

**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 2015**

# **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:-

101 Hawthorne Street

Totterdown

Bristol

BS4 3DA

England

## 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 2015

The trustees of the Design Society present their report and financial statements for the year ended 30<sup>th</sup> June 2015 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

This year 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. The Society launched the Design Science Journal with the inaugural editorial in July 2015. 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. There are three new SIGs supporting current areas of interest in design. The Society endorses several spring/summer schools for young members run by members of the Society. There are two new regional Chapters, the Asia Chapter and the North American Chapter. These Chapters aim to promote the work of the society in these regions. The

number of papers available on the Society website has increased to nearly 7000.

## 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 £64-£65,000.00. 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

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Prof Dorian Marjanovic  
President  
Trustee and Director  
The Design Society

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Date

# The Design Society

## Independent Examiners' Report

I report on the accounts of the company for the year ended 30<sup>th</sup> June 2015 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.

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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**

**The Design Society**  
**Statement of Financial Activities (including Income & Expenditure Account) for**  
**the Year ended 30<sup>th</sup> June 2015**

	Notes	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
<b>Incoming Resources</b>					
Incoming Resources from generated funds:					
Voluntary Income:					
Donations	2	3,566	-	3,566	4,914
Memberships	2	20,772	-	20,772	31,412
Activities for generating funds:					
Conference Income	3	0	-	0	13,673
Publications Sales		2,464	-	2,464	3,627
Investment Income	4	25	-	25	36
Incoming Resources from Charitable Activities	5	-	-	-	-
<b>Total Incoming Resources</b>		<b>26,827</b>	<b>-</b>	<b>26,827</b>	<b>53,662</b>
<b>Resources Expended</b>					
Costs of generating funds:					
Costs of generating voluntary Income					
	6	2,369	-	2,369	1,154
Fundraising trading: cost of goods sold & other costs	6	4,526	-	4,526	6,074
Charitable Activities	6	11,097	-	11,097	17,978
Governance Costs	6	24,008	-	24,008	19,095
<b>Total Resources Expended</b>		<b>42,000</b>	<b>-</b>	<b>42,000</b>	<b>44,301</b>
Net Income for the Year (Net Incoming Resources before other Recognised Gains)	7	-15,174	-	-15,174	9,361
Other Recognised Gains					
Gain on Revaluation of Investments		-	-	-	-
Net Movement in Funds		-15,174	-	-15,174	9,361
Reconciliation of Funds					
Total funds brought forward		79,923	-	79,923	70,562
<b>Total funds carried forward</b>		<b>64,750</b>	<b>-</b>	<b>64,750</b>	<b>79,923</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**



## Balance Sheet as at 30<sup>th</sup> June 2015

	Notes	2015 £	2014 £
<b>Fixed Assets</b>			
Tangible Assets		-	-
<b>Current Asset</b>			
Stock		-	-
Debtors		-	-
Cash at Bank & in Hand		<u>87,652</u>	<u>89,659</u>
		<b>87,652</b>	<b>89,659</b>
<b>Creditors:</b>			
Amounts falling due within one year:			
Accruals & Prepaid Income	8	<u>22,902</u>	<u>9,736</u>
		<b>22,902</b>	<b>9,736</b>
<b>Net Current Assets</b>			
		<u>64,750</u>	<u>79,923</u>
		<b>64,750</b>	<b>79,923</b>
<b>Net Assets</b>			
		<u>64,750</u>	<u>79,923</u>
<b>Unrestricted Funds</b>			
Designated Funds		-	-
Revaluation Funds		-	-
General Funds	9	<b>64,750</b>	<b>79,923</b>
<b>Restricted Funds</b>			
		-	-
<b>Total Funds</b>			
		<u>64,750</u>	<u>79,923</u>

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

Approved by the Trustees on 10<sup>th</sup> December 2015 and signed on its behalf by:

\_\_\_\_\_  
Prof Dorian Marjanovic  
President  
Trustee and Director  
The Design Society

\_\_\_\_\_  
Date

**The Design Society**

## **Balance Sheet as at 30<sup>th</sup> June 2015 (continued)**

### **Trustees' statements for the year ended 30<sup>th</sup> June 2015**

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 2015 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 10<sup>th</sup> December 2015 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 2015

#### 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	2015 Total	2014 Total
	£	£	£	£
ICDC 2014 Surplus	-	-	-	-
EPDE 2012 Surplus	-	-	-	4,404
EPDE 2014 Surplus	3,566	-	3,566	-
Donations (various)	-	-	-	510
	<b>3,566</b>	<b>-</b>	<b>3,566</b>	<b>4,914</b>

<b>Incoming Resources from Memberships</b>				
	Unrestricted	Restricted	2015 Total	2014 Total
	£	£	£	£
Individual & Corporate	20,772	-	20,772	31,412
ICED Membership	-	-	-	-
	<b>20,772</b>	<b>-</b>	<b>20,772</b>	<b>31,412</b>

<b>3. Incoming Resources from Conference Income</b>				
	Unrestricted	Restricted	2015 Total	2014 Total
	£	£	£	£
ICED2013	-	-	-	13,673
	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,673</b>

<b>4. Investment Income</b>				
	Unrestricted	Restricted	2015 Total	2014 Total
	£	£	£	£
Bank Interest received.	25	-	25	36
	<b>25</b>	<b>-</b>	<b>25</b>	<b>36</b>

<b>5. Incoming Resources from Charitable Activities</b>				
	Unrestricted	Restricted	2015 Total	2014 Total
	£	£	£	£
Charitable Activities	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 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	2015 Total	2014 Total
		£	£	£	£			
Publications	Direct		993				993	3,142
Printing & Stationery	Direct		290				290	1,348
Post & Courier	Direct		167				167	70
Travel	Direct		859				859	306
Accountancy Fees	Direct					225	225	450
Annual Report	Direct					13	13	13
Marketing	Direct	1,244					1,244	145
Website Costs	Direct	1,125					1,125	1,009
Event Mgmt Software	Direct				325		325	593
Hosting: Catering/Subs	Direct				10,772		10,772	17,404
Accommodation	Direct		590				590	-
Insurance	Direct		282				282	279
Subscriptions	Direct		343				343	-
Admin	Direct					23,770	23,770	18,632
Gifts	Direct		61				61	145
Card Machine Charges	Direct						0	0
Bank Charges	Direct		941				941	765
<b>Resources Expenses</b>	Direct	<b>2,369</b>	<b>4,526</b>	<b>11,097</b>	<b>24,008</b>		<b>42,000</b>	<b>44,301</b>

### 7. Net Incoming Resources for the Year

This is stated after charging:

	2015 £	2014 £
Independent Examiner's remuneration re external scrutiny	200	400
Accountancy Fees	25	50

### 8. Creditors

#### Amounts falling due within one Year:

Accruals & Prepaid Income	£21,792
Other Creditors	£ 1,110
<b>Total</b>	<b>£22,902</b>

### 9 Unrestricted Funds

	As at 1 <sup>st</sup> July 2014	Incoming Resources £	Expenses Resources £	At as 30th June 2015 £	£
General Funds	79,923	26,827	42,000	64,750	
<b>Total Movements</b>	<b>79,923</b>	<b>26,827</b>	<b>42,000</b>	<b>64,750</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)