

Company registration number: 02325092

Charity number: 800630

the Design Museum

Annual report and consolidated accounts

31 March 2021

the Design Museum
Annual report and consolidated accounts

Contents	Page
Trustees, Officers and Professional Advisers	3
Trustees' annual report	5
The independent auditor's report	28
Consolidated statement of financial activities	32
Consolidated and charity balance sheets	34
Consolidated cash flow statement	35
Notes to the financial statements	37

the Design Museum

Trustees, Officers and Professional Advisers

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

Lord Mandelson – Chair	Sebastian Conran (Nominated by the Conran Foundation)
Asif Khan – Deputy Chair	Lady Victoria Conran (Nominated by the Conran Foundation)
Wendy Becker	Zdenek Bakala (Nominated by the Bakala Foundation)
Saba Nazar	
Mike Peck FCA AMCT	
Nicholas Bull FCA	Johannes Huth (resigned 10 December 2020)
Davina Mallinckrodt	Hugh Devlin (resigned 10 December 2020)
Julian Treger	Julian Vogel (resigned 10 December 2020)
John Pfeffer (appointed 2 June 2020)	Sir Terence Conran (deceased 12 September 2020)

Company Secretary

Philip John Watkins
Brown Rudnick LLP
8 Clifford Street
London
W1S 2LD

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	Solicitors
Brown Rudnick LLP 8 Clifford Street London W1S 2LQ	K&L Gates One New Change London EC4M 9AF

the Design Museum

Trustees, Officers and Professional Advisers

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

Curatorial Committee	Development Committee	Learning Committee
Tim Marlow – Chair Asif Khan Lord Mandelson Davina Mallinckrodt Daniel Charny (co-opted) Sir Charles Saumarez Smith (co-opted) Matt Jones (co-opted) Razia Iqbal (co-opted) Professor Jane Pavitt (co-opted)	Julian Treger – Chair Saba Nazar Hugh Devlin Dominic Field (co-opted) Dahlia Dana (co-opted)	Jeremy Myerson – Chair (co-opted) Sebastian Conran Emily Campbell (co-opted) Baroness Sue Nye (co-opted) Hilary Jennings (co-opted) Yusuf Mohammad (co-opted) Professor Rebecca Cain (co-opted) Victoria Thornton (co-opted) Emily Caldwell (co-opted)
External Affairs Committee	Finance and Operations Committee	Enterprise Committee
Davina Mallinckrodt - Chair Patsy Baker (co-opted) Gilly Mackwood (co-opted) Ameena M.McConnell (co-opted) Lisa Burdge (co-opted) Emily Fermor (co-opted) Julian Vogel (co-opted) Suhair Khan (co-opted)	Mike Peck – Chair Nicholas Bull John Pfeffer Jenny Chong (co-opted) Paul Riseborough (co-opted)	Wendy Becker – Chair Davina Mallinckrodt Susan Boster (co-opted) Sophie Conran (co-opted) Lucien Bowater (co-opted)
Nominations and Governance Committee	Key Management Personnel	
Lord Mandelson – Chair Zdenek Bakala Nicholas Bull Wendy Becker Asif Khan Saba Nazar Davina Mallinckrodt	Tim Marlow (Chief Executive and Director) Celeste Bright (Development Director) Justin McGuirk (Chief Curator) Siobhán Tighe ACMA (Director of Finance and Operations) Josephine Chanter (Director of Audiences)	

the Design Museum
Trustees' annual report
Year ended 31 March 2021

CHAIRMAN'S STATEMENT

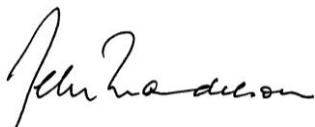
This year has seen all of society facing extraordinary challenges and uncertainty. This was felt deeply across the whole of the cultural sector and as such the Museum has had one of the most difficult years in its history. Within the fiscal year, the Museum was only able to open with reduced capacity for 111 days, moving into and out of lock down three times since the first closure on March 18th 2020.

The response from the whole museum team and its supporters has been exceptional, making every day count, whether opened or closed. We hit the ground running when we came out of the first lockdown and opened the five-star reviewed *Electronic: From Kraftwerk to The Chemical Brothers* exhibition about design and the music industry and the representation of the best of the design world contained in the *Beazley Designs of the Year* exhibition. The public response was so strong that demand sadly outstripped our limited socially-distanced capacity to admit visitors and this was the same following subsequent lock downs. The passion and enthusiasm for these exhibitions reflected the unique worldview the Museum can offer as it re-examines topics in a new light, with new interpretations, asking new questions and raising new challenges.

Restricted physical access to the Museum was more than offset by a huge expansion of our digital offer. Our programme of on-line activity enabled us to reach our audiences and fulfil our remit to reflect design as humanity's best friend by sharing and examining the multi-faceted disciplines across the field. To this end, the Museum has continued, almost without missing a beat, to showcase design physically and digitally and to share the ways in which design contributes to community, economy, industry and culture.

With the bulk of our core income stream closed off, the Museum was able successfully to apply for significant government support in the form of the Emergency Response Fund and the Culture Recovery Fund Grant and Repayable Finance programmes. These applications gave us the opportunity to share our longer-term strategic vision of the Museum and how we would move through crisis response, to recovery and sustainable growth. The ambition and capacity to respond nimbly and in an entrepreneurial way to the opportunities we actively sought and delivered during the pandemic has been an important learning experience for the Museum – we have not wasted the crisis. We are thankful to the Arts Council England and the Department of Culture, Media and Sport for supporting the Museum in order to realise those ambitions and reflect the unique contribution the Museum makes to the national portfolio.

The Museum which emerges from the pandemic will be a re-shaped, freshly led and different organisation, with a new commitment to anti-racism and a re-orientation of our programmes to open up access from under represented communities. We will continue to strengthen our ambition and delivery, to reflect back the confidence shown in the Museum by its members, patrons, benefactors, partners and staff. The support shown to the Museum throughout the last year was a valuable gift, a shining light in a bleak time. We are determined to repay that belief in us by continuing to deliver an exciting and diverse programme, showcasing excellence and reflecting how design can question, challenge and support all of society into recovery and beyond.



Lord Mandelson
CHAIRMAN

the Design Museum

Trustees' annual report

Year ended 31 March 2021

ACHIEVEMENTS AND PERFORMANCE

Success in FY20-21 has needed a different set of criteria than in previous years. The pandemic crisis meant that the Museum had to operate within a constantly moving landscape, pivoting to respond to a crisis that was unfolding and changing day by day. The Museum was physically only able to open for parts of the year, even then at a reduced capacity. As such, success this year cannot be measured on footfall or sales.

Whilst footfall of 45,260 exhibition visitors was low compared to 230,646 in the year before (and 633,484 visitors in total) this does not fully reflect the success the Museum saw when it was able to open the Electronic: From Kraftwerk to The Chemical Brothers exhibition. The positive public reaction meant that many more tickets were sold than were able to be redeemed (due to the final lock down effectively closing the show) but beyond that, the ability to open to the public with something new, something that allowed them to experience the closest thing possible to live music at the time, with an exhibition of such high quality that it secured five star reviews and 364 pieces of press coverage, showed the value of the Design Museum within the UK's overall museum portfolio. Whilst introducing design within a musical context to a whole new audience, the opening of Beazley Designs of the Year, also ensured we continued to deliver our core mission of showcasing design and celebrating excellence in the wide range of design disciplines. The museum space was also used to reflect the crucial role design can play in helping to solve some challenges of everyday life created by COVID through the Bompas and Parr Fountain of Hygiene Sanitiser competition to support the Red Cross and the American Hardwood Export Council's 'Connected' experiment which set out to explore how designers and craftspeople adapted their working practices during lockdown.

All parts of the organisation adapted rapidly to change their business models to secure all possible commercial opportunities or reduce costs. Stakeholders were kept informed and engaged with our Digital Design Calendar which helped retain patron and member's support. The Events business concentrated on utilising the space during lockdown for alternative revenue streams such as filming. The trading arm also used lock down to build a Gallery specific shop, to allow an increased merchandising range to be offered on re-opening and focused on online sales delivery whilst closed. The internal focus of the senior leadership team and the board concentrated on finding significant, exceptional means to fill the income gap resulting from the closure and as such, the Museum applied for and was successful in securing government support for the period in the form of the Arts Council England (ACE) Emergency Response Fund and the DCMS/ACE Culture Recovery Fund. Alongside exceptional support from patrons and friends these actions were sufficient to stabilise the Museum.

Strategic action was also taken to manage the cost base with spend activity, including recruitment, dropped or paused as the focus was taken to the core activities needed to maintain operations. Directors took salary reductions and, where appropriate, the Coronavirus Job Retention Scheme was applied for. Staff further supported the Museum by reducing working hours, which helped the cost base and overall managed expenditure with care, as everything but essential activity was paused.

This approach, which aimed to minimise risk whilst actively seeking and optimising opportunities with an eye to when the Museum would be able to open again, ensured the Museum finished the fiscal year having mindfully and successfully navigated the immediate challenges presented.

the Design Museum

Trustees' annual report

Year ended 31 March 2021

POST YEAR END PERIOD AND OUTLOOK

The Museum has continued to respond innovatively to the changing environment, seeking and optimising commercial opportunities wherever possible. The few examples of this include;

- The use of the High Street Shop for the Supermarket installation with Bombay Sapphire, which showed the essential nature of creativity
- Opening with two new exhibitions – Sneakers Unboxed Studio to Street and Charlotte Perriand: The Modern Life – which each reach different audiences and have helped secure significant coverage for the Museum in a crowded re-opening market
- Hosting the first wedding reception at the Museum, after using lockdown to successfully apply for a civil wedding license
- Building on the ongoing work funded by The Fidelity UK Foundation the touring strategy continues to be defined and strengthened.

Significantly the Museum also secured funds through the DCMS/ACE Culture Recovery Fund: Repayable Finance (round 2) to ensure a significant proportion of the FY21-22 cost base is already covered which allows the focus of the organisation over the next twelve months to be on the delivery of long-term strategic plans.

Separately to this, the Museum is continuing to build a clear programme of support for communities who may be underrepresented within design and creating ways to help bridge that gap and create pathways to entry at a number of touchpoints;

- Supporting new, upcoming designers through the 'Emerging Designers Access Fund' which allows free access to talks and exhibitions which may have otherwise been financially unavailable to them
- Introducing the Ardagh Young Creatives programme which mentors 14-16 years olds, from underrepresented backgrounds, who are interested in exploring a future career in design
- Creating an Entrepreneurs Hub pilot scheme to support existing designers and help them engage with and establish a wider network of contemporaries and mentors
- Supporting staff through the creation of DEMAND, a network for staff from marginalised identities, and offering all staff anti-racism and unconscious bias training
- Restarting the Access and Inclusion Steering Group

The Museum is continuing to respond to the gradual reduction in COVID restrictions and finding ways to ensure staff and visitors continue to feel safe as we welcome them back to our space, whilst continuing to ensure their visitor journey or workplace engagement are as positive and exciting as possible.

The past year has been challenging and the expectation is that those challenges will continue to exist over the next few years. The hard work put in throughout FY20-21 and the opportunities already emerging in FY21-22 suggest that whilst that recovery may continue to be hard, it is already building from good foundations.

the Design Museum
Trustees' annual report
Year ended 31 March 2021

PLANS FOR FUTURE PERIODS

As part of the application for the DCMS/ACE Culture Recovery Fund: Repayable Finance Loan, the Museum had to prepare financial profiles for the next five years (from FY21-22 to FY25-26) to ensure the capacity for repayment. Supporting this was a focussed three year business plan, detailing the strategic approach to the delivery of that financial performance.

The past year has comprised of periods of crisis management, reopening and stabilisation. Learnings from these phases has informed our business plan, which seeks to grow the Museum's revenue base over the next five years, through income generated across the following key areas:

- 1) A successful programme of design-led activities driving admissions income, accounting for over a third of total income generated by FY25-26.
- 2) A strong commercial offer delivered by the Museum's Enterprise operation, including Retail, Publishing, Catering and Events, which will more than double in income over the next five years.
- 3) An aligned funding model raising funds from corporate partners, trusts and foundations, individuals and statutory sources, to secure £14.0m across the period combined.

Achieving this growth in the revenue base requires footfall and income previously attained in to be exceeded. Pre-COVID data, and the Museum's agile and entrepreneurial performance during the pandemic, demonstrate the capacity to identify, develop and realise opportunities that deliver commercially. We are therefore confident of achieving the revenue-generation targets set out in the business plan.

The Museum's output is rich and varied, its audience young and diverse, and impact at once hyperlocal and global. The centrality of design to contemporary culture and its role at the forefront of social, technological and environmental change, ensure the Museum's enduring relevance and provide limitless opportunity to draw everyone into the world of design.

the Design Museum

Trustees' annual report

Year ended 31 March 2021

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 charity registration number is 800630. The Museum also carries out trading activities in support of the Museum through its subsidiary, Design Museum Enterprises Limited, which undertakes retail, publishing, 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 includes continually developing and leading on agreed strategies for 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, 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 a number of changes to the Board and to museum governance which were based on the recommendations of the code. The Charities Governance Code was updated in March 2021 which a focus on Principle 3: Integrity and Principle 6: Equality, Diversity and Inclusion (formerly 'Diversity'). Compliance under the code is kept under review.

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committees and decision-making processes, the business plan and financial performance of the Museum. The trustee induction pack contains details of the role, responsibilities and behaviour expected of trustees, in line with the code of conduct together with how they should deal with any potential conflict of interest. The Museum maintains a register of interests which 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 failure to do so could affect the Museum's performance and reputation.

There are seven sub-committees of the board, comprising trustees and co-opted advisers, who oversee all key areas of focus of the Museum. These are the Curatorial, Development, External Affairs, Enterprise, Learning, Nominations and Governance, and Finance and Operations Committees. These sub-committees meet regularly and report to the board to ensure that the Museum is led effectively and in line with the agreed strategy.

the Design Museum

Trustees' annual report

Year ended 31 March 2021

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. The 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 and challenge provided to the Directors by the trustees to ensure that the Museum aims are being delivered. Actions of meetings are minuted and regularly reviewed.

The pay and remuneration for key management personnel at the 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 by 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, venue hire and sponsorship activities. All profits from Design Museum Enterprises Limited are donated in full to the Design Museum.

Other related parties are The Conran Foundation and Conran Octopus Limited, as described in note 23.

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.

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, realised by attracting a broad audience of visitors annually and growing the Museum's digital footprint to over 10m. 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

the Design Museum

Trustees' annual report

Year ended 31 March 2021

- To raise the profile and reputation of the institution nationally and internationally establishing the Museum's authority on design and architecture
- To drive strategic partnerships that deliver programme and income targets
- To deliver a sustainable operation

As part of the above commitment, the Museum has recognised a need to explore and develop our approach to diversity at all levels more fully. An internal network of staff called DEMAND (Design Museum Anti-Discrimination Group) has been established and an Access and Inclusion Steering Group re-established, both of which helped frame our equality, diversity and inclusion commitments as detailed on the website. Internally an ongoing programme of Diversity and Inclusion training has begun and will continue to help shape our understanding of how the organisation and the individuals within it can better reflect the needs of all communities we engage with.

Based on the most recent planning the shorter-term objectives which will help shape and define our activity over the period of the five year plan are as follows;

Aim 1: Increase visitor footfall from FY19-20, 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:

EXHIBITIONS

The Design Museum usually stages four to five temporary exhibitions a year 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. Owing to the pandemic, the normal activity was interrupted. Planned exhibitions were postponed and delivered later as per below:

Electronic: From Kraftwerk to Daft Punk - Gallery 1

Published dates: 27 July 2020 to 3 May 2021

Actual dates: Opened: 31 July 2020 to 4 November 2020 (start of UK's second lockdown)

Reopened: 3 December 2020 to 15 December 2020 (London entered 'Tier 3', and then another country-wide lockdown from 6 January 2021)

The exhibition did not reopen after 15 December 2020.

Evoking the experience of being in a club, the exhibition transported visitors through the people, art, design, technology and photography that have been shaping the electronic music landscape. The exhibition celebrated 50 years of legendary group Kraftwerk with their 3D show. Visitors were also invited to step into the visual world of The Chemical Brothers for one of their legendary live shows, as visuals and lights interacted to create a new three-dimensional experience by Smith & Lyall. Based on an original exhibition concept by the Cité de la Musique – Philharmonie de Paris.

the Design Museum Trustees' annual report Year ended 31 March 2021

Beazley Designs of the Year - Gallery 2

Published dates: 21 October 2020 to 28 March 2021

Actual dates: Opened: 21 October 2020 to 4 November 2020 (start of UK's second lockdown)

Reopened: 3 December 2020 to 15 December 2020 (London entered 'Tier 3', and then another country-wide lockdown from 6 January 2021)

The exhibition did not reopen after 15 December 2020.

The exhibition invited audiences to discover the most innovative designs across fashion, architecture, digital, transport, product and graphic design, as nominated by the public and design experts from around the world. Visitors experienced the best moments in design from January 2019 to the moment global attention shifted in late January 2020 when the COVID-19 pandemic took hold. The exhibition featured futuristic technology for health and sanitisation, projects tackling inequality and racism and dove into questions around water and food security including mainstream veganism.

Woman at work: Margaret Calvert - Balcony Gallery

Opened: 21 October 2020 to 4 November 2020 (start of UK's second lockdown)

Reopened: 3 December 2020 to 15 December 2020 (London entered 'Tier 3', and then another country-wide lockdown from 6 January 2021)

Reopened: 18 May 2021 to 22 August 2021

With a career spanning six decades, graphic designer Margaret Calvert has produced timeless work that we see everywhere — often without realising it. Whether it is the design of the UK's road signing system, with Jock Kinneir, wayfinding at railway stations and airports, or the typeface used on the gov.uk website, with Henrik Kubel, her work shapes much of our national visual identity. The display marked the launch of Network Rail's new customised typeface, Rail Alphabet 2.

TOURING

The Museum tours its exhibitions internationally which creates an extra income stream and offers greater access to content to international audiences thereby increasing its profile. This year, the Museum experienced similar uncertainty in the global market around opening plans but still managed to tour the following exhibitions:

Breathing Colour by Hella Jongerius

GewerbeMuseum, Winterthur

29 November 2020 – 22 August 2021

Estimated at 10,000 visitors

Moving to Mars

Tekniska Museet, Stockholm

26 February 2021 - 9 January 2022

Estimated at 170,000 visitors

Chaise.Stoel.Chair.Defining Design.

the Design Museum

Trustees' annual report

Year ended 31 March 2021

A selection of chairs from the Design Museum collection
 ADAM Brussels Design Museum
 26 March - 29 August 2021
 Estimated at 30,000 visitors in total

Throughout the year the Touring team, supported by a grant from The Fidelity UK Foundation, have been working with a consultant to develop the long-term international engagement strategy for the Museum and to optimise revenue generation in this field.

DIGITAL

The Design Museum ranks 4th in the world amongst Museums and galleries in terms of the scale of its presence on twitter, and is growing its presence on other social media platforms, all of which bears witness to its strong support from young people and technology savvy audiences.

There has been a continuing trend in accessing digital content, with an increase in the level of engagement with the Museum's social media channels.

Digital presence	2020/21	2019/20
Twitter followers	4,233,656	4,313,397
Facebook fans	423,613	422,128
Instagram followers	446,212	418,660
Website (unique visitors)	1,649,224	2,223,265
Online shop (unique visitors)	243,609	201,248

The Museum also maintains a presence on business platforms such as LinkedIn as a means of promoting a variety of content and showcasing the Museum to potential future employees.

DIGITAL RESPONSE TO COVID

Throughout the year, as was the case for many organisations, the reliance on digital platforms to reach people increased dramatically, using the above networks to promote our digital activity to our existing audiences and as a means to engage with new individuals or groups.

Some new ways of working which emerged include the following, all of which represent an agile response which allow us to engage with a global audience and allow us to make design accessible despite, and beyond, COVID;

- The Museum launched the Digital Design Calendar as a way to connect with a range of stakeholder groups and continue to provide content from across the whole portfolio.
- Pivoting significant portions of our learning programme online (See 'Learning' section for more details) to support a range of educational needs and disseminate information
- Continuing to deliver a strong Public Programme experience online (See 'Public Programme' section for more detail) to ensure additional depth around our temporary exhibitions and a wider range of bespoke activities to suit our core audience

the Design Museum

Trustees' annual report

Year ended 31 March 2021

- Curating an enhanced online sales offering to ensure a strong commercial return even whilst physically closed. Maintaining and increasing this online sales position continues to be a key target going forwards.
- Delivering the Design Museum's first ever virtual exhibition tour – Electronic: The Virtual Tour – to bring the show beyond the confines of the Museum to the widest possible audience. This approach has been extended into the current year online virtual reality tours of the Margaret Calvert: Woman at Work exhibition and enhanced Perriand exhibition content via the Bloomberg Connects app. Our temporary exhibitions continue to include a strong digital content such as Sneaker 0 by Snap, the first augmented reality, computer designer sneaker or the Pensole Interactive sneaker design competition within the Sneakers exhibition.

Internally, the wholesale move to remote working meant a shift in cultural behaviours as teams worked collaboratively to produce cross team content which allowed a deeper understanding of the wider Museum portfolio. The use of Zoom and Teams allowed more regular access to Board and Committee members which ensured a rapid flow of information across stakeholder groups allowing quick, decisive responses in the rapidly changing environment and the transmission of those decisions out to the wider staff group. This ensured the Museum's senior leadership team could guarantee the transparency and relevance of information at key points in the crisis, which helped keep operations going, staff remain engaged and stakeholder confidence to be retained.

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, trust and foundations and companies and works 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 Trustee.

The Museum does not engage any external partners or fundraising agencies to carry out fundraising on its behalf. Nor do we 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 and giving circles, government 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 Museums reputation or the wellbeing of the people or parties involved.

In the financial year FY20-21, fundraising was impacted by the closure of the Museum due to the global coronavirus pandemic, but a total of £6.9m in grants, donations and sponsorship was secured including successful bids to the Emergency Response Fund and Culture Recovery Fund. In addition, the Museum secured a loan as part of an application to the Culture Recovery Fund Repayable Finance (Round 2).

the Design Museum

Trustees' annual report

Year ended 31 March 2021

The main areas of support during the year were:

- **Government grants** – the Museum received the full support of government and was the recipient of a loan and funding by Arts Council England from both the Emergency Response Fund and the Culture Recovery Fund announced by the Department for Digital, Culture, Media and Sport, to help the Museum recover and reopen. This government support is in addition to a National Portfolio Organisation grant from Arts Council England which supports core activity and the Designers in Residence and learning programmes.
- **Emergency Fundraising Appeal** – in response to the COVID-19 pandemic and subsequent temporary closure of the Museum, an Emergency Fundraising appeal was launched. The Museum is grateful to the individual and trusts and foundations, as well as Trustees and Committee Members, for their support.
- **Funding for exhibitions and displays** – the last year of a successful multi-year partnership with Beazley for sponsorship of the Museum's annual Beazley Designs of the Year exhibition. Network Rail sponsored Margaret Calvert: Woman at Work. The American Hardwood Export Council funded Connected.
- **Grants for learning and development** – Deutsche Bank have continued to support the Design Ventura learning programme and the Ardagh Group are funding our Young Creatives programme.
- **Individual and Corporate Giving** – the Museum is thankful to its individual and corporate members and other donors for their continued support.

THE DESIGN MUSEUM COLLECTION

The Design Museum holds a collection of industrial design, furniture, graphics and household appliances, which provides a unique record of the social and technological history of modern Britain. The collection consists of 3,500 examples of mass-produced design from the twentieth and early-twenty-first centuries.

The Design Museum does not see itself as the nation's storehouse for design. Rather it maintains a modestly sized collection for the purposes of educating the public about the important role of design in shaping the everyday world, and to make the impact of design in our lives visible.

The Museum's collection policy defines its purpose, scope and future development. We collect thoughtfully and selectively, with a view to supporting our forward exhibition programme, our touring exhibitions, and the permanent collection display.

LEARNING

20-21 was a transformational year for the Design Museum's learning programme. COVID-19 meant that new, online learning platforms had to be adopted at speed. Although challenging at the time, in hindsight the learning team achieved this with remarkable speed and this has provided us with a strong legacy of blended learning capabilities going forward.

the Design Museum

Trustees' annual report

Year ended 31 March 2021

The focus of the learning activity portfolio continued to be on present day challenges, problem solving and applied creativity. Alongside this, it drew inspiration from the Museum's exhibitions and displays. The public programme and Designers in Residence moved into Learning's portfolio, from Curatorial.

In FY20-21, 21,334 learners took part in the Museum's learning programmes. An additional 517,816 people engaged with the Design Museum's Digital Design Calendar, the main route through which we engaged audiences with design during the lockdowns caused by the global pandemic.

This year the learning team also took advantage of the lockdowns to reassess the priorities of the Museum's learning programme, and the needs of our audiences – both those we currently reach, and those we currently don't, but would like to. These were identified to be threefold:

- Engaging more through blended learning (physical and digital) in future to reach both hyperlocal and international audiences;
- Playing a role in ensuring the design industries become more representative of society as a whole;
- Responding to the resurgence in interest in learning, particularly about design and creative practice, that the pandemic seems to catalyse.

This has led to the development of a new strategy with three areas of priority:

1. **Pathways into Design:** for schools and young people, includes Design Ventura, the schools programme in its various forms (on site and remote workshops, resources and visits) and the Ardagh Young Creatives, a new pathway programme to support young people aged 14-16 from underrepresented backgrounds to access the design industries.
2. **New Thinking, New Voices:** for designers, students and those working within and around the creative industries. The aim is to be the trusted voice for leading on the most current topics and debates in design. Community work is included within this area, recognising the expertise that comes from lived-in experience.
3. **Design Museum U // You:** This is the learning programme for everyone, promoting the importance of design as humanity's best friend.

Programme highlights include:

- The **Digital Design Calendar** which brought together teams across the Museum (Learning, Curatorial, Comms & Collections) to ensure the Museum continued to provide inspiration, showcase innovation and share joy and light relief in a year of isolation for so many. It reached 366,668 people, with a Lunch and Learn workshop with Sanne Visser attracting 28,300 people.
- **Design Ventura** which continued to engage high numbers (15,669 secondary school students in the main programme and a further 3000 through the Online Mini Challenge) a phenomenal feat in a year of school closures, remote learning and lockdowns.
- **Curating Contemporary Design MA** successfully moved to a model of blended learning with on site learning at the Museum in the autumn, followed by digital delivery in the spring.
- **Schools on line resources** received 103,453 downloads
- **Designers in Residence** which mentored supported and showcased an all female line up of diverse designers: Abiole Onabule, Cynthia Voza Lusilu, Ioana Man and Enni-Kukka Tuomala

the Design Museum

Trustees' annual report

Year ended 31 March 2021

The new learning programmes developed this year include the Ardagh Young Creatives, the Design Age Institute in partnership with the RCA's Helen Hamlyn Centre for Design, the Entrepreneurs Hub and Future Observatory, in partnership with AHRC.

PUBLIC PROGRAMME

The Museum's public programme provides a critical space for discussion and debate, helping to raise the cultural and intellectual profile of the Museum and champion new voices and thinking within the design industry. In 2020, due to the closure of the Museum, the Design Museum moved its public programme online to sustain and grow audience engagement. The programme featured a diverse range of digital events including conversations, lectures, symposia and workshops involving leading and emerging voices in design. Highlights include:

Electronic: From Kraftwerk to The Chemical Brothers

Talks

- **The Spirit of Rave**

Artist Jeremy Deller, fashion designer Martine Rose and graphic designer, DJ Trevor Jackson and music author Simon Reynolds explore the legacy 90's British rave culture has left in art and design today.

- **Nightlife Architecture**

A panel discussion with electronic artist Daniel Avery, DJ, musician, and broadcaster Nabihah Iqbal, and design and nightclub historian Dr Catharine Rossi exploring nightlife architecture.

- **Electronic India**

Artist Paul Purgas explores the unique history of Indian electronic music.

Workshops

- **Yuri Suzuki: Roland 808**

Curated by sound designer Yuri Suzuki and featuring renowned electronic techno artist A Guy Called Gerald, this workshop gave audiences insight into the design of Roland's TR-808 drum machine and the TB-303 bass synthesizer — arguably two of the most ground-breaking inventions in the history of electronic music.

- **Step into the world of Costume Design**

This workshop with costume designer Kate Tabor who created the iconic costumes for the Chemical Brothers tracks took viewers on a tour of her studio as she revealed the design techniques that went into creating these flamboyant costumes.

Beazley Designs of the Year

Talks

- **The Xenobot: Design for a Changing World**

Designer Josh Bongard and Senior Curator in the Department of Architecture and Design at MoMA, Paola Antonelli discuss the design of a new kind of living robot, the Xenobot.

the Design Museum

Trustees' annual report

Year ended 31 March 2021

- **The Ouroboros Steak: Design for a Changing World**

Designer Orkan Telhan and curator Michelle Millar Fisher discuss the controversial Ouroboros Steak, a DIY meal kit for growing gourmet steaks from human cells.

Futher Talks & Events

- **Design Curating and the Pandemic**

This panel discussion chaired by the Design Musuem's Chief Curator Justin McGuirk explored the impact of COVID-19 on design Museums. Featuring Director of MAAT Lisbon Beatrice Leanza, Director of Arc Des, Kieran Long and Senior Curator in the Department of Architecture and Design at MoMA, Paola Antonelli.

- **Manifestos: Architecture for a New Generation**

This annual collaboration between London Festival of Architecture and the Design Museum highlights new voices who are expanding the parameters of architecture in London. This year, nine new voices in architecture developed short films of their manifestos for London's future, responding to the social and urban conditions of the city. The nominees included: Counterspace, Lo Marshall, Architects Climate Action Network, Afterparti, Jayden Ali, Ibiye Camp, Tom Atkinson, Migrants Bureau and Laura Mark.

Lunch and Learn Workshops

A series of free online learning sessions for adults to take part in from their homes, including fashion starter packs and lunch time sketching with leading architects.

- **Morag Myerscough**

This creative workshop led by designer Morag Myerscough invited audiences to explore how to improve sketchbook skills.

- **Paul Priestman**

In this workshop, the designer Paul Priestman demonstrated how to make the perfect lockdown life hack and improve video calls with this egg box mobile holder.

- **Sanne Visser**

In this workshop, the material designer revealed some work in progress, and set a design brief focused around redesigning the home to suit new living conditions.

- **Design Dispatches**

A series of Instagram live in-conversations between the Design Museum's Chief Executive and Director, Tim Marlow, with an international line up of designers and architects. They include:

- Natsai Audrey Chieza
- Asif Khan
- Ron Arad
- Formafantasma
- Shiva Feshareki
- Bella Freud
- David Chipperfield
- Bruce Mau
- Stella McCartney & David Adjaye

the Design Museum

Trustees' annual report

Year ended 31 March 2021

TRADING SUBSIDIARY TRADING PERFORMANCE

The Design Museum's trading subsidiary, Design Museum Enterprises Limited, had turnover during the year of £1.2m (2020: £3.8m) and an operating loss of £1.0m (2020: profit £0.8m). It received a share of the government support given to the Design Museum amounting to £1.2m (2020: £nil) and the resulting profit before taxation of £0.2m 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 & Publishing, Catering and Venue Hire

- **Retail** – The Design Museum operates three physical shops and an online shop. During FY20-21, our Electronic: From Kraftwerk to The Chemical Brothers exhibition drove the majority of onsite and online sales. Aside from exhibition merchandise, the Museum sells a broad range of books and general gifting lines, all focussed around design and designers.
- **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.
- **Catering** – Following the COVID-19 crisis, the Museum did not provide a public catering provision during FY20-21.
- **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 and award dinners. In the financial year FY20-21, the events department generated just under 100k of revenue from venue hire. This is significantly down from the previous year due to the impact of the COVID 19 pandemic on the hospitality and Museum sector. The income generated stems from commercial filming and virtual events, the only permitted activities. The sector's recovery will rely on the government roadmap, and the team will continue to diversify their offer to include filming, weddings, private hire, virtual and hybrid events, commercial displays.

STAFF AND VOLUNTEERS

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

As a result of COVID, in order to contain costs to allow the Museum to keep going, during the year four redundancies were made, roles were not replaced, senior directors took a temporary salary cut, staff worked reduced hours for reduced pay and the Museum accepted £600k of CJRS grant money. As we go forwards, we are focused on continuing keep the headcount effective and, as part of our grant and loan obligations, have made a commitment to exercise pay restraint were legally possible.

the Design Museum
Trustees' annual report
Year ended 31 March 2021

The Museum is grateful to its team of volunteers, who enhance visitors' experience of the Museum, have assisted with the curation of exhibitions, collection care, library and archiving, publishing and communications. Unfortunately during the year due to COVID-19 the Museum was not able to recruit any new volunteers; the average number of volunteers in post on a weekly basis in 2020 was 95.

the Design Museum
Trustees' annual report
Year ended 31 March 2021

FINANCIAL REVIEW

Income and Expenditure

	Unrestricted	Unrestricted Designated	Restricted	2021	2020
	£	£	£	£	£
Total income	9,594,889	-	469,073	10,063,962	13,205,329
Total expenditure	(7,620,370)	(554,287)	(300,712)	(8,475,369)	(11,779,293)
Net income/(expenditure) for the year	1,974,519	(554,287)	168,361	1,588,593	1,426,036
Transfer to designated funds	-	7,649	(7,649)	-	-
Net movement of funds	1,974,519	(546,638)	160,712	1,588,593	1,426,036

Income

Income between the two years is not comparable with FY20-21 reflecting only 111 open days, and those days with the Museum neither fully open not operating at full capacity.

As can be seen from the table below, both years were impacted by very significant unusual income sources £4.6m of government grants in FY20-21 and the gifting of a historic Conrad Foundation loan of £3.0m in FY19-20.

	2021	2021	2020
	£	£	£
Admissions		804,175	3,283,175
Trading		1,199,338	3,849,076
Other charitable activities		705,490	1,144,561
Donations, Gifts & Other income*		2,190,260	844,320
Grants		359,745	1,084,197
Exceptional activity:			
ERF/CRF Grants	3,965,745		
CJRS Grant	605,899		
		4,571,644	
Conran Foundation		233,310	3,000,000
Total Income		10,063,962	13,205,329

*Includes Design Museum Kensington project income and Investment Income

A surplus was recorded this year primarily due to the ACE/DCMS Culture Recovery Fund grant providing an element of reserves funding, the recognition of the same grant in full together with a delay in the

the Design Museum

Trustees' annual report

Year ended 31 March 2021

recognition of Charlotte Perriand exhibition costs (as the exhibition itself was delayed until June 2021) in accordance with accounting standards, and exceptional donations during the pandemic.

Expenditure

Expenditure has decreased by £3.3m from 2020, primarily due to the lower spend on exhibition delivery as a result of the closure where only two temporary exhibitions ran instead of the usual four, alongside lower trading activity. Throughout the year cost restraint was applied across all areas of activity, including staffing.

Unrestricted funds

The unrestricted surplus of £2.0m realised in the year is from ongoing operations aided by the national and local government support received during the year. The Museum is re-focusing its efforts on growing revenues to achieve operational profitability as the COVID-19 restrictions start to lift.

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 year end.

Restricted funds

Restricted income comprises income relating to the capital project and ongoing operations. The transfers in the year, of £7,649, relate to restricted monies spent on capital assets during the year, now transferred to designated funds.

Cash flow

As a matter of sound financial practice, the management regularly reviews its cash flow position to ensure that at all points it has at least six weeks of operating cash flow. Over the COVID-19 period this has been happening with increased frequency and with more scrutiny.

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 the Design Museum Kensington project and operations, in line with the Museum's cash flow forecasts.

Balance Sheet

At 31 March 2021 the Museum held £32.2m (2020: £33.8m) of unrestricted designated reserves, being the net book value of fixed assets relating to the Design Museum Kensington. As well as these unrestricted funds, £0.5m (2020: £0.3m) of restricted reserves were held, primarily relating to the Design Museum Kensington capital project and development of the museum's IT. Total funds held at 31 March 2021 were £36.3m (2020: £34.7m).

the Design Museum
Trustees' annual report
Year ended 31 March 2021

Reserves

31 March 2021

	Fixed Assets £	Cash £	Loan £	Other assets £	Total £
Unrestricted reserves	390,307	8,561,264	(5,000,000)	(414,560)	3,537,011
Unrestricted designated reserves	32,239,016			-	32,239,016
Restricted reserves	-	403,697		90,272	493,969
	32,629,323	8,964,961	(5,000,000)	(324,288)	36,269,996

31 March 2020

	Fixed Assets £	Cash £	Loan £	Other Assets £	Total £
Unrestricted reserves	321,379	802,382		(561,269)	562,492
Unrestricted designated reserves	32,785,654	1,000,000		-	33,785,654
Restricted reserves	-	529,589		(196,332)	333,257
	33,107,033	2,331,971		(757,601)	34,681,403

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 at 31 March 2021 equates to £5.3m (2020: £5.7m). This target is reviewed annually, based on an assessment of Museum risks, the stability of its income streams, and operational cash flow requirements.

Unrestricted reserves at 31 March 2021 are £3.1m (excluding fixed assets). Within designated funds there were £1.0m of reserves set aside for capital project work which were released to unrestricted reserves throughout the year to ensure operational sustainability was maintained. The 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, whilst aiming to keep costs down, to provide financial stability. At the end of Quarter 1 of FY21-22, the Museum is tracking in line with the five year plan financial profile.

the Design Museum

Trustees' annual report

Year ended 31 March 2021

RISK MANAGEMENT

The executive management team, appointed by the trustees and to whom they report are responsible for decision making, risk management and the Museum's control environment. Pre-pandemic, a summary of risks, maintained and actively managed by the executive team, outlining likely impact and mitigating actions, is reviewed by the Finance and Operations Committee and by the Board at least once a year. The major risks which have reputational and financial impacts relate to the operational performance of the Museum, they normally include:

- Admissions and/or commercial income targets are not met.
- Fundraising fails to meet targets across the different funding streams
- 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 undertaken periodically.

Throughout the COVID year, the approach to risk and risk management naturally changed significantly. The senior leadership team moved to daily meetings and met with the Board of Trustees bi-monthly. Attention moved specifically to the cash position which was reviewed daily by the Director of Finance and Operations and communicated to the leadership team and Board regularly, with the primary focus being on the forward-looking aspects of cashflow management. A COVID specific risk register was introduced and also regularly reviewed and assessed.

As part of the grant application processes, budget 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 and scenario modelling to see the impact of different outcomes on the projected profile was applied, so the full range of risk could be demonstrated at each key point.

Action was taken to mitigate the income risk identified through exceptional fundraising and successful applications for grant income. Where possible, business as usual income streams adapted to generate alternative income. As part of the risk management, all expenditure over £1k was required to be authorised by the Director of Finance and Operations for a period during the pandemic. All non-core expenditure was ceased and key commitments to the forward programme were prioritised as a means to maximise earning potential when the Museum was able to re-open.

To ensure the safety of staff and visitors, COVID compliant workplace practises were introduced and followed. To mitigate the new risk to physical and mental wellbeing created by extended working from home, an adapted workplace assessment was shared with staff, a regular wellness programme was communicated and an Employee Assistance Programme was introduced as part of our staff benefits.

To ensure the Museum felt safe to visitors, extensive measures were put in place to facilitate social distancing, easy access to hand sanitisers and to ensure mask wearing. The approach taken was successfully shared as an industry benchmark and communicated to the sector as part of a 'How to Reopen a Museum' presentation by our Director of Audiences during the first phase of reopening in July 2021. These measures meant the Museum was able to mitigate the risk which could have been incurred reputationally by an inadequate response to the COVID crisis and helped retain the confidence of key stakeholders.

the Design Museum

Trustees' annual report

Year ended 31 March 2021

GOING CONCERN

The Museum faced a challenging year but, by securing exceptional support and COVID relief grants, a surplus for the year of £1.6m was generated. This surplus was recorded primarily due to the CRF grant providing an element of reserves funding, allowing for reflatting reserves up to the equivalent of up to eight weeks turnover (later increased to twelve weeks), the recognition of the CRF grant in full together with a delay in the recognition of Charlotte Perriand exhibition costs (as the exhibition itself was delayed until June 2021) in accordance with accounting standards.

The unrestricted reserves show a surplus of £3.5m, up significantly on prior year's £0.5m, due to this surplus and the release of designated funds into the general reserves fund, to support ongoing operations.

Cash balances at year-end were £8.9m, reflecting both the surplus for the year and the receipt of a £5m from the Culture Recovery Fund: Repayable Finance (round 2) which is repayable in instalments from March 2025.

The Trustees have been heavily involved in the monitoring of the Museum's financial position throughout the year, meeting fortnightly in the most challenging periods, and extensively reviewed the successful submissions for both grant and loan funding from government and public sector institutions. The final part of the ACE/DCMS Culture Recovery Fund: Repayable Finance submission in the form of the three year business plan was also discussed in depth and approved by the Board.

This business plan lays out in detail the income generation strategies which return the organisation back to its pre-pandemic position and grows onwards from that point. The strategic changes and workstreams needed to deliver this longer-term business change are already in place, with support and feedback from the wider committee groups. These strategies have been interrogated for their rigour and will continue to be as they develop. In the more immediate term, for the purpose of the Going Concern assessment the Trustees have reviewed updated scenarios drawn from the core of the business plan and consider that the short-term impact of ongoing disruption can be mitigated in most scenarios. These scenarios assume further restrictions on capacity, restricting footfall and associated income, a shortfall in fundraising and an underperformance against retail delivery targets. The Trustees are encouraged by the lifting of most restrictions on 17 July 2021 but remain cautious given the propensity of visitors returning to the Museum is unknown, as is the appetite of donors for giving and other stakeholders for use of the Museum, and the possibility of further lockdowns cannot be ruled out.

The Trustees are satisfied that in most scenarios the charity will have sufficient funds to continue with its operations for the foreseeable future, being the period of at least twelve months from the date of approval of these financial statements and therefore it is appropriate to prepare these financial statements on the going concern basis.

However, although the Trustees have greater confidence than at this time last year, 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 short-term impact of COVID-19. 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

the Design Museum
Trustees' annual report
Year ended 31 March 2021

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 the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of 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 in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is 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 the group and hence for taking reasonable steps for the prevention and detection of 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. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

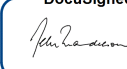
INFORMATION PROVIDED TO THE AUDITOR

In so far as each of the trustees is aware there is no relevant audit information of which the Charity's auditor is unaware and 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.

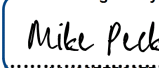
the Design Museum
Trustees' annual report
Year ended 31 March 2021

Trustees' report (including strategic report and Directors' report) signed by order of the board of trustees

Lord Mandelson, Chairman of the Board

DocuSigned by:

.....F931CAC4F1D0404..... 25 August 2021

Mike Peck, FCA, AMCT, Trustee

DocuSigned by:

.....AA400FFB287D493..... 25 August 2021

the Design Museum

The independent auditor's report

Year ended 31 March 2020

DRAFT 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 2021 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 group's and the charitable company's affairs as at 31 March 2021 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/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 short-term impact of COVID-19 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.

Aside from the impact of the matters disclosed in relation to the material uncertainty relating to going concern, we have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other

the Design Museum

The independent auditor's report

Year ended 31 March 2020

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 trustees' responsibilities statement set out on page 25, 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 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

the Design Museum

The independent auditor's report

Year ended 31 March 2020

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.

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. This description forms part of our auditor's report.

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 General Data Protection Regulation, health and safety legislation, employment legislation and taxation legislation.

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 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,

the Design Museum
The independent auditor's report
Year ended 31 March 2020

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.

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.

DocuSigned by:

896BF86CBE564D5...

Andrew Thomas

Senior Statutory Auditor

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

Date: 10 September 2021

the Design Museum
Consolidated Statement of Financial Activities
(including the income and expenditure accounts)
Year ended 31 March 2021

	Notes	Unrestricted	Unrestricted Designated	Restricted	2021	Unrestricted	Unrestricted Designated	Restricted	2020
		£	£	£	£	£	£	£	£
INCOME									
Donations and legacies									
Donations, gifts and similar income	3	2,096,122	-	288,699	2,384,821	3,784,859	-	28,925	3,813,784
Design Museum Kensington project	19	-	-	34,279	34,279	-	-	19,983	19,983
Grants receivable	4	4,786,058	-	145,331	4,931,389	179,000	-	905,197	1,084,197
Charitable activities	6	1,509,665	-	-	1,509,665	4,427,736	-	-	4,427,736
Other trading activities									
Trading sales	7	1,199,338	-	-	1,199,338	3,849,076	-	-	3,849,076
Investments	5	3,706	-	764	4,470	7,638	-	2,915	10,553
Total income		9,594,889	-	469,073	10,063,962	12,248,309	-	957,020	13,205,329

the Design Museum
Consolidated Statement of Financial Activities
(including the income and expenditure accounts)
Year ended 31 March 2021

	Notes	Unrestricted	Unrestricted Designated	Restricted	2021	Unrestricted	Unrestricted Designated	Restricted	2020
		£	£	£	£	£	£	£	£
EXPENDITURE									
Raising funds	8	2,704,910	-	-	2,704,910	3,856,264	-	15,000	3,871,264
Charitable activities	8	4,915,460	-	295,823	5,211,283	6,457,000	-	783,797	7,240,797
Design Museum Kensington project	19	-	554,287	4,889	559,176	-	656,617	10,615	667,232
Total expenditure		7,620,370	554,287	300,712	8,475,369	10,313,264	656,617	809,412	11,779,293
Net income/(expenditure) for the year		1,974,519	(554,287)	168,361	1,588,593	1,935,045	(656,617)	147,608	1,426,036
Transfer to designated funds	19	-	7,649	(7,649)	-	-	159,377	(159,377)	-
Transfer to unrestricted funds	19	1,000,000	(1,000,000)	-	-	-	-	-	-
Net movement of funds		2,974,519	(1,546,638)	160,712	1,588,593	1,935,045	(497,240)	(11,769)	1,426,036
Balances brought forward	20	562,492	33,785,654	333,257	34,681,403	(1,372,553)	34,282,894	345,026	33,255,367
Balances carried forward		3,537,011	32,239,016	493,969	36,269,996	562,492	33,785,654	333,257	34,681,403

All income and expenditure in the year arises from continuing activity.

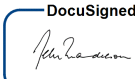
the Design Museum
Consolidated and Charity Balance Sheets
Year ended 31 March 2021

	Notes	The Group		The Charity	
		2021 £	2020 £	2021 £	2020 £
FIXED ASSETS					
Intangible assets	11	2,083	3,696	2,083	3,696
Tangible assets	12	32,507,786	32,993,854	32,507,786	32,993,854
Heritage assets	13	119,454	109,483	119,454	109,483
Investments	14	-	-	2	2
		<u>32,629,323</u>	<u>33,107,033</u>	<u>32,629,325</u>	<u>33,107,035</u>
CURRENT ASSETS					
Stock		337,401	283,515	-	-
Debtors	15	1,365,993	2,257,264	2,382,721	3,988,422
Cash at bank and in hand	16	8,964,961	2,331,971	8,237,151	548,184
		<u>10,668,355</u>	<u>4,872,750</u>	<u>10,619,872</u>	<u>4,536,606</u>
CREDITORS: Amounts falling due within one year	17	(2,000,032)	(3,234,141)	(1,951,650)	(2,898,097)
		<u>8,668,323</u>	<u>1,638,609</u>	<u>8,668,222</u>	<u>1,638,509</u>
NET CURRENT ASSETS					
		<u>8,668,323</u>	<u>1,638,609</u>	<u>8,668,222</u>	<u>1,638,509</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		41,297,646	34,745,642	41,297,547	34,745,544
CREDITORS: Amounts falling over one year	18	(5,027,650)	(64,239)	(5,027,650)	(64,239)
		<u>(5,027,650)</u>	<u>(64,239)</u>	<u>(5,027,650)</u>	<u>(64,239)</u>
TOTAL NET ASSETS		<u><u>36,269,996</u></u>	<u><u>34,681,403</u></u>	<u><u>36,269,897</u></u>	<u><u>34,681,305</u></u>
FUNDS					
Unrestricted funds					
General Funds	20	3,537,011	562,492	2,536,912	562,394
Designated Funds	20	32,239,016	33,785,654	33,239,016	33,785,654
		<u>35,776,027</u>	<u>34,348,146</u>	<u>35,775,928</u>	<u>34,348,048</u>
Restricted funds	20	493,969	333,257	493,969	333,257
		<u>493,969</u>	<u>333,257</u>	<u>493,969</u>	<u>333,257</u>
		<u><u>36,269,996</u></u>	<u><u>34,681,403</u></u>	<u><u>36,269,897</u></u>	<u><u>34,681,305</u></u>


The net income/(expenditure) in the charitable entity for 2021 was a surplus of £1,588,593 (2020 surplus: £1,426,036)

These financial statements were approved by the trustees on 25 August 2021, and are signed on their behalf by:

Lord Mandelson, Chair of the Board

DocuSigned by:

F931CAC4F1D0404.....

Mike Peck, FCA, AMCT, Trustee

DocuSigned by:

A2400FB287D459.....

Company Registration number 02325092

the Design Museum
Consolidated Cash Flow Statement
Year ended 31 March 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	(a)	1,847,182	254,762
Interest from investments		4,470	10,553
Cash flows from financing activities			
Cash inflows from new borrowings		5,000,000	130,152
Cash outflows from repayments		(66,194)	(2,793)
Cash flows from investing activities			
Purchase of property and equipment		(152,468)	(367,067)
Increase/ (Decrease) in cash	(b)	6,632,990	25,607

Notes to the cash flow statement
Year ended 31 March 2021

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

Net surplus/(deficit) for the year	1,588,593	1,426,036
Interest from investments	(4,470)	(10,553)
Depreciation	630,179	726,602
(Increase)/Decrease in stock	(53,886)	(18,764)
Decrease/(Increase) in debtors	891,271	209,602
(Decrease)/Increase in creditors	(1,204,505)	(2,078,161)
Net cash inflow/ (outflow) from operating activities	1,847,182	254,762

	2020 £	Cash flow £	2021 £
(b) Analysis of cash and cash equivalents	2,331,971	6,632,990	8,964,961
Cash at bank and in hand	2,331,971	6,632,990	8,964,961

the Design Museum
Consolidated Cash Flow Statement
Year ended 31 March 2021

(c) Analysis of changes in net debt

	2020	Cashflow inflow	Loan repayments	New financing	2021
Cash	2,204,612	1,699,184			3,903,796
Cash equivalents					
Overdraft facility					
	2,204,612	1,699,184			3,903,796
Loans falling due within one year	63,120		(29,605)		33,515
Loans falling due after more than one year	64,239		(36,589)	5,000,000	5,027,650
Finance lease obligations					
Total	2,331,971	1,699,184	(66,194)	5,000,000	8,964,961

The notes on pages 37 to 53 form part of the financial statements

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

1. Charitable Status

The company is limited by guarantee (company registration number 02325092) and is registered as an educational charity (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 cash flow statement, categories of financial instruments and the items of income, expenses, gains or losses relating to instruments, as 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 Companies Act 2006 no separate Statement of Financial Activities has been presented for the Design Museum charity.

Going concern

The Museum faced a challenging year but, by securing exceptional support and COVID relief grants, a surplus for the year of £1.6m was generated. This surplus was recorded primarily due to the CRF grant providing an element of reserves funding, allowing for reflatting reserves up to the equivalent of up to eight weeks turnover (later increased to twelve weeks), the recognition of the CRF grant in full together with a delay in the recognition of Charlotte Perriand exhibition costs (as the exhibition itself was delayed until June 2021) in accordance with accounting standards.

The unrestricted reserves show a surplus of £3.5m, up significantly on prior year's £0.5m, due to this surplus and the release of designated funds into the general reserves fund, to support ongoing operations.

Cash balances at year-end were £8.9m, reflecting both the surplus for the year and the receipt of £5m from the Culture Recovery Fund: Repayable Finance Loan which is repayable in instalments from March 2025.

The Trustees have been heavily involved in the monitoring of the Museum's financial position throughout the year, meeting fortnightly in the most challenging periods, and extensively reviewed the successful submissions for both grant and loan funding from government and public sector institutions. The final part

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

of the ACE/DCMS Culture Recovery Fund: Repayable Finance submission in the form of the three year business plan was also discussed in depth and approved by the Board.

This business plan lays out in detail the income generation strategies which return the organisation back to its pre-pandemic position and grows onwards from that point. The strategic changes and workstreams needed to deliver this longer-term business change are already in place, with support and feedback from the wider committee groups. These strategies have been interrogated for their rigor and will continue to be as they develop. In the more immediate term, for the purpose of the Going Concern assessment the Trustees have reviewed updated scenarios drawn from the core of the business plan and consider that the short-term impact of ongoing disruption can be mitigated in most scenarios. These scenarios assume further restrictions on capacity, restricting footfall and associated income, a shortfall in fundraising and an underperformance against retail delivery targets. The Trustees are encouraged by the lifting of most restrictions on 17 July but remain cautious given the propensity of visitors returning to the Museum is unknown, as is the appetite of donors for giving and other stakeholders for use of the Museum, and the possibility of further lockdowns cannot be ruled out.

The Trustees are satisfied that in most scenarios the charity will have sufficient funds to continue with its operations for the foreseeable future, being the period of at least twelve months from the date of approval of these financial statements and therefore it is appropriate to prepare these financial statements on the going concern basis.

However, although the Trustees have greater confidence than at this time last year, 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 short-term impact of COVID-19. 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 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 for.

Admissions income is recognised over the period of the exhibition.

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

Trading sales and fees for service 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.

Government grants are recognised on the performance model, when the Museum has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the job retention scheme has been recognised in the period to which the underlying furloughed staff costs relate to. Included in grants and donations is an amount of £605,809 in respect of the Coronavirus Job Retention Scheme.

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 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 incoming resources 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
Designer Maker User exhibition	over 5 years
Energy Saving battery	over 15 years

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

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 3 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 at 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.

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 and 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 general charitable objectives of the charity. 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 objects 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 Design Museum

Notes to the financial statements for the year ended 31 March 2021

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 taken into account 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.

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	2021	2020
	£	£	£	£
Conran Foundation donation	-	233,310	233,310	3,000,000
Gifts in Kind	164,317	4,889	169,206	-
Other income	-	50,500	50,500	398,365
Other donations	1,931,805	-	1,931,805	415,419
	<u>2,096,122</u>	<u>288,699</u>	<u>2,384,821</u>	<u>3,813,784</u>

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

4. Grants receivable

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Deutsche Bank	-	145,331	145,331	224,097
Arts Council - NPO	173,128	-	173,128	200,500
Arts Council – ERF & CRF	3,965,745	-	3,965,745	-
CJRS Grant	605,899	-	605,899	-
Other grants	41,286	-	41,286	659,600
	<u>4,786,058</u>	<u>145,331</u>	<u>4,931,389</u>	<u>1,084,197</u>

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

5. Investment income

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Bank interest	3,706	764	4,470	10,553

6. Income from charitable activities

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Admissions	804,175	-	804,175	3,283,175
Learning	168,929	-	168,929	258,916
Touring	151,000	-	151,000	184,640
Service charges and other	385,561	-	385,561	701,005
	1,509,665	-	1,509,665	4,427,736

7. Trading sales

The Design Museum has one wholly-owned subsidiary Design Museum Enterprises Limited (registered in England 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 2021

	2021	2020
	£	£
Turnover	1,199,338	3,849,076
Cost of sales and administrative expenditure (including management charge)	(2,200,928)	(3,083,282)
Operating (loss)/profit	(1,001,590)	765,794
Other income	1,212,916	-
Profit for the year	211,326	765,794
Retained earnings at start of period	99	99
Profit for the year	211,326	765,794
Gift aid donation	(211,326)	(765,794)
Retained earnings at end of period	99	99

Balance sheet for Design Museum Enterprises Limited as at 31 March 2021

	2021	2020
	£	£
Assets	1,497,339	2,849,941
Liabilities	(1,497,238)	(2,849,840)
Total Funds	101	101

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

8. Total expenditure

	Staff costs	Depreciation	Other direct costs	Support costs	2021	2020
	£	£	£	£	£	£
Raising funds						
Fundraising	360,694	8,591	12,163	122,534	503,982	811,522
Trading	1,061,307	-	595,547	544,074	2,200,928	3,059,742
	1,422,001	8,591	607,710	666,608	2,704,910	3,871,264
Charitable activities	2,082,784	67,301	1,680,719	1,380,479	5,211,283	7,240,797
	3,504,785	75,892	2,288,429	2,047,087	7,916,193	11,112,061
Design Museum Kensington Project	-	554,287	-	4,889	559,176	667,232
Total 2021	3,504,785	630,179	2,288,429	2,051,976	8,475,369	11,779,293

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

	Raising funds	Charitable activities	Museum Kensington Project	Total
	£	£	£	£
Building and Operations	499,985	682,625	-	1,182,610
HR, Finance, IT and Management	151,961	162,376	-	314,337
Professional fees and audit	-	420,628	4,889	425,517
Irrecoverable VAT	14,662	114,850	-	129,512
Total 2021	666,608	1,380,479	4,889	2,051,976
<i>Total 2020</i>	<i>896,600</i>	<i>2,045,660</i>	<i>28,925</i>	<i>2,971,185</i>

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

	2021	2020
	£	£
Depreciation and amortisation of tangible fixed assets	628,566	679,636
Depreciation and amortisation of intangible fixed assets	1,613	46,965
Operating lease rentals:		
- Land and Buildings	-	-
- Other	-	5,338

The analysis of auditor's remuneration is as follows:

	2021	2020
	£	£
Fees payable to the company's auditor for the audit of the company's annual accounts	17,000	22,500
Fees payable to the company's auditor for other services to the Group		
The audit of the company's subsidiaries	6,000	6,200
Prior year fees	(300)	6,800
Total audit fees	22,700	35,500
Total non-audit fees	8,435	4,500

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

9. Governance costs

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Auditor's remuneration	22,700	-	22,700	35,500
Legal and professional fees	233,611	-	233,611	106,405
Legal and other costs donated as Gifts in Kind	164,317	4,889	169,206	398,365
	420,628	4,889	425,517	540,270

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

10. Staff costs

The aggregate payroll costs were:

	2021	2020
	£	£
Wages and salaries	3,169,334	3,595,416
Social security costs	251,528	308,670
Other pension costs	83,923	109,451
	3,504,785	4,013,537

The average number of staff employed during the financial year amounted to 132 (2020 - 142). The average number of full time equivalent Museum staff employed during the financial year by activity amounted to:

	2021	2020
	No.	No.
Fundraising	6	7
Commercial	22	25
Exhibitions, Curatorial and Communications	42	48
Learning	5	6
Support	17	20
	92	106

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

	2021	2020
£60,001 to £70,000	1	2
£70,001 to £80,000	1	-
£80,001 to £90,000	1	-
£90,001 to £100,000	-	1
£150,001 to £160,000	1	-
£160,001 to £170,000	-	1
£170,001 to £180,000	-	1

For the above employer's contributions of £13,560 (2020 - £31,361) were made into a defined contribution pension scheme.

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

During the year total emoluments (including pension contributions and employers NI) of 5 (2020 - 5) key management personnel amounted to £497,068 (2020 - £659,776). Redundancy and termination payments in the year totalled £32,601 (2020: £30,000).

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 for neglect or default was purchased for an annual premium of £8,724 (2020 - £8,476).

No travel or associated expenses incurred by the trustees attending quarterly trustees' meetings were claimed during the year (2020 – 1 trustee, £74).

Donations from Trustees totalled £307,614 (2020: £20,277). This is excluding donations made through foundations (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 Museum unless they opt out of such arrangements. Contributions paid during the year amounted to £83,923 (2020 - £109,451).

11. Intangible assets

THE GROUP & THE CHARITY

	Computer software
	£
COST	
At 1 April 2020	240,405
Additions	-
At 31 March 2021	<u>240,405</u>
AMORTISATION	
At 1 April 2020	(236,709)
Charge for the year	<u>(1,613)</u>
At 31 March 2021	<u>(238,322)</u>
NET BOOK VALUE	
At 31 March 2021	<u><u>2,083</u></u>
At 31 March 2020	<u>3,696</u>

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

12. Tangible assets

THE GROUP

	Design, Maker, User exhibition	Buildings & leasehold	Computers and office equipment, fixtures and fittings	Total
	£	£	£	£
COST				
At 1 April 2020	1,813,372	32,830,544	1,147,264	35,791,180
Additions		7,648	134,850	142,498
At 31 March 2021	1,813,372	32,838,192	1,282,114	35,933,678
DEPRECIATION				
At 1 April 2020	(1,233,351)	(635,874)	(928,101)	(2,797,326)
Charge for the year	(365,764)	(187,632)	(75,170)	(628,566)
At 31 March 2021	(1,599,115)	(823,506)	(1,003,271)	(3,425,892)
NET BOOK VALUE				
At 31 March 2021	214,257	32,014,686	278,843	32,507,786
At 31 March 2020	580,021	32,194,670	219,163	32,993,854

THE CHARITY

	Design, Maker, User exhibition	Buildings & leasehold	Computers and office equipment, fixtures and fittings	Total
	£	£	£	£
COST				
At 1 April 2020	1,813,372	32,830,544	1,147,264	35,791,180
Additions		7,648	134,850	142,498
At 31 March 2021	1,813,372	32,838,192	1,282,114	35,933,678
DEPRECIATION				
At 1 April 2020	(1,233,351)	(635,874)	(928,101)	(2,797,326)
Charge for the year	(365,764)	(187,632)	(75,170)	(628,566)
At 31 March 2021	(1,599,115)	(823,506)	(1,003,271)	(3,425,892)
NET BOOK VALUE				
At 31 March 2021	214,257	32,014,686	278,843	32,507,786
At 31 March 2020	580,021	32,194,670	219,163	32,993,854

13. Heritage assets

Collection assets held at 31 March 2021 were included at cost and valuation per below:

<u>THE GROUP AND THE CHARITY</u>	2021	2020	2019	2018	2017	2016	2015
	£	£	£	£	£	£	£
Opening balance	109,483	107,483	107,274	107,274	103,559	97,200	97,200
Additions	9,970	2,000	209	-	3,715	6,359	-
Closing balance	119,454	109,483	107,483	107,274	107,274	103,559	97,200

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

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 Collection

The Design Museum collects objects that demonstrate the impact of design on people's lives. The collection is made up of approximately 3,500 objects and includes furniture, lighting, domestic appliances and communications technology. Objects in the collection date from 1859 to 2017 and together 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 objects are held either in the core collection of significant and resonant designs which have achieved impact or delivered change, or the specialist collection to illustrate a specific area of expertise. 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 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 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

THE CHARITY

	2021	2021
	£	£
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 Wales whose registered office is the same as the Design Museum.

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

15. Debtors

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade Debtors	347,005	533,978	170,060	257,170
Bad debt provision	(4,800)	(126,261)	-	(65,155)
Amounts owed by Subsidiary	-	-	1,199,131	2,283,466
Taxation and Social Security	8,879	249,623	-	-
Prepayments	111,850	173,004	111,399	159,564
Accrued Income	896,387	714,860	895,459	641,317
Prepaid Exhibition Costs	-	705,388	-	705,388
Other debtors	6,672	6,672	6,672	6,672
	1,365,993	2,257,264	2,382,721	3,988,422

16. Cash and bank

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Design Museum Operations	7,833,454	18,595	7,833,454	18,595
Design Museum Kensington project	403,697	529,589	403,697	529,589
Design Museum Enterprises	727,810	1,783,787	-	-
	8,964,961	2,331,971	8,237,151	548,184

17. Creditors: Amounts falling due within one year

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade Creditors	25,221	845,959	959	774,132
Bank Loan	33,516	63,120	33,516	63,121
Taxation and Social Security	82,157	72,270	331,882	72,270
Accruals	1,082,323	1,501,852	946,768	1,347,289
Accrued Exhibition Costs	81,445	-	81,445	-
Deferred income	695,370	750,940	557,080	641,285
	2,000,032	3,234,141	1,951,650	2,898,097

Accruals relate to the retention not yet paid relating to the Design Museum Kensington fit out contract and general accruals across the Group.

Deferred income relates mainly to income received in advance and recognised over the course of the term it relates too. This includes annual membership fees of £169,464 (2020: £312,642), fees for higher education courses of £49,840 (2020: £47,824), sponsorship income for a learning programme £72,666 (2020: £54,097), sponsorship income for exhibitions £12,500 (2020: £16,665), payment for future touring exhibitions £57,982 (2020: £165,034), payments for exhibitions tickets £207,128 (2020: £72,617), payments for future events £125,790 (2020: £92,990).

18. Creditors: Amounts falling over one year

	The Group		The Charity	
	2021	2020	2021	2020
	£	£	£	£
Arts Council England loan	5,000,000	-	5,000,000	-
Bank Loan	27,650	64,239	27,650	64,239
	5,027,650	64,239	5,027,650	64,239

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

The Arts Council England loan is repayable over a period of 20 years; the first repayment being after 4 years. Interest is payable at the rate of 2% per annum. The secured bank loan has an outstanding balance of £61,166, £33,516 due within one year (see Note 17) and the final £27,650 due the following year.

19. Restricted and designated funds

	Balance at 1 April 2020	Income	Expenditure	Transfer to designated funds	Transfer to unrestricted funds	Balance at 31 March 2021
	£	£	£	£	£	£
Design Museum Kensington project						
Conran Foundation (DMU purchases)	5,602	-	-	-	-	5,602
Other Funding	182,455	34,279	-	(7,649)	-	209,085
Interest & gifts in kind		5,653	(4,889)			764
Total Design Museum Kensington project	188,057	39,932	(4,889)	(7,649)		215,451
Design Ventura learning programme	-	145,331	(108,455)	-	-	36,876
Conran Foundation – Exhibition G1 shop	-	75,000	(75,000)	-	-	-
Conran Foundation – CRM	-	144,000	-	-	-	144,000
Conran Foundation – Material Tales purchases	-	14,310	-	-	-	14,310
Ardagh Group	-	50,000	(50,000)	-	-	-
Marcho Partners Foundation		500	(500)			
Fidelity UK Foundation	140,000	-	(61,868)	-	-	78,132
Total Charitable activities	140,000	429,141	(295,823)	-		273,318
Kaplicky Internship	5,200	-	-	-	-	5,200
	333,257	469,073	(300,712)	(7,649)		493,969

Unrestricted Designated funds	Balance at 1 April 2020	Income	Expenditure	Transfer from restricted funds	Transfer to unrestricted funds	Balance at 31 March 2021
	£	£	£	£	£	£
Design Museum Kensington Project	32,785,654	-	(554,287)	7,649	1,000,000	33,239,016
Design Museum Reserves campaign	1,000,000	-	-	-	(1,000,000)	
Total designated funds	33,785,654	-	(554,287)	7,649	-	33,239,016

Comparatives

	Balance at 1 April 2019	Income	Expenditure	Transfer to designated funds	Balance at 31 March 2020
	£	£	£	£	£
Design Museum Kensington project					
Conran Foundation (DMU purchases)	5,602	-	-	-	5,602
Other Funding	300,624	19,983	21,225	(159,377)	182,455
Interest & gifts in kind		31,840	(31,840)		
Total Design Museum Kensington project	306,226	51,823	(10,615)	(159,377)	188,057
Design Ventura learning programme	-	224,097	(224,097)	-	-
Resilience programme	-	13,000	(13,000)	-	-
Business of Design week 2019	-	2,500	(2,500)	-	-
The Great Competition	33,600	28,100	(61,700)	-	-
Other	-	247,500	(247,500)	-	-
Reuben Foundation	-	200,000	(200,000)	-	-
Fidelity UK Foundation	-	175,000	(35,000)	-	140,000
Total Charitable activities	33,600	890,197	(783,797)	-	140,000

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

Changemaker programme	-	15,000	(15,000)	-	-
Total Raising Funds	-	15,000	(15,000)	-	-
Kaplicky Internship	5,200	-	-	-	5,200
	345,026	957,020	(809,412)	(159,377)	333,257

	Balance at 1 April 2019	Income	Expenditure	Transfer from restricted funds	Balance at 31 March 2020
	£	£	£	£	£
Unrestricted Designated funds					
Design Museum Kensington Project	33,282,894	-	(656,617)	159,377	32,785,654
Design Museum Reserves campaign	1,000,000	-	-	-	1,000,000
Total designated funds	34,282,894	-	(656,617)	159,377	33,785,654

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.

The total cost of the project, excluding donated land and buildings, is expected to be a maximum of £48.1m. Any further income pledged will be recognised as income in future financial years in accordance with the relevant income recognition policies, as conditions of the funding are fulfilled.

The transfers in the year relate to the designation of funds raised for the project, now that the Museum is open in Kensington, in order to support the ongoing upkeep and running of the Museum.

Design Ventura Learning programme

Due to COVID the 2020 programme was extended to run across the Autumn and Spring terms, starting with online only delivery and building to live event delivery. Overall, the programme continued to attract high numbers with 15,669 secondary schools in the main programme and 3,000 through the Online Mini Challenge.

Designers in Residence exhibition and learning programme

The annual Designers in Residence programme provides a platform to celebrate new and emerging designers at an early stage in their career. The Museum receives an annual unrestricted grant as an Arts Council England National Portfolio Organisation 2018–22 which it puts towards the costs of the Designers in Residence exhibitions and learning programme costs.

The Conran Foundation

Throughout the year, the Foundation supported the Museum through the provision of funds to support the purchase of items to add the Material Tales exhibition resulting from the ongoing Fidelity project work, these items will eventually become part of the permanent collection. The foundation also supported two revenue generating projects across the year, in the form of a Gallery specific shop build and also a CRM development project.

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

Fidelity UK Foundation

For development of the Museum's international touring programme, supporting capacity building in the Exhibitions department.

Kaplicky Internship

The Kaplicky Internship is a program 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.

Other

Supporting the Museum's Learning programme, funding Family and Young Audience, Schools, and Access Programmes.

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 year end. During the year £656,617, being the reduction in net book value of the Design Museum Kensington project fixed assets, was expended from unrestricted designated funds.

The reserves fund represents funds raised as part of the capital campaign designated to building reserves capacity in the Museum, and the Museum hopes to add to these funds through further fundraising in the coming years in order to achieve its strategic objective in delivering a sustainable operation.

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

20. Analysis of group net assets between funds

<u>THE GROUP</u>	Restricted	Unrestricted Designated	Unrestricted General	Total 31 March 2021
	£	£	£	£
Fixed Assets	-	32,239,016	390,307	32,629,323
Cash and Bank	403,697	-	8,561,264	8,964,961
Other Net Assets	90,272	-	(5,414,560)	(5,324,288)
	493,969	32,239,016	3,537,011	36,269,996

<u>THE CHARITY</u>	Restricted	Unrestricted Designated	Unrestricted General	Total 31 March 2021
	£	£	£	£
Fixed Assets	-	32,239,016	390,309	32,629,325
Cash and Bank	403,697	-	7,833,454	8,237,151
Other Net Assets	90,272	-	(4,686,851)	(4,596,579)
	493,969	32,239,016	3,536,912	36,269,897

Comparatives

<u>THE GROUP</u>	Restricted	Unrestricted Designated	Unrestricted General	Total 31 March 2020
	£	£	£	£
Fixed Assets	-	32,785,654	321,379	33,107,033
Cash and Bank	529,589	1,000,000	802,382	2,331,971
Other Net Assets	(196,332)	-	(561,269)	(757,601)
	333,257	33,785,654	562,492	34,681,403

<u>THE CHARITY</u>	Restricted	Unrestricted Designated	Unrestricted General	Total 31 March 2020
	£	£	£	£
Fixed Assets	-	32,785,654	321,381	33,107,035
Cash and Bank	529,589	1,000,000	(981,405)	548,184
Other Net Assets	(196,332)	-	1,222,418	1,026,086
	333,257	33,785,654	562,394	34,681,305

the Design Museum

Notes to the financial statements for the year ended 31 March 2021

21. Operating leases

At 31 March 2021 the Design Museum had no lease payment commitments under non-cancellable operating leases.

22. Capital commitments

At the balance sheet date, there were no capital commitments (2020: £nil)

23. Related party transactions

The Conran Foundation

The directors consider that The Conran Foundation, a charity of which Sebastian Conran and Nicholas Bull are also directors, is a related party. During the year, the Design Museum received donations of £0.2m (2020: £3.0m) from the Foundation in the form of restricted grants.

Conran Octopus Limited

The directors consider that Conran Octopus Limited, a company in which Sir Terence Conran has an interest, is a related party. During the year, the Design Museum received £927 (2020: £2,828) in publishing royalties from Conran Octopus Limited from the sales of books and other publishing material.

Design Museum Enterprises Limited

The Design Museum charged a management fee of £0.9m in the year (2020 - £1.1m) to Design Museum Enterprises Limited. It received a donation under gift aid of £0.2m (2020 - £0.8m). At the year end, the Design Museum was owed £1.2m (2020 - £2.3m) by Design Museum Enterprises Limited. This balance was primarily made up of the donated profit for the year and a VAT amount paid to HMRC.

24. Subsequent events

The Museum was able to re-open on 18th May 2021 with the exhibition Sneakers Unboxed Studio to Street