6,469.

Students, young people and those on a low income are an important focus for ICA Membership, with the 'Blue' Membership kept at the affordable annual fee of £10.

This year, 4,226 of Members are Blue, which makes 65% of all members. 49% of Blues are Students, 16% are Under 26, and 19% are Seniors.

ICA Digital Profile and Communications

Our communications and marketing strategy prioritises digital activities in line with the profile of our audiences, and over the last year has seen growth across all social media platforms. The ICA's Facebook rating is 4.7 (above average for our sector), and we regularly receive 4- and 5-star Google reviews.

The ICA's dedicated online learning forum Social Creative Network (SCN) now has 825 Facebook members.

Having launched our new website in Spring 2018, over the last six months, we have since made major structural improvements, following extensive user evaluation and feedback. In November we implemented version 2.0 of the website to improve the day-to-day running of the site. New CRM software, allows us to cross-reference audience data, offer more integrated commercial services and set up more effective systems for Membership, Donations and other types of public support.

Digital Statistics	2017/18	2018/19
Monthly average web visits	93,951	84,296 (10% decrease)
Monthly average time on website	3:09 mins	2:09 mins
Monthly average YouTube video views	22,386	18,975
Monthly average YouTube subscribers	9,908	10,529
Annual total Twitter followers	192,000	190,000
Annual total Facebook fans	98,605	104,112 (6% increase)
Annual total Instagram followers	89,300	99,338 (11% increase)

Press coverage

Over the last year, we have achieved extensive press coverage in both mainstream and specialist arts press. Some examples are:

The Stage, 25 September 2018 [Re: QUEENS ROW by Richard Maxwell]:
'How the ICA is bringing performance back and wants to 'set the agenda':
After dropping live art a decade ago, the venue's performance programme is experiencing a renaissance under director Stefan Kalmár.'

ArtReview, 9 November 2018 [Re: ICA]:
'Kalmár made much of his desire, when taking over London's Institute of Contemporary Arts in 2016, to reassert the radical founding spirit of the institution. The programme over the past year has been widely acclaimed, with major exhibitions by Julie Becker, Metahaven, Forensic Architecture

and Seth Price ... The commitment to experiment has also been reflected in an ambitious events programme – of which Chelsea Manning's first UK appearance was surely the *pièce de résistance* – featuring roundtables, panel discussions, poetry readings, study groups and 'discursive platforms', as well as a wide-ranging and diverse cinema programme. The upshot is that, in a generally risk-averse climate, Kalmár has reestablished the ICA as London's most imaginative and critically engaged public venue.'

***Dazed Digital*, 11 November 2018 [Re: The Unfashioned Museum]:**

'With talks, workshops, DJ sets, and an immersive fashion performance all on the line-up, The Unfashioned Museum takes place at the ICA – and it's totally free.'

***Frieze*, 3 October 2018 [Re: Chelsea Manning in conversation with James Bridle]:**

'Chelsea Manning's first public UK appearance; at an event hosted by the ICA in London, the whistleblower and activist talked about the dangers of technology ... Manning advocated an ethical form of refusal that seems as urgent in the tech industries and government as it does in all spheres of life, including the arts and culture.'

***Financial Times*, 11 January 2019 [Re: ICA]:**

'Fifty years of the ICA: powerhouse of the avant-garde – In renewing the institute's galleries, director Stefan Kalmár is also celebrating Jane Drew's architectural vision.'

***Time Out*, 28 February 2019 [Re: ICA]:**

'If you're going to call yourself the Institute of Contemporary Arts, you'd better be delivering some seriously edgy, forward-thinking exhibitions, and boy does the ICA deliver. This is the place where pop art was invented – if you catch the right show here, you just might spot the next big art movement.'

***Little White Lies*, 12 March 2019 [Re: Frames of Representation 2019]:**

'Discover transgressive and unruly cinema at Frames of Representation 2019. The annual festival at London's ICA presents new visions for documentary filmmaking. As modern filmmakers make it ever more difficult to classify their work, whether through formal innovations or the ways in which they dismantle conventional film grammar, a festival such as Frames of Representation becomes ever more vital.'

Organisational Updates and Business Improvements

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

- Embedded the new Membership scheme, outlined above, including taking specialist consultancy advice on marketing the membership programme as well as wider advice on brand recognition and marketing
- Introduction of exhibition ticket charges from October 2018 in lieu of the previous 'day membership' charge
- Transition to a highly experienced professional Development fundraising team, led by our Head of Development
- Embedded a dedicated and knowledgeable Bookstore team and further expanded the physical footprint of the Bookstore to improve the performance of our leading and independent arts and critical theory bookstore
- Restoration works to areas of Regency architecture within the building, by way of restoration of the Nash & Brandon staircase
- Renovations to our Theatre floor, stripping back to the original wooden flooring to return the space to one more suited to theatrical performances
- Refresh of parts of our Front of House area and facilities, including new Box Office desks, display screens, improvements to fire exits, new CCTV system, and upgrades to our visitor counter systems
- Migration to a new integrated Box Office system and CRM database for memberships and major fundraising, with associated enhancements to revenue-generating areas of our website
- Completed a restructure of the Front of House team, moving away from casual contracts in favour of permanent roles and guaranteed hours contracts for a more ethical basis of employment.

Our strategic investments in the ICA business model and building over the past 24 months total £1.2 million and have enabled the ICA to increase the proportion of income spent on our core programme from 17% to 27% in that period. The majority (93%) of the annual increase in core income has been applied directly to our programme in 2018–19. This sets a precedent for the huge potential of the Capital project that will enable us to fully utilise our unique assets – building, history, reputation, location and talent – to yield additional, diversified income growth and thereby improve our business model.

Capital Renovation Project

Since 1968, the ICA has occupied the historic building 12 Carlton House Terrace, referred to as the House and the ground-floor areas, referred to as the Podium. For over 70 years the ICA has been the leading voice for progressive culture. In Spring 1968 we moved to our now iconic venue, located at the heart of the Establishment on the Mall, designed by visionary modernist British architect

Dame Jane Drew. This renovation is the first in 50 years – highlighting our pioneering history as the first Institute of Contemporary Arts in the world, conceiving a new global model for how we understand culture today. In the 50 years that the ICA has been located on The Mall, our premises have not been renovated, and we are now in urgent need of bringing the building up to the standard of a 21st Century contemporary arts organisation. In our current configuration, we face a number of practical challenges: the layout of the lower space is out of sync with our programme needs, the building overall does not meet basic accessibility requirements; our cinema and theatre equipment is in need of a tech-update as is the building's plant. In addition, our roof leaks regularly, we have no heating on the whole of the ground floor, and our cinema air conditioning is not fit for purpose, making it impossible for us to offer the visitor experience we wish for.

This essential renovation updates the utopian promise upon which the ICA was founded, achieving an innovative, fully accessible and more fluid design that will inspire artists and audiences alike; allowing us to lead the conversations that stand to innovate for the next 50 years.

In practical terms, the core brief for our building renovation remains as follows:

Overall

- Improve the layout and use of our building in order to be able to deliver a world-class programme, focussed equally around Exhibitions, Cinema, Talks & Learning, Live, (Theatre, Music & Performance)
- Retain the key characteristics of the 1968 Jane Drew scheme, including original features, style and materiality wherever possible.
- Make our building fully accessible, i.e. create step-free access for all visitors and participants to every part of our venue.
- Repair and update all facilities, infrastructure (incl. roof) technical equipment, MEP services and lighting across the building
- Improve the acoustic performance of each space, including reducing negative impact from one to the other
- Expand the total available space for programming by making public spaces that are currently used for private hire.
- Introduce a new dedicated space for research, learning and talks.

Fundraising

The 2018–19 year represented significant success in fundraising for the Capital renovation project. Total funds raised: **£5,377,179** by way of grants awarded and pledged donations, broken down as:

- Individuals (total £4,177,179)
- Trusts and Foundations (total £850K)
- Arts Council England (£350K)

We have been invited to reapply to the Heritage Lottery Fund.

FINANCIAL REVIEW

The 2018–19 year represented one of continued strategic financial investment in the ICA's future, refining and further making much-needed investment in building and business model and staffing to increase business resilience and sustainability. The overall financial result for the year ended 31 March 2019 includes an operational deficit of £15,018 on the general fund before £107,514 gains on investments, £245,859 of transfers from the general fund to designated operational property-related and fixed asset funds, and a £500,000 release of the designated programme fund into the general fund. Hence a £355,137 net increase on the general fund. Capital Project costs of £250,000 were incurred in servicing the ICA Capital Renovation project in the year and thus charged to the designated capital project fund. Total reserves were drawn down by £260,345 across operational and capital project activities (31 March 2018: loss of £410,180).

Total income of £3,680,795 (2018: £3,820,339) was generated this year.

Unrestricted income related to programme activities increased to £932,359 (2018: £614,809) with £226,317 of the increase relating to exhibition and theatre tax credits. Restricted income funding strategic programme activities decreased to £232,601 from £803,784 following the conclusion of our three-year Playback Touring and Festival project funded by Arts Council England on 31 March 2018.

Income from grants and donations totalled £1,281,701 (2018: £1,332,055), including £862,441 (2018: £862,441) annual NPO grant funding from Arts Council England, with the decrease of £50,354 primarily related to the conclusion of a Heritage Lottery Fund grant in the year. Our experienced Development team and refined fundraising strategy achieved £486,000 income (2018: £390,000) from individual donors in support of our core programme and specific activities, shown within the Donations and Exhibition income categories.

Commercial trading income levels grew by 17% to £1,229,208 (2018: £1,049,477), benefiting from the strategic decisions made in the prior year to change our caterer and invest in improvements to our kitchen, restaurant and bar facilities, bookshop and other visitor-facing parts of the building:

- **Average spend per visitor:** £5.15, 44% higher than 2017–18
- **Bookstore:** Average daily sales £676, representing 43% annual income growth with a dedicated bookstore team in place and shop extension
- **Editions:** £180k income (budget £100k)

- **Cinema:** Our fully independent cinema programme continues to deliver increasing income £479k (2018: £437k)
- **Memberships:** £124k income (2018: £75k). Monthly membership sales grew from £7k in April 2018 to £17k in March 2019.
- **Exhibition tickets:** £24k income (2018: £12k from day memberships)
- **Food & beverage:** Our catering partners, Arnold & Henderson, earned 38% more turnover than 2017–18, including a £107k direct share for ICA.
- **Hires:** contributed £529k net in 2018–19 (2018: £465k).

Expenditure was controlled effectively throughout 2018–19 to only 1% over budget and totalled £4,048,654 (2018: £4,195,236) for the year, a decrease of £146,582 from the previous year. Charitable activities accounted for 85.1% (2018: 89.0%) of the total expenditure.

In common with other arts charities, the ICA faces the challenges and pressures of maintaining and increasing income and sustaining it for the future. Arts Council England NPO funding has reduced to 25% of core income in 2018–19, from 30% in 2017–18, further increasing pressures on the efficiencies of earned and raised income sources.

In terms of balance sheet changes, tangible fixed assets have risen by £137,988 to £1,102,489, representing further strategic investment in improving the quality of our building and visitor facilities and enhancements to the revenue-generating functionalities of our website. Further to consultation with independent investment advisors, the investment portfolio was transferred to an all-cash position in January 2019 in light of volatile market conditions and to crystallise strong capital growth since initial investment five years ago. Cash balances totalled £1,183,711 at 31 March 2019 (2018: £399,404), including £286,097 operational cash with the remainder in deposit accounts held in a variety of financial institutions in order to spread risk and to optimise returns. Currency bank accounts were opened in the year to manage exposure to exchange rate fluctuations.

The strategic financial aims of the ICA are centred on stability, resilience, sustainability and continuing risk management and financial control. The ICA requires adequate resources to present a ground-breaking cultural programme and to ensure a high-quality experience for its visitors, and we continually seek new opportunities to improve these.

Principal risks and uncertainties

Risk Management

The Board undertakes an ongoing assessment of the significant risks financial or non-financial to which the ICA is exposed. The risk assessment process identifies existing strategies in place to minimise risks, and further action required. As part of a risk management strategy, the Board reviews risks and progress made in

implementing systems to mitigate risks and enhances procedures as appropriate to minimise any potential impact on the ICA should any identified risks materialise.

The ICA maintains a risk register, which is reviewed by the Finance and Audit Committee regularly, and by the full Board annually. The ICA's principal risks are related to:

- State of the ICA venue being not fit for purpose for our programme activities, therefore failing to meet the needs and expectations of stakeholders, including visitors, artists, partners and funders with an adverse effect on our reputation. We continued to active steps to strategically invest in upgrading elements of our building and facilities in 2018–19 in preparation for our wider Capital renovation project.
- Income generation: Earned and raised income targets not being achieved and/or varying such that there is increased reliance on fewer income sources and reduced diversification of risk. Income targets are also at risk from events outside of the ICA's control, such as Brexit and/or recession. The ICA generates 76% (2018: 62%) of its revenue through a diversified portfolio of income streams from commercial and fundraising sources, which we actively review and monitor regularly. During the financial year 2018–19 only 26% (2018: 34%) of our total income was received from Arts Council England, which includes the National Portfolio Organisation grant (confirmed for the 2018–2022 period). The ICA continues to strengthen financial resilience through new income-generating activities in the 2019–20 business plan and budgets, developed by SMT in conjunction with the Board acting as critical friends to interrogate the business proposals and financial investment. The 2019–20 budgets are prepared on a cautious basis, informed by 2018/19 experienced trends. Specific expenditures have been ringfenced, only to be released when predetermined business confidence triggers have been met.

Reserves policy and going concern

Reserves policy

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

	2019	2018
Total funds at 31 March:	£2,418,182	£2,678,527
This is represented by:		
Restricted funds	£365,359	£369,777
Designated funds		
Programme investment	£0	£500,000
Maintenance fund	£150,000	£119,000
Fixed asset and related funds	£751,613	£643,677
ICA Capital Renovation Project	£250,000	£500,000
Unrestricted 'free' reserves	£901,210	£546,073

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

It is the Board's intention to maintain the unrestricted general funds (excluding designated funds) to provide adequate working capital to sustain the 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 £901,210 (2018: £546,073). This is just under the target of three months' future operating costs, calculated to be around £1 million. Forward financial budgets and business plans have been prepared on a cautious basis, pinned to existing financial trends, and project annual surpluses to increase general funds, with expectation for further growth on baseline income targets.

ICA's Finance and Audit Committee review cash flow and management of Reserves on a quarterly basis to ensure that they are in accordance with the organisation's activities and requirements.

A number of designated funds exist in relation to the ICA's fixed assets. The balance on the designated fund reflecting the net book value of non-restricted fixed assets increased to £751,613 as at 31 March 2019 (2018: £643,677). A designated maintenance fund of £150,000 (2018: £119,000) is also held to support regular substantial maintenance work that is needed to 12 Carlton House Terrace. This property gives the ICA its central location and operating base in London on The Mall. It is a Grade 1 listed building, requiring specific maintenance and capital works under the terms of the lease with The Crown Estates. A designated fund for the ICA Capital Renovations Project £250,000 (2018: £500,000) represents the ICA's contribution towards the upcoming capital project.

The restricted funds represent grants received from the Arts Council England for programme activity and funds received towards the forthcoming ICA capital renovation project.

Accumulated Surplus

The ICA's accumulated surplus as at 31 March 2019 was £2,418,182 (2018: £2,678,527).

Results of Subsidiary Companies

ICA Enterprises Limited made an operating profit for the financial year of £421,428 (2018: £400,077), with £421,428 being payable under Gift Aid to the ICA (2018: £400,077).

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 2019, FoICAL generated £89,752 of income (2018: £85,764) and a loss of £22,873 (2018: surplus £31,175) after awarding grants of £102,164 (2018: £51,623) to the ICA.

Going concern

Only 25% of our core funding is from public subsidy via Arts Council England. The ICA operates a flexible business plan with annual targets reliant upon a variety of earned (56%) and raised (44%) income sources. Cost management is controlled effectively. Financial performance is reviewed by the Finance & Audit Committee on a regular basis. The Board consider that there are no material uncertainties about the ICA's ability to continue as a going concern.

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. The ICA does not use professional fundraisers or commercial participants.
- 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
- 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 (2017–18: 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 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 Board. A skills table is available to Board members and assists the Nominations & Ethics Committee in ensuring appropriate skills are sought with new appointments.

Prior to appointment, candidates meet with the Chair, Director and if appropriate, Executive staff and other Board members. Upon 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 Board.

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

Hadeel Ibrahim was elected Chair of the ICA Board in September 2018, bringing her experiences as founding Director of the Mo Ibrahim Foundation, established in 2006 to support leadership and governance in Africa and co-Chair of the Board of Directors of the Africa Centre, New York.

The ICA has introduced new committees to enhance the governance of the ICA, and ensure closer working between the Board, SMT and the rest of the organisation. The Finance and 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 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, the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2015).

The Strategic Communications Committee is responsible for marketing and commercial activities. The Development Committee has strategic oversight of our

fundraising. The Building Committee leads on the logistics of our Capital project, and the Nominations Committee has expanded to include ethics, and recently undertook a review of the Board, with recent recruits. The Board has been strengthened by appointing two new members: Robert Devereux and Francesca Thyssen-Bornemisza. New committee members are being actively recruited, as part of succession planning for new Board members, 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 Director (Stefan Kalmar). The Director is supported by a Senior Management Team 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 program of governance review and improvement. The Board has reviewed the Charity Governance Code and how it applies to the charity. The Board has agreed to follow the Code and each of the seven principles relating 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 are led by the Chair alongside Board and F&A, taking into account performance and benchmarked against salaries paid in comparable organisations. The Directors are responsible for staff remuneration reviews – within the context of overall budgets approved by Board – which occur annually or at transition points. Remuneration for all posts are regularly benchmarked externally. All staff with at least 12 months' service received a minimum of a 2% salary increase.

ICA Apprentices are paid equivalent to the London Living Wage. 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 Employment of Disabled Persons

The ICA is committed to promoting equal opportunity for all of its staff and job applicants and committed to upholding the Equality Act 2010. We aim to create an environment that is free from discrimination or harassment and promotes 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. Whilst some of our offices have barriers to access, we are taking steps to resolve these, and in the meantime, continue 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 the Arts Council England Creative Case for Diversity. The ICA embraces statutory guidelines and regularly consults with Disability representatives to improve our offer and revised 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. Our departments include Communications & Marketing, Curatorial, Development, Directors' Office, Events, Finance, Operations, Sales and Visitor Services and Technical.

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

All staff have access to a Handbook that includes information on staff benefits, health and safety, holiday procedures, sickness and absence procedures, an IT policy, maternity, paternity and parental leave policies, harassment policy, grievance and dispute procedures and a whistle-blower policy among other sections. All staff are provided with a staff card 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.

Funds held as custodian trustee on behalf of others

The ICA holds no custodian funds.

STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

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 which 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
- 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.

In so far as the trustees are aware:

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

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2019 was 14 (2018: 13). The trustees are members of the

charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed 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 3 July 2019 and signed on their behalf by

Hadeel Ibrahim
Chair
3 July 2019

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 2019 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 2019 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the 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 FRC'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 months from the date when the financial statements are authorised for issue.

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
- 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.

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:

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

9 July 2019

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 2019

	Note	Unrestricted General £	Designated £	Restricted £	2019 <i>Total</i> £	2018 Total £
<i>Income from:</i>						
Grants, donations and legacies	3	1,243,151	-	38,550	1,281,701	1,332,055
Charitable activities						
Programme activities	4	932,359	-	232,601	1,164,960	1,418,593
Other trading activities	5	1,229,208	-	-	1,229,208	1,049,477
Investments		4,926	-	-	4,926	20,214
<i>Total income</i>		3,409,644	-	271,151	3,680,795	3,820,339
<i>Expenditure on:</i>						
Raising funds	6	247,552	356,923	-	604,475	459,820
Charitable activities						
Programme activities	6	2,293,302	-	267,069	2,560,371	2,690,764
Associated activities	6	883,808	-	-	883,808	1,044,652
<i>Total expenditure</i>		3,424,662	356,923	267,069	4,048,654	4,195,236
<i>Net (expenditure) / before netgains/ (losses) on investments</i>		(15,018)	(356,923)	4,082	(367,859)	(374,897)
Net gains/ (losses) on investments		107,514	-	-	107,514	(35,283)
<i>Net (expenditure) / income for the year</i>	7	92,496	(356,923)	4,082	(260,345)	(410,180)
Transfers between funds		262,641	(254,141)	(8,500)	-	-
<i>Net movement in funds</i>		355,137	(611,064)	(4,418)	(260,345)	(410,180)
<i>Reconciliation of funds:</i>						
Total funds brought forward		546,073	1,762,677	369,777	2,678,527	3,088,707
<i>Total funds carried forward</i>		901,210	1,151,613	365,359	2,418,182	2,678,527

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.

Institute of Contemporary Arts Limited

Balance sheets

Company no. 00444351

As at 31 March 2019

		<i>The group</i>		<i>The charity</i>	
		<i>2019</i>	2018	<i>2019</i>	2018
	Note	£	£	£	£
<i>Fixed assets:</i>					
Tangible assets	12	1,102,489	964,501	1,102,489	964,501
Debenture loan to subsidiary company		-	-	25,000	25,000
Investments	13	-	1,484,185	2	1,484,187
		1,102,489	2,448,686	1,127,492	2,473,688
<i>Current assets:</i>					
Stock	16	116,204	45,909	116,204	45,909
Debtors	17	401,510	423,604	343,630	329,548
Current asset investments	13	897,614	229,945	897,614	229,945
Cash at bank and in hand		286,097	169,459	245,265	87,820
		1,701,425	868,917	1,602,713	693,222
<i>Liabilities:</i>					
Creditors: amounts falling due within one year	18	(385,732)	(639,075)	(345,326)	(544,560)
<i>Net current assets</i>		1,315,693	229,842	1,257,387	148,662
<i>Total assets less current liabilities</i>		2,418,182	2,678,527	2,384,878	2,622,350
<i>Total net assets</i>		2,418,182	2,678,527	2,384,878	2,622,350
<i>Funds:</i>	21				
Expendable endowment funds		-	-	-	-
Restricted income funds		365,359	369,777	365,359	369,777
Unrestricted income funds:					
Designated funds - other		1,151,613	1,762,677	1,151,613	1,762,677
General funds		901,210	546,073	867,906	489,896
Total unrestricted funds		2,052,823	2,308,750	2,019,520	2,252,573
<i>Total funds</i>		2,418,182	2,678,527	2,384,879	2,622,350

Approved by the Board on 03 July 2019 and signed on their behalf by

Hadeel Ibrahim
Chair

Institute of Contemporary Arts Limited

Consolidated statement of cash flows

For the year ended 31 March 2019

	Note	2019 £	£	2018 £	£
<i>Cash flows from operating activities</i>	22				
<i>Net cash (used in)/ provided by operating activities</i>			(560,737)		(264,442)
<i>Cash flows from investing activities:</i>					
Dividends, interest and rents from investments		4,926		20,214	
Purchase of fixed assets		(246,655)		(512,648)	
Increase/(draw down) of cash to/from fixed asset investments		1,586,773		(14,460)	
Increase/(draw down) of cash to/from current asset investments		-		-	
<i>Net cash used in investing activities</i>			1,345,044		(506,894)
<i>Change in cash and cash equivalents in the year</i>			784,307		(771,336)
Cash and cash equivalents at the beginning of the year			399,404		1,170,740
<i>Cash and cash equivalents at the end of the year</i> 23			1,183,711		399,404

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) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) 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

As explained in the trustees' report, 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	10%
Programme activities	42%
Associated activities	15%
Support costs	31%
Governance costs	2%

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

Raising funds	15%
Programme activities	63%
Associated activities	22%

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

k) Operating leases

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

1 Accounting policies (continued)

l) Tangible and intangible fixed assets

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

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

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The cost of long leasehold buildings is depreciated over the unexpired term of the lease.

Improvements to leasehold premises and other assets are depreciated as set out below:

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

m) 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.

Institute of Contemporary Arts Limited

Notes to the financial statements

For the year ended 31 March 2019

2 Detailed comparative of prior year figures

	General £	Designated £	Restricted £	Endowment £	Total £
<i>Income from:</i>					
Donations and legacies	1,234,145	-	97,910	-	1,332,055
Charitable activities					
Programme activities	614,809	-	803,784	-	1,418,593
Other trading activities	1,049,477	-	-	-	1,049,477
Investment	5,754	14,460	-	-	20,214
<i>Total income</i>	2,904,185	14,460	901,694	-	3,820,339
<i>Expenditure on:</i>					
Raising funds	431,311	28,509	-	-	459,820
Charitable activities					
Programme activities	1,378,148	108,059	1,104,557	100,000	2,690,764
Associated activities	1,044,652	-	-	-	1,044,652
<i>Total expenditure</i>	2,854,111	136,568	1,104,557	100,000	4,195,236
<i>Net income / expenditure before gains / (losses) on investments</i>	50,074	(122,108)	(202,863)	(100,000)	(374,897)
Net (losses) on investments		(35,283)	-	-	(35,283)
<i>Net income / expenditure</i>	50,074	(157,391)	(202,863)	(100,000)	(410,180)
Transfers between funds	383,121	(383,121)	-	-	-
<i>Net movement in funds</i>	433,195	(540,512)	(202,863)	(100,000)	(410,180)
<i>Total funds brought forward</i>	112,878	2,303,189	572,640	100,000	3,088,707
Total funds carried forward	546,073	1,762,677	369,777	-	2,678,527

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

	Unrestricted £	Restricted £	Endowment £	2019 Total £	2018 Total £
Arts Council England	862,441	11,170	-	873,611	871,817
Heritage Lottery Fund	-	18,880	-	18,880	75,980
Donations	380,710	8,500	-	389,210	384,258
	1,243,151	38,550	-	1,281,701	1,332,055

Institute of Contemporary Arts Limited

Notes to the financial statements

For the year ended 31 March 2019

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

	Unrestricted £	Restricted £	Endowment £	2018 Total £	2017 Total £
Arts Council England	862,441	9,376	-	871,817	1,021,810
Heritage Lottery Fund	-	75,980	-	75,980	93,940
Other grants	-	-	-	-	28,500
Donations	371,704	12,554	-	384,258	267,806
	<u>1,234,145</u>	<u>97,910</u>	<u>-</u>	<u>1,332,055</u>	<u>1,412,056</u>

4a Income from charitable activities (current year)

	Unrestricted £	Restricted £	2019 Total £	2018 Total £
Arts Council England	-	76,317	76,317	423,606
Exhibition and Theatre Tax Relief	226,317	-	226,317	-
Exhibition income	105,771	153,844	259,615	373,171
Box Office	521,897	-	521,897	482,971
Sponsorship	32,224	-	32,224	49,260
Education and Learning	46,150	2,440	48,590	89,585
Total income from charitable activities	<u>932,359</u>	<u>232,601</u>	<u>1,164,960</u>	<u>1,418,593</u>

4b Income from charitable activities (prior year)

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Arts Council England	-	423,606	423,606	272,896
Exhibition income	22,203	350,968	373,171	420,445
Box Office	482,971	-	482,971	481,807
Sponsorship	49,260	-	49,260	10,000
Education and Learning	60,375	29,210	89,585	55,161
Total income from charitable activities	<u>614,809</u>	<u>803,784</u>	<u>1,418,593</u>	<u>1,240,309</u>

Institute of Contemporary Arts Limited

Notes to the financial statements

For the year ended 31 March 2019

5a Income from other trading activities (current year)

	Unrestricted £	Restricted £	2019 Total £	2018 Total £
Sales of Books, Merchandise and Artists' Editions	384,581	-	384,581	274,510
Membership Schemes	133,587	-	133,587	87,179
Bar/Café Income	106,615	-	106,615	116,543
Hire income	512,712	-	512,712	463,316
Other	91,713	-	91,713	107,929
	<hr/> 1,229,208	<hr/> -	<hr/> 1,229,208	<hr/> 1,049,477
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

5b Income from other trading activities (Prior year)

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Fundraising Events	-	-	-	174,257
Shop sales	274,510	-	274,510	333,261
Membership Schemes	87,179	-	87,179	111,107
Bar/Café Income	116,543	-	116,543	147,665
Hire income	463,316	-	463,316	611,226
Other	107,929	-	107,929	106,332
	<hr/> 1,049,477	<hr/> -	<hr/> 1,049,477	<hr/> 1,483,848
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Institute of Contemporary Arts Limited

Notes to the financial statements

For the year ended 31 March 2019

6a Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities		Governance costs £	Support costs £	2019 Total £
		Programme activities £	Associated activities £			
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

Institute of Contemporary Arts Limited

Notes to the financial statements

For the year ended 31 March 2019

6b Analysis of expenditure (prior year)

	Cost of raising funds	Charitable activities		Governance costs	Support costs	2018	Total
	£	Programme activities £	Associated activities £	£	£		£
Staff costs (Note 8)	166,240	699,503	376,314	39,240	618,037	1,899,334	
Cinema	-	198,682	-	-	-	198,682	
Exhibitions	-	687,989	-	-	-	687,989	
Education and Events	-	80,891	-	-	-	80,891	
Other projects	-	-	515	-	-	515	
Marketing and New Media	9,437	15,767	142,189	-	-	167,393	
Live and Talks	-	107,728	-	-	-	107,728	
Supporter Development	60,866	-	-	-	-	60,866	
Hire	78,040	-	-	-	-	78,040	
Legal and professional fees	-	-	-	23,303	6,706	30,009	
Audit fees	-	-	-	13,400	-	13,400	
Premises	-	-	-	-	315,674	315,674	
Overheads	-	50,313	195,676	-	280,218	526,207	
Depreciation	-	-	-	-	28,509	28,509	
	314,583	1,840,872	714,694	75,943	1,249,144	4,195,236	
Support costs	136,913	801,183	311,048	-	(1,249,144)	-	
Governance costs	8,324	48,709	18,910	(75,943)	-	-	
Total expenditure 2018	459,820	2,690,764	1,044,652	-	-	4,195,236	

7 Net income/(expenditure) for the year

This is stated after charging:

	2019	2018
	£	£
Depreciation	106,923	28,509
Operating lease rentals:		
Property	21,014	21,586
Auditors' remuneration (excluding VAT):		
Audit	13,800	13,400
Other Service	-	-

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

Staff costs were as follows:

	2019	2018
	£	£
Salaries and wages	1,702,070	1,714,713
Redundancy and termination costs	28,723	13,770
Social security costs	149,062	154,817
Employer's contribution to defined contribution pension schemes	28,988	16,034
	1,908,843	1,899,334

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

	2019	2018
	No.	No.
£60,000 - £69,999	3	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 £400,652 (2018: £304,281).

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 (2018: £nil). No Members of the Board received payment for professional or other services supplied to the charity (2018: £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	2018	Part time	2018
	2019	No.	2019	No.
	No.		No.	
Raising funds	5.00	4.75	1.00	-
Programme activities	11.00	17.00	31.00	42.00
Associated activities	2.00	4.00	13.00	17.00
Support	7.00	6.75	6.00	6.00
Governance	1.00	0.50	-	-
	26.00	33.00	51.00	65.00

10 Related party transactions

The following related party transactions occurred during the 2018/19 financial year:

FoICAL made a grant of £121,873 or US\$160,351 to the ICA (2018: £51,623 or US\$74,470). A management charge of £140,000 (2018: £25,000) and a debenture loan interest of £1,250 (2018: £1,250) were charged by the ICA to the trading subsidiary, the ICA Enterprises Limited.

ICA Enterprises Limited made a gift aided donation of £421,429 (2018: £400,077) to the ICA. The ICA received £51,887 of donations from members of the Board during the financial year (2018: £52,500) and £27,400 from members of the FoICAL Board.

The ICA received donation pledges totalling £2,593,000 (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 (2018: £nil). 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	381,743	150,000	33,000	-	408,221	145,641	1,118,605
Additions in year	71,670	-	-	57,892	104,073	13,019	246,655
Disposals in year	-	-	-	-	(4,866)	(1,817)	(6,683)
At the end of the year	453,413	150,000	33,000	57,892	507,429	156,843	1,358,577
Depreciation							
At the start of the year	-	42,526	25,200	-	23,860	62,518	154,105
Charge for the year	-	2,235	2,100	-	80,842	21,746	106,923
Eliminated on disposal	-	-	-	-	(3,373)	(1,567)	(4,940)
At the end of the year	-	44,761	27,300	-	101,329	82,697	256,088
Net book value At the end of the year	453,413	105,239	5,700	57,892	406,100	74,146	1,102,489
At the start of the year	381,743	107,474	7,800	-	384,361	83,123	964,501

All of the above assets are used for charitable purposes.

13 Investments

	The group 2019 £	2018 £	The charity 2019 £	2018 £
Fixed asset investments				
Fair value at the start of the year	1,415,335	1,450,618	1,415,335	1,450,618
Additions at cost	-	-	-	-
Disposal proceeds	(1,522,849)	-	(1,522,849)	-
Net gain / (loss) on change in fair value	107,514	(35,283)	107,514	(35,283)
Listed and mixed investments	-	1,415,335	-	1,415,335
Cash held by investment broker pending reinvestment	-	68,850	-	68,850
Investment in subsidiary	-	-	2	2
Fair value at the end of the year	-	1,484,185	2	1,484,187
Historic cost at the end of the year	-	1,126,762	-	1,126,762
The listed and mixed investments are made up of:				
Listed investments (UK and overseas)	-	1,242,265	-	1,242,265
Mixed investments including listed shares, bonds, properties and other (UK and overseas)	-	173,070	-	173,070
Fair value as above	-	1,415,335	-	1,415,335

The investment portfolio was transferred to an all cash position during 2018/19, 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 £897,615 (2018: £229,945). 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:

	<i>FoICAL</i>		<i>ICA Enterprises</i>	
	<i>2019</i>	2018	<i>2019</i>	2018
	<i>£</i>	£	<i>£</i>	£
Turnover	89,752	85,764	641,608	629,946
Cost of sales	-		(73,052)	(194,182)
Gross profit	89,752	85,764	568,556	435,764
Administrative expenses	(10,461)	(2,966)	(5,878)	(9,437)
Grant awarded to the ICA	(102,164)	(51,623)	-	-
Management charge payable to parent undertaking	-	-	(140,000)	(25,000)
Other operating income	-	-	-	-
Operating profit	(22,873)	31,175	422,678	401,327
Interest payable	-	-	(1,250)	(1,250)
Profit on ordinary activities before tax	(22,873)	31,175	421,428	400,077
Gift Aid to parent undertaking	-	-	-	-
Corporate Tax	-	-	-	-
Profit / (loss) for the financial year after tax	(22,873)	31,175	421,428	400,077
Retained earnings				
Retained earnings brought forward	31,175	-	25,002	25,002
Profit/(loss) for the financial year	(22,873)	31,175	421,428	400,077
Profits distributed to parent under gift aid	-	-	(421,428)	(400,077)
Retained earnings carried forward	8,302	31,175	25,002	25,002
The aggregate of the assets, liabilities and funds was:				
Assets	22,670	82,798	123,440	189,220
Liabilities	(14,368)	(51,623)	(98,438)	(164,218)
Funds	8,302	31,175	25,002	25,002

15 Parent charity

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

	<i>2019</i>	2018
	<i>£</i>	£
Gross income	3,721,792	3,556,329
Result for the year	(237,474)	(441,355)

16 Stock

	<i>The group and charity</i>	
	<i>2019</i>	<i>2018</i>
	<i>£</i>	<i>£</i>
Bookshop,merchandise and editions	116,204	45,909

17 Debtors

	<i>The group</i>		<i>The charity</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Trade debtors	130,410	205,286	74,670	59,607
Amounts owed from group undertakings	-	-	13,680	51,623
Other debtors	5,188	6,405	5,188	6,405
Prepayments and accrued income	265,912	211,913	250,092	211,913
	401,510	423,604	343,630	329,548

18 Creditors: amounts falling due within one year

	<i>The group</i>		<i>The charity</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Trade creditors	95,712	270,618	94,269	270,129
Amounts owed to group undertakings	-	-	58,718	44,492
Taxation and social security	78,942	66,358	78,942	66,566
Other creditors	23,451	42,623	23,451	42,623
Accruals	73,740	159,007	58,544	113,861
Deferred income	113,887	100,469	31,402	6,888
	385,732	639,075	345,326	544,560

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.

	<i>The group</i>		<i>The charity</i>	
	<i>2019</i>	<i>2018</i>	<i>2019</i>	<i>2018</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Balance at the beginning of the year	100,469	149,157	6,888	85,029
Amount released to income in the year	(100,469)	(149,157)	(6,888)	(85,029)
Amount deferred in the year	113,887	100,469	31,402	6,888
	113,887	100,469	31,402	6,888

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

	General unrestricted funds £	Designated funds £	Restricted funds £	<i>Total funds</i> £
Tangible fixed assets	-	751,613	350,876	1,102,489
Investments	-	-	-	-
Net current assets	901,210	400,000	14,483	1,315,693
	901,210	1,151,613	365,359	2,418,182

Net assets at the end of the year

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

	General unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	-	643,677	320,826	964,503
Investments	484,185	1,000,000	-	1,484,185
Net current assets	61,888	119,000	48,951	229,839
Net assets at the end of the year	546,073	1,762,677	369,777	2,678,527

21a Movements in funds (current 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	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

Purposes of restricted funds

Cinema

This fund represents the money received from CHASE (Consortium for the Arts and Humanities South-East England), the Embassy of Portugal and the Europa Cinemas to support the cost of Cinema at the ICA. This was fully spent in 2018/19.

Artists Film Biennial

This fund represents money received from the National Art Collection to support the costs of Artists Film Biennial at the ICA. This was fully spent in 2018/19.

Talks and Events

This fund represents a donation from an individual to support the costs of Talks and Events at the ICA. This was fully spent in 2018/19.

Learning and Education

This fund represents the money received from Peabody Community Foundation to support the costs of Learning and Education at the ICA. This was fully spent in 2018/19.

21a Movements in funds (continued)

Metahaven

This fund represents the money received from the Stedelijk Museum Amsterdam, the Sharjah Art Museum, the Creative Industries Fund NL, the Museum of Modern Art Warsaw, the Mondriaan Fund, The Embassy of the Kingdom of the Netherlands and a donation from an individual to support the costs of Metahaven exhibition at the ICA. This was fully spent in 2018/19.

Live and Performance

This fund represents a donation from an individual to support the cost of Live and Performance at the ICA. This was fully spent in 2018/19.

Julie Becker

This fund represents donations from individuals to support the costs of Julie Becker exhibition at the ICA. This was fully spent in 2018/19.

Random Acts Additional Outcomes

This fund represents money received from the Arts Council England to enable the ICA towards the costs of the Random Acts Additional Outcomes Programme. This fund was fully spent in 2018/19.

Artists' Moving Image Network

This fund represents money received from the Arts Council England awarding funding from National Lottery to enable the ICA to deliver the Artists' Moving Image Network from 2015 to 2018.

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 2020.

Staircase renovation

This fund represents a donation from an individual towards the costs of the restoration of the ICA's Nash & Brandon staircase in 2018/19.

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 £350,876 (2018: £320,826) and £102,537 (2018: £60,917) was pledged at as 31 March 2019.

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 £102,537 (2018: £60,917) for the ICA's Capital Renovation Project as at 31 March 2019. 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 2019: £327,000 (2018: £500,000).

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 2018/19 financial year was £237,359 (2018: £383,121 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 £
Endowment funds:					
Expendable endowment fund	100,000		(100,000)	-	-
Restricted funds:					
Cinema	-	86,810	(86,810)	-	-
ICA Music	-	961	(961)	-	-
Live and Performance	-	20,000	(20,000)	-	-
Forensic Architecture	-	26,063	(26,063)	-	-
Seth Price	-	25,808	(25,808)	-	-
In Formation	-	520	(520)	-	-
Post-Cyber Feminist International	-	6,958	(6,958)	-	-
Heritage and Archive	-	45,187	(45,187)	-	-
Random Acts	38,231	238,992	(277,223)	-	-
Random Acts Additional Outcomes	161,859	275,124	(436,983)	-	-
Learning and Education	-	44,044	(33,436)	-	10,608
Artists' Moving Image Network	91,893	91,058	(144,608)	-	38,343
ICA Capital Renovation Project	280,657	40,169	-	-	320,826
Total restricted funds	572,640	901,694	(1,104,557)	-	369,777
Unrestricted funds:					
Designated funds:					
Maintenance fund	119,000	-	-	-	119,000
Fixed asset reserve	199,705	-	(28,509)	472,481	643,677
Capital renewals	449,476	-	-	(449,476)	-
ICA Capital Renovation Project	-	-	-	500,000	500,000
Director's Fund	30,000	-	(30,000)	-	-
Programme investment	1,505,008	14,460	(113,342)	(906,126)	500,000
Total designated funds	2,303,189	14,460	(171,851)	(383,121)	1,762,677
General funds	112,878	2,904,185	(2,854,111)	383,121	546,073
Total unrestricted funds	2,416,067	2,918,645	(3,025,962)	-	2,308,750
Total funds	3,088,707	3,820,339	(4,230,519)	-	2,678,527

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

	2019 £	2018 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(260,345)	(410,180)
Depreciation charges	106,923	28,509
(Gains)/losses on investments	(107,514)	35,283
Dividends and interest from investments	-	(20,214)
(Profit)/loss on the disposal of fixed assets	1,734	-
(Increase)/decrease in stocks	(70,295)	16,240
(Increase)/decrease in debtors	22,094	160,247
Increase/(decrease) in creditors	(253,334)	(74,328)
	(560,737)	(264,442)

23 Analysis of cash and cash equivalents

	At 1 April 2018	Cash flows	<i>At 31 March 2019</i>
	£	£	£
Cash at bank and in hand	169,459	116,638	286,097
Notice deposits (less than 3 months)	229,945	667,669	897,614
Total cash and cash equivalents	399,404	784,307	1,183,711

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 2019 £	2018 £	Equipment 2019 £	2018 £
Less than one year	18,402	18,402	2,612	3,184
One to five years	73,608	73,608	9,795	-
Over five years	939,570	958,467	-	-
	1,031,580	1,050,477	12,407	3,184

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.