

Annual Report

Financial Year

2021 / 2022

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.



The Trustees submit this Annual Report for the year ended 31 March 2022 along with the financial statements for the year ended 31 March 2022, 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.

Contents

5 Foreword

7 Why design matters

7 How do we define design

8 Design in numbers

9 Objectives and activities

9 Charitable objects

10 Our vision and mission

11 What we offer

12 Public benefit

12 Grant making

13 Fundraising statement

14 Achievements and performance

15 Key achievements

16 Case studies

21 Corporate and organisational initiatives

22 Financial review

22 Review of the period

23 Reserves Policy

24 Free Reserves

24 Going Concern

25 Subsidiary undertaking
and related parties

26 Plans for the future

28 Structure, governance and management

28 Governing document

29 Structure of the organisation
and decision making

31 Recruitment, induction and
training of Trustees

31 Pay and remuneration of key
management personnel

32 Risk management

34 Reference and administrative details

34 Board of Trustees

37 Activity during 2021/22

37 Key management personnel

38 Committees

40 Administrative details

41 Statement of Trustees' Responsibilities

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

48 Statement of Financial Activities

49 Balance Sheet

50 Statement of Cash Flows

51 Notes to the Design Council Financial Statements

Foreword

Design shapes the world – the places we live, the products we buy, 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.

Throughout 2021/22, we continued to open people's eyes to the power of design. Once again, we supported people across the UK – in business and place-making, the public sector and charities – to use design to bring about positive change. Together, we addressed all kinds of issues that collectively enable us all to live, work and travel more sustainably. We also continued to make huge strides forward in developing new research into design's holistic value and in placing design high on the government's agenda.

Our first Design for Planet festival was a huge success. There were over 3,000 delegates online interacting with over 100 world leading authorities on sustainable design (ranging from circular economy to systemic design to specialists in creating amazing spaces and places). We even won an International Gold Award for this festival too! The one in 2022 promises to be even better.

Alongside this work, we also intensified our focus on inclusive design and diversity. Our refreshed network of Experts now better reflects the communities we serve, we hosted a series of events for black creatives to showcase their work and inspire conversations about inclusion and equality in design and we updated our own equality, diversity and inclusion policy. In doing this, we are even better placed to lead the way in ensuring that design works for everyone.

We are extremely proud of all that we have achieved. This is down to the monumental effort of the Design Council team, as well as the support of our Trustees, experts and partners throughout the pandemic. We are incredibly thankful for their determination to push on and make a difference during such a challenging time.

As we emerge from the pandemic, we are optimistic about what we can achieve. We thank our outgoing Chair, Terry Tyrrell for his years of excellent stewardship and we anticipate the incoming of our new Chair, William Eccleshare, in July 2022. We look forward to building on the successes of 2021/22, and to doing even more to bring together designers across the UK to use design as a force for regenerative change.

Warm wishes to all.



Minnie Moll
Chief Executive



Why design matters

How do we define design

Design shapes the world. Every single thing around us has been designed by someone.

Design uses creativity to solve problems across many sectors including architecture, product, industrial, digital, service, graphic and systems. 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 head, heart and hand.



Design in numbers

1.97m people working in design economy, which **generates £85.2bn annually**, equivalent to **75%** of the banking industry. **78,000 design firms**, the majority of them small SMEs. **68%** of designers work in **non-design sectors.**

Source Design Economy 2018

Objectives and activities

Charitable objects

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

*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 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. You can read our [Sustainability Statement here](#).

Our purpose is
to **make life**
better by design



**DESIGN FOR
PLANET**

Our values are
**Powerful Together,
Boundless Curiosity,
& Inspire Possibility**



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](#), published in December 2021 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

For the Annual Report and Accounts this year we have set out our key achievements during the year.

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 throughout the Covid-19 pandemic.



Key achievements

Across our programmes, 82% of participants said their experience of working with the Design Council had made them think differently about their project and the role of design. One in two participants said they felt able to share their perspectives and insight with others.

We held 63 design reviews for 43 clients, including 7 local authorities and 2 national infrastructure bodies. 9 in 10 design review participants said the design review helped to build consensus across stakeholders to smooth the planning process.

We published 19 blogs, spoke at 43 events and reached more than 854k people online.

We responded to 3 Government consultations, providing advice for the Government's Innovation, IPO design system and National Disability Strategy, sat on 11 advisory boards, judged 6 design competitions and joined 2 national campaigns advocating for good design.

We brought together our 400+ Experts 9 times and published 6 insights blogs. The ethnic diversity of the network increased from 5% to 17% representation.



Case studies **Mission Launch**

We launched our new mission: Design for Planet, which aims to galvanise and support the 1.97m strong UK design community to design for a climate-first future.



Case studies **Design for Planet Festival**

We hosted our largest event in over a decade with 120 influential and diverse design and sustainability leaders and national design bodies from 20 countries around the world. This has been awarded a DrivenxDesign Gold Award for best sustainable design.

Design for Planet Festival engagement

Achieving our highest registered virtual event in the Design Council history with over 3,000 registrations, 2,000+ active at one time on the festival site, 47k impressions per day during the festival and 915 mentions on Twitter. The microsite had 31k unique visitors.



Case studies **Design for Planet press coverage**

30 pieces of coverage secured from 16 outlets, including Creative Review, Design Week, Dezeen, Architect's Journal and in Scotland with STV, The Scotsman Courier, Daily Record and Radio Tay. Continued coverage by Design Week.

Design for Planet social media

Huge increase in social media, in particular Instagram (47% increase in accounts engaged) and LinkedIn (230% increase in reactions), have been publishing mini podcasts on our social media.



Case studies **COP26 Blue Zone**

We showcased our new mission and some of the best examples of how UK designers are supporting resilient places across the world, as part of the UK Pavilion Blue Zone.

Design Economy

We have completed quantitative research into the value, scale, use of and make-up of design in the UK. We have a group of influential and engaged ambassadors and other stakeholders primed to advocate through a series of forthcoming events.



Case studies **Practice leading frameworks**

We conducted research with over 50 designers working in sustainability and system transitions to create 2 practice-leading frameworks which have had over 70,000 downloads in the first year.

Party Conferences

We spoke at 4 events at the Labour and Conservative Party Conferences, speaking to Ministers including Alok Sharma, George Freeman, Rebecca Pow and MPs Amanda Solloway and Nicky Morgan.



Corporate and organisational initiatives

- Our working practices given the investments already made (such as being cloud-based with everyone working on laptops) enabled flexible and hybrid working throughout 2021/22 providing the best possible working conditions for our colleagues, an effective service for our clients and an agile reaction to the ongoing challenges created by Covid 19.
- We retained ISO9001 and upgraded our underpinning business processes and management system.



Financial review

Review of the period

The results for the Design Council for the year ended 31 March 2022 are set out in the financial statements from page 31 onwards.

In our eleventh year as an independent charity the financial results show a deficit of £258k, compared to the surplus of £15k in 2020/21. The Design Council had budgeted for this level of deficit in the year in consideration of a programme of significant investment.

Total income for the year amounted to £4.5m (£3.6m in 2020/21) including a grant of £1.7m from BEIS in 2021/22 (£1.7m in 2020/21). The remaining income of £2.8m (2020/21: £1.9m) was raised from a variety of sources.

Total costs for the year were £4.78m (£3.6m in 2020/21).

Cash and short-term deposit balances have increased to £1.1m as at 31 March 2022 (£0.9m as at 31 March 2021). Cash balances include balances received and ring-fenced for programme expenditure, being £0.037m of funds to be paid out to entrepreneurs on the Spark programme as at 31 March 2022, and £0.144m of funds to be paid out to awardees in the Guys St Thomas' Employee Health programme.

The average number of colleagues employed during the year was 38 (38 in 2020/21). In addition, we have 400+ Experts and a squad of talented freelancers we use when required.

Reserves Policy

Total funds held by the Design Council at the end of the year were £0.83m (2020/21: £1.09m). Of this £0.30m were restricted funds (2020/21: £0.28m) 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 2022 free reserves were £0.47m (2020/21: £0.74m) against a target level of £0.4m to £0.8m. The Trustees believe that the charity has adequate resources to continue in operational existence for the foreseeable future. This external context includes macro-economic factors driven by the United Kingdom’s decision to leave the European Union, the impact of Covid-19 and the war in Eastern Europe.



Free Reserves

	2022 £000	2021 £000
Total Unrestricted Funds	536	812
Less Tangible Fixed Assets	(68)	(71)
Free Reserves	468	741

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 with government funding via BEIS representing the single largest source of funding. Since the end of the year, the Design Council has agreed three more years of government funding. Consequently, although the Trustees have used prudent assumptions in assessing the likely size and scale of income opportunities, this is a very encouraging position for the organisation to be in when going into the next financial year. 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. Detailed analysis of any related party transactions are presented in Note 16 to these accounts.



Plans for the future



As we come to the end of 2021/22 and move into 2022/23 we are reflecting on how much we have achieved despite lots of challenges. We are all excited about the next chapter of the Design Council and our new strategy and mission, Design for Planet.

We are building on the strong foundations put in place last year and see 2022/23 as a transition year. There are still a number of challenges that the organisation is facing such as:

- Government grant funding
- Economic volatility
- People and cultural impact of two years of Covid and adapting into hybrid working
- Securing a new 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.

We have a detailed plan for 2022/23 with 16 key goals. The following are plans for how we intend to move forward and be successful:

1 Develop our internal systems	2 Increase the championing of design within Government	3 Deliver 3 high profile events – Design for Planet Festival being one of them	4 Actively contribute to national Net Zero debates/events
5 Build international networks	6 Publish impactful Design Economy 22 research	7 Launch an online Skills & Learning hub	8 Maximise the work of our Experts
9 Deliver 3 major impactful programmes of work	10 Increase our Learning and Development programme for colleagues	11 Build new business development opportunities	12 Secure long-term core funding in our role as National Strategic Advisor
13 Further strengthen our governance	14 Implement new finance and project management software/systems	15 Deliver a Wellbeing Programme	16 Move to our new offices

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 the transfer in of certain activities and assets of 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 The Design Council c/o Sayer Vincent, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL.



Structure of the organisation and decision making

During the year ending 31 March 2022, 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 objectives.
- Ensuring that the Design Council has an appropriate strategy and monitoring performance against this agreed strategy.
- Ensuring that the Design Council complies with all legal and regulatory requirements and that the charity has high levels of governance.



Structure of the organisation and decision making

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 the terms of reference. The Board of Trustees formally met six times during the year under review, but met more often than this for other meetings and strategy discussions. During 2021/22 all Board meetings were digital. However, in 2022 we will move back to in person or hybrid meetings.

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 will be appointed in June 2022 and a new Chair, William Eccleshare will take over from Terry Tyrrell at the end of July 2022. Changes to Trustee tenures can be seen in the table on page 34.

The Design Council had 38 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 may serve up to two consecutive three-year terms, although in exceptional circumstances 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 5.

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 2021/22 are disclosed in note 16.

Risk management

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

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

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. 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 2021/22 the risk appetite and format of the risk report were reviewed by the Board and updated.

Risk management

The Board of Trustees commissions expert advisers to provide independent assessments and assurance on a case by case basis 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"> → Secure BEIS/government grant funding for 2022/23 and beyond. → Diversify our income. → Continue to grow the fee base. → Continue to monitor and review expenditure to reduce inflation risk.
Operational	<ul style="list-style-type: none"> → Deliver a world class wellbeing programme. → Secure a new office space that reflects our values. → Further develop a skilled network to assist with the delivery of services. → Upgrade systems to support delivery. → Commence a colleague wellbeing initiative and learning and development programme to mitigate colleague turnover risk. → Review a cost of living pay increase across all colleagues and a pay benchmarking initiative to mitigate colleague turnover risk.
Reputational	<ul style="list-style-type: none"> → Transition to the new strategy. → Deliver impactful Design for Planet festival and programmes of work. → Ensuring we embed and live our new values.
Legal / Commercial	<ul style="list-style-type: none"> → Effectively induct new Chair and Trustees. → Ensure strong training and systems in place on contracts and intellectual property.

Reference and administrative details

Board of Trustees

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

Trustees who served during 2021/22 and attendance at meetings are listed below. The Board of Trustees is overseen by the Chair, Terry Tyrrell. Tim Stonor and Anne Boddington are Co Deputy Chairs of the Board. William Eccleshare took over Chair from Terry Tyrrell in July 2022 and will be Chair at the time of signing these accounts.



William Eccleshare (Chair)

Appointed 29.07.22



Terry Tyrrell (Chair)

Appointed 31.01.14

Terms served 31.12.16 31.12.19 31.12.20 28.07.22



Anne Boddington (Deputy Chair)

Appointed 10.09.15

Terms served 10.09.18 10.09.21 10.09.24



Tim Stonor (Deputy Chair)

Appointed 10.09.15

Terms served 10.09.18 10.09.21 03.11.22



Beatrice Fraenkel

Appointed 13.12.18

Terms served 13.12.21 13.12.24

**Gillian Horn**

Appointed 01.02.19
Terms served 01.02.22

**Keith Morgan CBE**

Appointed 04.10.18
Terms served 04.10.21 04.10.24

**Kieron Boyle**

Appointed 10.09.15
Terms served 10.09.18 10.09.21 10.09.23

**Lauren Currie OBE**

Appointed 04.10.18
Terms served 04.10.21 28.10.21

**Martin Darbyshire**

Appointed 10.09.15
Terms served 10.09.18 10.09.21 31.01.22

**Paul Monaghan**

Appointed 17.03.22
Terms served 17.03.25

**Sherin Aminossehe**

Appointed 04.10.18
Terms served 04.10.21

**Vimi Grewal-Carr**

Appointed 13.12.18
Terms served 13.12.21 13.12.22

Attendance record	Board	Finance, Audit and General Purposes	Stewardship
Board members			
Terry Tyrrell (Chair)	5/6	3/3	2/2
Anne Boddington (Deputy Chair)	5/6		
Tim Stonor (Deputy Chair)	5/6		2/2
Beatrice Fraenkel	6/6		2/2
Gillian Horn	3/5	2/3	
Keith Morgan CBE	6/6	3/3	
Kieron Boyle	3/6		
Lauren Currie OBE	3/3		
Martin Darbyshire*	2/6	0/3	
Paul Monaghan	0/1		
Sherin Aminossehe	3/3		
Vimi Grewal-Carr	3/6		0/2

*Health-related reasons

Activity during 2021/22

Board appointments and retirements

We thank four trustees who retired during the year: Gillian Horn, Lauren Currie, Martin Darbyshire and Sherin Aminossehe. We welcomed back Paul Monaghan who was reappointed after stepping down in 2019 due to a potential conflict of interests.

Chair recruitment

Recruitment for a new Chair, which was put on hold due to Covid 19 was resumed in late 2021. William Eccleshare was announced as the Design Council's new Chair in June 2022 to start formally at the end of July 2022. We thank the current Chair, Terry Tyrrell, for agreeing to continue until his successor was appointed and takes up the role in July 2022.

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)

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

(appointed Chair on 13.12.18 / reappointed chair on 27.05.21)

Terry Tyrrell, Member

(appointed 14.12.17)

Martin Darbyshire, Member

(resigned 31.01.22)

Gillian Horn, Member

(resigned 01.02.22)

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

(appointed Chair on 04.02.19 / reappointed chair on 27.05.21)

Terry Tyrrell, Member

(appointed 21.07.16)

Vimi Grewal-Carr, Member

(appointed 07.02.19)

Tim Stonor, Member

(appointed 07.02.19)

Administrative details

Registered name and address

The Design Council
c/o Sayer Vincent
Invicta House
108-114 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 2022 was 11 (2021: 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 8 December 2022

and signed on their behalf on 8 December 2022

by William Eccleshare

Chair of The Design Council
Board of Trustees December 2022

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 2022 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 by 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 at 31 March 2022 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.

Date18 January 2023.....

Signed by

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 2022

	Note	2022			2021		
		Unrestricted £000	Restricted £000	Total £000	Unrestricted £000	Restricted £000	Total £000
Income from							
Charitable activities	2	1,635	2,883	4,518	1,489	2,119	3,608
Investments		-	-	-	1	-	1
Total income		1,635	2,883	4,518	1,490	2,119	3,609
Expenditure on							
Charitable activities	3, 6	1,911	2,865	4,776	1,702	1,892	3,594
Total expenditure		1,911	2,865	4,776	1,702	1,892	3,594
Net movement in funds		(276)	18	(258)	(212)	227	15
Reconciliation of funds							
Total funds brought forward		812	280	1,092	1,024	53	1,077
Total funds carried forward	14	536	298	834	812	280	1,092

Notes

- All operations of the Design Council are continuing.
- 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 2022

	Notes	2022 £000	2021 £000
Fixed assets			
Tangible fixed assets	8	68	71
Total fixed assets		68	71
Current assets			
Debtors	9	636	804
Cash at bank and in hand		1,063	925
Total current assets		1,699	1,729
Current liabilities			
Creditors: amounts falling due within one year	10	933	708
Net current assets		766	1,021
Net assets	11	834	1,092
Funds			
Restricted funds	12	298	280
Unrestricted funds		536	812
Total funds		834	1,092

The notes at pages 51 to 69 form part of these accounts.

Approved and authorised by the trustees on 8 December 2022
 and signed on their behalf on 8 December 2022
 by William Eccleshare

Chair of The Design Council
 Board of Trustees December 2022

Statement of Cash Flows

For the year ended 31 March 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities:			
Net cash provided / (used in) operating activities	a	175	(231)
Cash flows from investing activities:			
Interest received		-	1
Purchase of property, plant and equipment		(37)	(4)
Net cash provided by / (used in) investing activities		(37)	(3)
Change in cash and cash equivalents in the year		138	(234)
Cash and cash equivalents brought forward		925	1,159
Cash and cash equivalents carried forward		1,063	925

Note to the statement of cash flows:

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

	2022 £000	2021 £000
Net income / (expenditure) for the year	(258)	15
Interest received	-	(1)
Depreciation charges	40	40
(Increase)/decrease in debtors	168	(284)
Increase/(decrease) in creditors	225	(1)
Net cash provided / (used in) operating activities	175	(231)

Notes to the Design Council Financial Statements

For the year ended 31 March 2022

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) 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.

As outlined within the trustee's report, since the end of the year the Design Council has agreed three more years of government funding. It has a reliance on government funding via BEIS to carry out its current activities. However there is a level of uncertainty regarding the charity's ability to grow and diversify its income streams. Consequently, although the Trustees have used prudent assumptions in assessing the likely size and scale of income opportunities, this is a very encouraging position for the organisation to be in when going into the next financial years. It 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.

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 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 to meet its charitable aims and objectives, consistent with good governance. 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.

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.

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 2021/22

	Unrestricted £000	Restricted £000	2022 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

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	-	439	439
Programme fees	1,489	-	1,489
Total income from charitable activities	1,489	2,119	3,608

3. Income from other trading activities and investments

Income from investments 2021/22

	Unrestricted £000	Restricted £000	2022 Total £000
Investment income	-	-	-
Total income from investments	-	-	-

Income from investments 2020/21

	Unrestricted £000	Restricted £000	2021 Total £000
Investment income	1	-	1
Total income from investments	1	-	1

4. Expenditure

Expenditure 2021/22	Grants payable £000	Staff costs £000	Other direct costs £000	Total direct costs £000	Support costs (note 6) £000	2022 Total £000
Charitable activities						
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 2022	447	1,377	1,278	3,102	1,674	4,776

Notes:

Grants payable

The Design Council made £447k grant payments to selected partners in support of programmes as shown below. No grants were made in 2020/21.

(i) Social Innovation £447k

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

Recipient:	Amount £000
Transport for London	235
James Glancy Design	68
Southside Rehabilitation Ltd	50
XeroE Ltd	34
Excellerate	30
Station to Station	30
Total Employee Health	447

Expenditure 2020/21	Grants payable £000	Staff costs £000	Other direct costs £000	Total direct costs £000	Support costs (note 6) £000	2021 Total £000
Charitable activities						
Championing	-	511	234	745	484	1,229
Social Innovation	-	316	178	494	321	815
Place / Infrastructure	-	651	289	940	610	1,550
Total 2021	-	1,478	701	2,179	1,415	3,594

5. Staff costs and numbers

Staff costs were as follows:	2022 £000	2021 £000
Salaries and wages	1,741	1,751
Social security costs	196	199
Pension contributions	135	137
Staff benefits	6	8
Redundancy costs	9	8
Total payroll staff costs	2,087	2,103
Total temporary and contract staff costs	14	29
Total staff costs	2,101	2,132

Redundancy payments are £9k (2020/21: £8k). 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	2022	2021
£60,000 - £69,999	-	2
£70,000 - £79,999	-	1
£80,000 - £89,999	1	1
£100,000 - £109,999	1	1
£130,000 - £139,999	1	-

The costs of key management personnel are £363k (2020/21: £191k). These relate to 3 staff (2020/21:3) 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:

	2022 No	2021 No
Permanent (payroll)	37	34
Other staff (other)	1	4
	38	38

6. Net income/ (expenditure) for the year

This is stated after charging:

	Note	2022 £000	2021 £000
Depreciation		40	40
Trustees' reimbursed expenses	a	-	-
Staff reimbursed expenses		6	6
Auditors' remuneration:			
Audit		15	14
Other services		1	-
Operating lease rentals:			
Plant and machinery		6	5
Land and buildings		381	360

a. No expenses were reimbursed to trustees (2020/21: £91 for one Trustee).

7. Support Costs

Support costs 2021/22

Support costs are allocated to charitable activities as follows:

	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 (2020/21: £106k).

Support costs 2020/21

	Notes	2021 Staff Costs £000	2021 Other costs £000	2021 Total £000
Executive		187	6	193
Office		92	376	468
Governance costs	a	53	-	53
Human resources		79	27	106
IT		71	141	212
Finance	b	172	171	343
Depreciation		-	40	40
Total support costs		654	761	1,415

Notes:

- a. Governance costs relate to the Design Council's cost of secretariat. This includes the administration of Trustee meetings.
- b. 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 £106k (2019/20: £170k).

8. 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.

9. Tangible fixed assets

	Leasehold Improvements £000	Furniture and fittings £000	Computer equipment £000	Total £000
Cost				
At the start of the year	28	56	186	270
Additions in year	-	-	37	37
Disposals in year	-	-	-	-
At the end of the year	28	56	223	307
Depreciation				
At the start of the year	28	27	144	199
Charge for the year	-	9	31	40
Disposals in year	-	-	-	-
At the end of the year	28	36	175	239
Net book value				
At the end of the year	-	20	48	68
At the start of the year	-	29	42	71

10. Debtors

	2022 £000	2021 £000
Trade debtors	416	422
Other debtors	34	71
Prepayments and accrued income	186	311
	636	804

Other debtors of £34k was a deposit held by the landlord relating to the Eagle House, London premises (2020/21: £71k).

11. Creditors: amounts due within one year

	2022 £000	2021 £000
Trade creditors	211	171
Tax and social security	52	59
VAT payable	63	74
Other creditors	25	17
Grant accruals	144	-
Other accruals	292	274
Deferred income	146	113
	933	708

Included within other creditors is £16k for a payment due to the Design Council's defined contribution pension scheme (2020/21: £17k).

12. Analysis of group net assets between funds

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

Analysis of group net assets between funds 2020/21

	Unrestricted funds £000	Restricted funds £000	2021 Total funds £000
Tangible fixed assets	71	-	71
Current assets	1,337	392	1,729
Current liabilities	(596)	(112)	(708)
Net assets at the end of the year	812	280	1,092

13. Movements in funds

Movements in funds during 2021/22

	2021 At the start of the year £000	Income £000	Expenditure £000	2022 At the end of the year £000
Restricted funds:				
BEIS Grant	-	1,680	(1,680)	-
Public Sector Workshops	-	60	(21)	39
The Design Council Spark	29	-	(3)	26
National Lottery Community Fund – Community Design Network	29	-	(29)	-
GLA – Designing London’s Recovery	-	64	(43)	21
GST Employee Health	84	540	(510)	114
Sport England	127	369	(496)	-
National Lottery Community Fund – COP 26 Festival	-	50	(50)	-
National Lottery Community Fund – Regenerative Communities	-	50	(27)	23
National Lottery Community Fund – Design Differently	-	70	(6)	64
Other funds	11	-	-	11
Total restricted funds	280	2,883	(2,865)	298
Total unrestricted funds	812	1,635	(1,911)	536
Total funds	1,092	4,518	(4,776)	834

Movements in funds during 2020/21

	2020 At the start of the year £000	Income £000	Expenditure £000	2021 At the end of the year £000
Restricted funds:				
BEIS Grant	-	1,680	(1,680)	-
Public Sector Workshops	-	90	(90)	-
The Design Council Spark	29	-	-	29
National Lottery Community Fund – Community Design Network	-	49	(20)	29
GST Employee Health	-	153	(69)	84
Sport England	-	147	(20)	127
Other funds	24	-	(13)	11
Total restricted funds	53	2,119	(1,892)	280
Total unrestricted funds	1,024	1,490	(1,702)	812
Total funds	1,077	3,609	(3,594)	1,092

14. Operating lease commitments

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

	2022 Land and buildings £000	Other £000	2021 Land and buildings £000	Other £000
Within 1 year	34	-	330	5
Between 2 - 5 years	-	-	-	-
Over 5 years	-	-	-	-
	34	-	330	5

15. Contingent liabilities

There are no contingent liabilities to declare.

16. 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 at The Design Council	Note	Related Party	Income £	Expense £
Kieran Boyle	Trustee	a	Chief Executive, Guy's and St Thomas' Charity	563,476	
Gillian Horn	Trustee	b	Gillian Horn		1,400
Beatrice Fraenkel	Trustee	b	Beatrice Fraenkel		600

Notes:

- a. This income related to design support services delivered by The Design Council to Guy's & St Thomas' Charity. £540,500 was for the Employee Health Fund, £22,976 for a project about Air Quality.
- b. Payments were made to Gillian Horn and Beatrice Fraenkel in their roles as Built Environment Experts for the delivery of design advisory services.

Design Council

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

December 2022