

**Charity Number: SC031694**  
**Company Number: 401016**  
**Limited by Guarantee**

**The Design Society**  
**Trustees Report and Financial Statements**  
**For the year ended 30<sup>th</sup> June 2016**

## **The Design Society**

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## **The Design Society**

### **Legal and Administrative details of the Charity**

**Charity Number SC031694**

**Company Number: 401016**

Registered office:-

DMEM  
University of Strathclyde  
75 Montrose Street  
Glasgow, G1 1XJ  
Scotland

Administration Office:-

24 Dark Lane  
Backwell  
Bristol  
BS48 3NS

### **Directors/Trustees and Officers:-**

President	Prof Dorian Marjanovic
Vice President	Prof Panos Papalambros
Trustee	Prof Tim McAloone
Trustee	Prof Amaresh Chakrabarti
Secretary	Prof Georges Fadel

### **Accountants**

Longhill Accounting Ltd  
1 Longhill Lodge  
Ditcheat  
Shepton Mallet  
Somerset  
BA4 6QR

### **Bankers**

HSBC  
45 Milsom Street  
Bath  
BA1 1DU

## The Design Society

### Report of the Trustees (incorporating the Director's Report) For the year ended 30<sup>th</sup> June 2016

The trustees of the Design Society present their report and financial statements for the year ended 30<sup>th</sup> June 2016 and confirm that unless indicated otherwise, that they comply with the Charities Act 1993 as amended by the Charities Act 2006 and the Charities SORP 2005. The trustees, who are also directors for the purposes of company law and who served during the year and up to the date of the report are set out on page 1.

#### Legal Structure and Management

##### Governing Document

The Design Society is a Company Limited by Guarantee and is governed by its Memorandum and Articles of Association dated 29<sup>th</sup> July 2015. The Design Society is a charity registered in Scotland with the OSCR and has been a charity since 2001.

##### Appointment of Trustees

Trustees (Board of Management) are elected by the members of the charitable company at the General Meeting which is held every 2 years. Trustees are nominated from the membership by the Advisory Board of the Design Society prior to the General meeting. The Advisory Board are advised of the retiring trustees and are requested to nominate new trustees before the General Meeting. The Advisory Board are 27 elected members of the Design Society but are not trustees. All members are invited to nominate and later elect the Advisory Board at the General Meeting.

##### Trustee Induction and Training

New trustees are inducted into the Board of Management through a series of preliminary meetings and through use of the Design Society handbook.

##### Organisation

The trustees meet regularly to administer the charity. Responsibility for the day to day activities of the charity is shared by the Board of Management and its administrators.

##### Risk management

The trustees have a risk management strategy which comprises an on-going review of the risks the charity may face, the establishment of systems and procedures to mitigate the identified risk and the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

#### Objects and Activities

##### Objects

The objects of the charity are, within the context of design education, research practice and education

- a) the advancement of education
- b) the advancement of environmental protection or improvement;
- c) the advancement of citizenship or community development; and d) the advancement of the arts, heritage, culture or science;

##### Activities

The Charity's principal activities as a membership organisation are to run a series of international events, conferences and meetings in order to create and evolve a formal body of knowledge about design and to actively promote cooperation between those actively involved in design research, practice, management and education. The Society produces and disseminates publications and hosts a body of knowledge that is available to its members and to the general public.

##### Achievements and Performances

In July 2015 the Society hosted its flagship conference ICED 15 in Milan, Italy. This was a very successful conference with 550 attendees from all over the world. Planning for the next ICED in Canada in 2017 is now underway. The Special Interest Groups (SIGs) of the Society have been very active running various conferences and workshops linked to Design Education, Design Theory and Design Creativity to name a few. The Society endorses several spring/summer schools for young members run by members of the Society. This year the Society conducted a large member survey. The feedback from this survey is being used to continue to improve the services and activities offered to members. The Society also continues to broaden links with other like-minded societies.

## Financial review

### Reserves

The Design Society has no formally allocated or restricted reserves but the Design Society does now currently hold deposits in the bank of between £75-£76,000.00. Now that this reserve has been established, its purpose is to underpin the daily running of the Society in order to direct funding at new developments. The Society are currently considering the ways that they can use some of these funds to further enhance the support they provide to young members.

### Trustees responsibilities in relation to the financial statements

Company law required the trustees to prepare financial statements that give a true and fair view of the state of the affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required:

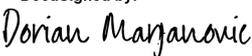
- to select suitable accounting policies and apply them consistently
- to make sound judgements and estimates that are reasonable and prudent
- to prepare financial statements on the ongoing concern basis unless it is inappropriate to assume that the charity will remain in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Small Company Provision

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

On behalf of the Board of Management

DocuSigned by:  
  
AF9B26854AE74B3...  
Prof Dorian Marjanovic  
President  
Trustee and Director  
The Design Society

**30-10-2016**

Date

## The Design Society

### Independent Examiners' Report

I report on the accounts of the company for the year ended 30<sup>th</sup> June 2016 as set out on pages 7-12.

### Respective Responsibilities of Trustees and Examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) 2005 Act and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention

### Basis of Independent Examiners' Report

My examination was carried out in accordance with the Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with the records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

### Independent Examiner's Statement

In connection with my examination no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations and
  - to prepare accounts which accord with the accounting records and comply with the Regulation 8 of the 2006 Accounts Regulationshave not been met: or
- 2) to which in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

DocuSigned by:

*Chris Thring*

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**Chris Thring ACA (Institute of Chartered Accountants in England & Wales)**  
**LONGHILL ACCOUNTING LTD**  
**Chartered Accountants**  
**1 Longhill Lodge**  
**Ditcheat**  
**Shepton Mallet**  
**Somerset**  
**BA4 6QR**

**Date 30-10-2016**

**The Design Society**  
**Statement of Financial Activities (including Income & Expenditure Account) for**  
**the Year ended 30<sup>th</sup> June 2016**

	Notes	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
<b>Incoming Resources</b>					
Incoming Resources from generated funds:					
Voluntary Income:					
Donations	2	0	-	0	3,566
Memberships	2	36,451	-	36,451	20,772
Activities for generating funds:					
Conference Income	3	17,290	-	17,290	0
Publications Sales		3,631	-	3,631	2,464
Investment Income	4	25	-	25	25
Incoming Resources from Charitable Activities	5	-	-	-	-
<b>Total Incoming Resources</b>		<b>57,397</b>	<b>-</b>	<b>57,397</b>	<b>26,827</b>
<b>Resources Expended</b>					
Costs of generating funds:					
Costs of generating voluntary Income					
	6	4,684	-	4,684	2,369
Fundraising trading: cost of goods sold & other costs	6	4,514	-	4,514	4,526
Charitable Activities	6	15,292	-	15,292	11,097
Governance Costs	6	21,702	-	21,702	24,008
<b>Total Resources Expended</b>		<b>46,192</b>	<b>-</b>	<b>46,192</b>	<b>42,000</b>
Net Income for the Year (Net Incoming Resources before other Recognised Gains)	7	11,205	-	11,205	-15,173
Other Recognised Gains					
Gain on Revaluation of Investments		-	-	-	-
Net Movement in Funds		11,205	-	11,205	-15,173
Reconciliation of Funds					
Total funds brought forward		64,750	-	64,750	79,923
<b>Total funds carried forward</b>		<b>75,955</b>	<b>-</b>	<b>75,955</b>	<b>64,750</b>

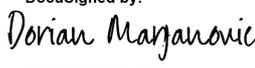
**The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities. The notes on pages 10 to 12 form an integral part of these financial statements**

**The Design Society**  
**Balance Sheet as at 30<sup>th</sup> June 2016**

	Notes	2016 £	2015 £
<b>Fixed Assets</b>			
Tangible Assets		-	-
<b>Current Asset</b>			
Stock		-	-
Debtors		-	-
Cash at Bank & in Hand		<u>93,495</u>	<u>87,652</u>
		<b>93,495</b>	<b>87,652</b>
<b>Creditors:</b>			
Amounts falling due within one year:			
Accruals & Prepaid Income	8	<u>17,540</u>	<u>22,902</u>
		<b>17,540</b>	<b>22,902</b>
<b>Net Current Assets</b>		<u>75,955</u>	<u>64,750</u>
		<b>75,955</b>	<b>64,750</b>
<b>Net Assets</b>		<u>75,955</u>	<u>64,750</u>
<b>Unrestricted Funds</b>			
Designated Funds		-	-
Revaluation Funds		-	-
General Funds	9	<u>75,955</u>	<u>64,750</u>
<b>Restricted Funds</b>		-	-
<b>Total Funds</b>		<u>75,955</u>	<u>64,750</u>

The notes on pages 10 to 12 form an integral part of these financial statements

Approved by the Trustees on 30<sup>th</sup> October 2016 and signed on its behalf by:

DocuSigned by:  
  
 AF9B26864AE74B3...  
 Prof Dorian Marjanovic  
 President  
 Trustee and Director  
 The Design Society

Date

**30-10-2016**

**The Design Society**  
**Balance Sheet as at 30<sup>th</sup> June 2016 (continued)**

**Trustees' statements for the year ended 30<sup>th</sup> June 2016**

1. The trustees acknowledge their responsibility for complying the requirements of the Companies Act 2006 with respect of accounting records and for the preparation of accounts.
2. For the year ending 30<sup>th</sup> June 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.
3. The members have not required the company to obtain an audit in accordance with section 476 of the Companies act 2006.

The financial statements were approved by the Board on 30<sup>th</sup> October 2016  
and signed on its behalf by

Prof Dorian Marjanovic,  
President  
The Design Society  
**Trustee and Director**

## The Design Society

### Notes forming part of the Financial Statements for the year ended 30 June 2016

#### 1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

##### (a) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 2006.

##### (b) Fund accounting

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

##### (c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to, and virtually certain to receive, the income and the amount can be quantified with reasonable accuracy. The following policies are applied to particular categories of income:

- Voluntary income is received by way of membership subscriptions, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Publications & other resources for sale through the charity are included as incoming resources within activities for generating funds when they are sold.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

##### (d) Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the accountancy fees and costs linked to the strategic management of the charity.

##### (e) Fixed assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £1,000 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 4 years. Impairment reviews are carried out as and when evidence comes to light that the recoverable amount of a functional fixed asset is below its net book value due to damage, obsolescence or other relevant factors.

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

(f) Stocks and work in progress are accounted for at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving items. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

## The Design Society

### 2. Donations

	Unrestricted	Restricted	2016 Total	2015 Total
	£	£	£	£
EPDE 2014 Surplus	-	-	-	3,566
Donations (various)	-	-	-	-
	-	-	-	<b>3,566</b>

### Incoming Resources from Memberships

	Unrestricted	Restricted	2016 Total	2015 Total
	£	£	£	£
Individual & Corporate	36,451	-	36,451	20,772
ICED Membership	-	-	-	-
	<b>36,451</b>	-	<b>36,451</b>	<b>20,772</b>

### 3. Incoming Resources from Conference Income

	Unrestricted	Restricted	2015 Total	2014 Total
	£	£	£	£
ICED2015	17,290	-	17,290	-
	<b>17,290</b>	-	<b>17,290</b>	-

### 4. Investment Income

	Unrestricted	Restricted	2016 Total	2015 Total
	£	£	£	£
Bank Interest received.	25	-	25	25
	<b>25</b>	-	<b>25</b>	<b>25</b>

### 5. Incoming Resources from Charitable Activities

	Unrestricted	Restricted	2016 Total	2015 Total
	£	£	£	£
Charitable Activities	-	-	-	-
	-	-	-	-

## The Design Society

### 6. Total Resources Expended in Detail

#### Costs directly Allocated to Activities

	Basis of Allocation	Costs of generating Voluntary Income		Fundraising Charitable Activities		Governance Costs	2016 Total	2015 Total
		£	£	£	£			
Publications	Direct		1,381				1,381	993
Printing & Stationery	Direct		1,120				1,120	290
Post & Courier	Direct		57				57	167
Travel	Direct		159				159	859
Accountancy Fees	Direct					325	325	225
Annual Report	Direct					13	13	13
Marketing	Direct	1,500					1,500	1,244
Website Costs	Direct	3,184					3,184	1,125
Event Mgmt Software	Direct				1,828		1,828	325
Hosting: Catering/Subs	Direct				13,464		13,464	10,772
Accommodation/Subs	Direct		246				246	590
Insurance	Direct		293				293	282
Subscriptions	Direct		-				-	343
Admin	Direct					21,364	21,364	23,770
Gifts	Direct		373				373	61
Card Machine Charges	Direct		5				5	0
Bank Charges	Direct		880				880	941
<b>Resources Expenses</b>	Direct	<b>4,684</b>	<b>4,514</b>	<b>15,292</b>	<b>21,702</b>		<b>46,192</b>	<b>42,000</b>

### 7. Net Incoming Resources for the Year

This is stated after charging:

	2016 £	2015 £
Independent Examiner's remuneration re external scrutiny	200	200
Accountancy Fees (additional research)	125	50

### 8. Creditors

#### Amounts falling due within one Year:

Accruals & Prepaid Income	£17,040
Other Creditors	£ 500
<b>Total</b>	<b>£22,902</b>

### 9 Unrestricted Funds

	As at 1 <sup>st</sup> July 2015	Incoming Resources £	Expenses Resources £	At as 30th June 2016 £	£
General Funds	64,750	57,397	46,192	75,955	
<b>Total Movements</b>	<b>64,750</b>	<b>57,397</b>	<b>46,192</b>	<b>75,955</b>	

### 10. Staff Costs and Numbers

There are no staff employed by the charity

### 11. Trustee Remuneration & Related Party Transactions

No trustees received any remuneration during the year.

### 12. Taxation

The Company is a Registered Charity & no provision is considered necessary for taxation (excepting a small sum on Investment Income)