

Making life better by design

Annual Report

Financial Year 2022/2023

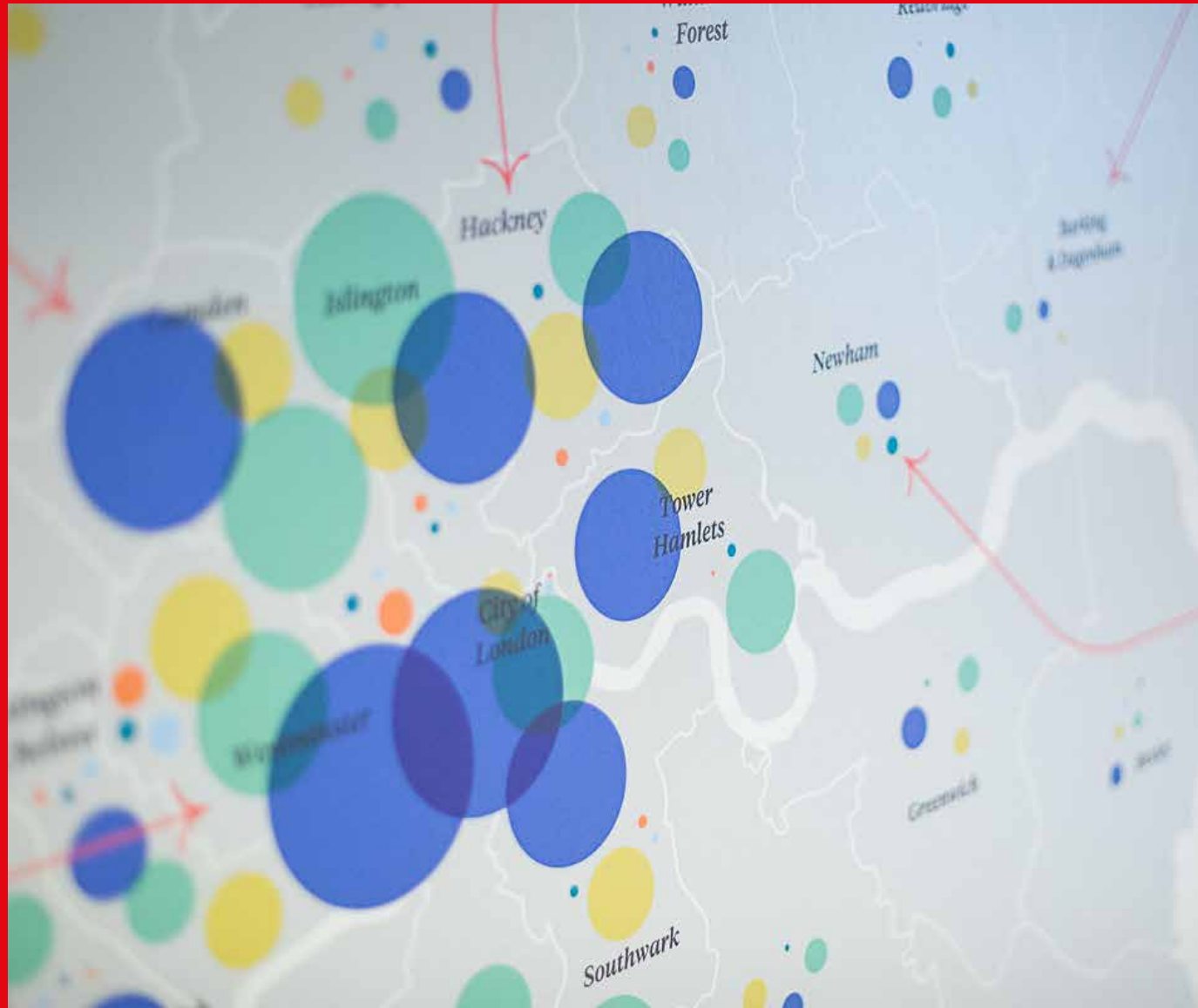


Image: London's Design Economy from 2022 Design Economy research

This was the year...

3,500 people from **88 countries** around the world gained new skills, ideas and inspiration and at Design for Planet Festival.

We led the way in developing **climate conscious design methods** for branding.

Our Design, Differently programme delivered sustainability initiatives with communities **from Swansea to the Hebrides.**

The Design programme was launched with Network Rail and **5 more cohorts commissioned** helping embed design thinking in a critical national infrastructure organisation.

Our newly published Design Economy findings were **downloaded 5,700 times.**

About the Design Council

The Design Council is the UK's national strategic advisor for design, championing design and its ability to make life better for all. It is an independent and not for profit organisation incorporated by Royal Charter. The Design Council uniquely works across all design sectors and delivers programmes with business, government, public bodies and the third sector. The

work encompasses thought leadership, tools and resources, showcasing excellence and research to evidence the value of design and influence policy. Our Design for Planet mission was introduced in 2021 to galvanise and support the 1.97 million people who work in the UK's design economy to help achieve net zero and beyond.



“I first found out about Design Council at school in the ‘70s. It seemed to me to be the pinnacle of what design was about at the time. Over the subsequent 50 years I think Design Council has retained its relevance and its influence – it’s continued to both lead in design and innovation thinking and does an enviable job of evolving its work, so it continues to be relevant and generally accessible.”

Jonathan Ball
Design Council Expert

The Trustees submit this Annual Report for the year ended 31 March 2023 along with the financial statements for the year ended 31 March 2023, which comply with the current statutory requirements and which have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.



Image: John Mark Arnold

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Foreword

Design shapes the world – from the places we live and the products we buy, to the businesses and services we use. It helps us rise to challenges on a local, national and global scale. It creates environmental, social and economic impact. It has the power to make life better.

2022/23 has been a year of laying strong foundations to deliver on our mission. We joined the UK Research and Innovation (UKRI) family as part of the Arts and Humanities Research Council (AHRC). We welcomed a new Chair and five new Trustees to the Board, bringing additional skills and sustainability expertise. We delivered the first full year of our Design for Planet mission and developed an

ambitious three-year strategy. Our refreshed branding and new office space at 22 Bishopsgate have also helped equip us for success.

Through our work we supported people across the UK and beyond to harness the power of design and bring about positive change. We launched our latest findings on the Design Economy revealing that the sector provides 1.97m jobs and contributes £97.4bn in GVA, as well as highlighting areas for attention such as gender equality and falling numbers in design education. Our third Design for Planet Festival welcomed 3,600 online attendees from 88 countries, to hear from over 60 world leading thinkers on sustainable design.

We look forward to building on the successes of 2022/23, and to doing even more to bring together designers to use design as a force for regenerative change.

Warm wishes to all,



Minnie Moll
Chief Executive



William Eccleshare
Chair

Why design matters

Design shapes the world. Everything around us has been designed by someone. Design uses creativity to solve problems across many sectors including architecture, product, industrial, digital, service and graphic design.

Design for social impact has proved how powerful design thinking can be in creating a more equitable and inclusive world.

Design is a critical enabler of innovation. If innovation is new ideas, then design turns ideas into action. It's when we combine the head, heart and hand.

And design is a sector strength for the UK – delivering nearly £100bn GVA in 2021. It delivers economic, social and environmental value.

Design is a golden thread that runs across the Creative Industries, a sector that has been highlighted by government as one of 5 key growth areas for the UK.



“The fundamental idea of design is to make the world a better place”.

Bruce Mau, Designer

Image: David Butler. Credit: Mole Architects



Design in numbers

1.97m people work in the design economy, generating **£97.4bn** in 2019, **73%** more than in 2010 and equivalent to **2/3** of the financial sector's contribution.

77% of designers work in non-design sectors. **866,000** people work in digital design, almost double since 2010.

Objectives and activities

Charitable objectives

The Design Council is a charity incorporated by Royal Charter.

We are guided by the following objectives:

The advancement of British industry and public services by the improvement of design in their processes, products and services

The advancement of the education of the public in subjects relating to sustainable development* and sustainable living

To promote study and research into the value of design and to actively disseminate the results to the public at large

The protection, enhancement, improvement and revitalisation of the natural and built environment (including architecture)

*For the Design Council, sustainable development means development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

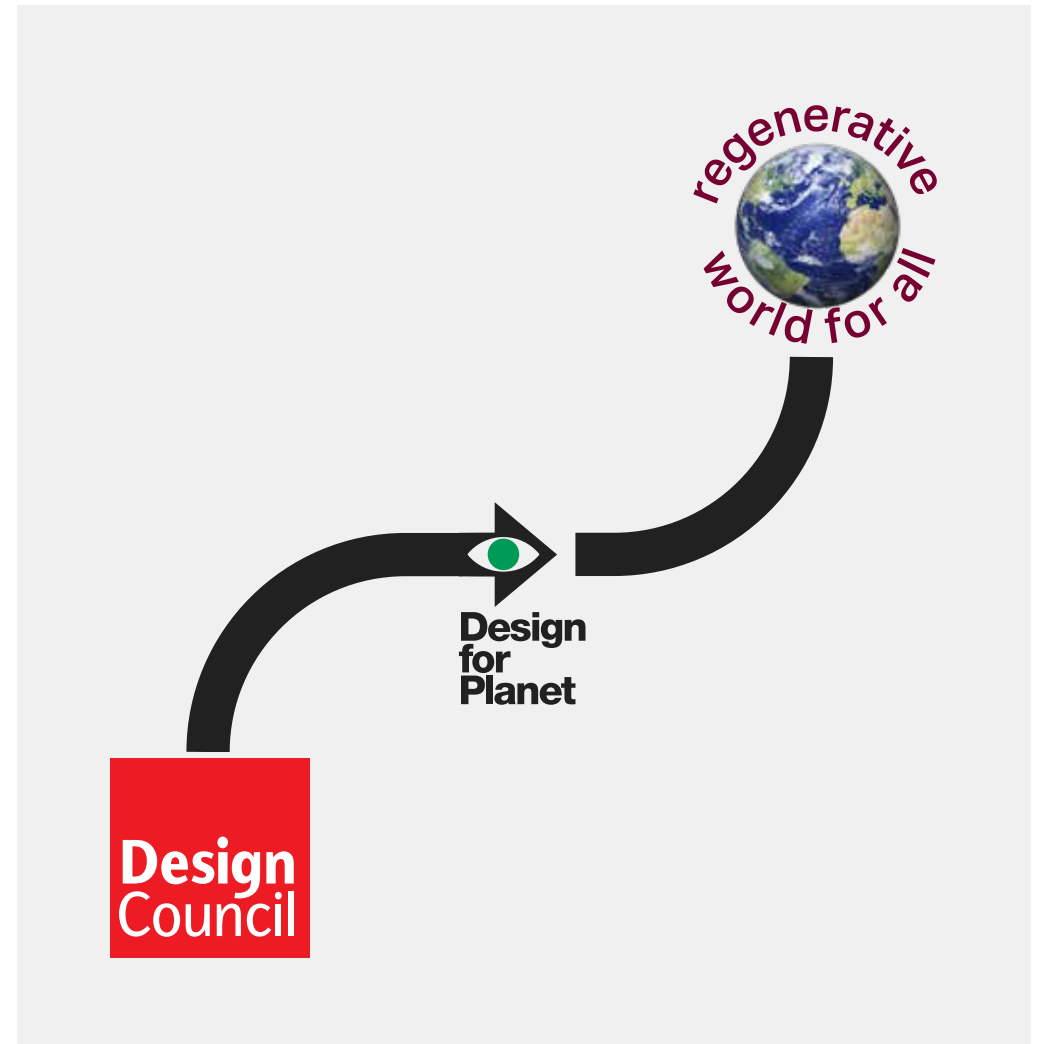
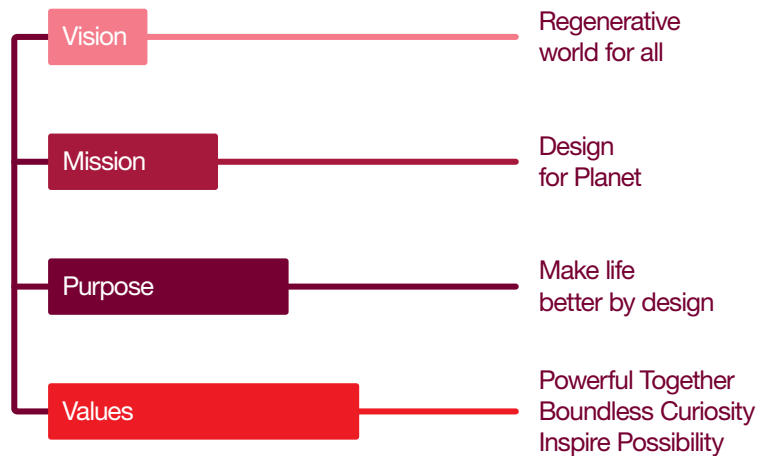
Our vision and mission

Our vision is a regenerative world for all.

Our mission is Design for Planet: to galvanise and support the 1.97 million people who work in the UK's design economy to Design for Planet to help achieve net zero and beyond. The climate crisis is the biggest challenge of our lifetime and design has a critical role to play.

Our purpose is to make life better by design.

Our values are Powerful Together, Boundless Curiosity, and Inspire Possibility.





“If you’re not
designing
for planet,
what planet
are you on?”

Kate Raworth, Author of Doughnut Economics

What we offer

We commission pioneering evidence-based research, develop ground-breaking programmes and deliver influencing and policy work to demonstrate the power of design and how it impacts three key areas of the economy: places/infrastructure, public service including social innovation and specific business-led missions.

We bring together non-designers and designers from grassroots to government and share with them our design expertise to transform the way they work.



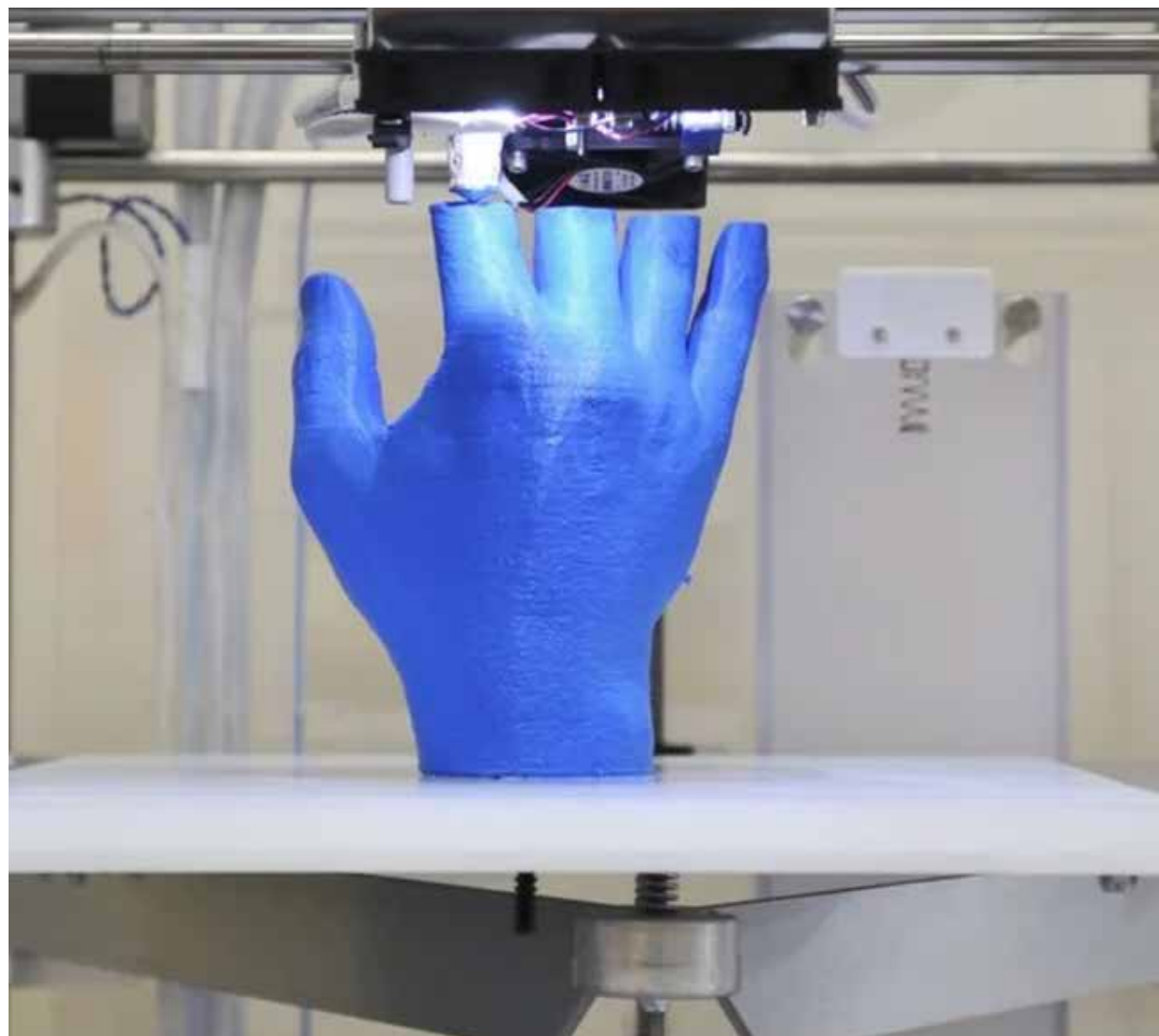
Public benefit

The Trustees confirm that in exercising their powers and duties they have had due regard to the Charity Commission's guidance on public benefit. The Design Council exists for the benefit of people and our purpose is to make life better by design.

The Trustees have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. Our 2020/21 Impact Report, sets out some of the achievements of the Design Council in carrying out charitable activities for the public benefit.

Grant making

The Design Council makes grants to certain beneficiaries under our programmes. Grants made in the year are set out in note 4 to the financial statements. All grants paid during the year related to the Guy's and St Thomas' Trust Charity – Employee Health Innovation Fund.



Fundraising statement

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake fundraising from the general public, the legislation defines fundraising as “soliciting or otherwise procuring money or other property for charitable purposes”.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators, professional fund-raisers, or third parties. The day-to-day management of all income generation is delegated to the key management personnel as described within the Structure, governance and management section, who are accountable to the Trustees.

We have received no complaints in relation to solicitations. Our terms of employment require staff to behave reasonably at all times; as we do not approach individuals for funds we do not consider it necessary to design specific procedures to monitor such activities.



Achievements and Performance

It has been an incredible year and we are extremely proud of all that we have achieved. This is down to the huge efforts of the Design Council team, as well as the support of our Trustees and partners.



Image: Visit from Digital Agency of the Japanese Government

In numbers

700

Design for Planet monthly
meet-up members

350,000

website visitors

15,777

blog reads

22,700

people receiving
monthly newsletter

1,291,748

social media
reach
+1,300%*

22,442

social
engagements
+1,000%*

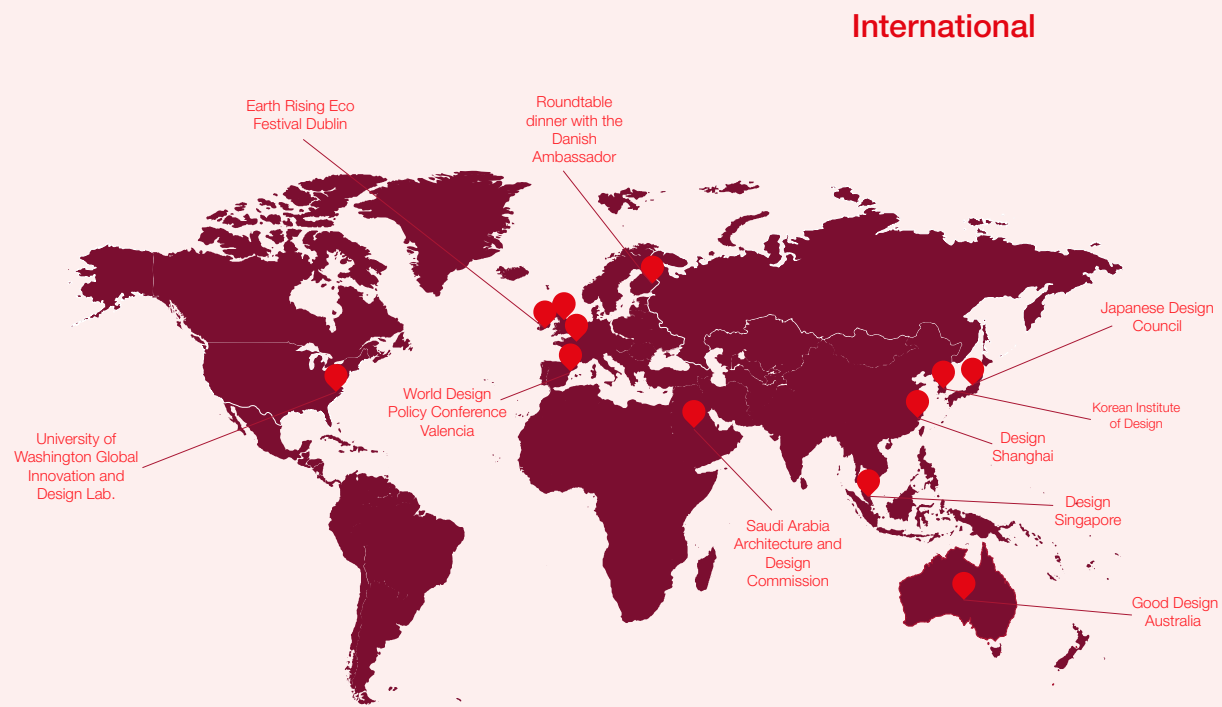
344,000

social media
followers
+4%*

*compared to previous year

Engaging across the world

- ★ 50 speaker platforms
- ★ 14 curated events
- ★ 10 events chaired
- ★ 6 awards judged



Delivering national strategic advice

368

press mentions

Ranging from responses to government budget announcements, calls for Design and Technology education reform and championing diverse and planet focused design.

Building Design.

OPINION

To design for a better world we must have more women architects

By Sally Mackereth | 29 March 2023



We need more women in architecture if we are to address our profession's huge challenges, writes Sally Mackereth

On International Women's Day earlier this month, I joined a panel discussion hosted by the Design Council, the UK's independent national advisory body on design and advocate for its critical role in society. The event was positively celebratory in tone, and focussed on women and their significant contributions in the field of architecture. Yet inevitably our debate turned to the plight of our



THE TIMES

CREATIVE INDUSTRY

Designers come together to make their mark on campaign against climate change



Jo Bernard and colleagues at the design agency Morama discuss new take away containers they have designed for the restaurant chain Wagamama.

design WEEK

Design industry weighs in on GCSE design and technology proposals

An education consortium has drawn up plans for design and technology GCSE to address global design challenges but what does the industry think?

By Abbey Bamford February 21, 2023 12:23 pm

Design Council chief executive officer Minnie Moll



Government influence

Our network and influence with government strengthened this year. We provided advice for the Innovation Strategy, Creative Industries Sector Vision, and planned policy for the Regeneration and Levelling Up Bill.

To embed design within key areas of policy we responded to 7 government consultations, contributing evidence on design and demonstrating how R&D tax credits can better support design-led innovation.

We convened a large launch event, dynamic party conference programme, and two powerful roundtable conversations that pushed design for planet higher up the political agenda, leveraging our Design Economy research to platform design's contribution to the green economy in the run up to 2024 General Elections.

We have been working with the Department for Levelling Up, Housing and Communities to support a national pathfinder programme of new local Design Codes, in advance of them being rolled out in every local authority.

Top: George Freeman MP Speaking at Collective Innovation webinar for Design Council and Radix

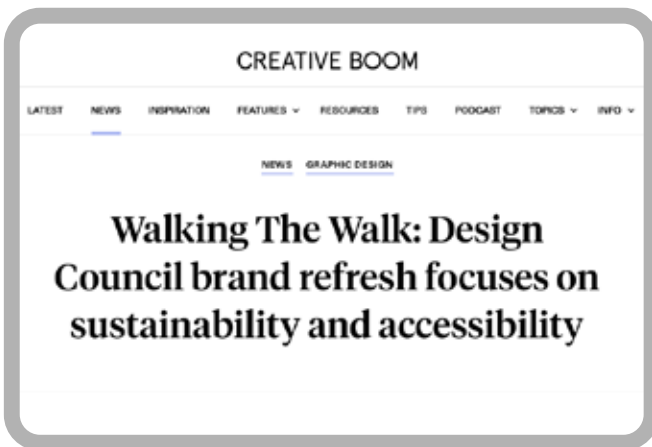
Bottom: Minnie Moll and Andy Burnham, Mayor of Manchester at Northern Powerhouse event



A new look

We refreshed our brand guidelines to give us a clear, modern look and feel.

Working with experts, we carried out a sustainability audit to make improvements to colour choices, image sizes and usage instructions to reduce our carbon impact which set an industry example.



design KEEP

Design Council reveals refreshed brand identity

 **The Drum**

Smaller images, fewer colors: 5 ways to make a rebrand more sustainable



#DesignMadeItPossible

10,000

video views

107

partner shares

We worked with OPX Studio to create a powerful film that introduces the concept of design and its range of uses to new audiences. The film's closing line "Design Made it Possible" has inspired a wider campaign where we are taking design events and messaging across the UK.



Design for Planet Festival 2022

Back for its second year, with a theme of ACTION, our two-day festival delivered talks, discussions and how-to sessions for designers and businesses that gave them the tools and hope they need to design for planet.

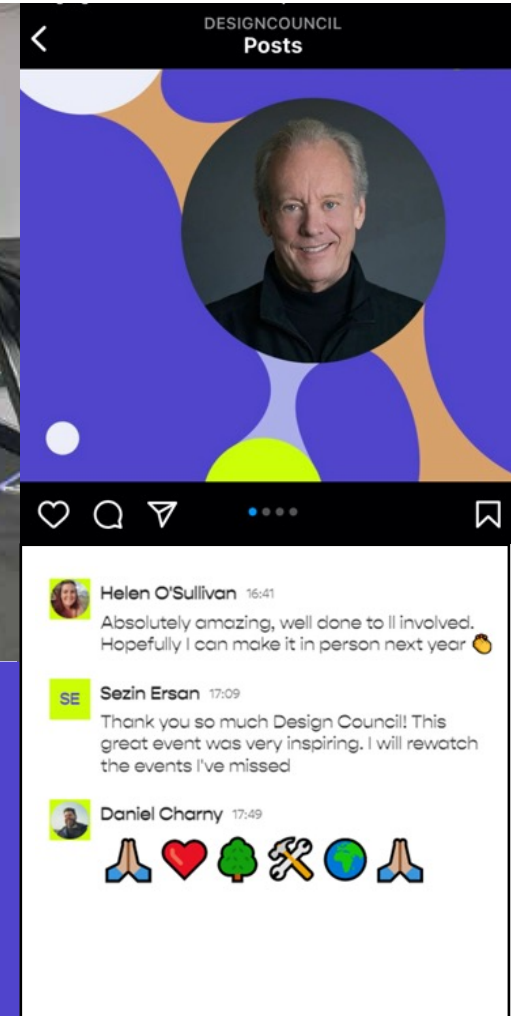
The festival was planned to be hosted at the University of Northumbria but due to last minute rail strikes we pivoted to deliver the programme virtually. A mini event was held in London to gather key stakeholders and press.

Global audiences included representation from companies such as Tesco, Amazon, IKEA, Ford, Microsoft, NHS and more.

7,000
online
registrations

3,500
online
viewers

from
88
countries



All festival sessions are available for audiences to watch back here.

“We won’t win the battle against climate change unless we design the solutions”.

Lord Deben, Chairman of the Climate Change Committee and Design for Planet 2022 speaker



Design Economy

5,700

report downloads

6,700

video views

7

events

Our report [People, Places and Economic Value](#) was launched in July 2022 at a stakeholder event held at the Royal College of Art

We have since delivered and discussed the key findings during steering group sessions and roundtables across the UK to focus on key areas of education and diversity.

A film with our [Ambassadors](#) and [animated explainer](#) helped to distribute the findings.



Design Economy

Design press reported our top findings and have called on us to respond to key moments throughout the year in reference to public spending and education announcements.



THE SCOTSMAN

Scotland boasts fastest rate of 'design economy' growth in UK



MONOCLE



BusinessNewsWales

Design Economy Valued at £2 Billion GVA in Wales

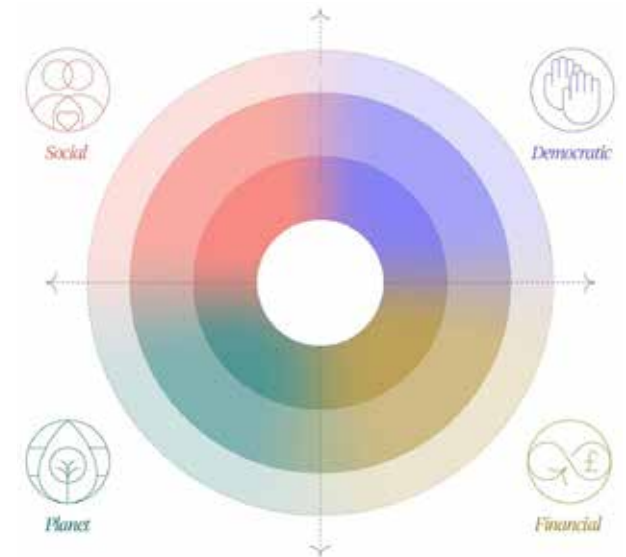


design COUNCIL

Design contributes £97.4bn
£97.4bn to the UK economy
Design Council reveals

It's Nice That

The Design Value Framework was published as a tool to help measure the social and environmental value of design.



A map of the spread of design disciplines in London was hosted for public view at the V&A museum during the London Design Festival.

“We can see from this landmark research with the Design Council the growth, value and importance of the design sector across the UK and we must continue to advocate for the conditions needed to help design continue to thrive across the country.”

Andy Haldane, Chief Executive RSA



Design Academy

A pilot cohort of team leaders from across the five national Network Rail regions gathered to trial our Design Academy course which helped them to build design skills across their organisation using tools and guidance we produced for them.

Network Rail have since commissioned 5 further cohorts and championed our model with other national public organisations. This has strengthened our role with them as a Trusted Strategic Partner.

We now have a proven and adaptable model for national organisation-level design training to be used with future partners.

Image: Urban Initiative Studio



92%

of participants said that the course gave them the confidence to promote good design in their organisation.

“The pilot cohort was a great success and participants consistently agreed that the course gave them the confidence to promote good design. I’m seeing increased appetite to take part in the course as we expand it across the organisation and I’m excited to see the benefits over the coming years in our buildings and for our passengers.”

Anthony Dewar, Technical Head of Buildings
and Architecture at Network Rail



Designing London's Recovery

We partnered with the Greater London Authority to support their four missions using a mission led approach to design.

Their aim was to address challenges that had emerged across London as a result of the COVID-19 pandemic by bringing together people from multiple sectors to co-create novel solutions and push for change.

The four participating groups received coaching from Design Council Experts to create an individual impact which we published in a final report.



Image: Pupils Profit

“We partnered with the Design Council to create a more inclusive ecosystem that can help solve London’s most pressing problems, both big and small, by leveraging the innovation that exists across the city. We now have a model for scaling up this way of working to build a more connected and inclusive city.”

Theo Blackwell MBE, Greater London Authority



Designing London's Recovery: Case Study

“As part of Designing London's Recovery, we set up our micro-factory in South London, and it's been a great opportunity to really put our technology to the test. When you put your idea in a real life situation, you really find out what needs improvement, and it's been a great prototyping experience. We now have a clear roadmap of what we need to make and build to make this a reality.”

Simon Johnson,
Pattern Project Co-founder

Image: Pattern Project – Pattern Project



Design, *differently*

23 teams across the UK took part in our programme exploring community led solutions to climate action, from land use to food, energy to consumer products.

Through collective action and working together in new ways the groups created sustainable and environmentally friendly solutions to local problems which could lead to more regenerative communities across the UK in the long term.



“Design, *differently* enables communities, Councils and businesses to work together to address societal challenges as a result of the climate crisis. Using a design-led approach, outputs from this project are excellent indicators of future business models based on collaboration, sharing and learning.”

**Emily Whyman, Design Council
Programme Manager**

Design, *differently*: Case Study

The Ridge on Dunbar High Street joined our Design, *differently* programme to learn how to scale their model across East Lothian through service design.

They have expanded and developed from a community garden into a construction business that is able to plan and execute their own community hub that:

- ⌘ Restores existing buildings using traditional and sustainable methods.
- ⌘ Trains apprentices in green and sustainable building skills.
- ⌘ Supports the local community by providing training opportunities and a safe space.



Image: NPA Construction By theridge

Moving to a new home

After a long search we have settled into a shared office space in London's iconic 22 Bishopsgate, one of the city's most sustainable buildings. It has been designed using circular principals, from renewable energy suppliers to environmentally considerate brands in the marketplace, a living wall and bike repair shop in the basement.

The workspace is designed as a space to stimulate and foster innovative thinking with other high-growth organisations, in a space befitting of the Design Council.

We also implemented a financial system through Business Central to fundamentally upgrade our financial and resourcing management capabilities.



Wellbeing

We're proud to be a progressive organisation and have worked with several experts this year to introduce initiatives such as colleague wellbeing champions and increased maternity benefits (including, a UK first, baby massage lessons for new parents).

It's important to us to build a diverse culture and support the design sector in doing the same. We are committed to our Equality, Diversity and Inclusion Statement.

We aim to prioritise the welfare of our planet as well as its people in everything we do. This year colleagues participated in Carbon Literacy training and our Sustainability Principles are published on our website.



Financial review

Review of the period

The results for the Design Council for the year ended 31 March 2023 are set out in the financial statements from page 59 onwards.

In our twelfth year as an independent charity the financial results show a surplus of £120k, compared to the planned deficit of £258k in 2021/22.

Total income for the year amounted to £4.27m (£4.5m in 2020/21) including a grant of £2.0m from BEIS/AHRC (£1.7m in 2021/22 from BEIS). The remaining income of £2.27m (£2.8m in 2021/22) was raised from a variety of sources.

Total costs for the year were £4.15m (£4.8m in 2021/22).

Cash and short-term deposit balances have increased to £1.3m as at 31 March 2023 (£1.1m as at 31 March 2022).

Reserves Policy

Total funds held by the Design Council at the end of the year were £0.95m (£0.83m in 2021/22). Of this £0.5m were restricted funds (£0.3m in 2021/22) a breakdown of which is shown in note 12 of the accounts. The Trustees have reviewed the level of reserves required to sustain on-going operations. Accordingly, the Design Council has adopted a reserves policy whereby the unrestricted funds not committed or invested in tangible fixed assets (the “free reserves”) should be between three and six months of overheads.

At 31 March 2023 free reserves were £0.343m (£0.468m in 2021/22) against a target level of £0.350m to £0.7m. Given the current external context, the Trustees are comfortable that the free reserves at 31 March 2023 are just below the policy reserves range.

Free Reserves

	2023 £000	2022 £000
Total Unrestricted Funds	496	536
Less Tangible Fixed Assets	(153)	(68)
Free Reserves	343	468

Going concern

The Trustees have reviewed the financial position of the Design Council and its subsidiary, its forecast cash flows, liquidity position and potential funding commitments for the foreseeable future. The Design Council operates as an independent charity but it has a reliance on government funding via BEIS/AHRC to carry out its current activities, and there is a level of uncertainty regarding the charity's ability to grow and diversify its income streams. As a consequence, the Trustees have used prudent assumptions in assessing the likely size and scale of income

opportunities and will only commit funds to charitable activities when they are certain that obligations can be met. The Trustees believe that the charity has adequate resources to continue in operational existence for the foreseeable future. As a result, they continue to adopt the going concern basis of accounting in preparing the Annual Report and Accounts.

Subsidiary undertaking and related parties

The Charity wholly owns a subsidiary Design Council Enterprises Limited, a company registered in England. The subsidiary is used for fund-raising activities that are non-primary purposes trading. The subsidiary is currently dormant. As such, the results of Design Council Enterprises Limited have not been presented separately and consolidated accounts have not been prepared.

Plans for the future

In 2023/24 it is the ignition phase of Design for Planet.

This year we have four business goals:

- 1. Voice of Design** – delivering a high profile campaign communicating the tools, skills and case studies of Design for Planet
- 2. Knowledge Hub** – developing and piloting a skills programme to help designers upskills themselves and their clients
- 3. Trusted Partner** – secure three significant projects that demonstrate how Design for Planet can address the climate crisis.
- 4. Fit for Purpose** – create and embed one approach for project delivery.

We are building on the strong foundations, however there are still a number of challenges that the organisation is facing such as:

- ⌘ The level and security of grant funding from Government for our National Strategic Advisor role.
- ⌘ Economic volatility, especially the cost of living crisis, which causes organisational challenge with a high rate of staff turnover
- ⌘ Securing a new permanent home for the Design Council.

Nonetheless, we feel very confident about our new mission given the feedback from so many sources. Design for Planet is exactly what the Design Council should be leading.

It is going to be another exciting and busy year ahead.

Structure, governance and management

Governing document

The Design Council is a charity incorporated by Royal Charter that works for public benefit. The Royal Charter was originally granted on 9 May 1976 and amended on 1 April 2011 to reflect the Design Council's change in status from being a public body to being a charity and merger with the Commission for Architecture and the Built Environment (CABE).

The Design Council registered as a charity on 13 October 1976 and the registered charity number is 272099. Our registered address is:

c/o Sayer Vincent
Invicta House
109-114 Golden Lane
London EC1Y 0TL
United Kingdom

Structure of the organisation and decision making

During the year ending 31 March 2023, the key management personnel of the Design Council comprised the Trustees, the Chief Executive, the Chief Design Officer and the Chief Operating Officer.

The Board of Trustees is responsible under the Design Council's Royal Charter for:

- ✿ Ensuring the proper management and administration of the charity.
- ✿ For safeguarding the assets of the charity to ensure these assets and resources are used only in furtherance of the charitable objects.
- ✿ Ensuring that the Design Council has an appropriate strategy and monitoring performance against this strategy.
- ✿ Ensuring that the Design Council complies with all legal and regulatory requirements and that the charity has high levels of governance.

The Board of Trustees takes into consideration the Charity Commission's requirements including guidance on public benefit and Trustees must at all times act in the best interests of the charity and must avoid any conflict between their personal or outside interests and those of the charity. The responsibilities of the Board of Trustees and its committees are set out in terms of reference.

The Board of Trustees formally met six times during the year and additionally for other briefings and strategy discussions.

To align with the commencement of our new Chair the Board commissioned a Governance Review in the year which made a number of highly positive observations, and made some recommendations about the delegation of powers and set-up of our Committees which we are actioning in 2023/24.

The Board of Trustees delegates day to day responsibility for managing the charity to the Chief Executive. The Chief Executive

is accountable to the Board of Trustees for achieving the mission and strategic aims, for ensuring the organisation is well run and meets its charitable objects and for ensuring that the Design Council remains relevant, contemporary and sustainable in the future. The Chief Executive reports to the Chair of the Board of Trustees and leads an Executive Team.

Informed by a skills and diversity audit undertaken in 2021, five new Trustees were appointed in June 2022 and our new Chair, William Eccleshare took over from Terry Tyrrell at the end of July 2022. a summary of Trustee terms can be seen in the table on 48.

The Design Council had 39 colleagues employed at the end of the year at the main office in London. Additionally, the Design Council draws on the expertise of our 400+ strong network of design and built environment practitioners and experts which we refreshed and expanded during the year to better represent the communities that we serve.

Recruitment, induction and training of Trustees

New Trustees are recruited through an open process and are appointed by the Board of Trustees. Trustees usually serve up to two consecutive three-year terms, and a third term may be approved, up to a maximum of nine years.

On appointment, new Trustees are provided with an induction pack and have meetings with key management personnel

to brief them on the activities of the Design Council and their responsibilities as a Trustee. Periodically, a survey is used to identify skills gaps and development priorities. Briefings and training are provided for Trustees as necessary.

Pay and remuneration of key management personnel

The remuneration of key management personnel is reviewed and approved annually by the Stewardship Committee. Remuneration is benchmarked periodically against pay for similar roles in the sector, see note 4.

Trustees are not remunerated for their role as Trustees, other than reimbursement of reasonable expenses.

A small number of Trustees also deliver design advice services in their capacity as the Design Council experts. Any remuneration for these services is at the same rate as paid to other built environment practitioners for equivalent services. A description of these services carried out during 2022/23 is disclosed in note 15.

Risk management

We believe that sound risk management is integral to good management and good governance practice. Risk management forms an integral part of the charity's decision-making and is incorporated in strategic and operational planning.

A risk register covering key strategic and operational risks is maintained and updated four times a year and more frequently where risks are known to be volatile.

Individual error and incident reports are produced where a reportable event is identified.

Risk registers are maintained for individual core programmes and we support programme staff regarding their roles in risk management. New activities and projects are reviewed to ensure they are in line with the charity's objectives and mission. Any risks or opportunities arising will be identified, analysed and reported at an appropriate level.

A risk report is reviewed quarterly by the Finance, Audit and General Purposes Committee and the main Board of Trustees. Before going to the Board, we meet with key advisors to consider potential risks to the Design Council and to discuss sector trends and upcoming legislation. These involve our lawyers, auditor, IT service provider and HR advisor.

The Executive Team and Board regularly review and monitor the effectiveness of its risk management framework and update it as considered appropriate. During 2022/23 the risk appetite and format of the risk report were reviewed by the Board and updated.

The Board of Trustees commissions expert advisers to provide independent assessments and assurance on a case by case to address specific business needs.

The Board considers that the key risks facing the Design Council are as set out below:

Risk/challenge area	We will mitigate this by:
Financial	<ul style="list-style-type: none"> ⌘ Increase level of Government grant for our National Strategic Advisor role. ⌘ After consolidating in 22/23, grow our fee base especially by parting with AHRC/UKRI. ⌘ Diversify our sources of income by exploring the potential of fundraising.
Operational	<ul style="list-style-type: none"> ⌘ Further enhance our package of benefits to effectively compete for employees. ⌘ Complete our One Operating System by embedding our Project Management approach. ⌘ Prepare the evidence to become an accredited Wellbeing employer.
Reputational	<ul style="list-style-type: none"> ⌘ Successfully demonstrate the impact of our work, especially the Design for Planet strategy. ⌘ Deliver an even more impactful Design for Planet festival, Knowledge Hub and programmes of work. ⌘ Ensuring we embed and live our values.
Legal/commercial	<ul style="list-style-type: none"> ⌘ Ensure strong training and systems in place regarding contract management.

Reference and administrative details

Board of Trustees

More information on each of our Trustees can be found [here](#).

Trustees who served during 2022/23 and attendance at meetings are listed below.

The Board of Trustees is overseen by the Chair, William Eccleshare, who took over from Terry Tyrrell in July 2022. Anne Boddington is the Deputy Chair.



William Eccleshare
(Chair)



Terry Tyrrell
(Chair until July 2022)



Anne Boddington
(Deputy Chair)



Tim Stonor
(Deputy Chair)



Beatrice Fraenkel



Biljana Savic



Chris Naylor



Jonquil Hackenberg



Keith Morgan
CBE



Kieron Boyle



Paul Monaghan



Pooran Desai
OBE



Tendai Chetse



Vimi Grewal-Carr

Trustee	Date appointed	Retirements and notes	Attendance record		
			Board	Finance, Audit and General Purposes	Stewardship
1 William Eccleshare (Chair)	29.07.22	Incoming Chair until 29.07.25	5/5	3/3	
2 Anne Boddington (Deputy Chair)	10.09.15	Reappointed for a third term to 10.09.24.	6/6		2/2
3 Beatrice Fraenkel	13.12.18	Reappointed for a second term to 13.12.24	4/6		2/2
4 Biljana Savic	26.05.22	First term until 26.05.25	6/6		
5 Chris Naylor	26.05.22	First term until 26.05.25	4/6	0/3	
6 Jonquil Hackenberg	26.05.22	First term until 26.05.25	6/6		1/2
7 Keith Morgan CBE	04.10.18	Reappointed for a second term to 04.10.24	5/6	3/4	
8 Kieron Boyle	10.09.15	Reappointed for third term of one year until 10.09.23	4/6		
9 Paul Monaghan	17.03.22	Term re-started until 17.03.25	3/6		
10 Pooran Desai	26.05.22	First term until 26.05.25	5/6	3/3	
11 Tendai Chetse	26.05.22	First term until 26.05.25	5/6		1/2
12 Terry Tyrrell	31.01.14	Term ended 28.07.22	2/2	2/2	
13 Tim Stonor	10.09.15	Term ended 03.11.22	3/3		1/1
14 Vimi Grewal-Carr	13.12.18	Term ended 31.12.22	1/4		0/1

2022/23

Board appointments and retirements

We thank the three trustees whose terms ended this year: Terry Tyrrell, Tim Stonor and Vimi Grewal-Carr, and welcomed Biljana Savic, Chris Naylor, Jonquil Hackenberg, Pooran Desai and Tendai Chetse. Paul Monaghan recommenced his term of office after another appointment concluded which had a potential conflict of interest.

Key management personnel

Aside from the Trustees the key management personnel are:

Minnie Moll

Chief Executive
(joined 1 March 2021)

Cat Drew

Chief Design Officer
(joined 1 July 2019)

Alexandra Deschamps-Sonsino

Chief Design Officer maternity cover
(1 Aug 2022 – 2 June 2023).

John Middleton

Chief Operating Officer
(joined 1 December 2019)

Committees

The Board of Trustees has two sub committees: the Finance, Audit and General Purposes Committee and a Stewardship Committee.

The Chair of each committee reports back to the Board of Trustees after it meets.

Finance, Audit and General Purposes Committee

Meets four times a year to support the Board of Trustees in ensuring effective financial stewardship, risk management, effective management of physical resources (including technology and property), and to ensure that the charity is complying with all aspects of the law and relevant regulations. It receives reports from the external auditors.

Keith Morgan, Chair
Willam Eccleshare
Chris Naylor
Pooran Desai
 Terry Tyrrell (stood down 28.07.22)

Stewardship Committee

Meets twice a year to support the Board of Trustees in ensuring the charity is complying with all the relevant regulations and best practice by reviewing and making recommendations on: the Chief Executive's annual performance and remuneration, strategic staffing and people matters, and recruitment, skills and development of the Board of Trustees, and governance matters.

Beatrice Fraenkel, Chair
Anne Boddington
Jonquil Hackenberg
Tendai Chetse
 Terry Tyrrell (stood down 28.07.22)
 Tim Stonor (stood down 03.11.22)
 Vimi Grewal-Carr (stood down 31.12.22)

Administrative details

Registered name and address

Design Council

c/o Sayer Vincent
Invicta House
104-114 Golden Lane
London EC1Y 0TL

Charity Commission number

272099

Bankers

Lloyds Bank

Villiers House
48-49 The Strand
London WC2N 5LL

Advisory and legal

Bates Wells

10 Queen Street Place
London EC4R 1BE

Sayer Vincent

Invicta House
108-114 Golden Lane
London EC1Y 0TL

CMS Cameron McKenna

Nabarro Olswang LLP

Cannon Place
78 Cannon Street
London EC4N 6AF

Worknest

7th Floor The Beacon
176 St. Vincent Street
Glasgow, Scotland G2 5SG

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the

preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was 11 (2022: 11). The Trustees are members of the charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Approved and authorised by the Trustees on 2 November 2023.

William Eccleshare
Chair of the Design Council
Board of Trustees

2 November 2023

Independent Auditor's Report to the Trustees of the Design Council

Opinion

We have audited the financial statements of the Design Council (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ⌘ Give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended
- ⌘ Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- ⌘ Have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively,

may cast significant doubt on The Design Council's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we

identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- ⌘ The information given in the trustees' annual report is inconsistent in any material respect with the financial statements;
- ⌘ Sufficient accounting records have not been kept; or
- ⌘ The financial statements are not in agreement with the accounting records and returns; or
- ⌘ We have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Capability of the audit in detecting irregularities

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

- ⌘ We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- ⌘ We inspected the minutes of meetings of those charged with governance.
- ⌘ We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- ⌘ We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- ⌘ We reviewed any reports made to regulators.
- ⌘ We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- ⌘ We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- ⌘ In addressing the risk of fraud through management override of controls, we tested the appropriateness of

journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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

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

Use of our report

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

4/12/23

Sayer Vincent LLP, Statutory Auditor

Invicta House
108-114 Golden Lane
London EC1Y 0TL

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

Statement of Financial Activities

For the year ended 31 March 2023

	Note	Unrestricted £000	Restricted £000	2023 Total £000	Unrestricted £000	Restricted £000	2022 Total £000
Income from							
Charitable activities	2	1,393	2,880	4,273	1,635	2,883	4,518
Other trading activities		-	-	-	-	-	-
Investments		-	-	-	-	-	-
Total income		1,393	2,880	4,273	1,635	2,883	4,518
Expenditure on							
Charitable activities	3 & 6	1,459	2,694	4,153	1,911	2,865	4,776
Total expenditure		1,459	2,694	4,153	1,911	2,865	4,776
Net movement in funds		(66)	186	120	(276)	18	(258)
Transfer between funds		26	(26)	-	-	-	-
Reconciliation of funds							
Total funds brought forward		536	298	834	812	280	1,092
Total funds carried forward	12	496	458	954	536	298	834

Notes

- All operations of the Design Council are ongoing.
- There are no recognised gains and losses in the year other than those shown above.
- The notes, numbered 1-15, form part of these accounts.

Balance Sheet

As at 31 March 2023

	Notes	2023 £000	2022 £000
Fixed assets			
Tangible fixed assets	8	153	68
Total fixed assets		153	68
Current assets			
Debtors	9	481	636
Cash at bank and in hand		1,299	1,063
Total current assets		1,780	1,699
Current liabilities			
Creditors: amounts falling due within one year	10	979	933
Net current assets		801	766
Net assets		954	834
Funds			
Restricted funds	12	458	298
Unrestricted funds		496	536
Total funds		954	834

The notes at pages 63 to 80 form part of these accounts.

Approved and authorised by the trustees and signed on their behalf on 2 November 2023 by

William Eccleshare
Chair of the Design Council
Board of Trustees
2 November 2023

Statement of Cash Flows

For the year ended 31 March 2023

	Note	2023 £000	2023 £000	2022 £000	2022 £000
Cash flows from operating activities:					
Net cash used in operating activities	a		382		175
Cash flows from investing activities:					
Purchase of property, plant and equipment		(146)		(37)	
Net cash provided by/(used in) investing activities			(146)		(37)
Change in cash and cash equivalents in the year			236		138
Cash and cash equivalents brought forward			1,063		925
Cash and cash equivalents carried forward			1,299		1,063

Note to the statement of cash flows:

a: Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2023 £000	2022 £000
Net income / (expenditure) for the year	120	(258)
Interest received	-	-
Loss on disposal of tangible fixed asset	13	-
Depreciation charges	47	40
Decrease in debtors	156	168
Increase/(decrease) in creditors	46	225
Net cash used in operating activities	382	175

Notes to the Design Council Financial Statements

For the year ended 31 March 2023

1. Accounting policies

The principal accounting policies applied in the preparation of the financial statements are as follows.

a. Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance

with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared on a going concern basis which assumes that the Charity will continue in operational existence for twelve months from the date of approval of the Financial Statements.

The Trustees have applied the going concern basis to the financial statements. As outlined in the trustee's report the charity has been managing all its financial risks. The Trustees are confident in the charities ability to manage these risks and do not consider that these represent any material uncertainty around the charities ability to continue as a going concern.

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

The accounting policies below include estimates relating to provisions and the recoverability of debtors and stage of completion of contract delivery for programme fees.

b. Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

In particular:

Grants are accounted for once a formal offer of funding is received, subject to satisfying any performance-related conditions. In the event that a grant is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is

probable that those conditions will be fulfilled in the reporting period;

Programme fees and licence fee income are accounted for on an accruals basis. As services are delivered in accordance with any milestones set out in these contracts income is recognised. Any part of the service not delivered at the balance sheet date is deferred;

- ⌘ Gifts in kind are assets donated to the charity for its own use or for distribution to beneficiaries. They are included at valuation and recognised as income only when they are used or distributed.

c. Expenditure

Expenditure is accounted for on an accruals basis, and allocated to the appropriate heading in the Financial Statements. Charitable activities' expenditures enable the Design Council.

The Design Council to meet its charitable aims and objectives, consistent with good governance. In note 4 costs are attributable to the categories of charitable expenditure on an actual basis with the exception of

support costs which are allocated as a proportion of total directly attributable costs.

In note 3 costs are attributable to the categories of charitable expenditure on an actual basis with the exception of support costs which are allocated as a proportion of total directly attributable costs.

Support costs in note 6 costs are attributed to the categories detailed on an actual basis. The basis of apportionment to charitable expenditure is as a proportion of total directly attributable costs.

Grants are paid to approved beneficiaries. Grant expenditure is recognised in the period in which eligible activity creates an entitlement in line with the terms and conditions of the grant. Accrued grants are charged to the SOFA and included as part of the accruals within the balance sheet.

The Design Council reclaims from HMRC VAT incurred in goods and services in line with the standard method of partial exemption. Irrecoverable VAT is treated as a central cost and allocated with other support costs to the relevant activities on the SOFA.

d. Liquid resources

The Design Council's liquid resources are a combination of cash, and short term deposits.

e. Funds accounting

Funds held by the Design Council are either:

⌘ **Restricted Funds:** These are the grant funds received from government, charities, and other public bodies where the use of the funds is restricted to a specific purpose.

⌘ **Unrestricted Funds:** These are funds which have been received from all other programmes.

f. Fixed assets and depreciation

Tangible Fixed Assets costing less than £1k are not capitalised and are written off in the year of purchase. Assets are capitalised at cost and are kept under review for any impairment.

All fixed assets are written off on a straight-line basis over the assets' expected useful lives as follows:

Leasehold improvements

10 years, or over the period of the lease

Furniture and fittings

5 years

Computer equipment

2 – 5 years

g. Pensions

The charity operates a defined contribution pension scheme on behalf of its employees. The amount charged to the SOFA in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

h. Leases

All leases are accounted for as operating leases and rentals are charged to the income and expenditure account on a straight-line basis over the life of the lease

i. Provisions

Provisions are made when the Design Council has a legal or constructive financial obligation, that can be reliably estimated and for which there is an expectation that payment will be made. The obligation is recognised as a liability once the obligation has crystallised.

j. Holiday leave benefits

A liability is recognised to the extent of any unused holiday pay entitlement, which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement and so accrued at the balance sheet date.

k. Design Council Enterprises Limited

The charity owns the whole of the share capital of Design Council Enterprises Limited. Its trading subsidiary was dormant during the year and therefore consolidated accounts are not prepared.

2. Income from charitable activities

Income from charitable activities 2022-23	Unrestricted £000	Restricted £000	2023 Total £000
Grants from BEIS	-	2,000	2,000
Other grants from government and public bodies	47	880	927
Programme fees	1,346	-	1,346
Total income from charitable activities	1,393	2,880	4,273

Income from charitable activities 2020-21	Unrestricted £000	Restricted £000	2021 Total £000
Grants from BEIS	-	1,680	1,680
Other grants from government and public bodies	-	1,203	1,203
Programme fees	1,635	-	1,635
Total income from charitable activities	1,635	2,883	4,518

3. Expenditure

Expenditure 2022-23	Grants payable £000	Staff costs £000	Other direct costs £000	Total direct costs £000	Support costs £000	2023 Total £000
Charitable activities					(note 6)	
Championing	-	386	321	707	360	1,067
Social Innovation	325	310	82	717	347	1,064
Place/Infrastructure	-	798	542	1,340	682	2,022
Total 2023	325	1,494	945	2,764	1,389	4,153

Notes: Grants payable

The Design Council made £325k grant payments to selected partners in support of programmes as shown below.

(i) Social Innovation £325k

The grant payments for the GSTC Employee Health programme was as follows:

Recipient	Amount £000
Transport for London	150
Excellerate	45
Station to Station	68
DC Resource	62
Total Employee Health	325

Expenditure 2021-22	Grants payable	Staff costs	Other direct costs	Total direct costs	Support costs	2022 Total
Charitable activities	£000	£000	£000	£000	£000	£000
					(note 6)	
Championing	-	435	344	779	491	1,270
Social Innovation	447	274	413	1,134	433	1,567
Place / Infrastructure	-	668	521	1,189	750	1,939
Total 2020	447	1,377	1,278	3,102	1,674	4,776

4. Staff costs and numbers

Staff costs were as follows:	2023 £000	2022 £000
Salaries and wages	1,861	1,741
Social security costs	211	196
Pension contributions	135	135
Staff benefits	6	6
Redundancy costs	38	9
Total payroll staff costs	2,251	2,087
Total temporary and contract staff costs	-	14
Total staff costs	2,251	2,101

Redundancy payments are £38k (2021/22: £9k). These payments are based on continuous length of service. Amounts paid excluded pension contributions or benefits in kind.

The number of employees, whose emoluments were over £60k (including salary and taxable benefit in kind costs) falls within the ranges shown below.

Band	2023	2022
£60,000 - £69,999	1	-
£70,000 - £79,999	1	-
£80,000 - £89,999	2	1
£100,000 - £109,999	-	1
£130,000 - £139,999	1	1

The costs of key management personnel are £429k (2021/22: £363k). These relate to 3 staff (2021/2: 3) as specified in the Trustees Report within the Structure, governance and management section.

The average number of employees based on headcount during the year was as follows:

	2023	2022
Permanent (payroll)	39	37
Other staff (other)	-	1
Total	39	38

5. Net income/(expenditure) for the year

This is stated after charging:

	Note	2023 £000	2022 £000
Depreciation		47	40
Trustees' reimbursed expenses	a	-	-
Staff reimbursed expenses		8	6
Auditors' remuneration:			
Audit		16	15
Other services		2	1
Operating lease rentals:			
Plant and machinery		-	6
Land and buildings		164	381

Note:

a. £104 for one Trustee (2021/20222: £0 Expenses)

6. Support Costs

Support costs 2022/23

Support costs are allocated to charitable activities as follows:

	Notes	2023 Staff Costs £000	2023 Other costs £000	2023 Total £000
Executive		159	25	184
Office		63	179	242
Governance costs	a	66	-	66
Human resources		49	84	133
IT		67	246	313
Finance	b	259	145	404
Depreciation		-	47	47
Total support costs		663	726	1,389

Notes:

- Governance costs relate to the Design Council's cost of secretariat. This includes the administration of Trustee meetings.
- The Design Council only recovers a proportion of the VAT incurred on purchases under the "partial exemption methodology". The irrecoverable element of the incurred VAT is taken centrally and charged to finance £112k (2021/2022:£135k).

Support costs 2021/22

	Notes	2022 Staff Costs £000	2022 Other costs £000	2022 Total £000
Executive		139	12	151
Office		149	413	562
Governance costs	a	63	-	63
Human resources		137	75	212
IT		68	214	282
Finance	b	168	196	364
Depreciation		-	40	40
Total support costs		724	950	1,674

Notes:

- Governance costs relate to the Design Council's cost of secretariat. This includes the administration of Trustee meetings.
- The Design Council only recovers a proportion of the VAT incurred on purchases under the "partial exemption methodology". The irrecoverable element of the incurred VAT is taken centrally and charged to finance £135k (2021/2022: £106k).

7. Taxation

The Design Council is a charity within the meaning Para 1 Schedule 6 Finance Act 2010. Accordingly the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

8. Tangible fixed assets

	Leasehold Improvements £000	Furniture and fittings £000	Computer equipment £000	Total £000
Cost				
At the start of the year	28	56	223	307
Additions in year	-	-	146	146
Disposals in year	(28)	(49)	(168)	(245)
At the end of the year	-	7	201	208
Depreciation				
At the start of the year	28	36	175	239
Charge for the year	-	6	41	47
Disposals in year	(28)	(36)	(167)	(231)
At the end of the year	-	6	49	55
Net book value				
At the end of the year	-	1	152	153
At the start of the year	-	20	48	68

9. Debtors

	2023 £000	2022 £000
Trade debtors	256	416
Other debtors	3	34
Prepayments and accrued income	222	311
Total	481	636

For other debtors of £34k which was a deposit held by the landlord relating to the Eagle House, London premises which was refunded in 2022/23 (2021/22: £34k).

10. Creditors: amounts due within one year

	2023 £000	2022 £000
Trade creditors	155	211
Tax and social security	53	52
VAT payable	31	63
Other creditors	30	25
Grant accruals	434	144
Other accruals	74	292
Deferred income	202	146
Total	979	933

Included within other creditors is £14k for a payment due to the Design Council's defined contribution pension scheme (2021/22: £16k).

11. Analysis of group net assets between funds

Analysis of group net assets between funds 2022/23

	Unrestricted funds £000	Restricted funds £000	2023 Total funds £000
Tangible fixed assets	153	-	153
Current assets	802	978	1,780
Current liabilities	(458)	(521)	(979)
Net assets at the end of the year	496	458	954

Analysis of group net assets between funds 2021/22

	Unrestricted funds £000	Restricted funds £000	2022 Total funds £000
Tangible fixed assets	68	-	68
Current assets	1,080	619	1,699
Current liabilities	(612)	(321)	(933)
Net assets at the end of the year	536	298	834

12. Movements in funds during 2022/23

	2022 At the start of the year £000	Income £000	Expenditure £000	Transfer to Unrestricted £000	2023 At the end of the year £000
Restricted funds:					
BEIS Grant	-	2,000	(2,000)		-
Public Sector Workshops	39	-	(2)		37
Design Council Spark	26	-		(26)	-
GLA – Designing London’s Recovery	21	45	(32)		34
GST – Employee Health	114	415	(359)		170
National Lottery Community Fund: Regenerative Communities	23	-	(23)		-
National Lottery Community Fund: Design Differently	64	140	(86)		118
DLUHC	-	270	(182)		88
AHRC Scoping	-	10	(10)		-
Other funds	11	-	-		11
Total restricted funds	298	2,880	(2,694)	(26)	458
Total unrestricted funds	536	1,393	(1,459)	26	496
Total funds	834	4,273	(4,153)	-	954

Notes:

- All these restricted funds are demonstrator projects to further our collective understanding of the power of design to improve people’s lives.
- Spark funding is now closed, and is unrestricted as all funder commitments have been met.

13. Operating lease commitments

The group and charity had total minimum lease commitments at the year-end under operating leases expiring as follows:

	2023 Land and buildings £000	Other £000	2022 Land and buildings £000	Other £000
Within 1 year	61	-	34	-
Between 2 - 5 years	24	-	-	-
Over 5 years	-	-	-	-
Total	85	-	34	-

14. Contingent liabilities

There are no contingent liabilities to declare.

15. Related parties transactions

The Design Council trustees are drawn from among its key stakeholders, and staff may at times have links to stakeholder organisations. Therefore it is in the nature of the Design Council's business to have transactions which are classified as related. All transactions

entered into are as part of the ordinary course of business and on an arm's length basis, consistent with the Design Council's policy on potential conflicts of interest. During the year, the Design Council entered into the following transactions with related parties as follows:

Name	Position	Note	Related Party	Income £	Expense £
Kieron Boyle	Trustee	a	Chief Executive, Guy's and St Thomas' Foundation	415,000	
Tendai Chetse	Trustee	b	Tendai Chetse		600
Pooran Desai	Trustee	b	Pooran Desai		720
Beatrice Fraenkel	Trustee	c	Beatrice Fraenkel		104

Notes:

- This income related to design support services delivered by the Design Council to Guy's & St Thomas' Charity. £325,000 was for the Employee Health Fund, £45,000 was for the Design Council fee plus an accrual of £45,000.
- Payments were made to Tendai Chetse and Pooran Desai as expert contributors in the delivery of our programme work.
- Expenses paid to Beatrice Fraenkel.

Design Council

info@designcouncil.org.uk
designcouncil.org.uk

November 2023