



Bird's eye visualisation of Exhibition Road © Amanda Levete Architects.

the FRIENDS OF THE V&A (A COMPANY LIMITED BY GUARANTEE)
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2014

the FRIENDS OF THE V&A (A COMPANY LIMITED BY GUARANTEE)
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 MARCH 2014

CONTENTS

| | |
|--|---------|
| Reference and administrative information | 01 > 02 |
| Trustees' report | 03 > 21 |
| Independent auditors' report | 22 > 23 |
| Statement of financial activities | 24 > 24 |
| Balance sheet | 25 > 25 |
| Notes to the financial statements | 26 > 32 |



This annual review is available online and can be printed off in part or whole as per user requirements. It has been designed to minimise ink usage.

All images © Victoria and Albert Museum, unless otherwise stated.

All information correct at time of publication.



*Visualisation of Exhibition Road Screen Gates © Amanda Levet Architects.
This is part of Exhibition and Capital Project awards and grants. See page o6.*

the FRIENDS OF THE V&A
REFERENCE AND
ADMINISTRATIVE
INFORMATION
FOR THE YEAR ENDED
31 MARCH 2014

President

HRH Princess Alexandra,
The Hon Lady Ogilvy,
KG, GCVO

Committee Members

Chairman

John Everett

Treasurer

Phil Dowson

Trustees

Tricia Bey

John Deards (until 24 January 2014)

Kenneth Draper

Janet Gough (from 24 January 2014)

Elizabeth Hamilton

Vivek Nanda

Ex Officio Members

The Director of the Museum or his appointed nominee

The Deputy Director

The Director of Public Affairs or his appointed nominee

The Director of Development

*The Committee Members are directors
as defined by the Companies Act.
The Company is a company limited by
guarantee whereby every Member's
liability is limited to £1.*

Company Secretary

Philippa Ouvry

Registered Charity Number

272056

Registered Company Number

1267122

Registered address

Victoria and Albert Museum
South Kensington
London SW7 2RL

Auditors

haysmacintyre
26 Red Lion Square
London WC1R 4AG

Bankers

Coutts & Co.
St Martins Office
44o Strand
London WC2R OQS

CafCash Ltd.
PO Box 289
West Malling
Kent ME19 4TA

MEMBERSHIP TEAM

Head of Friends

Philippa Ouvry
James Beardsworth
(from December 2013)

Senior Membership Manager

Mary Willis

Membership Manager

James Beardsworth
Eva Shannan
(from December 2013)

Membership Events Managers

Elizabeth Hipkins
Madeleine Williams
(until March 2014)

Membership Officers

Claire James
Rhian Pressley
(full-time from July 2013)
Luciana Isolato
(from June 2013)

Database Officer

John Karley (part-time)

Financial Accountant

Krissie Chambers
(part-time: maternity leave from December 2013)
Penny Cassell
(full-time from December 2013)

Events Advisory Committee

Bernadette Barber *Chairman*

Greta Chaffer | Rachel Crossley | Mark Eastment | Elizabeth Hamilton *Trustee Representative* |
Ilona Klein | Sarah Tytherleigh | Marina Vaizey

Event Representatives

Bernadette Barber | Susie Blundell | Greta Chaffer | Jean Chippindale | Gwenda Constant |
Anny Cornwell | Terri Dainty | Kenneth Draper | Alison Farthing | Caroline Garvey |
Elizabeth Hamilton | Susannah Harrison | Dana Hepburn | Karoline Joiner | Christine Kent |
Rosemary Lowe | Fiona MacWatters | Naseem Malik-Noor | Jennie Moss | Liz Rogers | Susie Rose |
Jackie Saville | Jacqueline Shimmings | Sarah Tytherleigh | Marina Vaizey | Jeanne Wadvani |
Christina Watts | Carine Williams | Caroline Ying

Volunteers

Kenneth Draper *Trustee Representative*

Sue Abrines | Stefanie Agar | Bernadette Barber | Penny Bardoni | Susan Bell | Sue Bicknell |
Jenny Borthwick | Clare Bowring | Debbie Bransgrove | Helen Burnard | Nucia Butterworth |
Toni Campbell | Becky Charles | Bel Clarke | Kelly Collins | Gwenda Constant | Anny Cornwell |
Terri Dainty | John Deards | Giles Dimock | Barbara Domanska | Zoe Dwek-Adams |
Alison Farthing | Amy Kisber | Niki Fenn | Maggie Fielding | Maria Fox | Claire Gardner |
Ruth Gimlette | Bryan Govett | Edna Green | Lorna Hanman | Susannah Harrison | Jean Heath |
Dana Hepburn | Christine Kent | Sarah Kent | Nicole Kissun | Kelly Knapp | Marianne Landau |
Julie Lindsell | William Loschert | Beatriz Lutyens | Fiona MacWatters | Naseem Malik-Noor |
Heather Malone | Margaret Malone | Jane Medcalf | Karen Morton | Paola Nanni |
Julia Nicholson | Siew Ong | Elizabeth Oyler | Barry Redhead | Alexandra Ressort |
Margaret Reynolds | Joanna Robins | Jacqueline Saville | Jurgen Paul Schmitz | Dinah Shoults |
Anjani Singh | Elizabeth Singleton | Ann M Smith | Margaret Stables | Harry Stern | Eric Taylor |
Jeanne Wadvani | Kate Watson | Christina Watts | Rodney Welham | Anne Winton | Isobel Woolf

*We would like to thank all our volunteers for their
tireless hard work, in the office, on the Membership Desk,
at events - everything they do for us.*

V&A Membership is run by the Friends of the V&A.

the FRIENDS OF THE V&A TRUSTEES' REPORT FOR THE YEAR ENDED **31 MARCH 2014**

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, have pleasure in submitting their annual report and the audited financial statements for the year ended 31 March 2014.



*Kaleidoscope House, Laurie Simmons, Peter Wheelwright and Bozart, USA, 2001 © Victoria and Albert Museum, London.
(see Exhibition and Capital Projects page o6).*

The object of the Friends of the V&A is to encourage, foster, assist and promote the charitable work and activities of the Victoria and Albert Museum or of any other art gallery or museum (which is not conducted for private profit and to which the public have access as of right) selected by the Trustees, for the benefit of the public at large.

The Trustees have agreed three principal aims and objectives

- + To support the V&A through grants of money
- + To increase loyalty and visits to the V&A
- + To increase and spread knowledge of the V&A and its work

In supporting the V&A, the Friends of the V&A support its mission, and its own strategic objectives

V&A Mission

To be the world's leading museum of art and design. To enrich people's lives and inspire individuals and everyone in the creative industries, through the promotion of knowledge, understanding and enjoyment of the designed world.

V&A key strategic objectives

- + To provide optimum access to collections and services for diverse audiences, now and in the future
- + To be acknowledged and respected as the world's leading museum of art and design
- + To promote, support and develop the UK creative economy by inspiring designers and makers, and by stimulating enjoyment and appreciation of design
- + To operate with financial and organisational efficiency

The Trustees have had due regard to the Charity Commission guidance on public benefit in developing an ongoing strategy to maximise support, loyalty and knowledge of the Victoria and Albert Museum, and, in particular, they have considered how the charity's activities will contribute to its charitable aims and objectives.



The fulfilment of the aims and objectives relies on the support and loyalty of our Members. Membership numbers have continued to increase sharply, thanks in part to a highly successful V&A exhibition programme, and at the end of financial year 2013/14 stood at the record level of 31,872 Memberships (58,093 Members).

This year also saw some changes within the governance of the Friends of the V&A. We welcomed a new trustee, Janet Gough. Janet replaced John Deards, who had reached the end of his 6-year trusteeship. We are thrilled and grateful that John continues to provide support to the Membership Team, and also remains as a

volunteer. Biographies of all current trustees can be found on pages 15 and 16.

We would also like to offer our congratulations to Philippa Ouvry, Head of Friends, who was awarded the Clore Fellowship and is now on sabbatical until August 2014. Her role is being covered during this period by James Beardsworth.

We would like to offer our congratulations to Philippa Ouvry, Head of Friends, who was awarded the Clore Fellowship and is now on sabbatical. Her role is being covered during this period by James Beardsworth.

ACHIEVEMENTS *and* PERFORMANCE

Support

The continued increase in Membership numbers has led to a higher level of financial support for the Museum, and during the year the Friends of the V&A achieved a surplus of more than £1 million pounds. Therefore, in 2013/14, the Friends of the V&A made grants totalling £1.3 million pounds to the Museum.



£750,000 was awarded towards the Exhibition Road project

During 2013/14, the FRIENDS OF THE V&A awarded grants towards

Gallery of available images on pages 07-11

EXHIBITIONS AND CAPITAL PROJECTS

£750,000

towards the Exhibition Road project

£150,000

towards the Europe 1600-1800 Galleries (£350,000 previously designated in 2012/13)

£10,000

towards the Small Stories exhibition to be held at the Museum of Childhood

ACQUISITIONS

Total allocated to acquisitions: £390,000.
Pieces acquired by the V&A are available for the benefit of the general public, either on open display or through the V&A's archive facility at Blythe House.

£200,000

for the painting of Chateau de Juvisy, by Pierre-Denis Martin - in addition to the £150,000 designated in 2012/13 and £250,000 previously pledged in 2012/13

£75,000

for a number of items included in the Gasson Opera Collection

£15,000

for acquisitions at the Collect Contemporary Art Fair

£100,000

towards acquisition of a Medal Cabinet in the Egyptian Taste, Paris, c.1810

SCHOLARSHIPS AND RESEARCH

£24,000

Funding for a student undertaking the V&A / RCA MA in the History of Design

£3,400

Support for a scholarship at the Attingham Summer School (www.attinghamtrust.org)

£908

Contribution to the Metropolitan Museum of Art exchange programme

RESIDENCIES AND OTHER PROJECTS

£11,000

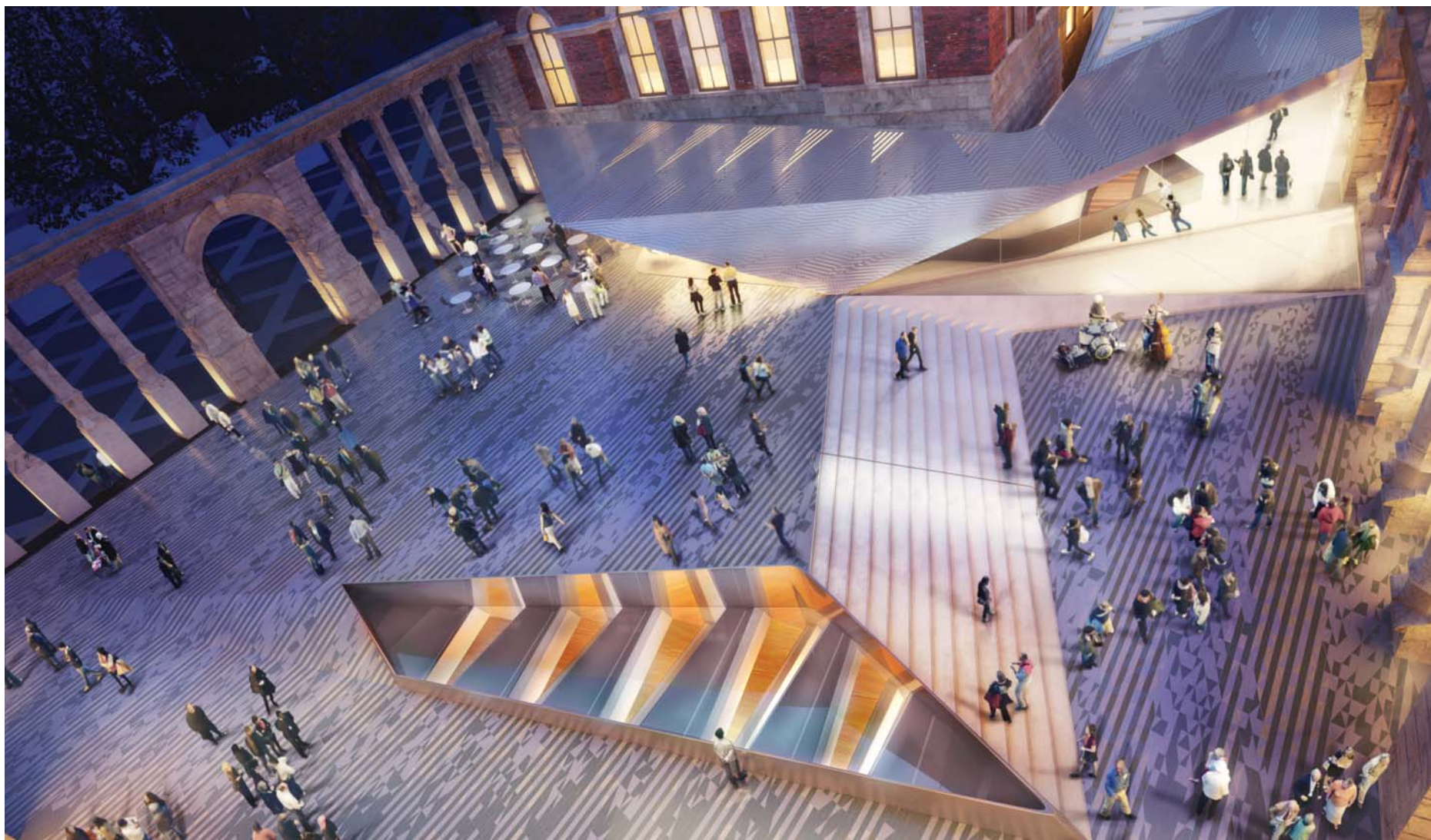
Grant towards the Museum of Childhood special educational needs programme

£10,000

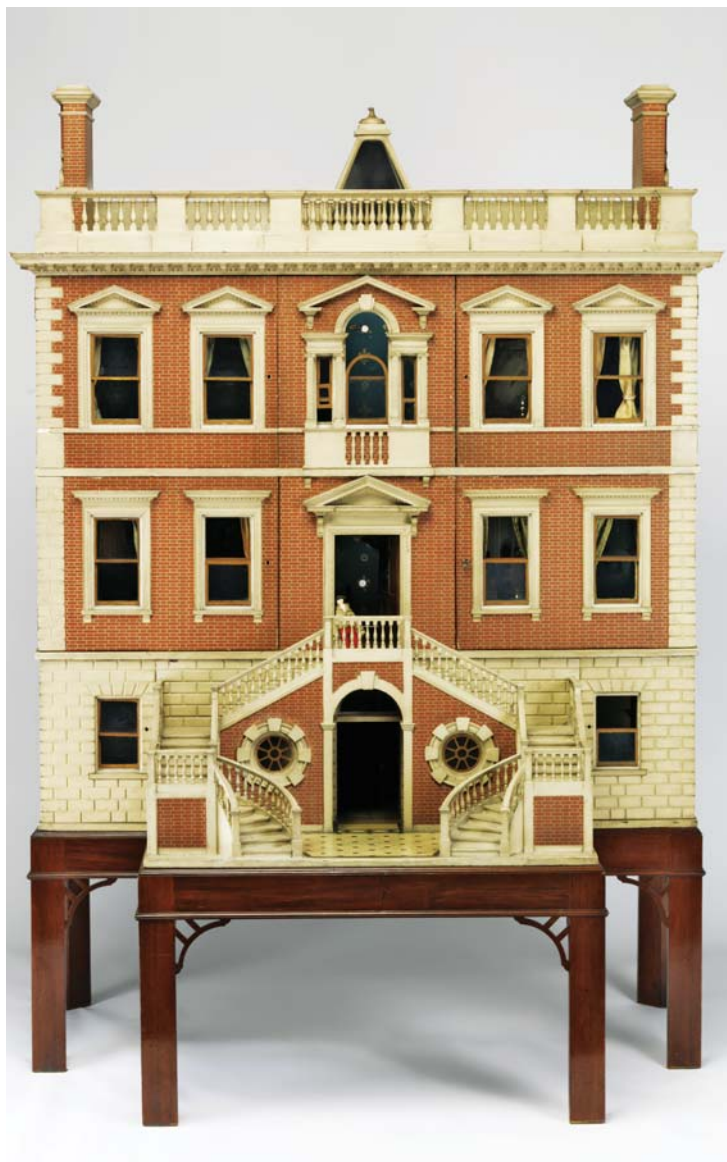
Grant for the cleaning of a William Morris tapestry

Grants of £1,349,308 were awarded in 2013/14 and these, combined with £500,000 designated in the previous year, result in £1,849,308 being the total resources expended in supporting the V&A Museum per the Statement of Financial Activity.

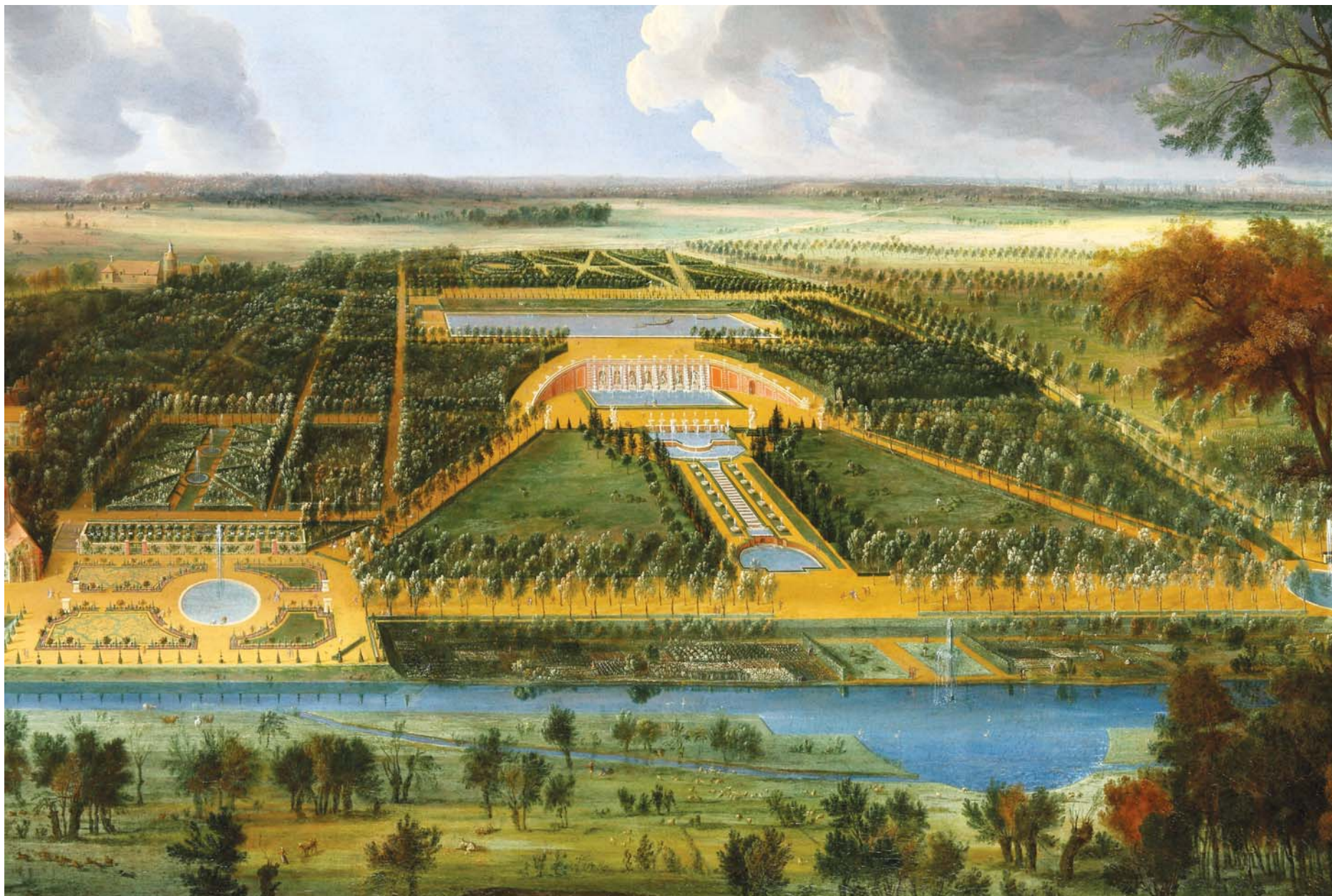
Note: This summary financial information aims to explain the Friends of the V&A's core income and expenditure. It is prepared from the same information as the full financial statements which are available at www.vam.ac.uk. This summary information has not been audited or independently examined.



*£750,000 towards the Exhibition Road project; Bird's eye visualisation of Exhibition Road at night
© Amanda Levet Architects*



*£10,000 towards the Small Stories Exhibition at the Museum of Childhood;
Left: Tate Baby House, England, 1760 © Victoria and Albert Museum, London;
Above: Hopkinson House (set in 1940s), England, 1980s-1990s © Victoria and Albert Museum, London.*



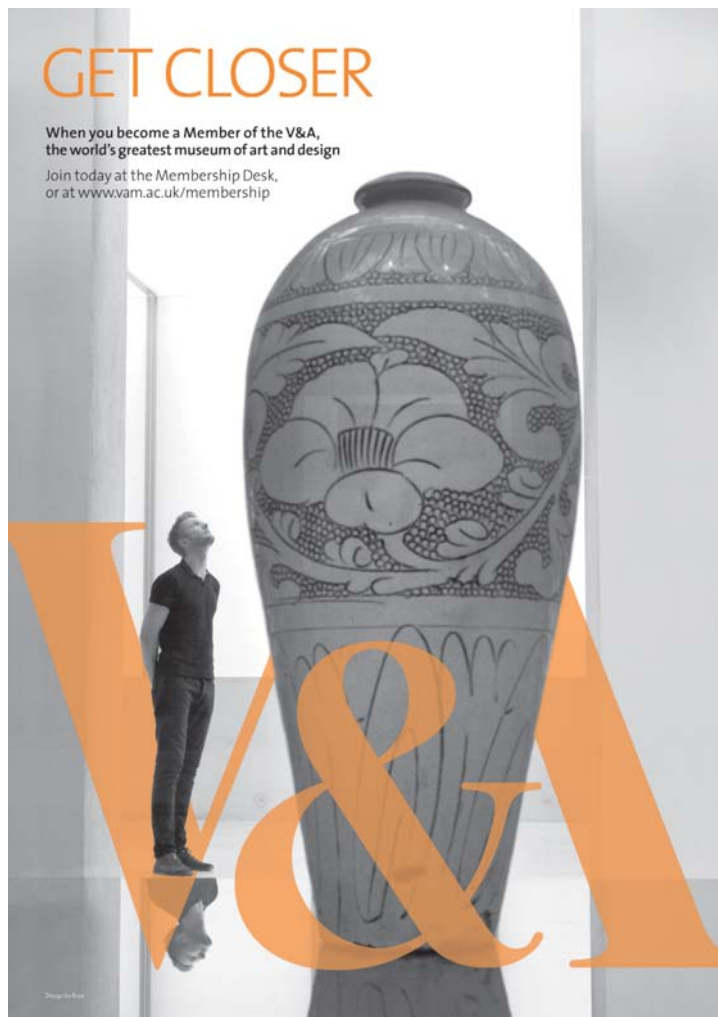
*£200,000 for the painting of Chateau de Juvisy, by Pierre-Denis Martin -
in addition to the £150,000 designated in 2012/13 and £250,000 previously pledged in 2012/13*



Above and left: £75,000 towards items included in the Gasson Opera Collection



£100,000 towards acquisition of a Medal cabinet in the Egyptian taste, about 1810, Paris, after a design attributed to Charles Percier (1764-1813), © Victoria and Albert Museum, London



Loyalty and knowledge

We encourage all Members to make the most of their Membership by exploring the varied collections and exciting public programme of the V&A. Updates on the work of the V&A are available on the website, via the V&A or the Membership e-newsletter, and on social media sites. All V&A Members receive the V&A Magazine, and new Members are invited to attend one of the V&A's free tours. Members' Week takes

place yearly, in May, and encourages new and longstanding Members to make the most of the V&A and V&A Membership. The Friends of the V&A also run an exciting and varied programme of special events, open to all Members, including evening talks, museum tours, artist demonstrations and external visits.

Looking to the future

We continue our aim to make V&A Membership a

must-have cultural membership for London. As Membership numbers have increased, we aim to strengthen our administration and structure to ensure that we can maintain our high standards and achieve our aims and objectives going forward.

The Trustees of the Friends of the V&A would like to thank all V&A Members for their continuing and loyal support of the Museum.

The redesigned membership leaflets and posters continue to help encourage Membership across all areas



**STRUCTURE,
GOVERNANCE
and
MANAGEMENT**

The Friends of the V&A is a charitable company limited by guarantee, set up in 1976. It is an independent charity established with its main object, as stated above, to assist the Victoria and Albert Museum by providing financial donations and through voluntary work. It is governed by a Memorandum and Articles of Association which were last amended at the AGM in December 2007.

Applications for Trusteeship, that is membership of the Executive Committee, are sought through advertisement in the V&A Magazine or through special introduction, and considered by a designated nominations sub-committee in the first instance. The Nominations and Governance Group (chaired by Vivek Nanda, and with members Tricia Bey and

Philippa Ouvry) also conducts a regular Board review, and ensures good practice in all matters of governance.

Candidates for Trusteeship are sought for their specific skills and experience. Trustees serve as Executive Committee members for a three-year period and may be re-elected for a further three-year period. The Trustees meet

quarterly, or as required, overseeing the objectives set out above. In order to inform Trustees of their responsibilities, Trustees are circulated with the Charity Commission booklet 'Responsibilities of Trustees CC3' and a Trustees' Handbook prepared by the Membership Office. In view of the size of the trust and its resources, the Trustees are wary of devoting funds to expensive training programmes, but keep the need for trustee training under review and respond to any particular request that a trustee may have in this regard. The Committee is composed of a minimum of four members and four ex-officio members from the Museum: the Director of the V&A (or representative), the Deputy Director, the Director of Public Affairs (or representative) and the Director of Development, plus the Head of Friends (Company Secretary).



Our current trustees are

John Everett, Chairman John Everett is a graduate in economics from University of London and an accountant. As a management consultant at Deloitte, John worked in Europe, the USA, Japan and Australia. He was appointed a partner in 1985, Managing Partner of the UK consultancy in 1992 and was appointed to the UK and Global Boards of Deloitte in 1994. John was senior partner from 1999 and retired from the firm in 2005. He is a trustee of three charities, non executive director of an advisory company, and chairs one pension fund.

Phil Dowson, Treasurer Phil Dowson is a graduate in engineering from Cambridge University and a chartered accountant. He has a wide range of international finance experience, through working for a number of multi-national companies including Motorola and BUPA. Phil has been the Chief Financial Officer of ExCeL London since 2005, playing a central role as it has developed into one of Europe's leading exhibition and conference centres. He is also Chairman of the Royal Docks Management Authority. Phil has a keen interest in the theatre and contemporary art.

Tricia Bey In her early career Tricia worked in the pre-internet world of patent information, researching patenting activity and patenting trends for global clients. She later spent 14 years with Deloitte Consulting building and leading different practice areas including two years as the Managing Partner of the Dutch consulting practice. She was later Managing Director of a London-based management development school. She now lives in Scotland running her own cheese making business. Tricia has an Engineering Science degree from Durham and an MBA from The London Business School.

Kenneth Draper Kenneth Draper is a retired architect, following a career spent in private practice, becoming a partner and subsequently chairman of BDP, the multi-disciplinary design consultancy. He worked primarily in London but also in West Africa, Korea, France, and Germany; projects included educational, cultural, commercial and corporate buildings. He lives in London, enjoys the cinema, walking, a range of music, and watching his local football team. He is a volunteer at the V&A, helping on the desk, in the office and with Members' Events. As a trustee of the Friends of the V&A, Kenneth has specific responsibility for Volunteers.

The day to day running of the organisation is delegated to the Head of Friends and the Friends team, with strategic and financial decisions being considered and agreed by the Committee. The Friends of the V&A is grateful for ongoing assistance from many V&A departments, notably Development, Finance and Public Affairs.

Janet Gough Janet is a graduate in History and History of Art from Cambridge. Since 2008 Janet has been Director of the Cathedral and Church Buildings Division of the Archbishops' Council of the Church of England. The Church of England is responsible for 42 cathedrals and 16,000 parish churches, 12,500 of which are listed. Janet's team helps parishes and cathedrals conserve and develop their historic buildings and the treasures they contain, giving advice, running seminars, campaigning and fundraising on their behalf. Before that Janet worked for the Prince of Wales's Buildings Preservation Trust, spent ten years at Sotheby's and worked in corporate finance and in the City. Janet has been a Friend of the V&A for many years and for the last ten years a member of the V&A Director's Circle between 2002 and 2008 she was a volunteer guide at the Museum. Janet believes passionately in improving the visitor experience, attracting young people to engage with our collections and encouraging more proactive fundraising by a wider group of supporters.

Elizabeth Hamilton Elizabeth read French at the University of Kent and went on to work for Barclays Bank International in London and Brussels. As wife and mother, she pursued voluntary work for the visually impaired in Canada, the USA and Zimbabwe and here in London. Completion of a Diploma in the History of Art Studies led to becoming a V&A Volunteer Guide with a particular interest in tours for the visually impaired. For this she was awarded an MBE in 2011. She has long been a Friend of the V&A and serves on the Events Committee.

Vivek Nanda Vivek Nanda is an architect and urban planner currently Principal at Aecom covering global emerging markets. He was a partner at Alan Baxter & Associates where he headed the Urban Design and Regeneration practice. Over the last decade as a practitioner, design champion and advisor, his project expertise has ranged from strategic level planning policy (addressing the government's housing growth agenda), major transport projects, urban regeneration, masterplanning of urban extensions, also including, historic town centres and the design of public spaces. He has authored good practice guidance in urban design and transport and pioneered new approaches towards understanding city regions. As an international consultant he has advised several agencies and practices in the US, Europe, Central Asia, the Balkans and India. He has taught and led major research projects at the University of Cambridge and University College London. He is visiting faculty and lectures extensively at several key institutions in the UK, USA, Europe and South Asia. Vivek chairs the Nominations and Governance Group.



Risk management

The Friends of the V&A's systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- + A strategic plan and an annual budget approved by the Trustees;
- + Regular consideration by the Trustees of financial results, variance from budget, non-financial performance indicators and benchmarking reviews;
- + Delegation of authority and segregation of duties; and
- + Identification and management of risks.

The Trustees have implemented a formal risk management process designed to assess risks and implement risk management strategies. The risk register is formally reviewed annually, with the risk register being considered by the Trustees periodically.

FINANCIAL REVIEW

Total income for the year amounted to £2,239,373 (2013: £1,777,693) and consists mainly of subscriptions and income from events.

Resources expended amounted to £2,790,785 (2013: £1,251,183), including £1,849,308 for grants to the Museum and scholarships and £935,227 supporting the members.

Total income for the year amounted to £2,239,373 (2013 £1,777,693) and consists mainly of subscriptions and income from events

Reserves

The Trustees do not in general regard it as necessary or desirable to hold substantial reserves but to make donations to the V&A to assist it to purchase items or undertake projects

as soon as requested.

However, for reasons of prudence, the Trustees' opinion is that reserves should currently be held at a minimum of £400,000. The reserves policy is reviewed on a yearly basis and in line

with the growth in income. Reserves are also increased temporarily as necessary to meet known future funding requests from the Museum. Reserves at the end of March 2014 stood at £511,982.

Investment policy

The major part of the surplus funds is held in interest-bearing bank accounts, as are amounts waiting distribution to the Museum once approved by the Committee. The aim is to obtain as high an interest rate as is possible with minimum risk. Accounts with relatively speedy access are used, as funds for purchases are sometimes required at short notice. The Trustees consider it appropriate to retain a portion of the reserves in units of the M&G Charifund, a unit trust designed for and widely used by charities. This policy is regularly reviewed. The value of the units increased by 10.7% during the year.





PLANS FOR THE FUTURE

- 1 To continue in our aims and objectives by working to increase and consolidate Membership numbers.
- 2 To continue our extensive and involving programme of events.
- 3 To ensure that all Members enjoy a fulfilling relationship with the V&A and the V&A Museum of Childhood.
- 4 To encourage Members to continue and extend their support of the Museum, whether financial, as volunteers, or as ambassadors for the V&A and the V&A Museum of Childhood.

The Trustees are responsible for preparing their Trustees' Report and the financial statements in accordance with applicable law and regulations.

TRUSTEES' RESPONSIBILITIES

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the charitable company and of the surplus or deficit of the charitable company for that period. In preparing these financial statements the Trustees are required to:

- + Select suitable accounting policies and apply them consistently
- + Observe methods and principles in the Charities SORP
- + Make judgements and estimates that are reasonable and prudent
- + State whether applicable accounting standards 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 assume that the charitable company will continue in operation

The Trustees are also responsible for keeping proper 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.

So far as each of the Trustees is aware at the time the report is approved:

- + there is no relevant audit information of which the company's auditors are unaware; and
- + 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 auditors are aware of that information.

On behalf of the Trustees



Mr John Everett
Chairman
5 June 2014

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE FRIENDS OF THE V&A

We have audited the financial statements of The Friends of the V&A for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- + give a true and fair view of the charitable company's state of affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- + have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- + have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- + adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- + the financial statements are not in agreement with the accounting records and returns; or
- + certain disclosures of trustees' remuneration specified by law are not made; or
- + we have not received all the information and explanations we require for our audit.

Richard Weaver
Senior Statutory Auditor
for and on behalf of haysmacintyre,
Statutory Auditors and Chartered Accountants

26 Red Lion Square
London
WC1R 4AG

the FRIENDS OF THE V&A
STATEMENT OF
FINANCIAL ACTIVITIES
(including Income and
Expenditure Account)
FOR THE YEAR ENDED
31 MARCH 2014

| INCOME AND EXPENDITURE | | 2014 | 2013 |
|---|-------|------------------|------------------|
| | Notes | £ | £ |
| Incoming resources | | | |
| Incoming resources from generated funds: | | | |
| Voluntary income - donations and legacies | | 3,616 | 8,562 |
| Investment income | 2 | 12,580 | 11,347 |
| Incoming resources from charitable activities | | | |
| Supporting members | 3 | 2,223,177 | 1,757,784 |
| Total Incoming Resources | | 2,239,373 | 1,777,693 |
| Resources expended | | | |
| Charitable activities: | | | |
| Supporting the V&A Museum | 4 | 1,849,308 | 521,300 |
| Supporting Members | 5 | 935,227 | 723,783 |
| Governance costs | 6 | 6,250 | 6,100 |
| Total resources expended | | 2,790,785 | 1,251,183 |
| Net (outgoing)/incoming resources for the year | | (551,412) | 526,510 |
| Other recognised gains and losses: | | | |
| Unrealised gain on investments | | 10,076 | 12,237 |
| Net (outgoing)/incoming resources | | (541,336) | 538,747 |
| Balance brought forward at 1 April 2013 | | 1,053,318 | 514,571 |
| Balance carried forward at 31 March 2014 | | 511,982 | 1,053,318 |

The notes on pages 26 to 32 form part of these accounts.

All gains and losses arising in the year are included in the Statement of Financial Activities and arise from continuing operations.

the FRIENDS OF THE V&A
BALANCE SHEET AT
31 MARCH 2014

| | | 2014 | 2013 |
|--|-------|-----------|-----------|
| | Notes | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 9 | 12,104 | 17,780 |
| Investments | 10 | 104,147 | 94,071 |
| | | 116,251 | 111,851 |
| CURRENT ASSETS | | | |
| Debtors | 11 | 143,425 | 67,246 |
| Cash at bank and in hand | 12 | 535,210 | 1,427,148 |
| | | 678,635 | 1,494,394 |
| CREDITORS: amounts falling due within one year | 13 | (270,904) | (540,927) |
| NET CURRENT ASSETS | | 407,731 | 953,467 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 523,982 | 1,065,318 |
| Creditors falling due after one year | 13 | (12,000) | (12,000) |
| | | 511,982 | 1,053,318 |
| FUNDS | | | |
| Unrestricted funds (Including revaluation reserve £54,939 2013: £44,863) | 14 | 511,982 | 1,053,318 |

The financial statements were approved and authorised for issue by the Committee on 5 June 2014 and were signed below on its behalf by:



Philip Dowson | Trustee

The notes on pages 26 to 32 form part of these accounts.

the FRIENDS OF THE V&A
NOTES TO THE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2014

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, and in accordance with the Statement of Recommended Practice “Accounting and Reporting by Charities” (SORP 2005), applicable accounting standards and the Companies Act 2006.

Incoming resources

Subscriptions and donations

All subscriptions and donations, including life subscriptions, are accounted for on a receipts basis.

Investment income

Dividends and interest are included in the accounts on a receipts basis.

Other income

Other income is accounted for in the period in which it falls due.

Income received in advance for events is treated as deferred income and included in creditors.

Resources expended

Resources expended are included in the Statement of Financial Activities (SOFA) on an accruals basis, inclusive of any VAT which cannot be recovered. Costs are allocated directly to functional headings wherever possible.

Cost of generating funds

Costs of generating funds are all costs involved in obtaining generated funds.

Charitable activities

Charitable activities are those costs relating to the core purposes of the charity.

Governance costs

Governance costs are those costs relating to the strategic direction of the charity and of regulatory compliance.

Support costs

Support costs are those costs which are common to the range of charitable activities.

These have been allocated on the basis of time spent by staff in each area.

Pension costs

Pension costs are paid under a defined contribution scheme. The assets of the scheme are invested and managed independently of the finances of the Organisation. The pension costs charge represents contributions paid in the year.

Grants and Scholarships

Grants and scholarships are accounted for at the time they are approved.

Fixed assets

Individual fixed assets costing more than £1000 are capitalised at cost. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The estimated life used is 4 years for each asset.

Investments

Investments are stated at market value at the balance sheet date.
Net gains and losses arising on revaluations and disposals are charged or credited to the SOFA.

Stocks

Stocks of goods for resale are included at the lower of their cost or net realisable value.

Funds

Unrestricted funds may be applied to any of the charitable objects at the discretion of the trustees.
Designated funds are unrestricted funds which have been set aside by the trustees for particular purposes.

| | 2014 | 2013 |
|---|-----------|-----------|
| | £ | £ |
| 2 Investment Income | | |
| Interest receivable | 8,003 | 6,905 |
| Dividends received | 4,577 | 4,442 |
| | 12,580 | 11,347 |
| 3 Income from Supporting Members | | |
| Subscriptions | 2,054,523 | 1,642,665 |
| Friends events | 168,654 | 115,119 |
| | 2,223,177 | 1,757,784 |
| 4 Supporting the V&A Museum | | |
| Grants to the Victoria and Albert Museum (9 awards; 2013: 7) | 1,821,000 | 494,060 |
| Scholarships and grants to Museum staff (3 awards; 2013: 2) | 28,308 | 27,240 |
| | 1,849,308 | 521,300 |
| 5 Supporting Members | | |
| Direct costs | | |
| Member support | 254,985 | 212,208 |
| Magazine/newsletter | 217,200 | 156,639 |
| Friends events | 72,705 | 52,333 |
| | 544,890 | 421,180 |
| Support costs | | |
| Staff costs (note 7) | 336,206 | 262,623 |
| Other costs (note 8) | 54,131 | 39,980 |
| | 935,227 | 723,783 |

2014 2013

£ £

6 Governance Costs

| | | |
|-----------|-------|-------|
| Audit fee | 6,250 | 6,100 |
|-----------|-------|-------|

No trustees were reimbursed for expenses during the year (2013: one reimbursed for £209)
No committee member received any remuneration from the charity (2013: None).

7 Staff Costs

| | | |
|---|---------|---------|
| Staff recharged by V&A Museum / V&A Enterprises Ltd | 313,468 | 253,061 |
| Temporary staff | 21,239 | 9,562 |
| Recruitment costs | 1,499 | – |
| | 336,206 | 262,623 |

Due to rising membership the average number of employees increased during the year to 9 (2013: 7.5),
all of whom were recharged from V&A Museum / V&A Enterprises Ltd.
No member of staff received remuneration in excess of £60,000 (2013: Nil)

8 Other Support Costs

| | | |
|---|--------|--------|
| Depreciation | 5,676 | 3,406 |
| Bank and related charges | 31,058 | 23,695 |
| Printing, postage, stationery and telephone | 14,420 | 7,609 |
| Other costs | 2,977 | 5,270 |
| | 54,131 | 39,980 |

| | |
|-----------------------|--------|
| 9 Fixed Assets | £ |
| Cost | |
| At 1 April 2013 | 62,627 |
| Additions | – |
| At 31 March 2014 | 62,627 |
| Depreciation | |
| At 1 April 2013 | 44,847 |
| Charge for the year | 5,676 |
| At 31 March 2014 | 50,523 |
| Net Book Value | |
| At 31 March 2014 | 12,104 |
| At 31 March 2013 | 17,780 |

All assets are used by the charity in pursuance of its charitable objectives.
There were no capital commitments at 31 March 2014.

2014 2013

£

£

10 Investments

Quoted investments

| | | |
|---|----------------|---------------|
| Market value at 1 April 2013 | 94,071 | 81,834 |
| Unrealised investment gain | 10,076 | 12,237 |
| Market value at 31 March | 104,147 | 94,071 |
| Historical costs as at 31 March | 49,208 | 49,208 |
| Total unrealised gains included in unrestricted funds | 54,939 | 44,863 |

Investments consist of M&G Charifund Units.

11 Debtors

| | | |
|--------------------------------|----------------|---------------|
| Prepayments and accrued income | 10,935 | 2,302 |
| Recoverable taxes | 132,490 | 64,944 |
| | 143,425 | 67,246 |

12 Cash and Bank Balances

| | | |
|---------------------------|----------------|------------------|
| Interest bearing accounts | 338,142 | 1,388,895 |
| Current account and cash | 197,068 | 38,253 |
| | 535,210 | 1,427,148 |

13 Creditors

| | | |
|------------------------------------|----------------|----------------|
| Trade creditors | 81,448 | 65,820 |
| Accruals and advances received | 189,456 | 475,107 |
| | 270,904 | 540,927 |
| Amounts falling due after one year | 12,000 | 12,000 |

14 Movement in Funds

| | At 1 April 2013 £ | Movement In Funds £ | Transfers £ | At 31 March 2014 £ |
|----------------------------------|----------------------------|---------------------------|----------------|-----------------------------|
| Unrestricted funds | | | | |
| General | 553,318 | (41,336) | – | 511,982 |
| Designated - Future V&A projects | 350,000 | (350,000) | – | – |
| Designated - Juvisy painting | 150,000 | (150,000) | – | – |
| | 1,053,318 | (541,336) | – | 511,982 |

15 Commitments

No commitments have been made in respect of future periods.

16 Related Party

The Friends of the V&A have a very close working relationship with the Victoria and Albert Museum. During the year the Friends incurred liabilities to the Museum for management charges and other expenses totalling £64,353 (2013: £38,474) and made sales of £17,565 (2013: £13,184).

In addition the Friends paid over £2,096,202 of grants to the Museum (which included accrued awards from 2012/13).

At 31 March 2014 a total of £5,763 (2013: £5,011) was owed to the Museum and £9,984 (2013: £642) was due from the Museum.

In addition, £28,506 (2013: £23,768) was owed to V&A Enterprises Limited, a subsidiary of the Victoria and Albert Museum, in respect of staff salaries. During the year £282,810 was payable to V&A Enterprises Limited in respect of staff salaries.