

Company registration number: 02325092

Charity number: 800630

**the Design Museum**

**Annual report and consolidated accounts**

**31 March 2024**

# **the Design Museum**

## **Annual report and consolidated accounts**

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## the Design Museum

### Trustees, officers and professional advisers

During the year and to date the trustees, officers and professional advisers were as follows:

Stuart Roden – Chair (appointed 5 June 2023)	Sebastian Conran (Conran Foundation nomination)
Asif Khan – Deputy Chair	Eva Jiricna (Bakala Foundation nomination)
Carl Anderson	
Susan Boster	
Victoria, Lady Conran	
Dahlia Dana	
Dominic Field	
Suhair Khan	
Jenna Littler (appointed 5 October 2023)	
Davina Mallinckrodt	Lord Mandelson – Chair (resigned 11 July 2023)
Michelle Ogundehin	Mike Peck FCA AMCT (resigned 13 December 2023)
Jonathan Zenios FCA CTA (appointed 13 December 2023)	Nicholas Bull FCA (resigned 25 March 2024)

#### Company Secretary

Philip John Watkins  
Withers LLP  
20 Old Bailey  
London  
EC4M 7AN

Registered Office	Bankers	Auditor
224–238 Kensington High Street London W8 6AG	Barclays Bank Plc 1 Churchill Place London E14 5HP	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW

#### Solicitors

K&L Gates  
One New Change  
London  
EC4M 9AF

## the Design Museum

### Trustees, officers and professional advisers

<p><b>Curatorial Committee</b></p>	<p><b>Development Committee</b></p>	<p><b>Learning and Research Committee</b></p>
<p><b>Chair:</b> Tim Marlow Asif Khan Davina Mallinckrodt Michelle Ogundehin</p> <p><b>Co-opted members:</b> Daniel Charny Matt Jones Ameena McConnell Professor Jane Pavitt Sir Charles Saumarez Smith</p>	<p><b>Chair:</b> Dahlia Dana Carl Anderson Suhair Khan</p> <p><b>Co-opted members:</b> Roger Ewart Smith Edward Hintze Nicky Josling Christina Makris Edoardo Mapelli Mozzi Olivia McCall Suling Mead Michelle Taite Peter Thompson Julian Vogel Philip Watkins</p>	<p><b>Chair:</b> Jeremy Myerson (co-opted) Sebastian Conran</p> <p><b>Co-opted members:</b> Professor Anne Boddington Professor Rebecca Cain Emily Caldwell Emily Campbell Dr Neal Shasore Victoria Thornton</p>
<p><b>External Affairs Committee</b></p>	<p><b>Finance and Operations Committee</b></p>	<p><b>Enterprise Committee</b></p>
<p><b>Chair:</b> Davina Mallinckrodt</p> <p><b>Co-opted members:</b> Thomas Aastad Patsy Baker Lisa Burdge Donna Clark Judy Dobias Emily Fermor Gilly Mackwood Chaka Sobhani</p>	<p><b>Chair:</b> Jonathan Zenios Dominic Field</p> <p><b>Co-opted members:</b> Jenny Chong Paul Riseborough</p>	<p><b>Chair:</b> Jenna Littler Lucien Bowater (co-opted)</p> <p><b>Co-opted members:</b> Felix Conran Chloe Donnelly Charlie Green Callum Lumsden Duncan Sanders</p>
<p><b>Nominations and Governance Committee</b></p>	<p><b>Key Management Personnel</b></p>	
<p><b>Chair:</b> Stuart Roden Susan Boster Dominic Field Asif Khan Davina Mallinckrodt</p>	<p>Tim Marlow (Chief Executive and Director) Sam Owen (Chief Operating Officer) Johanna Agerman Ross (Conran Foundation Chief Curator) Josephine Chanter (Director of Audiences) Chloe Brand (Director of Development) Siobhán Tighe ACMA (Director of Finance and Operations) Justin McGuirk (Future Observatory Director)</p>	

The following committee and management structure was in place throughout the year.

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**CHAIRMAN'S STATEMENT**

Design is about innovation, change and evolution. So, it was pleasing that in my first year as Chair of the Design Museum, I experienced first-hand how the museum reflected those principles in its practises and programming, achieving its own set of 'firsts'.

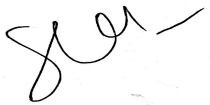
These 'firsts' included: **being the first independent museum to secure Independent Research Organisation status**, reflecting the quality and value of the design research carried out throughout the museum; **hosting the first exhibition of Ai Weiwei's work to engage critically with design; the first ever skate ramp within a museum exhibition; the first use of the Level Two balcony as a dedicated display space**, foregrounding Future Observatory displays, which help to explore design, ecology and sustainability.

Level Two also saw the opening of the Design Kitchen, the new public restaurant space, co-designed with Matthew Williamson and hosted the successful temporary exhibition in partnership with Inuit Mailchimp, titled *Email is Dead*, showcasing some of the first ever e-mail communication.

The post pandemic world, together with a meaningful rise in inflationary costs, provides ongoing challenges, which Tim and the leadership team have navigated their way through with a high level of deep thought and professionalism.

In addition, over recent months, we have launched a refreshed Vision and Mission for the museum which includes setting a medium-term strategy which we are calling 'Transformation 2029'.

I am very much looking forward to working with the Board and the museum's staff in the period ahead to bring this strategy to fruition.



Stuart Roden  
Chairman

# **the Design Museum**

## **Trustees' annual report**

### **Year ended 31 March 2024**

#### **ACHIEVEMENTS AND PERFORMANCE**

As always, the range and depth of museum programming is significant. In 2023-24, footfall reached 619,212 with 182,044 visitors to the temporary exhibitions. These covered a variety of topics, with the first exploration of the celebrated Chinese artist and activist Ai Weiwei in a design context. Ai Weiwei: Making Sense was the second best attended exhibition in the museum's history and explored the idea of design and making, past and present, with particular focus on changing value systems. This was followed by REBEL: 30 Years of London Fashion, which attracted the highest ever audience yet at the museum for school and higher education groups, showing the ongoing appeal of fashion design as a career and the multitude of opportunities which London's fashion scene offers young creatives. Continuing with the fashion theme and taking an item of clothing and exploring it in its contemporary form, The Offbeat Sari was able to demonstrate the relationship between designers, wearers and craftspeople to this single garment and its multi-layered relationship to South Asian culture today. Outside of this, the museum's free exhibition portfolio included an ongoing commitment to design education and research through the Design Researchers in Residence display on the theme of Islands; a partnership with the Design Age Institute based on Designing for our Future Selves, plus the annual displays for Design Ventura and the Ralph Saltzman prize. How to Build a Low Carbon Home was the first free display from Future Observatory and heralded the start of a new permanent space to demonstrate the principles of Designing for the Green Transition within the museum. Yinka Ilori's Parables for Happiness display, the immersive ANTIFURNTURE experience and the Email is Dead exhibition activated various parts of the landmark building and gave further range and thought-provoking experiences for the visitor.

The portfolio of exhibitions the museum has created continued to reach audiences globally through our touring programme. Alongside this, the museum continues to explore best practise around sustainable activity in order to increase understanding and demonstrate how to reduce the environmental impact of temporary exhibitions. Our carbon impact is increasingly used as a metric for consideration throughout the museum and a programme of training has been introduced to support staff in managing this across various activities and workstreams.

The museum continues to develop and adapt, exploring new commercial opportunities and behaviours to provide the best experience for our visitors and also a more sustainable operation for our staff and partners. This has led to revised opening hours to respond to audience demand and need based on the understanding that all visitors are potential participants in our exploration of the value and impact of design in all our lives.

We continue to be appreciative of the support shown to us from all our funding partners.

#### **POST YEAR-END PERIOD AND OUTLOOK**

The ambition for the forthcoming year can be seen in the targets set across the organisation. This is not just financial growth but cultural change and delivery, with a view to developing a more robust museum in the future. This is reflected in the revised Vision and Mission of the Design Museum, with the supporting transformational workstreams built out to 2029. This will be underpinned by a set of refreshed Values which will be embedded in the museum's working practices.

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The exhibitions opening through 2024-25 reflect the range and diversity of audiences the museum is able to reach, from the radical design principles espoused by *Enzo Mari* to the intrinsic value of design in everyday objects, in this case a doll celebrating its 60th birthday: *Barbie: The Exhibition*. Both have opened with strong reviews, realising reputational and commercial targets. The focus in the second half of the year returns once more to the world of film seen through the frame of design with the much anticipated Tim Burton exhibition.

Design research and design education and learning are central to the museum's core mission and purpose and there are expanding programmes of activity being implemented. In addition, further animation of the museum's public spaces will be achieved through free displays of contemporary design research throughout the year.

**PLANS FOR FUTURE PERIODS**

Coming out of the pandemic, the museum's leadership team set a number of targets which focused on the capacity to plan and manage key aspects of programmed activity in the short-term. These focused on income generation and cost management and are outlined in the Objectives and Activities section. Whilst these areas remain vital for the museum, it is now time to broaden the approach to operations. The Transformation 2029 programme moves the museum into a new phase of delivery, focusing on audience development, wider commercial expansion, the digital Design Museum and a new vision for the collection gallery.

This is an exciting new step for the museum over the next five years and will create a physical and digital space where design and design research can be shared and celebrated with an even wider audience.

# the Design Museum

## Trustees' annual report

### Year ended 31 March 2024

#### OPERATIONAL OVERVIEW:

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Design Museum is a private company limited by guarantee, not having a share capital, that has been granted permission by Section 30 of the Companies Act 2006 to omit the word 'Limited' from its name. The Design Museum is a registered charity, and the governing documents of the charity are its Memorandum of Association (dated 24 November 1988) and Articles of Association (updated 1 February 2016). The Design Museum's company registration number is 02325092 and its charity registration number is 800630. The museum also carries out trading activities in support of the museum through its subsidiary arm, Design Museum Enterprises Limited, which undertakes retail and publishing, as well as catering, venue hire and sponsorship activities.

The Design Museum is governed by a Board of Trustees (who are company directors for the purpose of the Companies Act 2006). The trustees provide the mix of skills, competencies and profiles required for them to adequately fulfil their obligations, which include continually developing and leading on agreed strategies that enable the museum to deliver its charitable values and purposes, both internally and externally.

A skills audit is used by the Chairman and the Nominations and Governance Committee to assess the needs of the museum, and this is the foundation on which recruitment decisions for trustees are made. Throughout the process, trustees consider the reach of their candidate pool to ensure they attract a diverse group of applicants, as this is deemed an integral part of the Board's effectiveness. Trustees are elected by the directors and are appointed for an initial period of three years, following which period they are eligible for re-election for a further three years. This choice of term is the result of a Board and committee effectiveness review taken during 2018/19 to ensure that the governance structure was both appropriate and effective in running the museum, in line with the Charities Governance Code. This review led to several changes being made to the Board and to museum governance, based on the recommendations of the code. The Charities Governance Code was updated in March 2022, with a focus on **Principle 3: Integrity** and **Principle 6: Equality, Diversity and Inclusion** (formerly 'Diversity'). Compliance under the code is kept under review.

All new trustees are briefed on their legal obligations under both charity and company law, as well as the content of the Memorandum and Articles of Association. Additionally, they are briefed on the committees and decision-making processes, together with the business plan and financial performance of the museum. The trustee induction pack contains details of the role and responsibilities of trustees, along with the behaviour expected from them – in line with the code of conduct – and how they should deal with any potential conflict of interest. This process has been reviewed and refined over the course of the year to ensure that a thorough onboarding approach continues to be applied. The museum maintains a register of interests that is reviewed periodically. Trustees are aware that they must disclose any potential conflict of interest to the Board so that it can be appropriately dealt with, in line with the museum's governing document, and that any failure to do so could affect the museum's performance and reputation.

There are seven subcommittees of the Design Museum's Board, comprising trustees and co-opted advisers, who oversee all key areas of focus. These include Curatorial, Development, External Affairs, Enterprise, Learning and Research, Nominations and Governance, and Finance and Operations. These

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### **Trustees' annual report**

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subcommittees meet regularly and report to the Board to ensure that the museum is led effectively and in line with the agreed strategy.

The members of the Design Museum are the Conran Foundation and the currently serving trustees. The Conran Foundation has voting rights at Board meetings as well as the power to appoint and remove up to two trustees. The Bakala Foundation is not a member but has the power to appoint and remove one trustee.

Day-to-day management of the charity is delegated to the Director and Chief Executive of the museum, Tim Marlow OBE, supported by the directorate, who report to the Board of Trustees. The trustees have also established appropriate controls and reporting mechanisms to ensure that the leadership team operates within the scope of the powers delegated to it. These controls are formally reviewed and approved annually by the Finance and Operations Committee.

The Chairman ensures that, alongside support of the executive, there is also healthy debate among the trustees that provides challenge to the directors, thereby ensuring that the Design Museum's aims are being delivered. Actions of these meetings are minuted and reviewed regularly.

The pay and remuneration for key management personnel at the Design Museum is set taking into consideration the level of responsibility and function of the role. Roles are also externally benchmarked on a regular basis using independent salary surveys, market data and specific sector salary information. A comparison with market rates is conducted for each role according to location, industry and size of organisation.

The trustees have reviewed the public benefit guidance published by the Charity Commission. The activities undertaken by the Design Museum further its charitable purposes for the public benefit in several areas, in particular exhibitions, learning and public programmes.

#### **RELATED PARTY RELATIONSHIPS**

The charity has a wholly owned trading subsidiary, Design Museum Enterprises Limited, which undertakes retail, publishing, a catering concession, as well as venue hire and sponsorship activities. All profits from Design Museum Enterprises Limited are donated in full to the Design Museum.

As described in note 23, the Conran Foundation is considered a related party.

#### **OBJECTIVES AND ACTIVITIES**

The objectives of the Design Museum, as set out in the Memorandum and Articles of Association, are to advance the education of the public in the study of all forms of design and architecture in the historical, social, artistic, industrial and commercial contexts, by the establishment and maintenance of a museum of design and architecture. This is reflected in our **Vision** of a world in which design enables this planet and its inhabitants to thrive and our **Mission**, which is to be a global hub for the transformative potential of design.

The overarching, long-term objective of the museum is to be the most successful museum of contemporary design and architecture in the world, a point of reference for these global industries,

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realised by attracting a broad audience of visitors annually, and growing the museum's digital footprint to over 10,000,000 online visitors. In support of the museum's long-term objective, the five strategic objectives are:

- To create immersive, entertaining, relevant and thought-provoking exhibitions and programmes
- To deliver a programme that maximises ticket sales and commercial and fundraising income potential
- To raise the profile and reputation of the institution, establishing the Design Museum's authority on design and architecture at both a national and international level
- To drive strategic partnerships that deliver programme and income targets
- To deliver a sustainable operation

Internally the museum has a network of groups which focus on the values that are inherent to our organisation. A staff led group called DEMAND (Design Museum Anti-Discrimination Group) sits alongside our Access and Inclusion Steering Group. An Environmental Impact Working Committee also focuses on how best to identify and deliver our goals around sustainability.

The museum continues to work within the framework of shorter-term objectives which will help shape and define our response to current economic pressures:

**Aim 1:** Increase visitor footfall from FY19–20 (which was the pre-Covid, base footfall)

**Aim 2:** Increase exhibitions planning and delivery timeframe

**Aim 3:** Increase secondary spend (per visitor)

**Aim 4:** Increase contributed and fundraised income

#### **OPERATIONAL DETAIL:**

##### **PROGRAMME:**

The Design Museum usually stages three to four temporary exhibitions a year (in Galleries 1 and 2) for which it levies admission charges, covering a range of areas from architecture and graphic design to fashion and product design. In addition, we also present a series of free displays on the Balcony Gallery and Mezzanine spaces.

##### **GALLERY 1:**

###### **Ai Weiwei: Making Sense**

**Dates: 7 April – 30 July 2023**

This major exhibition, developed in collaboration with Ai Weiwei himself, is the first to present his work as a commentary on design and what it reveals about our changing values. The show mixes recent works with commissioned pieces, inviting us into a meditation on value and humanity, art and activism.

###### **REBEL: 30 Years of London Fashion**

**Dates: 16 September 2023 – 11 February 2024**

Sponsored by Alexander McQueen, this landmark exhibition is one of the most wide-ranging surveys of contemporary fashion culture ever staged in the UK. The show offered an unprecedented look at how

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careers in fashion are forged, and the multitude of opportunities London's fashion scene offers young creatives.

**GALLERY 2:**

**Skateboard**

**Dates: 20 October 2023 – 19 May 2024**

The first major UK exhibition to map the design evolution of the skateboard from the 1950s to today – a story of design, performance and communities progressing together.

**MEZZANINE (free display)**

**Design Ventura** (see 'Learning' for more detail)

**The Ralph Saltzman Prize 2024**

**Date: 1 February – 15 April 2024**

The third year of our annual prize in partnership with the Saltzman Family Foundation, celebrating emerging product designers in recognition of Ralph Saltzman's design legacy. Designer Attua Aparicio was the 2024 prize winner.

**L1 BALCONY (free display)**

**Yinka Ilori: Parables for Happiness (N.B. this opened in the last Fiscal Year)**

**Dates: 15 September 2022 – 25 June 2023**

The display showcased key elements of Ilori's vibrant aesthetic, which have been drawn throughout his career from the mix of cultures that came together in the north London diaspora community where he grew up. It also highlighted some of the most important aspects of Ilori's work – such as his billboard graphics that promote joy – and places them beside key influences, especially Nigerian textiles.

**How to build a low-carbon home**

**Dates: 8 July 2023 – 10 March 2024**

How can we design our homes to respond to the climate emergency? Discover how architects are reimagining wood, stone and straw to design homes fit for the future.

(Developed with Future Observatory)

**Grazie Enzo: Contemporary Responses to Enzo Mari**

**Dates: 29 March 2024 – February 2025**

Enzo Mari was a pivotal figure in twentieth century design and has had a major influence on many contemporary designers and their work. Accompanying the retrospective exhibition, 'Enzo Mari Curated by Hans Ulbrich Obrist with Francesca Giacomelli', this free display will showcase the work of fourteen London-based designers, studios and collectives whose practices share an affinity with Enzo Mari's.

**L2 BALCONY (free display)**

**Future Observatory display**

**Dates: 20 November 2023 – August 2024**

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A new display space dedicated to design research on the environmental crisis curated by Future Observatory, the museum's national research programme for the green transition.

#### **HUTH GALLERY (free display)**

##### **Email is Dead**

**28 September – 22 October 2023**

A playful and immersive display in partnership with Intuit Mailchimp to explore email's transformational powers. With the acceleration of new technologies like artificial intelligence and new methods of connecting online, the display will ask: how will email shape our future?

#### **TOURING**

The museum tours its exhibitions internationally, which creates an additional income stream and offers greater access to content for international audiences, thereby increasing its profile. Additionally, the museum is striving to grow its international profile, reaching new audiences and generating wider international engagement through its developing programme of touring exhibitions.

##### **Sneakers Unboxed**

Sejong Museum of Art, Seoul, S Korea  
31 May – 10 September 2023

HOTA, Home of the Arts, Gold Coast, Australia  
25 November 2023 – 18 February 2024

##### **Material Tales: The Life of Things**

Hong Kong Science Museum, Hong Kong  
19 May – 18 October 2023

##### **Football: Designing the Beautiful Game**

FIFA Museum, Zurich, Switzerland  
13 October 2023 – 1 April 2024

##### **Waste Age: What can design do?**

Cite des Sciences et de l'Industrie, Paris, France  
5 December 2023 – 1 September 2024

#### **DIGITAL**

The Design Museum has over 5,000,000 followers across all channels, with our Twitter following still one of the highest in the global museum sector. Our TikTok is showing over 100% growth again in its second year and Instagram continues to deliver strong growth and engagement with over 40,000 new followers last year. Our new Threads channel already has over 80,000 followers and our LinkedIn channel has also grown by 15,000 followers this year. Our website has shown another year-on-year increase in visits with 2,000,000 visits in 2023/24.

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Popular strands of content include exhibition related posts, evergreen content (our design of the week is continually one of the most popular, with the highest performing post of the year) and partnerships and collaborations to grow reach and audiences.

<b>Digital presence</b>	<b>2023/24</b>	<b>2022/23</b>
X (Twitter) followers	4,029,362	4,103,704
Threads – new	81,000	
Facebook fans	478,910	465,474
Instagram followers	521,037	489,550
TikTok followers	8,274	4,867
LinkedIn	73,385	58,639
YouTube followers	4,970	4,271
Website (unique visitors)	2,000,000	1,865,267
Online shop (unique visitors)	198,422	211,728

## **FUNDRAISING**

The Design Museum has considered the guidance set out by the Charity Commission, follows the Institute of Fundraising's code of fundraising practice and is registered with the Fundraising Regulator. We have not received any complaints in respect to our fundraising practices.

The museum has a professional fundraising department led by the Director of Development. The team is responsible for fundraising from individuals, trusts and foundations and companies, working within the guidelines set out by the Fundraising Regulator and Code of Fundraising Practice. The museum's fundraising is supported by a volunteer Development Committee, which is chaired by a member of the Board of Trustees.

The museum does not engage any external partners or fundraising agencies to carry out fundraising on its behalf, nor does it engage in fundraising activities that would place vulnerable people at risk.

Fundraising covers the income raised through grants from trusts and foundations, income from individuals, statutory funding, corporate sponsorship and corporate membership. Each area is supported by dedicated members of staff to ensure achieving targets is managed in a way that is neither detrimental to the museum's reputation, nor the wellbeing of the people and parties involved.

In the financial year 23–24, the museum secured a total of £2.5m in grants, donations and sponsorship, including National Portfolio Organisation funding from Arts Council England, which is committed up to the year ending March 2027.

The main areas of support during the year were:

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- **Government grants:**
  - the museum is two years into its current National Portfolio Organisation funding agreement with Arts Council England, which supports core activity at the museum. In Spring 2024 it was announced that the funding agreement was to be extended, meaning the current annual grant agreement now expires in 2026/27
- **Corporate support:**
  - Deutsche Bank continued its support of the Design Ventura learning programme for its fourteenth year
  - Ardagh Group supported its third year of the Ardagh Young Creatives programme for young people
  - Gallery 1 Exhibition Support
    - CQS and *Ai Weiwei: Making Sense*
    - Alexander McQueen and *REBEL: 30 Years of London Fashion*
  - Gallery 2 Exhibition Support
    - HCL Tech and *The Offbeat Sari*
    - Converse and *Skateboard*
- **Trusts and Foundations:**
  - The Swarovski Foundation continued to support the Sustainable Design Schools programme
  - The Kusuma Trust continued to support this year's Growing Together gardening project
  - The Bakala Foundation continued to provide critical core support for the museum's activities
  - Funding from the Reuben Foundation supported *Ai Weiwei: Making Sense*
- **Individual giving:**
  - In the final year of an initial three-year partnership, the museum once again delivered the Ralph Saltzman Prize, funded by Lisa Saltzman to recognise the very best in emerging product design, in celebration of the legacy of her father, Ralph Saltzman This year's prize was awarded to Atttua Aparicio
  - SKATEBOARD was supported by a major donation from an individual, Dan Kurzius.
  - Year-round support from the Design Circle – the museum's Patrons' group – continued to fund activity across the museum, from exhibitions through to learning programmes

#### THE DESIGN MUSEUM COLLECTION

The Design Museum holds a collection of industrial design, furniture, graphics and household appliances, which provide a unique record of the social and technological history of modern Britain. The collection consists of over 4,000 examples of mass-produced design from the twentieth and early twenty-first centuries.

The museum's collection policy defines its purpose, scope and future development. We collect thoughtfully and selectively, with a view to supporting the museum's upcoming exhibitions programme.

# the Design Museum

## Trustees' annual report

### Year ended 31 March 2024

#### LEARNING

Learning and research at the Design Museum supports our mission by inspiring and empowering everyone to engage with and imagine positive change through design.

The learning team aim to create an open space for discovery, exploration and learning which nurtures creativity, radical thinking, empathy and collaboration. It is a place for everyone to have fun, be imaginative and to develop a passion for design that facilitates community learning through ongoing dialogue, the equitable exchange of knowledge and lived experience.

2023–24 has been a year of growth and development for the Design Museum's learning programme. During the year 2023–24, there was an increase in the number of adult and child learners that took part in the museum's learning programmes, including self-guided visits to exhibitions made by schools and universities.

#### Pathways into Design

Pathways into Design is a programme for school groups and young people. It includes Design Ventura, the schools programme in its various forms (on site and remote workshops, resources and visits) and the Ardagh Young Creatives – a pathway programme to support young people aged 14–16 from underrepresented backgrounds in accessing the design industries.

- **Design Ventura key highlights:**
  - Through Design Ventura we have engaged 16,408 students
  - 310 schools UK wide including eight 'priority' schools took part in Design Ventura with an additional 46 submissions as part of the online mini challenge
  - 79 schools and three 'priority' schools submitted to Design Ventura with two of these priority schools making the final shortlist
  - 796 students engaged in 50 school workshops both in the museum and online
- **Hands-on Design and Sustainable Schools Workshops key highlights:**
  - Between September 2023 and March 2024 we delivered 188 school workshops to 4,698 students
  - We maintained a programme of seven core learning workshops including:
    - Hands-on Design – Lighting
    - Hands-on Design – Stranger by Design
    - Hands-on Design – Chairs and Seating
    - Hands-on Design – Materials
    - Hands-on Design – Designer Maker User
    - Sustainable Design Schools Programme
    - Digital Design – Digital Graphic Design
  - The second phase of the Waste Age Sustainable Design workshop is currently in research and development. We have worked with a teachers' focus group to develop an in-school resource which was trialled in school last half-term. Phase 2 has been running both through the in-museum programme of schools' workshops, and our digital offering as developed in the year 1 programme. Alongside this, a period of research has explored ways of embedding meaningful opportunities for young people

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### Year ended 31 March 2024

in their everyday lives, uncovering further opportunities for them to apply the knowledge developed in the workshops.

- **Ardagh Young Creatives key highlights:**
  - Through the Ardagh Young Creatives programme we have worked with 244 young people across our workshop and mentoring programmes. These have included:
    - eleven sessions including build week and programme sessions for 14–16-year-olds
    - seven mentoring sessions including speed mentoring and 1:1 opportunities
    - eight programme sessions for 14–25-year-olds
  - Between three and four young people from the AYC programme were invited and attended the private view of the *Grazie Enzo* show which showcased objects made by young people on the second floor balcony
  - We are also currently in the process of formulating a Youth Board with the aim of centring young people's voices, thereby supporting the programme to be more relevant, timely and useful
  - We are currently developing new 'Introduction to Design' sessions focusing on social justice/engaging a decolonised lens

#### Public Practice

The key objectives of Public Practice (formerly described as New Thinking New Voices) are to support:

- A wider range of people in forming creative alliances, shaping and sharing insights, innovation and calls to action
- Equitable and reciprocal learning encounters with communities whose voices are currently underrepresented
- **Key highlights**
  - Recruited five new Growing Together volunteers
  - Growing Together volunteers volunteered 1,104.5 hours
  - 36 Growing Together volunteer sessions onsite, engaging five contributors
  - six Growing Together volunteer research sessions offsite

In total, Public Practice activities engaged 1,592 participants and 51 contributors, which can be broken down as follows:

- three seasonal Growing Together 'Assemblies' engaged 183 participants and nine contributors
- ten conventional events engaged 1,028 audience members and 27 contributors
- two film screenings engaged 164 audience members and three contributors
- three performances and workshops engaged 65 participants and ten facilitators/contributors
- four British Sign Language tours engaged 38 participants
- three audio described tours engaged 25 participants
- three audio resources in dialogue exhibitions engaged twelve contributors and have been listened to 104 times
- The digital resource *Entangled Stories* was published in collaboration with eight Growing Together volunteers.

# the Design Museum

## Trustees' annual report

### Year ended 31 March 2024

#### Design Museum Academy

The Design Museum Academy provides commercially optimised educational experiences in design. It offers a varied and interdisciplinary programme of courses and workshops for non-specialists and learning enthusiasts, introducing them to the wonderful world of design. It aims to:

- Provide joyful, satisfying, creative learning experiences
- Raise awareness of the value and role of design in everyday life
- Become a hub for practical industry-related learning opportunities
  
- **Key highlights**
  - 1,151 learners paid for Design Museum Academy activities across 76 sessions – through ticketed events open to the public and via exclusive hire including:
    - Executive Education
    - Exhibition workshop programme
    - Technical design sessions
    - Design adult learning
  - Popular workshops include exhibition related activities such as 'Sari Draping' workshops associated with *The Offbeat Sari* and 'Create in Clay' accompanying *Ai Weiwei*, as well as more technical pattern cutting and architectural drawing masterclasses
  - Received funding from RBKC to give free spaces to businesses in the North Kensington area on our 'Design Your Way to Net Zero' course
  - The Design Camp offering continues to grow, with the offer now widened to include 8–14-year-olds
- **MA key highlights**
  - 26 learners took part in the course
  - A cohort of students have curated and produced a 'Tips from Kids' Bloomberg Connects podcast in collaboration with Park Walk Primary School, which provides further interpretation to the *Designer Maker User* exhibition
- **In development**
  - We have been approached to apply for adult learning funding from the Greater London Authority via RBKC. This will enable the museum to receive funding from any learners living in the Greater London area and also enables us to offer substantial discounts to those on lower incomes or in receipt of benefits
  - We are also piloting a delivery partnership with Morley College for practical design workshops
  - Digital delivery options have been explored and discussions have been held with FutureLearn. However, funding for development of this work needs to be obtained before we can commit

#### FUTURE OBSERVATORY:

Future Observatory has enjoyed a successful year. As it brings the second year of *Future Observatory: Design the Green Transition (FODGT)* to a close, FO boasts a diverse research portfolio, high public and academic community engagement and a robust financial outlook. Activity delivered included:

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### Year ended 31 March 2024

- Launched the **FO Gallery** on second-floor balcony at the Design Museum (Nov 2023) for the display of UKRI-funded research-in-progress (material, product, systems innovations) related to the green transition
- Launched the **FO Journal** (March 2024), a biannual online publication exploring design, ecology and futures. Issue #1, which took Bioregioning as its theme, included an interactive design forecast, ten essays/papers exploring the theme, a strategic analysis
- Appointed four **Green Transition Ecosystem (GTE)** consortia (July 2023), large scale national projects addressing green transition challenges from single-use plastics in the NHS to retrofitting housing into Beyond Net Zero liveable homes (hosted/attended 16 workshops and roundtables as part of development process in Q3 and Q4)
- Appointed four **More Than Human Fellows** to explore and prototype design that raises awareness or supports the needs of other species (fellowships run February 2024 – February 2025); research outputs will be exhibited in a major exhibition *More Than Human* (working title) in the Design Museum Gallery [June 2025 – Oct 2025]
- Appointed four **Design Researchers in Residence** to carry out discovery research within a dedicated studio space in the museum, working under the theme 'Solar'
- Completed Year 1 **Low Carbon Housing fellowship** and published a **12,000-word report** scoping the opportunities and barriers to low carbon housing in the UK, circulated across industry and government departments
- Completed Round 1 **Design Exchange Partnerships**: 18 DEP early career researchers addressed green transition challenges within the theme of coastal communities, working closely with their HEI/IROs and non-academic partners
- Commenced Round 2 **Design Exchange Partnerships**: nine DEP early career researchers addressing green transition challenges within the theme of biodiversity, working closely with their HEI/IROs and non-academic partners
- Completed pilot **Design Accelerators**: nine awarded projects supported engagement between university R&I and their local communities
- Commenced Round 2 **Design Accelerators**: six awarded projects supported to develop commercialisation potential for their university R&I projects
- Hosted a **researchers networking event** and workshop for all researchers across the FO portfolio (DEPs, Das, DRiRs) at the Design Museum (23 May 2024), attended by 50 people
- Future Observatory was rebranded, with an extensive **new website** (June 2023)
- FO completed recruitment for the **FO Research Steering Group (RSG)**; a committee of specialist designers and researchers spanning architecture, systems design and fashion to provide mentorship and advice to successful GTEs and FO Research team. Members include **Dr Neal Shasore, Dr Sharon Prendeville, Dr Harriet Harris, Dr Sharon Baurley, Clive Grinyer**
- As Future Observatory comes to the end of its second year of FODGT, the FO directorship continues to develop FO's future project strands, strategies, policies and governance within the Design Museum's research and learning ecosystem. We have been awarded **Independent Research Organisation** status, as of February 2024 (with Future Observatory, Design Museum Learning and Design Museum Curatorial teams as the core research drivers)
- Launched the **Research Ethics Board (REB)** with an inaugural meeting on 10 January 2024. The REB will ensure contemporary research ethics are upheld at the museum based on our updated Code of Good Research Practice.
- Several strands of the Future Observatory programme are in development and progressing towards their launch in FY 24/25

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#### TRADING SUBSIDIARY TRADING PERFORMANCE

The Design Museum's trading subsidiary, Design Museum Enterprises Limited, had turnover during the year of £4.4m (2023: £3.5m) and a profit before taxation of £0.5m (2023: £0.4m). This has been donated in full to the Design Museum under Gift Aid at the year end. The principal activities of Design Museum Enterprises Limited are the operation of shops, catering, sponsorship services and venue hire.

#### Retail and Publishing, Catering and Venue Hire

- **Retail** – The Design Museum operates three physical shops and an online shop. During 2023–24, the range consisted of exhibition merchandise from the three temporary exhibitions, plus a core range of books and general gifting items, all available onsite with selected products sold online.

The split of sales was evenly balanced across core ranges (49.5%) and exhibition ranges (50.5%), with *Ai Weiwei* and *Offbeat Sari* both generating strong sales ahead of budget. During the year, the High Street Kensington shop was mainly used to display Gallery 2 exhibition merchandise, including *Offbeat Sari* and *Skateboard*. During gallery closure times, it was used to sell through sale stock.

- **Publishing** – The Design Museum publishes a range of books to support the museum's collections and exhibitions, which are in turn sold across its three retail outlets. Titles are either produced in-house or in collaboration with external publishing partners. Books are distributed globally via Thames & Hudson and DAP.

During FY23–24, the publishing programme included books from all three major gallery shows. These included *Ai Weiwei: Making Sense*, *REBEL: 30 Years of London Fashion* and *The Offbeat Sari*.

- **Catering** – The contract for London Grade Coffee to run the Design Cafe was extended until the beginning of September. This will allow for a tender process to take place during the summer for the public catering contract, which includes the newly refurbished Design Kitchen space on the second floor and the Design Cafe. The new Design Kitchen, designed in partnership with Matthew Williamson, opened in September 2023.
- **Venue Hire** – The museum has a spectacular suite of event spaces which are regularly used for corporate events of various size and complexity, ranging from seminars to week-long product launches, exhibitions, dinners and receptions as well as filming. In the financial year 2023–24, the commercial hire and events department generated just under £1.2 million of revenue from commercial hires. This income is lower than the previous year but remains in line with industry trends for the tax year. Some changes to the event spaces affected our ability to host events between April and September 2023.

#### STAFF AND VOLUNTEERS

The Design Museum continues to invest in its staff and to provide them with a positive and supportive working environment, including clear opportunities for development, recognition for responsibilities taken on and results delivered.

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During the year, the museum continued to exercise pay restraint, delivering against the objectives of the Cultural Recovery plan and our 2029 strategic transformation plan. The museum was able to deliver permanent uplifts to a large proportion of the staff base, as part of a move to address pay conditions in the sector, working with our trade union to agree the award with our workforce. A new management development programme has been introduced at the museum, creating cohorts of new managers and established managers, who have come together to form a network of support and knowledge sharing. This programme has run over several months, offering online and in-person as well as individual coaching sessions. Looking towards the next year, a new and improved online recruitment portal and onboarding experience will be introduced. A roll-out of the museum's refreshed values will also be integrated into everyday activities and processes.

The museum continues to offer opportunities to volunteers, who enhance visitors' experience of the museum and its garden (the average number of volunteers in post on a weekly basis in 2023–24 was 87).

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**FINANCIAL REVIEW**

**Income and Expenditure**

	Unrestricted	Unrestricted designated	Restricted	2024	2023
	£	£	£	£	£
<b>Total income</b>	10,289,247	-	2,159,053	<b>12,448,300</b>	<b>8,904,630</b>
<b>Total expenditure</b>	(11,613,687)	(186,468)	(2,133,361)	<b>(13,933,516)</b>	<b>(11,806,196)</b>
<b>Net income/(expenditure) for the year</b>	(1,324,440)	(186,468)	25,692	<b>(1,485,216)</b>	<b>(2,901,566)</b>
Transfer of funds	-	-	-	-	-
<b>Net movement of funds</b>	(1,324,440)	(186,468)	25,692	<b>(1,485,216)</b>	<b>(2,901,566)</b>

**Income**

Income in the period has been delivered from self-generated activity rather than exceptional activity, which formed a significant part of the profile in the immediate post pandemic years. There has been growth across key areas of activity, reflecting an improved market as well as actions taken internally to optimise commercial returns. The 'Other income' section reflects a rebate secured on rates paid in previous periods.

	2024	2024	2023	2023
	£	£	£	£
Admissions	2,713,426		1,986,090	
Trading	4,395,518		3,478,390	
Other charitable activities	1,391,604		949,239	
Donations, gifts and other income*	950,177		1,172,742	
Grants	2,086,275		1,239,556	
		11,537,000		8,826,017
<b>Exceptional activity:</b>				
Conran Foundation		50,000		78,613
Other income		861,300		-
<b>Total Income</b>		<b>12,448,300</b>		<b>8,904,630</b>

\*Includes Design Museum Kensington project income and investment Income

## the Design Museum

### Trustees' annual report

### Year ended 31 March 2024

#### Expenditure

Expenditure has increased by £2.1m since 2023, due to increased activity and inflationary pressure as opposed to any change in business profile. Throughout the year, cost restraint was applied across all areas of activity, including staffing. There was a small cost of £0.2m associated with securing the rates rebate which was specific to this financial year.

#### Unrestricted funds

The unrestricted deficit of £1.3m in the year is from ongoing operations. The museum continues to focus its efforts on growing revenues to achieve operational profitability. This is part of a planning process which requires improved performance to break even, and then achieve profitability over the next few years.

The museum building is held as a separate designated fund. Building depreciation is recognised as unrestricted expenditure, and any assets purchased in respect of the building are transferred to designated funds in order that the reserves reflect the net book value of the building at the year end.

#### Restricted funds

Restricted income comprises income relating to ongoing operations.

#### Cashflow

As a matter of sound financial practice, the management regularly reviews its cashflow position to ensure that it has at least six weeks of operating cashflow at all points.

The museum has an investment policy of holding funds in sterling cash deposit accounts, where balances are spread across at least two major UK clearing banks. These deposits ensure that cash is readily available to fund the costs of operations, in line with the museum's cashflow forecasts.

The museum opened a high interest notice account to hold funds at a more favourable rate. This has been drawn down against as necessary across the year. Short term deposit accounts have been opened in sterling and euros to allow funds to be optimised within a more condensed timeframe.

#### Balance Sheet

On 31 March 2024 the museum held £31.3m (2023: £31.4m) in unrestricted designated reserves, this being the net book value of fixed assets relating to the Design Museum Kensington. As well as these unrestricted funds, £0.6m (2023: £0.6m) in restricted reserves were held, primarily relating to Design Museum projects and the development of the museum's IT infrastructure. Total funds held on 31 March 2024 were £28.6m (2023: £30.1m).

#### Reserves

##### 31 March 2024

	Fixed assets	Cash	Loan	Other assets	Total
	£	£	£	£	£
Unrestricted reserves	1,136,488	2,561,280	(5,000,000)	(1,975,590)	<b>(3,277,822)</b>
Unrestricted designated reserves	31,259,676	-		-	<b>31,259,676</b>
Restricted reserves	-	434,310		162,899	<b>597,209</b>
	<b>32,396,164</b>	<b>2,995,590</b>	<b>(5,000,000)</b>	<b>(1,812,691)</b>	<b>28,579,063</b>

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**31 March 2023**

	Fixed assets	Cash	Loan	Other assets	Total
	£	£	£	£	£
Unrestricted reserves	1,089,247	3,306,062	(5,000,000)	(1,348,691)	<b>(1,953,382)</b>
Unrestricted designated reserves	31,446,144	-		-	<b>31,446,144</b>
Restricted reserves	-	424,110		147,407	<b>571,517</b>
	<b>32,535,391</b>	<b>3,730,172</b>	<b>(5,000,000)</b>	<b>(1,201,284)</b>	<b>30,064,279</b>

The total funds are shown in these tables, the SoFA and note 19. The details of these funds are explained above and in note 19.

The Design Museum has a policy target of unrestricted free reserves equal to six months budgeted future operating costs. Unrestricted free reserves are defined as being total unrestricted reserves less the net book value of unrestricted fixed assets.

The unrestricted free reserves target on 31 March 2024 equates to £7.0m (2023: £6.3m). This target is reviewed annually, based on an assessment of museum risks, the stability of its income streams, and operational cashflow requirements.

There is a deficit on unrestricted free reserves as of 31 March 2024 (excluding fixed assets) therefore there are nil unrestricted free reserves (2023: £Nil). The Design Museum will continue to strive to achieve the target in the medium term by following the business plan. This includes objectives to continue to grow admissions and other revenue streams, while aiming to keep costs down, thus providing us with greater financial stability.

# **the Design Museum**

## **Trustees' annual report**

### **Year ended 31 March 2024**

#### **RISK MANAGEMENT**

The executive management team, appointed by the trustees and those parties to whom they report, are responsible for decision making, risk management and the museum's control environment. A summary of risks outlining likely impacts and mitigating actions – which is maintained and actively managed by the executive team – is reviewed by relevant Committees and by the Board at least once a year. The major risks – namely, those with reputational and financial impacts – relate to the operational performance of the museum. They normally include:

- Admissions and/or commercial income targets not being met
- Fundraising failing to meet targets across the different funding streams
- Cost inflation restricting the ability to deliver programmes and/or activities, placing extreme pressure on overall finances
- Insufficient free reserves and cashflow to cover financial risks

Committees review policies and procedures annually, which relate to their respective remits. Benchmarking of activities across key areas of operation is also undertaken periodically.

Budgets and cashflows were revised throughout the year and presented to the Board to ensure projections and their supporting assumptions were clearly communicated. These budgets were assessed with the usual rigour by the Finance and Operations committee. Scenario modelling ensured the impact of different outcomes on the projected profile was applied, so the full range of risk could be demonstrated at each key point. As part of the loan requirement, the Director of Finance and Operations and the Director of Development met regularly with the Arts Council England Cultural Recovery Fund loan team to assess performance against the planned financial profile, keeping them updated about current trends and behaviours and flagging any variations from expected patterns.

Action was taken to maximise income at all reasonable opportunities and, where possible, business as usual income streams adapted to generate alternative income. As part of the risk management, expenditure was closely monitored and managed to a lower target. The organisational review of the museum is being considered from the perspective of activity drivers to better understand where bottom line delivery can be optimised and to use this as a framework in future decision making to ensure a balanced portfolio of activity across the organisation.

The museum maintains an agile working policy where staff split their time on a 60:40 ratio between the office and home (where appropriate for their role). As such, risks around physical and mental wellbeing created by working from home were still a factor, and practices to manage this were also maintained. An adapted workplace assessment, a regular wellness programme, and an Employee Assistance Programme – including access to the Headspace app – are among several of the benefits afforded to staff.

#### **GOING CONCERN**

The Design Museum continues to face a challenging environment, with the costs of running the organisation still outpacing the income generated due to pressures felt in the wider economic market. A resulting deficit of £1.5m was generated in FY 23–24, an improvement on prior year's deficit of

## **the Design Museum**

### **Trustees' annual report**

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£2.9m, which reflects the museum's ability to respond and adapt to wider environmental pressures in a way that maintains financial surety and follows the expected trajectory of financial delivery.

However, as a result, the unrestricted reserves show a deficit of £3.3m, a worsening of the prior year's unrestricted reserves deficit of £1.9m; cash at hand and bank has reduced to £3.0m from £3.7m.

The business plan lays out in detail the income generation strategies that will enable the organisation to grow towards surplus revenue. The strategic changes and workstreams needed to deliver this longer-term business change are already in place, strengthened by support and feedback from the wider committee groups. These strategies have been interrogated for their rigour and will continue to be examined as they develop. In the more immediate term, for the purposes of the Going Concern assessment, the trustees have reviewed updated scenarios drawn from the core of the business plan. These scenarios assume a slower than planned recovery of visitor footfall, plus associated and secondary income, as well as a shortfall in fundraising delivery targets. They consider how the short-term impact of continued disruption can be mitigated. The trustees remain cautious but optimistic, recognising that the propensity of visitors returning to the museum is unknown, as is the appetite of donors for giving and other stakeholders for continued use of the museum.

The trustees are satisfied that, given the current information and estimates, the charity will have sufficient funds to continue with its operations for the foreseeable future. Being that the assessment period is at least twelve months from the date of approval of these financial statements, it is therefore appropriate to prepare these financial statements on the going concern basis.

However, there remain plausible but not remote scenarios whereby either admissions and other revenues are insufficient, and/or insufficient funds are raised to mitigate sufficiently the ongoing impact of current economic factors. These circumstances represent a material uncertainty that may cast significant doubt upon the company's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also directors of the Design Museum for the purposes of company law) are responsible for preparing the Trustees' Annual Report (incorporating a directors' report and a strategic report) and all financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires that the trustees prepare financial statements for each financial year. These should give a true and fair view of the state of affairs of the charitable company and wider group, as well as the incoming resources and application of those resources (including the income and expenditure of the charitable 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 laid out in the Charities SORP

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**Trustees' annual report**  
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- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed
- prepare the financial statements on the going concern basis unless it is deemed inappropriate to presume that the charitable company will continue in business.

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 to prevent and detect fraud and other irregularities.

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

**INFORMATION PROVIDED TO THE AUDITOR**

Insofar as each of the trustees is aware, there is no relevant audit information of which the charity's auditor is unaware. Each of the trustees have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information, and to establish that the auditor is aware of that information.

**Trustees' report (including strategic report and directors' report) signed by order of the Board of Trustees**

Stuart Roden, Chairman of the Board

*Stuart Roden*

..... 16 August 2024

Jonathan Zenios FCA CTA, Trustee

*Jonathan Zenios*

..... 16 August 2024

# **the Design Museum**

## **The independent auditor's report**

### **Year ended 31 March 2024**

#### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DESIGN MUSEUM**

##### **Opinion**

We have audited the financial statements of the Design Museum ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2024 which comprise the Group Statement of Financial Activities, the Group and Company Balance Sheet, the Group Cash Flow Statement, and notes to the financial statements, including 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 groups and the charitable company's affairs as of 31 March 2024 and of the group's income and expenditure, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

##### **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 charitable company and 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.

##### **Material uncertainty relating to going concern.**

We draw attention to note 2 in the financial statements, which indicates under going concern that there remain plausible but not remote scenarios whereby either admissions and other revenues are insufficient, and/or insufficient funds are raised, to mitigate sufficiently the ongoing impact of current economic factors and that these circumstances represent a material uncertainty that may cast significant doubt upon the company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

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

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

##### **Other information**

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial

**the Design Museum**  
**The independent auditor's report**  
**Year ended 31 March 2024**

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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception.**

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; or
- the 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.

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out on page 24, the trustees (who are also the directors of the 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going

## **the Design Museum**

### **The independent auditor's report**

### **Year ended 31 March 2024**

concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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**

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud.**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102).

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation, health and safety legislation, employment legislation and taxation legislation.

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**Year ended 31 March 2024**

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

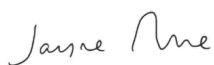
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grants and donations income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and Operations Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

**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. 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.



**Jayne Rowe**

Senior Statutory Auditor

For and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

London

Date: 20 August 2024

**the Design Museum**  
**Consolidated Statement of Financial Activities**  
**(Including the income and expenditure accounts)**  
**Year ended 31 March 2024**

	Notes	Unrestricted	Unrestricted designated	Restricted	2024	Unrestricted	Unrestricted designated	Restricted	2023
		£	£	£	£	£	£	£	£
<b>INCOME</b>									
<b>Donations and legacies</b>									
Donations, gifts and similar income	3	541,688	-	356,880	<b>898,568</b>	954,861	-	226,775	<b>1,181,636</b>
Design Museum Kensington project	19	-	-	10,200	<b>10,200</b>	-	-	8,500	<b>8,500</b>
Grants receivable	4	294,302	-	1,791,973	<b>2,086,275</b>	173,128	-	1,066,428	<b>1,239,556</b>
<b>Charitable activities</b>	6	4,105,030	-	-	<b>4,105,030</b>	2,935,330	-	-	<b>2,935,330</b>
<b>Other trading activities</b>									
Trading sales	7	4,395,518	-	-	<b>4,395,518</b>	3,478,390	-	-	<b>3,478,390</b>
<b>Investments</b>	5	91,409	-	-	<b>91,409</b>	60,423	-	796	<b>61,218</b>
<b>Other income</b>	6	861,300	-	-	<b>861,300</b>	-	-	-	<b>-</b>
<b>Total income</b>		<b>10,289,247</b>	<b>-</b>	<b>2,159,053</b>	<b>12,448,300</b>	<b>7,602,131</b>	<b>-</b>	<b>1,302,499</b>	<b>8,904,630</b>

**the Design Museum**  
**Consolidated Statement of Financial Activities**  
**(Including the income and expenditure accounts)**  
**Year ended 31 March 2024**

	Notes	Unrestricted	Unrestricted designated	Restricted	2024	Unrestricted	Unrestricted designated	Restricted	2023
		£	£	£	£	£	£	£	£
<b>EXPENDITURE</b>									
Raising funds	8	4,543,200	-	13,934	<b>4,557,134</b>	3,709,336	-	82,835	<b>3,792,171</b>
Charitable activities	8	6,841,062	-	2,119,427	<b>8,960,489</b>	6,528,469	-	1,299,084	<b>7,827,554</b>
Design Museum Kensington project	19	-	186,468	-	<b>186,468</b>	-	186,471	-	<b>186,471</b>
Other expenditure	8	229,425	-	-	<b>229,425</b>	-	-	-	-
<b>Total expenditure</b>		<b>11,613,687</b>	<b>186,468</b>	<b>2,133,361</b>	<b>13,933,516</b>	<b>10,237,805</b>	<b>186,471</b>	<b>1,381,920</b>	<b>11,806,196</b>
<b>Net income/(expenditure) for the year</b>		<b>(1,324,440)</b>	<b>(186,468)</b>	<b>25,692</b>	<b>(1,485,216)</b>	<b>(2,635,674)</b>	<b>(186,471)</b>	<b>(79,421)</b>	<b>(2,901,566)</b>
Transfer to designated funds	19	-	-	-	-	-	-	-	-
Transfer to unrestricted funds	19	-	-	-	-	-	-	-	-
<b>Net movement of funds</b>		<b>(1,324,440)</b>	<b>(186,468)</b>	<b>25,692</b>	<b>(1,485,216)</b>	<b>(2,635,674)</b>	<b>(186,471)</b>	<b>(79,421)</b>	<b>(2,901,566)</b>
Balances brought forward	20	(1,953,382)	31,446,144	571,517	<b>30,064,279</b>	682,292	31,632,615	650,938	<b>32,965,845</b>
<b>Balances carried forward</b>		<b>(3,277,822)</b>	<b>31,259,676</b>	<b>597,209</b>	<b>28,579,063</b>	<b>(1,935,382)</b>	<b>31,446,144</b>	<b>571,517</b>	<b>30,064,279</b>

All income and expenditure in the year arises from continuing activity

*The notes on pages 36 to 52 form part of the financial statements*

**the Design Museum**  
**Consolidated and Charity Balance Sheets**  
**Year ended 31 March 2024**

	Notes	The Group		The Charity	
		2024 £	2023 £	2024 £	2023 £
<b>FIXED ASSETS</b>					
Intangible assets	11	161,921	151,985	161,921	151,985
Tangible assets	12	32,016,477	32,198,804	32,016,477	32,198,804
Heritage assets	13	217,766	184,602	217,766	184,602
Investments	14	-	-	2	2
		<u>32,396,164</u>	<u>32,535,391</u>	<u>32,396,166</u>	<u>32,535,393</u>
<b>CURRENT ASSETS</b>					
Stock		261,846	290,814	-	-
Debtors	15	1,741,665	3,608,668	1,955,595	3,856,592
Cash at bank and in hand	16	2,995,590	3,730,172	2,604,257	2,497,203
		<u>4,999,101</u>	<u>7,629,654</u>	<u>4,559,852</u>	<u>6,353,795</u>
<b>CREDITORS: Amounts falling due within one year</b>	17	(3,816,202)	(5,100,766)	(3,377,054)	(3,825,008)
		<u>1,182,899</u>	<u>2,528,888</u>	<u>1,182,798</u>	<u>2,528,787</u>
<b>NET CURRENT ASSETS</b>					
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>33,579,063</u>	<u>35,064,279</u>	<u>33,578,964</u>	<u>35,064,180</u>
<b>CREDITORS: Amounts falling over one year</b>	18	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)
		<u>28,579,063</u>	<u>30,064,279</u>	<u>28,578,964</u>	<u>30,064,180</u>
<b>TOTAL NET ASSETS</b>					
<b>FUNDS</b>					
<b>Unrestricted funds</b>					
General funds	20	(3,277,822)	(1,953,382)	(3,277,921)	(1,953,481)
Designated funds	19	31,259,676	31,446,144	31,259,676	31,446,144
		<u>27,981,854</u>	<u>29,492,762</u>	<u>27,981,755</u>	<u>29,492,663</u>
<b>Restricted funds</b>	19	597,209	571,517	597,209	571,517
		<u>28,579,063</u>	<u>30,064,279</u>	<u>28,578,964</u>	<u>30,064,180</u>

The net income/(expenditure) in the charitable entity for 2024 was a deficit of £1,485,216 (2023 deficit: £2,901,566)

These financial statements were approved by the trustees on 14 August 2024, and are signed on their behalf by:

**Stuart Roden, Chair of the Board**

**Jonathan Zenios FCA CTA, Trustee**

*Stuart Roden*

*Jonathan Zenios*

*The notes on pages 36 to 52 form part of the financial statements*

Company Registration number 02325092

**the Design Museum**  
**Consolidated Cash Flow Statement**  
**Year ended 31 March 2024**

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash (utilised)/provided by operating activities	(a)	(606,672)	(3,013,549)
Interest from investments		91,409	61,218
<b>Cash flows from financing activities</b>			
Cash inflows from new borrowings		-	-
Cash outflows from repayments		-	(27,650)
<b>Cash flows from investing activities</b>			
Purchase of property and equipment		(219,319)	(428,351)
(Decrease)/increase in cash	(b)	<u>(734,582)</u>	<u>(3,408,331)</u>

**Notes to the cash flow statement**  
**Year ended 31 March 2024**

**(a) Reconciliation of net deficit to net cash flow from operating activities**

Net (deficit)/surplus for the year	(1,485,216)	(2,901,566)
Interest from investments	(91,409)	(61,218)
Depreciation and amortisation	358,546	338,951
Loss on disposal of fixed assets	-	-
Decrease/(increase) in stock	28,968	12,772
Decrease/(increase) in debtors	1,867,003	(2,221,821)
(Decrease)/increase in creditors	(1,284,564)	1,819,333
<b>Net cash (outflow)/inflow from operating activities</b>	<u>(606,672)</u>	<u>(3,013,549)</u>

**(b) Analysis of cash and cash equivalents**

	2023 £	Cash flow £	2024 £
Cash at bank and in hand	3,730,172	(734,582)	2,995,590
	<u>3,730,172</u>	<u>(734,582)</u>	<u>2,995,590</u>

**the Design Museum**  
**Consolidated Cash Flow Statement**  
**Year ended 31 March 2024**

**(c) Analysis of changes in net debt**

	<b>2023</b>	<b>Cashflow outflow</b>	<b>Loan repayments</b>	<b>2024</b>
Cash	3,730,172	(734,582)		2,995,590
	<b>3,730,172</b>	<b>(734,582)</b>		<b>2,995,590</b>
Loans falling due within one year	-			
Loans falling due over one year	(5,000,000)	-		(5,000,000)
<b>Total</b>	<b>(1,269,828)</b>	<b>(734,582)</b>	<b>-</b>	<b>(2,004,410)</b>

*The notes on pages 36 to 52 form part of the financial statements*

## the Design Museum

### Notes to the financial statements for the year ended 31 March 2024

#### 1. Charitable Status

The company is limited by guarantee (company registration number 02325092) and is registered as an educational charity in England and Wales (charity registration number is 800630). The address of the registered office is 224–238 Kensington High Street, London, W8 6AG.

#### 2. Accounting policies

##### Basis of accounting

The financial statements have been prepared under the historical cost convention, in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities SORP (FRS102) and the Companies Act 2006. The statements have been prepared on the basis of a going concern (see below). The principal accounting policies adopted in the preparation of the financial statements are set out below and are consistent with those of the previous year.

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The individual entity accounts of the Design Museum have taken advantage of the disclosure exemption under FRS 102 not to separately disclose: a company-only cashflow statement, categories of financial instruments and the items of income, expenses, gains, or losses relating to instruments. These have been presented on a group basis in the notes to the accounts.

##### Consolidation

The Statement of Financial Activities and the Consolidated Balance Sheet consolidate the results of the charity and its wholly owned subsidiary undertaking, Design Museum Enterprises Limited. The results of the subsidiary are consolidated on a line-by-line basis. Intra-group transactions and year-end balances are eliminated on consolidation. In accordance with section 408 of the Companies Act 2006, no separate Statement of Financial Activities has been presented for the Design Museum charity.

##### Going concern

The Design Museum continues to face a challenging environment, with the costs of running the organisation still outpacing the income generated due to pressures felt in the wider economic market. A resulting deficit of £1.5m was generated in FY 23–24, an improvement on prior year's deficit of £2.9m, which reflects the museum's ability to respond and adapt to wider environmental pressures in a way that maintains financial surety and follows the expected trajectory of financial delivery.

However, as a result, the unrestricted reserves show a deficit of £3.3m, a worsening of the prior year's unrestricted reserves deficit of £1.9m; cash at hand and bank has reduced to £3.0m from £3.7m.

The business plan lays out in detail the income generation strategies that will enable the organisation to grow towards surplus revenue. The strategic changes and workstreams needed to deliver this longer-term business change are already in place, strengthened by support and feedback from the wider committee groups. These strategies have been interrogated for their rigour and will continue to be examined as they develop. In the more immediate term, for the purposes of the Going Concern assessment, the trustees have reviewed updated scenarios drawn from the core of the business plan. These scenarios assume a slower than planned recovery of visitor footfall, plus associated and secondary income, as well as a shortfall in fundraising delivery targets. They consider how the short-term impact of continued disruption can be mitigated. The

## **the Design Museum**

### **Notes to the financial statements for the year ended 31 March 2024**

trustees remain cautious but optimistic, recognising that the propensity of visitors returning to the museum is unknown, as is the appetite of donors for giving and other stakeholders for continued use of the museum.

The trustees are satisfied that, given the current information and estimates, the charity will have sufficient funds to continue with its operations for the foreseeable future. Being that the assessment period is at least twelve months from the date of approval of these financial statements, it is therefore appropriate to prepare these financial statements on the going concern basis.

However, there remain plausible but not remote scenarios whereby either admissions and other revenues are insufficient, and/or insufficient funds are raised, to mitigate sufficiently the ongoing impact of current economic factors. These circumstances represent a material uncertainty that may cast significant doubt upon the company's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

#### **Critical accounting judgements and key sources of estimation uncertainty**

In the application of the charity's accounting policies, trustees are required to use appropriate assumptions and estimates to determine the values of assets and liabilities whose values require an element of judgement to be applied. These are based on a combination of historical experience and other relevant factors.

Revisions to accounting estimates are disclosed in the period in which the revision occurs if there is an impact to the financials in that or any subsequent periods.

The trustees hold the view that, of the estimates and assumptions applied in determining the valuation of assets and liabilities at the balance sheet date, none will require a material adjustment to be made to their carrying values in the next financial year.

#### **Income recognition**

Donations, gifts, grants (including government grants), and similar income are recognised as income when the charity has entitlement and the conditions for their receipt have been met.

Membership income is recognised over the period of the membership.

Sponsorship income received for exhibitions taking place in the future is deferred and recognised over the period during which the exhibition runs.

Admissions income is recognised over the period of the exhibition.

Trading sales and fees for services represent amounts invoiced and accrued during the year, exclusive of Value Added Tax. Income is recognised on delivery of goods or provision of the relevant services.

#### **Expenditure**

Expenditure is accounted for on an accruals basis and is allocated between costs incurred in order to raise funds for charitable activities, costs incurred directly in the fulfilment of the charity's objectives (curatorial and learning) and costs incurred on the Design Museum Kensington project.

Direct costs in respect of exhibitions are recognised over the period of the exhibition.

#### **Allocation and apportionment of overhead costs**

Wherever possible, expenditure is allocated specifically to the relevant activities for which it is incurred. Where support and overhead costs cannot be directly attributed, they have been allocated to activity cost categories based on the proportion of staff numbers in each cost category. All costs relating to the Design

## the Design Museum

### Notes to the financial statements for the year ended 31 March 2024

Museum Kensington project, including directly attributable overheads, have been allocated to other direct costs.

#### Gifts in kind and donated services

Donated services and gifts in kind to the charity are recognised as income where the benefit to the charity is reasonably quantifiable and measurable. They are valued at open market value, i.e. what it would have cost the organisation to acquire the same or similar products or services on the open market. An equivalent amount is also included as either expenditure under the appropriate heading in the Statement of Financial Activities or capitalised as fixed assets in the balance sheet. Amounts that cannot be reasonably quantified and measured are excluded from the Statement of Financial Activities. No amounts are included for services donated by volunteers.

#### Irrecoverable VAT

Expenditure includes any VAT which cannot be fully recovered.

#### Tangible fixed assets and depreciation

Fixed assets, with a value of £1,000 or more, are stated at cost or valuation when acquired. Items costing less than £1,000 are expensed in the year of purchase. The cost of acquisition includes all costs (including any irrecoverable VAT) that are directly attributable to bringing the assets into working condition for their intended use.

Tangible fixed assets are depreciated over their estimated useful life on a straight-line basis at the following rates:

Computers, office equipment, fixtures and fittings	over 3–5 years, from date of use
Costs of bringing Kensington Museum building into use	over length of lease, from date of occupation
<i>Designer Maker User</i> exhibition	over 5 years
Energy Saving battery	over 15 years

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

#### Intangible fixed assets and amortisation

Intangible fixed assets represent expenditure on computer software and are amortised on a straight-line basis over their useful life, estimated at three to five years. The cost of acquisition includes all costs (including any irrecoverable VAT) that are directly attributable to bringing the assets into working condition for their intended use. The carrying values of intangible fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

#### Heritage assets

In 2012 a proportion of heritage assets were recognised in the financial statements for the first time, using valuation as an approximation for cost. Additions to the collection are capitalised and recognised in the balance sheet at the cost or value of the acquisition, where such a cost or valuation is reasonably obtainable. Donated objects are capitalised at their deemed value on the date of donation. This value is determined by the keeper of the relevant collection. It is not the museum's policy to revalue items once capitalised. Such items are not depreciated as they are deemed to have indefinite lives.

## **the Design Museum**

### **Notes to the financial statements for the year ended 31 March 2024**

Only items for which we have reliable information on cost or value have been capitalised. The numbers of objects that have been capitalised represent approximately 1% of the volume of the total collection but would be a higher proportion of the value of the total collection. A valuation of the total collection has not been performed due to the large number of items within the museum's collection and their diverse nature, resulting in a full valuation incurring a disproportionate cost to the museum given that many items in the collection are not considered to have a significant financial value.

The museum's management policy in respect of its heritage assets is summarised in note 13.

#### **Unrestricted/restricted funds**

Unrestricted funds comprise accumulated surpluses on general funds that are available for use in the furtherance of the charity's general charitable objectives. Within unrestricted funds, those amounts designated represent funds set aside by trustees for a particular purpose.

Restricted funds are those that can only be used for restricted purposes within the objectives of the charity. Restrictions arise when specified by donors or when funds are raised for particular restricted purposes. Where a restricted fund has expended more resources than it has received, a transfer is made from general unrestricted funds to cover any shortfall. Unspent restricted funds are carried forward for spending in future years. Further explanation on the nature and purpose of each of the restricted funds is included in note 19.

#### **Pension costs**

The charity offers employees access to a defined contribution pension scheme and makes contributions to the personal pension arrangements of qualifying employees, who are automatically enrolled into the scheme in the third month of their employment unless they specifically make the choice to opt out. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

#### **Taxation**

The Design Museum is registered as a charity and as such the income arising from and expended on its charitable activities is exempt from corporation tax.

The museum has taken advantage of the exhibitions tax relief made available by the Finance Act 2017. This is shown in accrued income in relation to those exhibitions displayed or toured during the financial year.

#### **Operating leases**

Rentals applicable to operating leases are recognised on a straight-line basis over the period of the lease.

#### **Stocks**

Stocks are valued at the lower of cost and net realisable value.

#### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling at the date of the transaction. Exchange differences are considered in arriving at the net surplus for the year.

#### **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.

## the Design Museum

### Notes to the financial statements for the year ended 31 March 2024

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors and accrued income. Financial liabilities held at amortised cost comprise trade and other creditors, grants payable and accruals. Income arising from financial assets, comprising bank interest, is recognised within income and expenditure.

#### 3. Donations, gifts and other income

	Unrestricted	Restricted	2024	2023
	£	£	£	£
Conran Foundation donation	-	50,000	50,000	78,613
Bakala Foundation	-	-	-	152,479
Gifts in kind	146,361	-	146,361	224,883
Other income	-	306,880	306,880	159,662
Other donations	395,327	-	395,327	565,999
	<u>541,688</u>	<u>356,880</u>	<u>898,568</u>	<u>1,181,636</u>

Gifts in kind relate to pro bono professional legal fees. The related expenditure is included in governance.

#### 4. Grants receivable

	Unrestricted	Restricted	2024	2023
	£	£	£	£
Deutsche Bank	-	234,167	234,167	225,140
Arts Council – NPO	173,128	-	173,128	173,128
Bakala Foundation	121,174	-	121,174	-
Arts and Humanities Research Council	-	1,318,079	1,318,079	467,252
Royal College of Art	-	91,632	91,632	182,025
Swarovski Foundation	-	53,095	53,095	-
Other grants	-	95,000	95,000	192,011
	<u>294,302</u>	<u>1,791,973</u>	<u>2,086,275</u>	<u>1,239,556</u>

#### 5. Investment income

	Unrestricted	Restricted	2024	2023
	£	£	£	£
Bank interest	<u>91,409</u>	<u>-</u>	<u>91,409</u>	<u>61,218</u>

#### 6. Income from charitable activities

	Unrestricted	Restricted	2024	2023
	£	£	£	£
Admissions	2,713,426	-	2,713,426	1,986,090
Learning	437,747	-	437,747	252,065
Touring	463,446	-	463,446	206,100
Service charges and other	490,411	-	490,411	491,075
	<u>4,105,030</u>	<u>-</u>	<u>4,105,030</u>	<u>2,935,330</u>

Other Income of £861,300 represents business rates rebate received in the year. (2023: £Nil)

# the Design Museum

## Notes to the financial statements for the year ended 31 March 2024

### 7. Trading sales

The Design Museum has one wholly owned subsidiary, Design Museum Enterprises Limited (registered in England and Wales, No. 2330977), which has been consolidated. Design Museum Enterprises Limited undertakes trading activities and is incorporated in England. The principal activities of this company are the operation of a shop within the museum, sponsorship services, catering services, publishing partnerships and commercial corporate hospitality events. A summary of the financial performance and position is given below:

#### Profit and loss account of Design Museum Enterprises Limited for the year ended 31 March 2024

	2024	2023
	£	£
<b>Turnover</b>	4,395,518	3,478,390
Cost of sales and administrative expenditure (including management charge)	<u>(3,897,165)</u>	<u>(3,036,687)</u>
<b>Operating (loss)/profit</b>	498,353	441,703
Other income	<u>-</u>	<u>-</u>
<b>Profit for the year</b>	<u><b>498,353</b></u>	<u><b>441,703</b></u>
<b>Retained earnings at start of period</b>	<b>99</b>	<b>99</b>
Profit for the year	498,353	441,703
Gift aid donation	<u>(498,353)</u>	<u>(441,703)</u>
<b>Retained earnings at end of period</b>	<u><b>99</b></u>	<u><b>99</b></u>

#### Balance sheet for Design Museum Enterprises Limited as of 31 March 2024

	2024	2023
	£	£
Assets	870,687	2,767,863
Liabilities	<u>(870,586)</u>	<u>(2,767,762)</u>
<b>Total Funds</b>	<u><b>101</b></u>	<u><b>101</b></u>

# the Design Museum

## Notes to the financial statements for the year ended 31 March 2024

### 8. Total expenditure

	Staff costs	Depreciation	Other direct costs	Support costs	2024	2023
	£	£	£	£	£	£
Raising funds						
Fundraising	383,066	12,591	120,984	143,328	659,969	755,484
Trading	1,411,509	-	1,519,431	966,225	3,897,165	3,036,687
	1,794,575	12,591	1,640,415	1,109,553	4,557,134	3,792,171
Charitable activities	3,372,148	159,488	3,431,340	1,997,513	8,960,489	7,827,554
	5,166,723	172,079	5,071,755	3,107,066	13,517,623	11,619,725
Design Museum Kensington project	-	186,468	-	-	186,468	186,471
<b>Total 2024</b>	<b>5,166,723</b>	<b>358,547</b>	<b>5,071,755</b>	<b>3,107,066</b>	<b>13,704,091</b>	<b>11,806,196</b>

#### Breakdown of support costs by activity (non-staff costs)

	Raising funds	Charitable activities	Museum Kensington project	Total
	£	£	£	£
Building and Operations	795,567	1,209,787	-	2,005,354
HR, Finance, IT and Management	301,482	447,314	-	748,796
Professional fees and audit	-	182,026	-	182,026
Irrecoverable VAT	12,504	158,386	-	170,890
<b>Total 2024</b>	<b>1,109,553</b>	<b>1,997,513</b>	<b>-</b>	<b>3,107,066</b>
<i>Total 2023</i>	<i>1,038,741</i>	<i>1,911,175</i>	<i>-</i>	<i>2,949,916</i>

Net income on ordinary activities is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation and amortisation of tangible fixed assets	318,471	309,982
Depreciation and amortisation of intangible fixed assets	40,076	28,970
	<b>358,547</b>	<b>338,952</b>
Operating lease rentals:		
- Land and Buildings	-	-
- Other	863	-

The analysis of auditor's remuneration is as follows:

	2024	2023
	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	21,800	20,350
<b>Fees payable to the company's auditor for other services to the Group</b>		
The audit of the company's subsidiaries	7,500	7,000
Prior year fees	-	650
<b>Total audit fees</b>	<b>29,300</b>	<b>28,000</b>
<b>Total non-audit fees</b>	<b>5,303</b>	<b>8,200</b>

## the Design Museum

### Notes to the financial statements for the year ended 31 March 2024

Other Expenditure of £229,425 is the amount incurred in respect of the business rates rebate (2023: £Nil)

#### 9. Governance costs

	Unrestricted	Restricted	2024	2023
	£	£	£	£
Auditor's remuneration	29,300	-	29,300	28,000
Legal and professional fees	6,365	-	6,365	75,395
Legal and other costs donated as gifts in kind	146,361	-	146,361	208,883
	<u>182,026</u>	<u>-</u>	<u>182,026</u>	<u>312,278</u>

Governance costs are shown under expenditure for charitable activities and Design Museum Kensington on the SoFA.

#### 10. Staff costs

The aggregate payroll costs were:

	2024	2023
	£	£
Wages and salaries	4,656,142	4,119,480
Social security costs	391,151	340,901
Other pension costs	119,430	103,603
	<u>5,166,723</u>	<u>4,563,984</u>

The average number of staff employed during the financial year amounted to 180 (2023: 166). The average number of full-time equivalent museum staff employed during the financial year by activity amounted to:

	2024	2023
	No.	No.
Fundraising	6	7
Commercial	27	27
Exhibitions, Curatorial and Communications	61	56
Learning	15	11
Support	20	17
	<u>129</u>	<u>118</u>

The number of employees included in the above whose emoluments, excluding pension and national insurance contributions, fell within the following ranges were:

	2024	2023
£60,001 to £70,000	2	1
£70,001 to £80,000	2	1
£80,001 to £90,000	3	1
£180,001 to £190,000	1	1

## the Design Museum

### Notes to the financial statements for the year ended 31 March 2024

For the above, employer's contributions of £17,145 (2023: £13,923) were made into a defined contribution pension scheme.

During the year, total emoluments (including pension contributions and employers' NI) of seven (2023: six) key management personnel amounted to £714,339 (2023: £579,932). Redundancy and termination payments in the year totalled £Nil (2023: £16,728)

The contribution of volunteers during the year is detailed in the trustees' report.

#### Trustees' remuneration and expenses

No trustees received or waived any remuneration during the financial year. Insurance to protect the trustees, employees and agents of the charity from loss arising from claims of neglect or default was purchased for an annual premium of £10,763 (2023: £9,849).

No travel or associated expenses incurred by the trustees for attending quarterly trustees' meetings were claimed during the year (2023: £Nil).

Donations from trustees totalled £24,700 (2023: £17,900). This is excluding donations made through foundations (namely, the Conran Foundation and the Bakala Foundation)

#### Pension commitments

The company offers employees access to a defined contribution pension scheme. The assets of the scheme are held separately from those of the company, in an independently administered fund. There were no unpaid contributions outstanding at the year end. The company makes payments into the pension arrangement of qualifying staff members who are automatically enrolled onto the scheme in their third month of employment with the Design Museum unless they opt out of such arrangements. Contributions paid during the year amounted to £119,430 (2023: £103,603).

## 11. Intangible assets

#### THE GROUP AND THE CHARITY

	Computer software	£
<b>COST</b>		
At 1 April 2023	420,822	
Additions	50,012	
At 31 March 2024	<u>470,834</u>	
<b>DEPRECIATION AND AMORTISATION</b>		
At 1 April 2023	(268,837)	
Charge for the year	(40,076)	
At 31 March 2024	<u>(308,913)</u>	
<b>NET BOOK VALUE</b>		
At 31 March 2024	<u><u>161,921</u></u>	
At 31 March 2023	<u><u>151,985</u></u>	

# the Design Museum

## Notes to the financial statements for the year ended 31 March 2024

### 12. Tangible assets

<u>THE GROUP</u>	<i>Designer Maker User exhibition</i>	<b>Buildings and leasehold</b>	<b>Computers and office equipment, fixtures and fittings</b>	<b>Total</b>
	£	£	£	£
<b>COST</b>				
At 1 April 2023	1,813,372	32,627,192	1,985,574	<b>36,426,138</b>
Additions			136,143	<b>136,143</b>
Disposals				-
At 31 March 2024	<u>1,813,372</u>	<u>32,627,192</u>	<u>2,121,717</u>	<u><b>36,562,281</b></u>
<b>DEPRECIATION AND AMORTISATION</b>				
At 1 April 2023	(1,813,372)	(1,191,122)	(1,222,840)	<b>(4,227,334)</b>
Depreciation on disposals				-
Charge for the year		(186,468)	(132,003)	<b>(318,471)</b>
At 31 March 2024	<u>(1,813,372)</u>	<u>(1,377,590)</u>	<u>(1,354,843)</u>	<u><b>(4,545,805)</b></u>
<b>NET BOOK VALUE</b>				
At 31 March 2024	<u>-</u>	<u><b>31,249,602</b></u>	<u><b>766,874</b></u>	<u><b>32,016,477</b></u>
At 31 March 2023	-	<b>31,436,070</b>	<b>762,734</b>	<b>32,198,804</b>
<u>THE CHARITY</u>	<i>Designer Maker User exhibition</i>	<b>Buildings and leasehold</b>	<b>Computers and office equipment, fixtures and fittings</b>	<b>Total</b>
	£	£	£	£
<b>COST</b>				
At 1 April 2023	1,813,372	32,627,192	1,985,574	<b>36,426,138</b>
Additions			136,143	<b>136,143</b>
Disposals				-
At 31 March 2024	<u>1,813,372</u>	<u>32,627,192</u>	<u>2,121,717</u>	<u><b>36,562,281</b></u>
<b>DEPRECIATION AND AMORTISATION</b>				
At 1 April 2023	(1,813,372)	(1,191,122)	(1,222,840)	<b>(4,227,334)</b>
Depreciation on disposals				-
Charge for the year		(186,468)	(132,003)	<b>(318,471)</b>
At 31 March 2024	<u>(1,813,372)</u>	<u>(1,377,590)</u>	<u>(1,354,843)</u>	<u><b>(4,545,805)</b></u>
<b>NET BOOK VALUE</b>				
At 31 March 2024	<u>-</u>	<u><b>31,249,602</b></u>	<u><b>766,874</b></u>	<u><b>32,016,476</b></u>
At 31 March 2023	-	<b>31,436,070</b>	<b>762,734</b>	<b>32,198,804</b>

## the Design Museum

### Notes to the financial statements for the year ended 31 March 2024

#### 13. Heritage assets

Collection assets held as of 31 March 2024 were included at cost and valuation per the below:

<u>THE GROUP AND</u> <u>THE CHARITY</u>	2024	2023	2022	2021	2020	2019	2018
	£	£	£	£	£	£	£
Opening balance	184,602	134,509	119,454	109,483	107,483	107,274	107,274
Additions	33,164	50,093	15,055	9,970	2,000	209	-
Closing balance	<u>217,766</u>	<u>184,602</u>	<u>134,509</u>	<u>119,454</u>	<u>109,483</u>	<u>107,483</u>	<u>107,274</u>

The brought forward valuation was produced by Phillips, external valuers, on 14 April 2013 by reviewing and researching each object selected to determine its market value. The objects were selected by the museum director as the higher value items within the collection.

#### Description of the permanent collection

The Design Museum acquires objects which demonstrate the impact of design on people's lives. The collection is made up of approximately 5,000 objects, including examples of furniture, product design, graphic design and communications technology. Objects in the collection date from 1859 to 2024 and form an important record of designs that have helped to shape the modern world. Of these, approximately 1% of the total number of items has been included in the balance sheet per the table above.

The collection was awarded Full Accreditation under the MLA scheme for UK museums in November 2011.

#### Preservation and management

All objects are recorded and managed by the museum's Collection department via a Collections Management System used for the documentation of these objects. The museum has a Collections Policy, including an Acquisition and Disposal policy, which is approved by the trustees.

To be considered for acquisition, an object must be innovative in one of the following areas: it is design led; it was or is influential; it delivered change; it enabled access. All acquisitions are measured against these criteria and must be approved by the museum directors. If a potential acquisition is deemed to have significant financial impact due to long term conservation needs and storage requirements, the acquisition must first be approved by the Curatorial Committee. Disposal of an object will only be considered if the object is a duplicate, the condition of the object is such that it cannot be conserved to a displayable standard, or the retention of the object is inconsistent with the museum's Acquisition and Collection Policies. In exceptional cases, the disposal may be motivated principally by financial reasons.

#### 14. Investments

<u>THE CHARITY</u>	2024	2023
	£	£
Shares in subsidiary undertaking	2	2

The fixed asset investment represents the historical cost of the investment in the ordinary share capital of the wholly owned subsidiary, Design Museum Enterprises Limited, a company registered in England and

## the Design Museum

### Notes to the financial statements for the year ended 31 March 2024

Wales whose office is located on the same site as the Design Museum. Financial results for the trading subsidiary are shown in note 7.

#### 15. Debtors

	The Group		The Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	529,350	2,475,851	360,782	1,260,095
Bad debt provision	(42,837)	-	(20,970)	-
Amounts owed by subsidiary	-	-	431,438	1,492,003
Taxation and social security	111,724	179,901	111,724	179,901
Prepayments	291,085	204,282	260,084	196,282
Accrued income	429,005	572,932	389,199	552,609
Prepaid exhibition costs	423,338	175,702	423,338	175,702
	<b>1,741,665</b>	<b>3,608,668</b>	<b>1,955,595</b>	<b>3,856,592</b>

#### 16. Cash and bank

	The Group		The Charity	
	2024	2023	2024	2023
	£	£	£	£
Design Museum operations	2,169,947	2,073,092	2,169,947	2,073,092
Design Museum Kensington project	434,310	424,110	434,310	424,110
Design Museum Enterprises	391,333	1,232,970	-	-
	<b>2,995,590</b>	<b>3,730,172</b>	<b>2,604,257</b>	<b>2,497,203</b>

#### 17. Creditors: amounts falling due within one year

	The Group		The Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	1,074,586	1,366,925	904,778	1,227,122
Taxation and social security	146,624	326,447	105,068	93,958
Accruals	854,454	601,617	827,616	568,908
Deferred income	1,740,538	2,805,777	1,539,592	1,935,020
	<b>3,816,202</b>	<b>5,100,766</b>	<b>3,377,054</b>	<b>3,825,008</b>

Accruals relate to general accruals across the Group.

Deferred income relates mainly to income received in advance and recognised over the course of the term it pertains to. This includes: annual membership fees of £122,371 (2023: £178,773); fees for higher education courses of £Nil (2023: £74,447); sponsorship income for a learning programme £89,626 (2023: £76,154); sponsorship income for exhibitions £61,001 (2023: £840,387); payment for future touring exhibitions £170,043 (2023: £227,700); payments for exhibitions tickets £16,723 (2023: £131,334); payments for future events £139,945 (2023: £30,370); Future Observatory £1,116,534 (2023: £1,214,612); Other £24,295 (2023: £32,000).

## the Design Museum

### Notes to the financial statements for the year ended 31 March 2024

#### 18. Creditors: amounts falling over one year

	The Group		The Charity	
	2024	2023	2024	2023
	£	£	£	£
Arts Council England loan	5,000,000	5,000,000	5,000,000	5,000,000
	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	<b>5,000,000</b>

The Arts Council England loan is repayable over a period of twenty years; the first repayment being due in March 2026. Interest is payable at the rate of 2% per annum. The first repayment of the accrued interest is due in March 2025.

#### 19. Restricted and designated funds

	Balance at 1 April 2023	Income	Expenditure	Transfer between funds	Balance at 31 March 2024
	£	£	£	£	£
Design Museum Kensington project					
Conran Foundation (DMU purchases)	5,602	-	-	-	5,602
Other funding	225,311	10,200	-	-	235,511
Interest and gifts in kind	1,656	-	-	-	1,656
<b>Total Design Museum Kensington project</b>	<b>232,569</b>	<b>10,200</b>	<b>-</b>	<b>-</b>	<b>242,769</b>
Design Ventura learning programme	56,718	234,167	(177,380)	-	113,505
Conran Foundation – CRM	115,568	-	(39,330)	-	76,238
Conran Foundation – Curator	-	50,000	(50,000)	-	-
Conran Foundation – Entrepreneurs Hub	5,000	-	-	-	5,000
Ardagh Packaging	-	50,000	(40,310)	-	9,690
Arts and Humanities Research Council	-	1,318,079	(1,318,079)	-	-
Reuben Foundation	-	75,000	(75,000)	-	-
Royal College of Art	7,353	91,632	(98,985)	-	-
Blavatnik Family Foundation	-	73,880	(73,880)	-	-
Dan & Megan Kurzius	-	108,000	(108,000)	-	-
Swarovski Foundation	-	53,095	(32,379)	-	20,716
Other	149,109	95,000	(120,018)	-	124,091
<b>Total charitable activities</b>	<b>333,748</b>	<b>2,148,853</b>	<b>(2,133,361)</b>	<b>-</b>	<b>349,240</b>
Kaplicky Internship	5,200	-	-	-	5,200
	<b>571,517</b>	<b>2,159,053</b>	<b>(2,133,361)</b>	<b>-</b>	<b>597,209</b>

Unrestricted designated funds	Balance at 1 April 2023	Income	Expenditure	Transfer between funds	Balance at 31 March 2024
	£	£	£	£	£
Design Museum Kensington project	31,446,144	-	(186,468)	-	31,259,676
<b>Total designated funds</b>	<b>31,446,144</b>	<b>-</b>	<b>(186,468)</b>	<b>-</b>	<b>31,259,676</b>

# the Design Museum

## Notes to the financial statements for the year ended 31 March 2024

### Comparatives

	Balance at 1 April 2022	Income	Expenditure	Transfer between funds	Balance at 31 March 2023
	£	£	£	£	£
Design Museum Kensington project					
Conran Foundation (DMU purchases)	5,602	-	-	-	5,602
Other funding	216,811	8,500	-	-	225,311
Interest and gifts in kind	860	796	-	-	1,656
<b>Total Design Museum Kensington project</b>	<b>223,273</b>	<b>9,296</b>	<b>-</b>	<b>-</b>	<b>232,569</b>
Design Ventura learning programme	63,470	225,140	(231,892)	-	56,718
Conran Foundation – CRM	144,000	-	(28,432)	-	115,568
Conran Foundation – Purchases	-	12,113	(12,113)	-	-
Conran Foundation – Founders Lecture	-	50,000	(50,000)	-	-
Conran Foundation – Entrepreneurs Hub	-	5,000	-	-	5,000
Fidelity UK Foundation	23,993	-	(23,993)	-	-
Ardagh Packaging	-	25,000	(25,000)	-	-
Arts and Humanities Research Council	154,676	467,252	(621,928)	-	-
Reuben Foundation	-	75,000	(75,000)	-	-
Royal College of Art	-	182,025	(174,672)	-	7,353
Other	36,326	251,673	(138,890)	-	149,109
<b>Total charitable activities</b>	<b>422,465</b>	<b>1,293,203</b>	<b>(1,381,920)</b>	<b>-</b>	<b>333,748</b>
Kaplicky Internship	5,200	-	-	-	5,200
	<b>650,938</b>	<b>1,302,499</b>	<b>(1,381,920)</b>	<b>-</b>	<b>571,517</b>
<b>Unrestricted designated funds</b>	<b>Balance at 1 April 2022</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfer between funds</b>	<b>Balance at 31 March 2023</b>
	£	£	£	£	£
Design Museum Kensington project	31,632,615	-	(186,471)	-	31,446,144
<b>Total designated funds</b>	<b>31,632,615</b>	<b>-</b>	<b>(186,471)</b>	<b>-</b>	<b>31,446,144</b>

### Purposes of restricted funds

#### Design Museum Kensington project

The Design Museum received donations from a variety of sources towards funding the project to relocate and expand the museum in Kensington. Further income pledged was recognised as income in each financial year in accordance with the relevant income recognition policies, as conditions of the funding are fulfilled.

#### Design Ventura Learning programme

Design Ventura engaged 16,408 secondary school students and 310 schools in the main programme

#### Conran Foundation

Supporting fundraising activity based around an annual celebration of the life of Sir Terence Conran, plus ad hoc collection and business development activities. The CRM build project has been completed and the fund is being written off as it is depreciated.

## the Design Museum

### Notes to the financial statements for the year ended 31 March 2024

#### **Ardagh Packaging**

Successful second year of the Ardagh Young Creatives, the pathway for young people from underrepresented backgrounds into the design industries, including a regional expansion in Barnsley.

#### **Arts and Humanities Research Council**

Future Observatory, including Designers Researchers in Residence exhibition and learning programme. Specifically delivering the project *Design the Green Transition*.

#### **Reuben Foundation**

Towards the cost of the Ai Weiwei: Making Sense Exhibition and diner hosted at the Museum.

#### **Royal College of Art**

To curate a range of public impact and outreach activities in partnership with the Design Age Institute.

#### **Blavatnik Family Foundation**

Towards the cost of the ANTIFURNITURE installation.

#### **Dan & Megan Kurzius**

Towards the cost of presenting the Skateboard Exhibition and associated programme.

#### **Swarovski Foundation**

For the delivery of the Sustainable Design Schools' Programme (Year 2): The continuation of design led workshops will reach secondary schools across the UK with high-quality, inspiring workshops (both in person and remotely) in which students will develop innovative solutions to sustainable design.

#### **Other**

Supporting the museum's exhibitions and learning programme, funding Family and Young Audience, Schools, and Access Programmes.

#### **Kaplicky Internship**

The Kaplicky Internship is a programme funded by the Bakala Foundation, providing future and recent architecture graduates from Czech universities an opportunity to spend three months on a paid internship in a prestigious London studio. They have the chance to work on projects under the auspices of renowned architects and gain valuable work experience.

#### **Purposes of designated funds**

In 2017–18 the trustees designated the value of the museum as a separate fund. Therefore, the building depreciation is an unrestricted expense, and any assets purchased in respect of the building are transferred to designated funds in order that the reserves reflect the net book value of the building at the year end.

During the year 2023–24 £186,468 (2023: £186,471) was expended from unrestricted designated funds, being the reduction in net book value of the Design Museum Kensington project's fixed assets.

The reserve fund represents funds raised as part of the capital campaign designated towards building reserves capacity in the museum. The museum hopes to add to these funds through further fundraising in the coming years that will enable it to better achieve its strategic objective in delivering a sustainable operation.

# the Design Museum

## Notes to the financial statements for the year ended 31 March 2024

### 20. Analysis of group net assets between funds

<b><u>THE GROUP</u></b>	Restricted	Unrestricted designated	Unrestricted general	<b>Total 31 March 2024</b>
	£	£	£	£
Fixed assets	-	31,259,676	1,136,488	<b>32,396,164</b>
Cash and bank	434,310	-	2,561,280	<b>2,995,590</b>
Other net assets	162,899	-	(6,975,590)	<b>(6,812,691)</b>
	<b>597,209</b>	<b>31,259,676</b>	<b>(3,277,822)</b>	<b>28,579,063</b>

<b><u>THE CHARITY</u></b>	Restricted	Unrestricted designated	Unrestricted general	<b>Total 31 March 2024</b>
	£	£	£	£
Fixed assets	-	31,259,676	1,136,490	<b>32,396,166</b>
Cash and bank	434,310	-	2,169,947	<b>2,604,257</b>
Other net assets	162,899	-	(6,584,358)	<b>(6,421,459)</b>
	<b>597,209</b>	<b>31,259,676</b>	<b>(3,277,921)</b>	<b>28,578,964</b>

### Comparatives

<b><u>THE GROUP</u></b>	Restricted	Unrestricted designated	Unrestricted general	<b>Total 31 March 2023</b>
	£	£	£	£
Fixed assets	-	31,446,144	1,089,247	<b>32,535,391</b>
Cash and bank	424,110	-	3,306,062	<b>3,730,172</b>
Other net assets	147,407	-	(6,348,691)	<b>(6,201,284)</b>
	<b>571,517</b>	<b>31,446,144</b>	<b>(1,953,382)</b>	<b>30,064,279</b>

<b><u>THE CHARITY</u></b>	Restricted	Unrestricted designated	Unrestricted general	<b>Total 31 March 2023</b>
	£	£	£	£
Fixed assets	-	31,446,144	1,089,249	<b>32,535,393</b>
Cash and bank	424,110	-	2,073,093	<b>2,497,203</b>
Other net assets	147,407	-	(5,115,823)	<b>(4,968,416)</b>
	<b>571,517</b>	<b>31,446,144</b>	<b>(1,953,481)</b>	<b>30,064,180</b>

## **the Design Museum**

### **Notes to the financial statements for the year ended 31 March 2024**

#### **21. Operating leases**

On 31 March 2024 the Design Museum had lease payment commitments under non-cancellable operating leases of £2,588 (2023 £Nil).

#### **22. Capital commitments.**

At the balance sheet date, there were capital commitments of £Nil (2023: £Nil)

#### **23. Related party transactions**

##### **The Conran Foundation**

The directors consider that the Conran Foundation, a charity of which Victoria, Lady Conran and Sebastian Conran are also directors, is a related party. During the year, the Design Museum received donations of £0.05m (2023: £0.08m) from the Foundation which was in the form of a restricted grant.

##### **Design Museum Enterprises Limited**

The Design Museum charged a management fee of £1.4m in the year (2023: £1.2m) to Design Museum Enterprises Limited. It received a donation under Gift Aid of £0.5m (2023: £0.4m). At the year end, the Design Museum was owed £0.4m (2023: £1.5m) by Design Museum Enterprises Limited. This balance was primarily made up of the donated profit for the year.

#### **24. Subsequent events**

There have been no subsequent events to note, post year-end.