THE V&A FOUNDATION

England & Wales · Charity number 1144508

Details

Status	Registered
Legal form	Charitable company
Company number	07788681
Registered	2011-11-02
Register	View on the Charity Commission register

Contact

Address	Victoria & Albert Museum Cromwell Road London SW7 2RL
Phone	02079422771
Email	a.misquitta@vam.ac.uk

Activities

Objects: The objects of the Foundation are for the benefit of the public, to further, in such manner as the Trustees of the Foundation see fit, all or any of the objects from time to time of the V&A and art, design and performance throughout the world in any manner incidental, conducive to or compatible with the charitable objects of the V&A. The Foundation achieves these objects through the award of grants.

Activities: The objects of the Foundation, as set out in its Memorandum and Articles are for the benefit of the public, to further, in so manner as the Trustees see fit, all or any of the objects from time to time of the Victoria and Albert Museum (V&A).

Classification

- **How:** Makes Grants To Organisations
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- Throughout England And Wales

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Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£251,270	£1,307,600	-	-
2024-03-31	£92,686	£826,674	-	-
2023-03-31	£20,203,141	£1,011,808	£51,277,301	0
2022-03-31	£1,129,819	£902,554	£33,045,458	0
2021-03-31	£136,734	£458,955	-	-

Trustees

Name	Role	Appointed
Andrew Hochhauser KC		2019-10-29
Baroness Nemat Shafik		2025-01-01
Bruce Hardy McLain		2026-04-01
Caroline Louise Silver		2022-07-01
Dr Catherine Colburn Hogel		2024-05-07
Heather Jane Acton		2019-10-29
Helle Elisabeth Skov McLain		2026-04-01
Lady Deborah Si Yin Buffini		2024-05-07
Peter John Marsden Williams		2019-10-29

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THE V&A FOUNDATION

England & Wales - Charity number 1144508

Accounts

THE V&A FOUNDATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

Charity Number: 1144508

Company Number: 07788681

THE V&A FOUNDATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

CONTENTS	**Page**
Reference and administrative details	3
Trustees' Report	4 – 6
Independent Auditors' Report	7-10
Statement of Financial Activities	11 - 12
Balance sheet	13
Statement of Cashflows	14
Notes to the Financial Statements	15 - 24

THE V&A FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Heather Acton (Chair) Lady Deborah Buffini (appointed 7 May 2024) Andrew Hochhauser KC Dr Catherine Høgel (appointed 7 May 2024) Alireza Sarikhani (resigned 13 May 2025) The Baroness Shafik DBE (appointed 13 May 2025) Caroline Silver Peter Williams Nigel Webb (resigned 13 May 2025)
Registered office	Victoria and Albert Museum Cromwell Road London SW7 2RL
Auditors	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Bankers	National Westminster Bank 18 Cromwell Place South Kensington London SW7 2LB
Solicitors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH
Company number	07788681
Charity number	1144508

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

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 2025.

Objects, Objectives and Activities

The objects of the Foundation are for the benefit of the public, to further, in so manner as the Trustees of the Foundation see fit, all or any of the objects from time to time of the V&A and art, design and performance throughout the world in any manner incidental, conducive to or compatible with the charitable objects of the V&A. The Foundation achieves these objects through the award of grants.

The Foundation has had regard to the guidance from the Charity Commission to ensure that its objects and activities are undertaken for the public benefit.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The V&A Foundation was incorporated as a company limited by guarantee on 27 September 2011 and registered as a charity on 2 November 2011. It is governed by its Memorandum and Articles which were updated on 9 January 2023 and again on 25 May 2023. The charitable company also acts as corporate trustee for the permanent endowment funds shown in note 10 to the financial statements.

Trustees

The Trustees, who are also the directors for the purposes of company law, who served during the period and since the year end are shown on page 3. None of the Trustees has any beneficial interest in the Foundation. New Trustees are elected to the Board by existing members.

The Trustees are responsible for the Foundation's overall management and control, including the implementation of policies. The Board meets regularly. They have certain legal, financial and fiduciary duties under charity law.

Trustees Induction and Training

New Trustees receive the latest Annual Report and Accounts and all relevant information relating to the Foundation. All Trustees are kept informed about relevant developments within the charity sector.

STRATEGIC REPORT

Risk Management

The Trustees are responsible for the management of the risks faced by the Foundation. Risks are identified, assessed and controls established as appropriate.

As a grant-making body, the major risk to the Foundation's ability to deliver its objectives is a failure to secure sufficient income for distribution. This year investments have returned to growth, following an increase in value in the prior year. The overall financial position of the Foundation remains strong and this, combined with the returns on investments gives the trustees confidence that they can continue to make distributions and deliver on the charity's objectives. The level of unrestricted funds held will also allow the Foundation to carry on its work in the event of a future slowdown in fundraising.

Achievements, Performance and Financial Review

During the year, the Foundation received donated income of £251,270 (2024: £92,686). Of this, £100,000 was a restricted donation with the remainder unrestricted, (in the prior year all income was unrestricted). Investments overall made an unrealised gain, net of investment managers fees, of £1,030,893 (2024: £4,766,691). Trustees made grants of £1,011,000 (2024: £657,100).

Total Return

Following the launch of the Foundation's successful endowment fundraising campaign, supported by the Heritage Lottery Fund's Catalyst: Endowment initiative, the Trustees have exercised their power under Section 104A(2) of the Charities Act 2011 to invest on a total return basis. The initial values of the trust for investment and unapplied total return were established as at 1 April 2016.

At 1 April 2016 and subsequently as donations were received under the endowment fundraising campaign, the value of these donations were allocated to the trust for investment. At the end of each year, except where donor agreements stated otherwise, an amount of up to 3.25% of the trust for investment is allocated to income from the unapplied total return at discretion of the trustees. An amount sufficient to maintain the real value of the trust for investment, based on CPI, is allocated from the unapplied total return to the trust for investment.

This year, the five permanent endowments invested on the Total Returns basis delivered a net return of £0.3m. (2024: £1.5m) After accounting for inflation this return was not sufficient to maintain a positive unapplied total return position, so no transfers were made from the permanent endowments, and each of the permanent endowments finished the year with negative unapplied total returns. It is hoped that future investment returns will further increase the value of the endowments to ensure their ability to continue to fund a consistent level of activity over the long term.

Reserves Policy

The Trustees have agreed that as the Foundation has very low running costs, £10,000 of unrestricted reserves should be retained to cover administrative and compliance costs. At the balance sheet date, the Foundation's unrestricted reserves were £8.3m (2024: £7.9m); the excess will be distributed in line with the Foundation's charitable objects as suitable grant requests are received.

Plans for the Future

The Foundation will continue to raise funds in line with existing priorities, while keeping a close eye on the performance of the endowments relative to the level of activity that they are required to fund.

How we Fundraise

Fundraising for the Foundation is supported by the V&A's Development team. The V&A's Development team has an exceptional reputation in the sector for fundraising professionally, responsibly and sensitively. Many of the V&A's fundraising team are members of the Institute of Fundraising and the V&A is registered with the Fundraising Regulator, whose Code of Fundraising Practice and Fundraising Promise set a standard for fundraising activity in the UK. The Legacies team are members of the Institute of Legacy Management, and the V&A is also registered with Remember a Charity, a consortium of 200 charities based at the Institute of Fundraising that encourages legacy giving in the UK.

The Foundation's approach to fundraising is highly personalised. The Foundation operates almost exclusively on a one-to-one basis with its supporters and partners, ensuring communications are not excessive or intrusive and that the individuals contacted do not feel under any undue pressure to donate.

When feedback is received from supporters on how the Foundation could improve, it is taken very seriously, and the Foundation is pleased that it has had no complaints related directly to how it fundraises in the last year.

When fundraising is carried out on behalf of the Foundation it is with a small group of trusted partners who help it secure sponsorship from organisations, or individuals who promote the Foundation through their personal and professional connections. The Foundation works closely with these partners to ensure their approach consistently meets the high standards of its own fundraising.

Grant-making policy

The Trustees consider applications from the V&A and other bodies for grants and make such grants as seem best calculated to advance the charitable objects of the Foundation, ensuring always that the requests and stipulations

of donors are strictly met. The Trustees monitor grants through reviewing updates from recipients on how money has being spent and the outcomes and impact of the project.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity 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 Foundation and of the incoming resources and application of resources of the Foundation 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 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 charitable company will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the Trust 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:
(a) so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
(b) the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's 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.

Auditors
Moore Kingston Smith LLP were appointed as auditors during the year and, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

The Trustees' Report, incorporating the Strategic Report, was approved by the Board of Trustees on 14 October 2025 and signed on its behalf by:

.....
Heather Acton, Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF V&A FOUNDATION

Opinion

We have audited the financial statements of V&A Foundation ('the company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 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.

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 charitable company 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 charitable company'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 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 there is 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, 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, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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 company's members 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

.....

Samir Chandoo (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 31 October 2025

6th Floor
9 Appold Street
London
EC2A 2AP

THE V&A FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted Mar-25 £	Restricted Mar-25 £	Endowment Mar-25 £	Total Mar-25 £	Total 31-Mar-24 £
INCOMING RESOURCES						
Income and endowments from:						
Donations and legacies	2	151,270	100,000	-	251,270	92,686
Total income		**151,270**	**100,000**	**-**	**251,270**	**92,686**
Expenditure on:						
Charitable activities						
Grants payable		34,000	977,000	-	1,011,000	657,100
Governance costs		25,163	-	-	25,163	24,608
Investment Management Costs		63,369	90,724	117,344	271,437	144,966
Total resources expended	3	**122,532**	**1,067,724**	**117,344**	**1,307,600**	**826,674**
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS		**28,738**	**(967,724)**	**(117,344)**	**(1,056,330)**	**(733,988)**
Gains on Investments		302,543	436,465	563,322	1,302,330	4,911,657
NET EXPENDITURE		**331,281**	**(531,259)**	**445,978**	**246,000**	**4,177,669**
Transfers between funds	9	33,232	530,007	(563,239)	-	-
Net movement in funds		**364,513**	**(1,252)**	**(117,261)**	**246,000**	**4,177,669**
Funds brought forward as at 1 April		7,924,524	24,450,368	23,080,079	55,454,971	51,277,301
FUNDS AS AT 31 MARCH	9	**8,289,037**	**24,449,116**	**22,962,818**	**55,700,971**	**55,454,971**

All activities are continuing. There are no other gains or losses other than those shown above.

THE V&A FOUNDATION

PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted 2024	Restricted 2024	Endowment 2024	Total 2024
INCOMING RESOURCES					
Income and endowments from:					
Donations and legacies	2	92,686	-	-	92,686
Total income		**92,686**	-	**-**	**92,686**
Expenditure on:					
Charitable activities					
Grants payable		83,100	574,000	-	657,100
Governance costs		24,608	-	-	24,608
Investment Management costs		32,129	48,269	64,568	144,966
Total resources expended	3	**139,838**	**622,269**	**64,568**	**826,674**
NET INCOME / (EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS		**(47,152)**	**(622,269)**	**(64,568)**	**(733,988)**
Gains on Investments		1,218,261	1,509,875	2,183,522	4,911,657
NET INCOME		**1,171,109**	**887,606**	**2,118,954**	**4,177,669**
Transfers between funds	9	31,188	623,747	(654,935)	-
Net movement in funds		**1,202,297**	**1,511,353**	**1,464,019**	**4,177,669**
Funds brought forward as at 1 April		6,722,227	22,939,015	21,616,059	51,277,301
FUNDS AS AT 31 MARCH	9	**7,924,524**	**24,450,368**	**23,080,079**	**55,454,971**

All activities are continuing. There are no other gains or losses other than those shown above.

THE V&A FOUNDATION
company number: 07788681

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	2024 £
NON-CURRENT ASSETS			
Investments	5	54,419,948	53,289,056
CURRENT ASSETS			
Debtors	6	146,559	90,395
Cash at bank		1,146,842	2,142,739
		1,293,401	**2,233,134**
CREDITORS: amounts falling due within one year	7	(12,378)	(67,219)
NET CURRENT ASSETS		1,281,023	2,165,916
TOTAL ASSETS LESS CURRENT LIABILITIES		**55,700,971**	**55,454,971**
NET ASSETS			
Represented by:			
Unrestricted funds		8,289,037	7,924,524
Restricted funds		24,449,116	24,450,368
Endowment funds		22,962,818	23,080,078
	9	**55,700,971**	**55,454,971**

The accounts were approved and authorised for issue by the Board of Trustees on 14 October 2025 and signed on its behalf by:

Heather Acton
Chair of the Board

The notes on pages 15 to 24 form part of these financial statements.

THE V&A FOUNDATION

STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2025

	Notes	2025 £	2024 £
Net cash (used by) / provided by operating activities	A	**(895,897)**	**(620,543)**
Cash flows from investing activities:			
Purchase of investments		(100,000)	-
Sale of investments		-	574,000
Interest from investments		-	-
Net cash (used in) / provided by investing activities		**(100,000)**	**574,000**
Change in cash and cash equivalents in the reporting period		(995,897)	(46,543)
Cash and cash equivalents at the beginning of the year		2,142,739	2,189,282
Cash and cash equivalents at the end of the year		**1,146,842**	**2,142,739**

A: Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income	**246,000**	4,177,669
Loss/(Gain) on investments	**(1,302,330)**	(4,911,657)
Interest from investments	**-**	-
Investment fees (deducted from portfolio)	**271,437**	144,966
(Increase) / Decrease in debtors	**(56,164)**	(89,687)
Increase / (Decrease) in creditors	**(54,840)**	58,167
Net cash provided by operating activities	**(895,897)**	**(620,543)**

1. ACCOUNTING POLICIES

Basis of preparation
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The V&A Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

Going Concern
The trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern for 12 months from the date of signing these financial statements. Accordingly, the going concern basis continues to be adopted in preparing the financial statements.

Donations, grants and legacies
Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Foundation is considered probable. Pecuniary legacies are recognised once probate has been granted and notification of entitlement has been received. Residuary legacies are recognised when probate is granted and there is sufficient information to value them and any conditions attached to the legacy are either within the control of the charity have been met. An allowance is made against the amounts receivable to reflect the uncertainty inherent in estate administration.

Investment income
Investment income is accounted for on an accruals basis.

Expenditure
Expenditure is charged to the Statement of Financial Activities on an accruals basis and is charged as follows:

Grants payable are charged in the year which the offer is conveyed to the recipient except where the grant is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled. Grants offered which are subject to conditions that have not been met at the year-end are noted as commitments. Governance costs are those costs relating to the strategic direction of the charity and of regulatory compliance.

Financial Instruments
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

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 Statement of Financial Activities.

1. ACCOUNTING POLICIES (continued)

Debtors
Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Funds
Unrestricted funds – these represent the initial investment in the Foundation available for distribution at the Trustees' discretion. A transfer is made to unrestricted funds each year representing 3.25% of the General Endowment fund capital allocated from the unapplied total return of the General Endowment.

Restricted funds – these represent the different projects that the Foundation supports, following the receipt of income specifically restricted to these projects – detailed in note 10. Transfers are made each year representing 3.25% of the Restricted Endowment fund capital and allocated to income from the unapplied total return of the Endowment Funds.

Endowment funds – these are funds that the donor has stated are to be held as capital or expended over the long term. The charitable company acts as corporate trustee of the permanent endowment funds and accordingly these are reflected in the financial statements.

2. VOLUNTARY INCOME

	Unrestricted 2025 £	Restricted 2025 £	Endowment 2025 £	Total 2025 £
Legacies	150,250	-	-	150,250
Donations	1,020	100,000	-	101,020
	151,270	**100,000**	**-**	**251,270**

	Unrestricted 2024 £	Restricted 2024 £	Endowment 2024 £	Total 2024 £
Legacies	89,628	-	-	89,628
Donations	3,058	-	-	3,058
	92,686	**-**	**-**	**92,686**

3. EXPENDITURE

a. Charitable activities	Unrestricted 2025 £	Restricted 2025 £	Endowment 2025 £	Total 2025 £
Grants payable:				
Curatorial and Exhibitions	**-**	**477,000**	**-**	**477,000**
General Activities	**34,000**	**-**	**-**	**34,000**
Capital Projects		**500,000**		**500,000**
Governance costs	**14,249**	**-**	**-**	**14,249**
Insurance	**1,034**	**-**	**-**	**1,034**
Bank charges	**1**	**-**	**-**	**1**
Accounting and administrative services	**9,879**	**-**	**-**	**9,879**
Investment management fees	**63,369**	**90,724**	**117,344**	**271,437**
	122,532	**1,067,724**	**117,344**	**1,307,600**

b. Charitable activities	Unrestricted 2024 £	Restricted 2024 £	Endowment 2024 £	Total 2024 £
Grants payable:				
Curatorial and Exhibitions	-	574,000	-	574,000
General Activities	83,100	-	-	83,100
Governance costs	16,398	-	-	16,398
Insurance	961	-	-	961
Bank charges	50	-	-	50
Accounting and administrative services	7,200	-	-	7,200
Investment management fees	32,129	48,269	64,568	144,966
	139,838	**622,269**	**64,568**	**826,675**

4. TRUSTEES

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Foundation during the year (2024-25: nil).

5. INVESTMENTS

	2025 £	2024 £
Market value of investments at 1 April	**53,289,054**	49,096,367
Additions at cost	**100,000**	-
Disposals at market value	**-**	(574,000)
Gains/(Losses) on investments (net of fees)	**1,030,894**	4,766,687
Market value of investments at 31 March	**54,419,948**	**53,289,054**

6. DEBTORS

	2025 £	2024 £
Accrued income	**145,750**	89,628
Prepayments	**809**	767
	146,559	**90,395**

7. CREDITORS: amounts falling due within one year

	2025 £	2024 £
Accruals	**12,378**	67,219
	12,378	**67,219**

8. NET ASSETS BETWEEN FUNDS

	Unrestricted 2025 £	Restricted 2025 £	Endowment 2025 £	Total 2025 £
Fund balances at 31 March are represented by:				
Non-Current assets	7,946,195	23,510,935	22,962,818	54,419,948
Current assets	355,220	938,181	-	1,293,401
Current liabilities	(12,378)	-	-	(12,378)
Net assets	**8,289,037**	**24,449,116**	**22,962,818**	**55,700,971**

	Unrestricted 2024 £	Restricted 2024 £	Endowment 2024 £	Total 2024 £
Fund balances at 31 March are represented by:				
Non-Current assets	7,394,365	22,814,611	23,080,078	53,289,054
Current assets	597,378	1,635,757	-	2,233,135
Current liabilities	(67,218)	-	-	(67,218)
Net assets	**7,924,525**	**24,450,368**	**23,080,078**	**55,454,971**

9. FUNDS

FUNDS	At 1 April 2024	Incoming resources	Resources expended	Transfers	Investment gains/(losses)	At 31 March 2025
Restricted funds						
Curatorial and Exhibitions	356,536	100,000	(477,513)	530,007	3,396	512,426
Jameel Gallery Refurbishment Fund	2,175,442	-	-	-	-	2,175,442
Safeguarding the Collection	21,918,390	-	(590,211)	-	433,069	21,761,248
Expendable endowment funds						
Jewellery curator post	1,470,538	-	(7,477)	-	35,892	1,498,954
Illustration award	242,013	-	(1,230)	-	5,907	246,689
Catalyst - Art Jameel	2,045,160	-	(10,398)	(430,000)	49,917	1,654,679
Catalyst - Fashion	71,438	-	(363)	(14,001)	1,744	58,818
Catalyst - Iranian Treasures	867,603	-	(4,411)	(28,000)	21,176	856,368
Catalyst - Porter	201,644	-	(1,025)	(39,006)	4,922	166,535
Catalyst - General fund	109,663	-	(558)	(33,232)	2,677	78,548
Elizabeth Gage Curator of Jewellery	920,102	-	(4,678)	(19,000)	22,457	918,881
Permanent endowment funds						
Art Jameel	12,375,279	-	(62,919)	-	302,048	12,614,409
Fashion	359,369	-	(1,827)	-	8,771	366,313
Iranian Treasures	2,505,894	-	(12,740)	-	61,162	2,554,316
Porter	998,527	-	(5,077)	-	24,371	1,017,821
General fund	912,850	-	(4,641)	-	22,280	930,489
Unrestricted funds	7,924,524	151,270	(122,534)	33,232	302,543	8,289,042
	55,454,971	**251,270**	**(1,307,602)**	**-**	**1,302,332**	**55,700,971**

9. FUNDS (continued)

FUNDS	At 1 April 2023	Incoming resources	Resources expended	Transfers	Investment gains/(losses)	At 31 March 2024
Restricted funds						
Curatorial and Exhibitions	306,789	-	(574,000)	623,747	-	356,536
Jameel Gallery Refurbishment Fund	2,175,442	-	-	-	-	2,175,442
Safeguarding the Collection	20,456,784	-	(48,269)	-	1,509,875	21,918,390
Expendable endowment funds						
Jewellery curator post	1,402,094	-	(4,187)	(69,000)	141,631	1,470,538
Illustration award	225,872	-	(675)	(6,000)	22,816	242,013
Catalyst - Art Jameel	2,260,564	-	(6,752)	(437,000)	228,348	2,045,160
Catalyst - Fashion	67,072	-	(200)	(2,209)	6,775	71,438
Catalyst - Iranian Treasures	720,725	-	(2,153)	76,228	72,803	867,603
Catalyst - Porter	189,319	-	(566)	(6,233)	19,124	201,644
Catalyst - General fund	102,987	-	(307)	(3,420)	10,403	109,663
Elizabeth Gage Curator of Jewellery	894,425	-	(2,672)	(62,000)	90,349	920,102
Permanent endowment funds						
Art Jameel	11,270,470	-	(33,665)	-	1,138,474	12,375,279
Fashion	337,242	-	(1,007)	(10,932)	34,066	359,369
Iranian Treasures	2,351,601	-	(7,024)	(76,227)	237,544	2,505,894
Porter	937,045	-	(2,799)	(30,374)	94,655	998,527
General fund	856,644	-	(2,559)	(27,768)	86,533	912,850
Unrestricted funds	6,722,227	92,686	(139,838)	31,188	1,218,261	7,924,524
	51,277,301	**92,686**	**(826,673)**	**-**	**4,911,657**	**55,454,971**

Curatorial and Exhibitions These represent funds to be applied towards specific curatorial and exhibitions activities. Grants are made following successful applications to the Trustees.

Jameel Gallery Refurbishment Fund is set aside for the refurbishment of this gallery space.

Safeguarding the Collection this donation was made to enable the ongoing safekeeping and accessibility of the V&A Museum's collection

Endowment Funds The endowment funds have been provided to support specific posts within the V&A, as well as the general activities of the Charity. The charitable company is the Corporate Trustee of the permanent endowment funds and the transactions and balances relating to these funds are reflected in the financial statements accordingly.

Transfers A portion of investment returns on Endowment funds are allocated to the relevant Restricted funds and are available to spend.

10. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS

	Art Jameel	Fashion	Iran	Porter	General	Total
At 1 April 2024						
Trust for investment						
Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	13,877,715
Inflationary uplift	3,118,096	90,477	630,894	248,527	229,026	4,317,020
Unapplied total return	(1,042,817)	-	-	-	-	(1,042,817)
Total	**12,375,279**	**359,369**	**2,505,894**	**998,527**	**856,649**	**17,151,918**
Movements in the reporting period						
Gift of endowment funds	-	-	-	-	-	-
Investment return: realised and unrealised gains	302,048	8,771	61,162	24,371	22,280	418,633
Less: investment management costs	(62,919)	(1,827)	(12,740)	(5,077)	(4,641)	(87,204)
Total	239,129	6,944	48,422	19,295	17,639	331,429
Income paid out to restricted funds in the reporting period	-	-	-	-	-	-
Transfer to expendable endowment	-	-	-	-	-	-
Net movement in the reporting period:	239,129	6,944	48,422	19,295	17,639	331,429
At 31 March 2025						
Trust for investment						
Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	13,877,715
Inflationary uplift	3,538,855	102,695	716,095	282,476	260,064	4,900,185
Unapplied total return	(1,224,447)	(5,274)	(36,779)	(14,655)	(13,398)	(1,294,553)
Total	12,614,408	366,313	2,554,316	1,017,821	930,489	17,483,347

10. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS (continued)

	Art Jameel	Fashion	Iran	Porter	General	Total
At 1 April 2023						
Trust for investment Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	2,689,818	77,662	541,533	212,919	196,473	**3,718,405**
Unapplied total return	(1,719,348)	(9,312)	(64,932)	(25,874)	(23,652)	**(1,843,118)**
Total	**11,270,470**	**337,242**	**2,351,601**	**937,045**	**856,644**	**15,753,002**
Movements in the reporting period						
Gift of endowment funds	-	-	-	-	-	-
Investment return: realised and unrealised gains	1,138,474	34,066	237,544	94,655	86,533	**1,591,272**
Less: investment management costs	(33,665)	(1,007)	(7,024)	(2,799)	(2,559)	**(47,054)**
Total	**1,104,809**	**33,059**	**230,520**	**91,856**	**83,974**	**1,544,218**
Income paid out to restricted funds in the reporting period	-	(10,933)	-	-	-	**(10,933)**
Transfer to expendable endowment	-	-	(76,227)	(30,374)	(27,768)	**(134,369)**
Net movement in the reporting period:	**1,104,809**	**22,126**	**154,293**	**61,482**	**56,206**	**1,398,916**
At 31 March 2024						
Trust for investment Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	3,118,096	90,477	630,894	248,527	229,026	**4,317,020**
Unapplied total return	(1,042,817)	-	-	-	-	**(1,042,817)**
Total	**12,375,279**	**359,369**	**2,505,894**	**998,527**	**912,849**	**17,151,918**

10. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS (continued)

The Charity Trustees have exercised their powers to adopt a total return approach under section 104A of the Charities Act 2011 as amended by the Trust (Capital and Income) Act 2013.

The terms of the Jameel Endowment require an inflationary uplift based on CPI to be added to the value of the Trust for investment and this is not available for distribution. The inflationary uplift for the year was £420,759 (2024: £428,728). In accordance with the terms of the Jameel Trust deed, any surplus total return over and above the inflationary uplift and the 3.25% of the opening capital value spending rule is transferred to the Jameel refurbishment fund which is treated as a restricted income fund and shown in Note 10 to the financial statements.

The terms of the other endowments do not require an inflationary uplift; however, the trustees have adopted a policy of maintaining the real value of the trusts for investment and therefore a similar treatment has been applied.

11. RELATED PARTY TRANSACTIONS

The Foundation has one Trustee in common with the Victoria and Albert Museum. While the museum provides accounting and administrative services, these are charged for on an arm's length basis and the Foundation is run independently from, and is not controlled by, the museum. During the year grants of £977,000 were payable by the Foundation to the Museum (2024: £574,000). At year end no grant remained to be paid over to the museum. (2024: £nil)

12. POST BALANCE SHEET EVENT

There were no post balance sheet events.

THE V&A FOUNDATION

England & Wales - Charity number 1144508

Accounts

THE V&A FOUNDATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

Charity Number: 1144508

Company Number: 07788681

THE V&A FOUNDATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

CONTENTS	**Page**
Reference and administrative details	3
Trustees' Report	4 – 6
Independent Auditors' Report	7-10
Statement of Financial Activities	11 - 12
Balance sheet	13
Statement of Cashflows	14
Notes to the Financial Statements	15 - 24

THE V&A FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Heather Acton (Chair) Lady Deborah Buffini (appointed 7 May 2024) Sir Nicholas Coleridge CBE (to 31 October 2023 – resigned) Andrew Hochhauser KC Dr Catherine Hogel (appointed 7 May 2024) Lady Jill Shaw Ruddock (to 23 October 2023 – resigned) Alireza Sarikhani Bernard Selz (to 25 May 2023 - resigned) Caroline Silver Peter Williams Nigel Webb (appointed 9 February 2024)
Registered office	Victoria and Albert Museum Cromwell Road London SW7 2RL
Auditors	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Bankers	National Westminster Bank 18 Cromwell Place South Kensington London SW7 2LB
Solicitors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH
Company number	07788681
Charity number	1144508

THE V&A FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

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 2024.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The V&A Foundation was incorporated as a company limited by guarantee on 27 September 2011 and registered as a charity on 2 November 2011. It is governed by its Memorandum and Articles which were updated on 9 January 2023 and again on 25 May 2023. The charitable company also acts as corporate trustee for the permanent endowment funds shown in note 10 to the financial statements.

Trustees

The Trustees, who are also the directors for the purposes of company law, who served during the period and since the year end are shown on page 3. None of the Trustees has any beneficial interest in the Foundation. New Trustees are elected to the Board by existing members.

The Trustees are responsible for the Foundation's overall management and control, including the implementation of policies. The Board meets regularly. They have certain legal, financial and fiduciary duties under charity law.

Trustees Induction and Training

New Trustees receive the latest Annual Report and Accounts and all relevant information relating to the Foundation. All Trustees are kept informed about relevant developments within the charity sector.

STRATEGIC REPORT

Risk Management

The Trustees are responsible for the management of the risks faced by the Foundation. Risks are identified, assessed and controls established as appropriate.

As a grant-making body, the major risk to the Foundation's ability to deliver its objectives is a failure to secure sufficient income for distribution. This year investments have returned to growth, following a modest decrease in value in the prior year. The overall financial position of the Foundation remains strong and this, combined with the returns on investments gives the trustees confidence that they can continue to make distributions and deliver on the charity's objectives. The level of unrestricted funds held will also allow the Foundation to carry on its work in the event of a future slowdown in fundraising.

Objects, Objectives and Activities

The objects of the Foundation are for the benefit of the public, to further, in so manner as the Trustees of the Foundation see fit, all or any of the objects from time to time of the V&A and art, design and performance throughout the world in any manner incidental, conducive to or compatible with the charitable objects of the V&A. The Foundation achieves these objects through the award of grants.

The Foundation has had regard to the guidance from the Charity Commission to ensure that its objects and activities are undertaken for the public benefit.

Achievements, Performance and Financial Review

During the year, the Foundation received donated income of £92,686 (2023: £20,009,874). All of this was unrestricted (in the prior year a restricted donation of £20,000,000 was received). Investments overall made an unrealised gain of £4,911,657 (2023: loss of £959,490). Trustees made grants of £657,100 (2023: £819,079).

Total Return

Following the launch of the Foundation's successful endowment fundraising campaign, supported by the Heritage Lottery Fund's Catalyst: Endowment initiative, the Trustees have exercised their power under Section 104A(2) of the Charities Act 2011 to invest on a total return basis. The initial values of the trust for investment and unapplied total return were established as at 1 April 2016.

At 1 April 2016 and subsequently as donations were received under the endowment fundraising campaign, the value of these donations were allocated to the trust for investment. At the end of each year, except where donor agreements stated otherwise, an amount of up to 3.25% of the trust for investment is allocated to income from the unapplied total return at discretion of the trustees. An amount sufficient to maintain the real value of the trust for investment, based on CPI, is allocated from the unapplied total return to the trust for investment.

This year, returns were positive and all permanent endowments bar the Jameel endowment are no longer in a negative unapplied total return position. It is hoped that future investment returns will further increase the value of the endowments to ensure their ability to continue to fund a consistent level of activity over the long term.

Reserves Policy

The Trustees have agreed that as it has very low running costs, £10,000 of unrestricted reserves should be retained to cover administrative and compliance costs. At the balance sheet date, the Foundation's unrestricted reserves were £7.9m (2023: £6.7m); the excess will be distributed in line with the Foundation's charitable objects as suitable grant requests are received.

Plans for the Future

The Foundation will continue to raise funds in line with existing priorities, while keeping a close eye on the performance of the endowments relative to the level of activity that they are required to fund.

How we Fundraise

Fundraising for the Foundation is supported by the V&A's Development team. The V&A's Development team has an exceptional reputation in the sector for fundraising professionally, responsibly and sensitively. Many of the V&A's fundraising team are members of the Institute of Fundraising and the V&A is registered with the Fundraising Regulator, whose Code of Fundraising Practice and Fundraising Promise set a standard for fundraising activity in the UK. The Legacies team are members of the Institute of Legacy Management, and the V&A is also registered with Remember a Charity, a consortium of 200 charities based at the Institute of Fundraising that encourages legacy giving in the UK.

The Foundation's approach to fundraising is highly personalised. The Foundation operates almost exclusively on a one-to-one basis with its supporters and partners, ensuring communications are not excessive or intrusive and that the individuals contacted do not feel under any undue pressure to donate.

When feedback is received from supporters on how the Foundation could improve, it is taken very seriously, and the Foundation is pleased that it has had no complaints related directly to how it fundraises in the last year.

When fundraising is carried out on behalf of the Foundation it is with a small group of trusted partners who help it secure sponsorship from organisations, or individuals who promote the Foundation through their personal and professional connections. The Foundation works closely with these partners to ensure their approach consistently meets the high standards of its own fundraising.

Grant-making policy

The Trustees consider applications from the V&A and other bodies for grants and make such grants as seem best calculated to advance the charitable objects of the Foundation, ensuring always that the requests and stipulations

of donors are strictly met. The Trustees monitor grants through reviewing updates from recipients on how money has being spent and the outcomes and impact of the project.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity 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 Foundation and of the incoming resources and application of resources of the Foundation 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 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 charitable company will continue in business

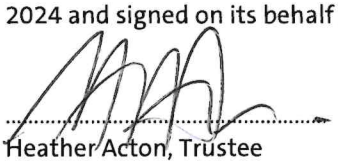
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

The Trustees confirm that:
(a) so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
(b) the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's 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.

Auditors
Moore Kingston Smith LLP were appointed as auditors during the year and, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

The Trustees' Report, incorporating the Strategic Report, was approved by the Board of Trustees on 16 October 2024 and signed on its behalf by:



Heather Acton, Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF V&A FOUNDATION

Opinion

We have audited the financial statements of V&A Foundation ('the company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 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.

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 charitable company 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 charitable company'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 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 there is 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, 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, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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 company's members 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

.....

Samir Chandoo (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 30 October 2024

6th Floor
9 Appold Street
London
EC2A 2AP

THE V&A FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted 2024 £	Restricted 2024 £	Endowment 2024 £	Total 2024 £	Total 2023 £
INCOMING RESOURCES						
Income and endowments from:						
Donations and legacies	2	92,686	-	-	92,686	20,009,874
Investment income	3	-	-	-	-	193,267
Total income		**92,686**	-	-	**92,686**	**20,203,141**
Expenditure on:						
Charitable activities						
Grants payable		83,100	574,000	-	657,100	819,079
Governance costs		24,608	-	-	24,608	17,164
Investment Management costs		32,129	48,269	64,568	144,966	175,565
Total resources expended	4	**139,838**	**622,269**	**64,568**	**826,674**	**1,011,808**
NET INCOME / (EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS		**(47,152)**	**(622,269)**	**(64,568)**	**(733,988)**	**19,191,333**
Gains/(Losses) on Investments		1,218,261	1,509,875	2,183,522	4,911,657	(959,490)
NET INCOME		**1,171,109**	**887,606**	**2,118,954**	**4,177,669**	**18,231,843**
Transfers between funds	10	31,188	623,747	(654,935)	-	-
Net movement in funds		**1,202,297**	**1,511,353**	**1,464,019**	**4,177,670**	**18,231,843**
Funds brought forward as at 1 April		6,722,227	22,939,015	21,616,059	51,277,301	33,045,458
FUNDS AS AT 31 MARCH	10	**7,924,524**	**24,450,368**	**23,080,078**	**55,454,971**	**51,277,301**

All activities are continuing. There are no other gains or losses other than those shown above.

THE V&A FOUNDATION

PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £
INCOMING RESOURCES					
Income and endowments from:					
Donations and legacies	2	9,874	20,000,000	-	20,009,874
Investment income	3	18,267	175,000	-	193,267
Total income		**28,141**	**20,175,000**	**-**	**20,203,141**
Expenditure on:					
Charitable activities					
Grants payable		195,000	624,079	-	819,079
Governance costs		17,164	-	-	17,164
Investment Management costs		30,011	39,381	106,173	175,565
Total resources expended		**242,175**	**663,460**	**106,173**	**1,011,808**
NET INCOME/(EXPENDITURE) BEFORE GAINS & LOSSES ON INVESTMENTS		**(214,034)**	**19,511,540**	**(106,173)**	**19,191,333**
Gains/(Losses) on Investments		(222,152)	321,165	(1,058,503)	(959,490)
NET INCOME		**(436,186)**	**19,832,705**	**(1,164,676)**	**18,231,843**
Transfers between funds		33,978	2,853,716	(2,887,694)	-
Net movement in funds		**(402,208)**	**22,686,421**	**(4,052,370)**	**18,231,843**
Funds brought forward as at 1 April		7,124,435	252,594	25,668,429	33,045,458
FUNDS AS AT 31 MARCH		**6,722,227**	**22,939,015**	**21,616,059**	**51,277,301**

All activities are continuing. There are no other gains or losses other than those shown above.

THE V&A FOUNDATION
company number: 07788681

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	2023 £
NON-CURRENT ASSETS			
Investments	6	53,289,056	49,096,367
CURRENT ASSETS			
Debtors	7	90,395	706
Cash at bank		2,142,739	2,189,279
		2,233,134	**2,189,985**
CREDITORS: amounts falling due within one year	8	(67,219)	(9,051)
NET CURRENT ASSETS		2,165,915	2,180,934
TOTAL ASSETS LESS CURRENT LIABILITIES		**55,454,971**	**51,277,301**
NET ASSETS			
Represented by:			
Unrestricted funds		7,924,524	6,722,227
Restricted funds		24,450,368	22,939,015
Endowment funds		23,080,078	21,616,059
	9	**55,454,971**	**51,277,301**

The accounts were approved and authorised for issue by the Board of Trustees on 16 October 2024 and signed on its behalf by:

.....
Heather Acton
Chair of the Board

The notes on pages 15 to 25 form part of these financial statements.

THE V&A FOUNDATION

STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2024

	Notes	2024 £	2023 £
Net cash (used by) / provided by operating activities	A	**(620,543)**	**19,123,753**
Cash flows from investing activities:			
Purchase of investments		-	(21,181,193)
Sale of investments		574,000	-
Interest from investments		-	193,267
Net cash (used in) / provided by investing activities		**574,000**	**(20,987,926)**
Change in cash and cash equivalents in the reporting period		(46,543)	(1,864,173)
Cash and cash equivalents at the beginning of the year		2,189,279	4,053,452
Cash and cash equivalents at the end of the year		**2,142,736**	**2,189,279**

A: Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income	4,177,669	18,231,843
Loss/(Gain) on investments	(4,911,657)	959,490
Interest from investments	-	(193,267)
Investment fees (deducted from portfolio)	144,966	175,565
(Increase) / Decrease in debtors	(89,687)	733
Increase / (Decrease) in creditors	58,167	(50,611)
Net cash provided by operating activities	**(620,543)**	**19,123,753**

1. ACCOUNTING POLICIES

Basis of preparation
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The V&A Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

Going Concern
The trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern for 12 months from the date of signing these financial statements. Accordingly, the going concern basis continues to be adopted in preparing the financial statements.

Donations, grants and legacies
Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Foundation is considered probable. Pecuniary legacies are recognised once probate has been granted and notification of entitlement has been received. Residuary legacies are recognised when probate is granted and there is sufficient information to value them and any conditions attached to the legacy are either within the control of the charity have been met. An allowance is made against the amounts receivable to reflect the uncertainty inherent in estate administration.

Investment income
Investment income is accounted for on an accruals basis.

Expenditure
Expenditure is charged to the Statement of Financial Activities on an accruals basis and is charged as follows:

Grants payable are charged in the year which the offer is conveyed to the recipient except where the grant is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled. Grants offered which are subject to conditions that have not been met at the year-end are noted as commitments. Governance costs are those costs relating to the strategic direction of the charity and of regulatory compliance.

Financial Instruments
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

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 Statement of Financial Activities.

1. ACCOUNTING POLICIES (continued)

Debtors
Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Funds
Unrestricted funds – these represent the initial investment in the Foundation available for distribution at the Trustees' discretion. A transfer is made to unrestricted funds each year representing 3.25% of the General Endowment fund capital allocated from the unapplied total return of the General Endowment.

Restricted funds – these represent the different projects that the Foundation supports, following the receipt of income specifically restricted to these projects – detailed in note 10. Transfers are made each year representing 3.25% of the Restricted Endowment fund capital and allocated to income from the unapplied total return of the Endowment Funds.

Endowment funds – these are funds that the donor has stated are to be held as capital or expended over the long term. The charitable company acts as corporate trustee of the permanent endowment funds and accordingly these are reflected in the financial statements.

2. VOLUNTARY INCOME

	Unrestricted 2024 £	Restricted 2024 £	Endowment 2024 £	Total 2024 £
Legacies	89,628	-	-	89,628
Donations	3,058	-	-	3,058
	92,686	**-**	**-**	**92,686**

	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £
Legacies	4,667		-	4,667
Donations	5,207	20,000,000	-	20,005,207
	9,874	**20,000,000**	**-**	**20,009,874**

3. INVESTMENT INCOME

	Unrestricted 2024 £	Restricted 2024 £	Endowment 2024 £	Total 2024 £
Interest Received	-	-	-	-
	-	-	-	-

	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £
Interest Received	18,267	175,000	-	193,267
	18,267	**175,000**	**-**	**193,267**

4. EXPENDITURE

a. Charitable activities	Unrestricted 2024 £	Restricted 2024 £	Endowment 2024 £	Total 2024 £
Grants payable:				
Curatorial and Exhibitions	-	574,000	-	574,000
General Activities	83,100	-	-	83,100
Governance costs	16,398	-	-	16,398
Insurance	961	-	-	961
Bank charges	50	-	-	50
Accounting and administrative services	7,200	-	-	7,200
Investment management fees	32,129	48,269	64,568	144,966
	139,838	**622,269**	**64,568**	**826,675**

4. EXPENDITURE (continued)

b. Charitable activities	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £
Grants payable:				
Capital Projects	115,000	-	-	115,000
Curatorial and Exhibitions	-	624,079	-	624,079
General Activities	80,000	-	-	80,000
Governance costs	9,041	-	-	9,041
Insurance	889	-	-	889
Bank charges	34	-	-	34
Accounting and administrative services	7,200	-	-	7,200
Investment management fees	30,012	39,381	106,172	175,565
	242,176	**663,460**	**106,172**	**1,011,808**

5. TRUSTEES

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Foundation during the year (2022-23: nil).

6. INVESTMENTS

	2024 £	2023 £
Market value of investments at 1 April	49,096,367	29,050,229
Additions at cost	-	21,181,193
Disposals at market value	(574,000)	-
Gains/(Losses) on investments (net of fees)	4,766,687	(1,135,055)
Market value of investments at 31 March	**53,289,054**	**49,096,367**

7. DEBTORS

	2024 £	2023 £
Accrued income	89,628	-
Prepayments	767	706
	90,395	**706**

8. CREDITORS: amounts falling due within one year

	2024	2023
	£	£
Accruals	67,219	9,051
	67,219	**9,051**

9. NET ASSETS BETWEEN FUNDS

	Unrestricted 2024	Restricted 2024	Endowment 2024	Total 2024
	£	£	£	£
Fund balances at 31 March are represented by:				
Non-Current assets	7,394,365	22,814,611	23,080,078	53,289,054
Current assets	597,378	1,635,757	-	2,233,135
Current liabilities	(67,218)	-	-	(67,218)
Net assets	**7,924,525**	**24,450,368**	**23,080,078**	**55,454,971**

	Unrestricted 2023	Restricted 2023	Endowment 2023	Total 2023
	£	£	£	£
Fund balances at 31 March are represented by:				
Non-Current assets	6,227,954	21,252,354	21,616,059	49,096,367
Current assets	503,324	1,686,661	-	2,189,985
Current liabilities	(9,051)	-	-	(9,051)
Net assets	**6,722,227**	**22,939,015**	**21,616,059**	**51,277,301**

10. FUNDS

FUNDS	At 1 April 2023	Incoming resources	Resources expended	Transfers	Investment gains/(losses)	At 31 March 2024
Restricted funds						
Curatorial and Exhibitions	306,789	-	(574,000)	623,747	-	356,536
Jameel Gallery Refurbishment Fund	2,175,442	-	-	-	-	2,175,442
Safeguarding the Collection	20,456,784	-	(48,269)	-	1,509,875	21,918,390
Expendable endowment funds						
Jewellery curator post	1,402,094	-	(4,187)	(69,000)	141,631	1,470,538
Illustration award	225,872	-	(675)	(6,000)	22,816	242,013
Catalyst - Art Jameel	2,260,564	-	(6,752)	(437,000)	228,348	2,045,160
Catalyst - Fashion	67,072	-	(200)	(2,209)	6,775	71,438
Catalyst - Iranian Treasures	720,725	-	(2,153)	76,228	72,803	867,603
Catalyst - Porter	189,319	-	(566)	(6,233)	19,124	201,644
Catalyst - General fund	102,987	-	(307)	(3,420)	10,403	109,663
Elizabeth Gage Curator of Jewellery	894,425	-	(2,672)	(62,000)	90,349	920,102
Permanent endowment funds						
Art Jameel	11,270,470	-	(33,665)	-	1,138,474	12,375,279
Fashion	337,242	-	(1,007)	(10,932)	34,066	359,369
Iranian Treasures	2,351,601	-	(7,024)	(76,227)	237,544	2,505,894
Porter	937,045	-	(2,799)	(30,374)	94,655	998,527
General fund	856,644	-	(2,559)	(27,768)	86,533	912,850
Unrestricted funds	6,722,227	92,686	(139,838)	31,188	1,218,261	7,924,524
	51,277,301	**92,686**	**(826,673)**	**-**	**4,911,657**	**55,454,972**

10. FUNDS (continued)

FUNDS	At 1 April 2022	Incoming resources	Resources expended	Transfers	Investment gains/(losses)	At 31 March 2023
Restricted funds						
Curatorial and Exhibitions	252,594	-	(624,079)	678,274	-	306,789
Jameel Gallery Refurbishment Fund	-	-	-	2,175,442	-	2,175,442
Safeguarding the Collection	-	20,175,000	(39,381)	-	321,165	20,456,784
Expendable endowment funds						
Jewellery curator post	1,560,454	-	(7,052)	(81,000)	(70,308)	1,402,094
Illustration award	246,071	-	(1,112)	(8,000)	(11,087)	225,872
Catalyst - Art Jameel	2,882,548	-	(13,027)	(479,080)	(129,877)	2,260,564
Catalyst - Fashion	85,632	-	(387)	(14,315)	(3,858)	67,072
Catalyst - Iranian Treasures	758,319	-	(3,427)	-	(34,167)	720,725
Catalyst - Porter	241,154	-	(1,090)	(39,880)	(10,865)	189,319
Catalyst - General fund	144,106	-	(650)	(33,978)	(6,493)	102,987
Jameel Endowment Refurbishment Fund	2,175,442	-	-	(2,175,442)	-	-
Elizabeth Gage Curator of Jewellery	1,000,000	-	(4,519)	(56,000)	(45,056)	894,425
Permanent endowment funds						
Art Jameel	11,858,355	-	(53,593)	-	(534,292)	11,270,470
Fashion	354,833	-	(1,604)	-	(15,987)	337,242
Iranian Treasures	2,474,264	-	(11,182)	-	(111,481)	2,351,601
Porter	985,923	-	(4,456)	-	(44,422)	937,045
General fund	901,327	-	(4,073)	-	(40,610)	856,644
Unrestricted funds	7,124,435	28,141	(242,175)	33,978	(222,152)	6,722,227
	33,045,458	**20,203,141**	**(1,011,808)**	**-**	**(959,490)**	**51,277,301**

Curatorial and Exhibitions These represent funds to be applied towards specific curatorial and exhibitions activities. Grants are made following successful applications to the Trustees.

Jameel Gallery Refurbishment Fund is set aside for the refurbishment of this gallery space.

Safeguarding the Collection this donation was made to enable the ongoing safekeeping and accessibility of the V&A Museum's collection

Endowment Funds The endowment funds have been provided to support specific posts within the V&A, as well as the general activities of the Charity. The charitable company is the Corporate Trustee of the permanent endowment funds and the transactions and balances relating to these funds are reflected in the financial statements accordingly.

Transfers A portion of investment returns on Endowment funds are allocated to the relevant Restricted funds and are available to spend.

11. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS

	Art Jameel	Fashion	Iran	Porter	General	Total
At 1 April 2023						
Trust for investment						
Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	2,689,818	77,662	541,533	212,919	196,473	**3,718,405**
Unapplied total return	(1,719,348)	(9,312)	(64,932)	(25,874)	(23,652)	**(1,843,118)**
Total	**11,270,470**	**337,242**	**2,351,601**	**937,045**	**856,644**	**15,753,002**
Movements in the reporting period						
Gift of endowment funds	-	-	-	-	-	-
Investment return: realised and unrealised gains	1,138,474	34,066	237,544	94,655	86,533	**1,591,272**
Less: investment management costs	(33,665)	(1,007)	(7,024)	(2,799)	(2,559)	**(47,054)**
Total	**1,104,809**	**33,059**	**230,520**	**91,856**	**83,974**	**1,544,218**
Income paid out to restricted funds in the reporting period	-	(10,933)	-	-	-	**(10,933)**
Transfer to expendable endowment	-	-	(76,227)	(30,374)	(27,768)	**(134,369)**
Net movement in the reporting period:	**1,104,809**	**22,126**	**154,293**	**61,482**	**56,206**	**1,398,916**
At 31 March 2024						
Trust for investment						
Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	3,118,096	90,477	630,894	248,527	229,026	**4,317,020**
Unapplied total return	(1,042,817)	-	-	-	-	**(1,042,817)**
Total	**12,375,279**	**359,369**	**2,505,894**	**998,527**	**912,849**	**17,151,918**

11. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS (continued)

	Art Jameel	Fashion	Iran	Porter	General	Total
At 1 April 2022						
Trust for investment Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	1,634,424	46,081	321,323	125,172	116,255	**2,243,256**
Unapplied total return	(76,070)	39,859	277,941	110,751	101,248	**453,730**
Total	**11,858,354**	**354,833**	**2,474,264**	**985,923**	**901,327**	**16,574,701**
Movements in the reporting period						
Gift of endowment funds	-	-	-	-	-	-
Investment return: realised and unrealised gains	(534,292)	(15,987)	(111,481)	(44,422)	(40,610)	**(746,793)**
Less: investment management costs	(53,593)	(1,604)	(11,182)	(4,456)	(4,073)	**(74,908)**
Total	**(587,885)**	**(17,591)**	**(122,663)**	**(48,878)**	**(44,684)**	**(821,701)**
Income paid out to restricted funds in the reporting period	-	-	-	-	-	-
Transfer to expendable endowment	-	-	-	-	-	-
Net movement in the reporting period:	**(587,885)**	**(17,591)**	**(122,663)**	**(48,878)**	**(44,684)**	**(821,701)**
At 31 March 2023						
Trust for investment Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	2,689,818	77,662	541,533	212,919	196,473	**3,718,405**
Unapplied total return	(1,719,348)	(9,312)	(64,932)	(25,874)	(23,652)	**(1,843,118)**
Total	**11,270,470**	**337,242**	**2,351,601**	**937,045**	**856,644**	**15,753,002**

11. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS (continued)

The Charity Trustees have exercised their powers to adopt a total return approach under section 104A of the Charities Act 2011 as amended by the Trust (Capital and Income) Act 2013.

The terms of the Jameel Endowment require an inflationary uplift based on CPI to be added to the value of the Trust for investment and this is not available for distribution. The inflationary uplift for the year was £428,728 (2023: £1,055,394). In accordance with the terms of the Jameel Trust deed, any surplus total return over and above the inflationary uplift and the 3.25% of the opening capital value spending rule is transferred to the Jameel refurbishment fund which is treated as a restricted income fund and shown in Note 10 to the financial statements.

The terms of the other endowments do not require an inflationary uplift; however, the trustees have adopted a policy of maintaining the real value of the trusts for investment and therefore a similar treatment has been applied.

12. RELATED PARTY TRANSACTIONS

The Foundation has one Trustee in common with the Victoria and Albert Museum. While the museum provides accounting and administrative services, these are charged for on an arm's length basis and the Foundation is run independently from, and is not controlled by, the museum. During the year grants of £574,000 were payable by the Foundation to the Museum (2023: £739,079). At year end no grant remained to be paid over to the museum. (2023: £nil)

13. POST BALANCE SHEET EVENT

There were no post balance sheet events.

THE V&A FOUNDATION

England & Wales - Charity number 1144508

Accounts

THE V&A FOUNDATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

Charity Number: 1144508

Company Number: 07788681

THE V&A FOUNDATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

CONTENTS	**Page**
Reference and administrative details	3
Trustees' Report	4 – 6
Independent Auditors' Report	7-10
Statement of Financial Activities	11 – 12
Balance sheet	13
Statement of Cashflows	14
Notes to the Financial Statements	15 - 24

THE V&A FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Heather Acton (Chair) Sir Nicholas Coleridge CBE Andrew Hochhauser QC Lady Jill Shaw Ruddock Alireza Sarikhani Bernard Selz (to 25 May 2023 - resigned) Caroline Silver (from 1 July 2022) Nicholas Snowman OBE (to 02 March 2023 - deceased) Peter Williams
Registered office	Victoria and Albert Museum Cromwell Road London SW7 2RL
Auditors	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Bankers	National Westminster Bank 18 Cromwell Place South Kensington London SW7 2LB
Solicitors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3CH
Company number	07788681
Charity number	1144508

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

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 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The V&A Foundation was incorporated as a company limited by guarantee on 27 September 2011 and registered as a charity on 2 November 2011. It is governed by its Memorandum and Articles which were updated on 9 January 2023 and again on 25 May 2023. The charitable company also acts as corporate trustee for the permanent endowment funds shown in note 10 to the financial statements.

Trustees

The Trustees, who are also the directors for the purposes of company law, who served during the period and since the year end are shown on page 3. None of the Trustees has any beneficial interest in the Foundation. New Trustees are elected to the Board by existing members.

The Trustees are responsible for the Foundation's overall management and control, including the implementation of policies. The Board meets regularly. They have certain legal, financial and fiduciary duties under charity law.

Trustees Induction and Training

New Trustees receive the latest Annual Report and Accounts and all relevant information relating to the Foundation. All Trustees are kept informed about relevant developments within the charity sector.

STRATEGIC REPORT

Risk Management

The Trustees are responsible for the management of the risks faced by the Foundation. Risks are identified, assessed and controls established as appropriate.

As a grant-making body, the major risk to the Foundation's ability to deliver its objectives is a failure to secure sufficient income for distribution. After two years of positive investment returns, the investment losses made in the year, while modest compared to benchmarks, have put pressure on the endowments. However, the overall financial position of the Foundation has been significantly strengthened by the £20m donation received in April 2022. This large donation gives the trustees confidence that they can continue to make distributions and deliver on the charity's objectives, despite the recognised macro-economic and inflationary pressures. The level of unrestricted funds held will also allow the Foundation to carry on its work in the event of a future slowdown in fundraising.

Objects, Objectives and Activities

The objects of the Foundation are for the benefit of the public, to further, in so manner as the Trustees of the Foundation see fit, all or any of the objects from time to time of the V&A and art, design and performance throughout the world in any manner incidental, conducive to or compatible with the charitable objects of the V&A. The Foundation achieves these objects through the award of grants.

The Foundation has had regard to the guidance from the Charity Commission to ensure that its objects and activities are undertaken for the public benefit.

Achievements, Performance and Financial Review

During the year, the Foundation received donated income of £20,009,874 (2022: £1,128,087). A restricted donation of £20,000,000 was received. £9,874 of the donated income was unrestricted (2022 unrestricted donated income: £128,087). Investment income of £193,267 was received. (2021: £1,732) Investments overall

made an unrealised loss of £959,490 (2022: gain of £1,755,123). Trustees made grants of £819,079 (2022: £647,965).

Total Return

Following the launch of the Foundation's successful endowment fundraising campaign, supported by the Heritage Lottery Fund's Catalyst: Endowment initiative, the Trustees have exercised their power under Section 104A(2) of the Charities Act 2011 to invest on a total return basis. The initial values of the trust for investment and unapplied total return were established as at 1 April 2016.

At 1 April 2016 and subsequently as donations were received under the endowment fundraising campaign, the value of these donations were allocated to the trust for investment. At the end of each year, except where donor agreements stated otherwise, an amount of up to 3.25% of the trust for investment is allocated to income from the unapplied total return at discretion of the trustees. An amount sufficient to maintain the real value of the trust for investment, based on CPI, is allocated from the unapplied total return to the trust for investment.

This year, returns were negative; once the real value of the endowments were uplifted for inflation, the unapplied total return for each individual endowment was a negative figure. As a result, all grants made in the year from the Foundation's endowments were funded from the expendable endowments only. It is hoped that future investment returns will help strengthen the value of the endowments to ensure their ability to continue to fund a consistent level of activity over the long term.

Reserves Policy

The Trustees have agreed that as it has very low running costs, £10,000 of unrestricted reserves should be retained to cover administrative and compliance costs. At the balance sheet date, the Foundation's unrestricted reserves were £6.7m (2022: £7.1m); the excess will be distributed in line with the Foundation's charitable objects as suitable grant requests are received.

Plans for the Future

With the museum reopened to the public again, the Foundation will continue to raise funds in line with existing priorities, while keeping a close eye on the performance of the endowments relative to the level of activity that they are required to fund.

How we Fundraise

Fundraising for the Foundation is supported by the V&A's Development team. The V&A's Development team has an exceptional reputation in the sector for fundraising professionally, responsibly and sensitively. Many of the V&A's fundraising team are members of the Institute of Fundraising and the V&A is registered with the Fundraising Regulator, whose Code of Fundraising Practice and Fundraising Promise set a standard for fundraising activity in the UK. The Legacies team are members of the Institute of Legacy Management, and the V&A is also registered with Remember a Charity, a consortium of 200 charities based at the Institute of Fundraising that encourages legacy giving in the UK.

The Foundation's approach to fundraising is highly personalised. The Foundation operates almost exclusively on a one-to-one basis with its supporters and partners, ensuring communications are not excessive or intrusive and that the individuals contacted do not feel under any undue pressure to donate.

When feedback is received from supporters on how the Foundation could improve, it is taken very seriously, and the Foundation is pleased that it has had no complaints related directly to how it fundraises in the last year.

When fundraising is carried out on behalf of the Foundation it is with a small group of trusted partners who help it secure sponsorship from organisations, or individuals who promote the Foundation through their personal and professional connections. The Foundation works closely with these partners to ensure their approach consistently meets the high standards of its own fundraising.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2023

Grant-making policy

The Trustees consider applications from the V&A and other bodies for grants and make such grants as seem best calculated to advance the charitable objects of the Foundation, ensuring always that the requests and stipulations of donors are strictly met. The Trustees monitor grants through reviewing updates from recipients on how money has being spent and the outcomes and impact of the project.

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Charity 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 Foundation and of the incoming resources and application of resources of the Foundation 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 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 charitable company will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the Trust 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

(a) so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and

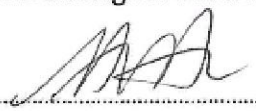
(b) the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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.

Auditors

Moore Kingston Smith LLP were appointed as auditors during the year and, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

The Trustees' Report, incorporating the Strategic Report, was approved by the Board of Trustees on 19 October 2023 and signed on its behalf by:



Heather Acton, Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF V&A FOUNDATION

Opinion

We have audited the financial statements of V&A Foundation ('the company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 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.

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 charitable company 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 charitable company'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 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 there is 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, 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, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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 company's members 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

James Cross (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 19 October 2023

6th Floor
9 Appold Street
London
EC2A 2AP

THE V&A FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted Mar-23 £	Restricted Mar-23 £	Endowment Mar-23 £	Total Mar-23 £	Total 31-Mar-22 £
INCOMING RESOURCES						
Income and endowments from:						
Donations and legacies	2	9,874	20,000,000	-	20,009,874	1,128,087
Investment income	3	18,267	175,000	-	193,267	1,732
Total income		**28,141**	**20,175,000**	**-**	**20,203,141**	**1,129,819**
Expenditure on:						
Charitable activities						
Grants payable		195,000	624,079	-	819,079	647,965
Governance costs		17,164	-	-	17,164	19,666
Investment Management costs		30,011	39,381	106,173	175,565	234,923
Total resources expended	4	**242,175**	**663,460**	**106,173**	**1,011,808**	**902,554**
NET (EXPENDITURE) / INCOME BEFORE GAINS AND LOSSES ON INVESTMENTS		**(214,034)**	**19,511,540**	**(106,173)**	**19,191,333**	**227,265**
(Losses)/ Gains on Investments		(222,152)	321,165	(1,058,503)	(959,490)	1,755,123
NET (EXPENDITURE) / INCOME		**(436,186)**	**19,832,705**	**(1,164,676)**	**18,231,843**	**1,982,388**
Transfers between funds	10	33,978	2,853,716	(2,887,694)	-	-
Net movement in funds		**(402,208)**	**22,686,421**	**(4,052,370)**	**18,231,843**	**1,982,388**
Funds brought forward as at 1 April		7,124,435	252,594	25,668,429	33,045,458	31,063,070
FUNDS AS AT 31 MARCH	10	**6,722,227**	**22,939,015**	**21,616,059**	**51,277,301**	**33,045,458**

All activities are continuing. There are no other gains or losses other than those shown above.

THE V&A FOUNDATION

PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £	Total 2021 (restated) £
INCOMING RESOURCES						
Income and endowments from:						
Donations and legacies	2	128,087	-	1,000,000	1,128,087	134,096
Investment income	3	1,732	-	-	1,732	2,638
Total income		**129,819**	**-**	**1,000,000**	**1,129,819**	**136,734**
Expenditure on:						
Charitable activities						
Grants payable		51,734	596,231	-	647,965	356,489
Governance costs		19,666	-	-	19,666	11,791
Investment Management costs		-	-	234,923	234,923	273,835
Total resources expended		**71,400**	**596,231**	**234,923**	**902,554**	**642,115**
NET INCOME/(EXPENDITURE) BEFORE GAINS & LOSSES ON INVESTMENTS		**58,419**	**(596,231)**	**765,077**	**227,265**	**(505,381)**
Gains on Investments		351,397	-	1,403,726	1,755,123	7,322,070
NET INCOME/(EXPENDITURE)		**409,816**	**(596,231)**	**2,168,803**	**1,982,388**	**6,816,689**
Transfers between funds		57,507	627,475	(684,982)	-	-
Net movement in funds		**467,323**	**31,244**	**1,483,821**	**1,982,388**	**6,816,689**
Funds brought forward as at 1 April		6,657,112	221,350	24,184,608	31,063,070	24,246,381
FUNDS AS AT 31 MARCH		**7,124,435**	**252,594**	**25,668,429**	**33,045,458**	**31,063,070**

All activities are continuing. There are no other gains or losses other than those shown above.

THE V&A FOUNDATION
company number: 07788681

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
NON-CURRENT ASSETS			
Investments	6	49,096,367	29,050,229
CURRENT ASSETS			
Debtors	7	706	1,439
Cash at bank		2,189,279	4,053,452
		2,189,985	**4,054,891**
CREDITORS: amounts falling due within one year	8	(9,051)	(59,662)
NET CURRENT ASSETS		2,180,934	3,995,229
TOTAL ASSETS LESS CURRENT LIABILITIES		**51,277,301**	**33,045,458**
NET ASSETS			
Represented by:			
Unrestricted funds		6,722,227	7,124,435
Restricted funds		22,939,015	252,594
Endowment funds		21,616,059	25,668,429
	9	**51,277,301**	**33,045,458**

The accounts were approved and authorised for issue by the Board of Trustees on 19 October 2023 and signed on its behalf by:

Heather Acton
Chair of the Board

The notes on pages 15 to 24 form part of these financial statements.

THE V&A FOUNDATION

STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2023

	Notes	2023 £	2022 £
Net cash provided by operating activities	A	**19,123,753**	**513,479**
Cash flows from investing activities:			
Purchase of investments		(21,181,193)	-
Drawdown of investments		-	630,000
Interest from investments		193,267	1,732
Net cash (used in) / provided by investing activities		**(20,987,926)**	**631,732**
Change in cash and cash equivalents in the reporting period		(1,864,173)	1,145,211
Cash and cash equivalents at the beginning of the year		4,053,452	2,908,241
Cash and cash equivalents at the end of the year		**2,189,279**	**4,053,452**

A: Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net income	18,231,843	1,982,388
Loss/(Gain) on investments	959,490	(1,755,123)
Interest from investments	(193,267)	(1,732)
Investment fees (deducted from portfolio)	175,565	234,923
Decrease/(Increase) in debtors	733	(748)
(Decrease)/Increase in creditors	(50,611)	53,771
Net cash provided by operating activities	**19,123,753**	**513,479**

1. ACCOUNTING POLICIES

Basis of preparation
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The V&A Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

Going Concern

The trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern for 12 months from the date of signing these financial statements. Accordingly, the going concern basis continues to be adopted in preparing the financial statements.

Donations, grants and legacies
Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Foundation is considered probable.

Investment income
Investment income is accounted for on an accruals basis.

Expenditure
Expenditure is charged to the Statement of Financial Activities on an accruals basis and is charged as follows:

Grants payable are charged in the year which the offer is conveyed to the recipient except where the grant is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled. Grants offered which are subject to conditions that have not been met at the year-end are noted as commitments. Governance costs are those costs relating to the strategic direction of the charity and of regulatory compliance.

The method of calculating the Investment manager fees has been updated to more accurately reflect the quarterly fees charged, rather than use an estimate of fees based on the investment manager's reporting by calendar year. The comparatives have been restated to reflect this updated calculation method.

Financial Instruments
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

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 Statement of Financial Activities.

1. ACCOUNTING POLICIES (continued)

Debtors
Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Funds
Unrestricted funds – these represent the initial investment in the Foundation available for distribution at the Trustees' discretion. A transfer is made to unrestricted funds each year representing 3.25% of the General Endowment fund capital allocated from the unapplied total return of the General Endowment.

Restricted funds – these represent the different projects that the Foundation supports, following the receipt of income specifically restricted to these projects – detailed in note 7. Transfers are made each year representing 3.25% of the Restricted Endowment fund capital and allocated to income from the unapplied total return of the Endowment Funds.

Endowment funds – these are funds that the donor has stated are to be held as capital or expended over the long term. The charitable company acts as corporate trustee of the permanent endowment funds and accordingly these are reflected in the financial statements.

2. VOLUNTARY INCOME

	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £
Donations	9,874	20,000,000	-	20,009,874
	9,874	**20,000,000**	-	**20,009,874**

	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £
Donations	128,087	-	1,000,000	1,128,087
	128,087	-	**1,000,000**	**1,128,087**

3. INVESTMENT INCOME

	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £	Total 2022 £
Interest Received	18,267	175,000	-	193,267	2,638
	18,267	**175,000**	-	**193,267**	**2,638**

All investment income received in 2021-22 was unrestricted.

4. EXPENDITURE

a. Charitable activities	Unrestricted 2023 £	Restricted 2023 £	Endowment 2023 £	Total 2023 £
Grants payable:				
Capital Projects	115,000	-	-	115,000
Curatorial and Exhibitions	-	624,079	-	624,079
General Activities	80,000	-	-	80,000
Governance costs	9,041	-	-	9,041
Insurance	889	-	-	889
Bank charges	34	-	-	34
Accounting and administrative services	7,200	-	-	7,200
Investment management fees	30,012	39,381	106,172	175,565
	242,176	**663,460**	**106,172**	**1,011,808**

4. EXPENDITURE (continued)

b. Charitable activities	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £
Grants payable:				
Capital Projects	51,734	-	-	51,734
Curatorial and Exhibitions	-	596,231	-	596,231
Governance costs	11,515	-	-	11,515
Insurance	909	-	-	909
Bank charges	42	-	-	42
Accounting and administrative services	7,200	-	-	7,200
Investment management fees	-	-	234,923	234,923
	71,400	**596,231**	**234,923**	**902,554**

5. TRUSTEES

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Foundation during the year (2021-22: nil).

6. INVESTMENTS

	2023 £	2022 £
Market value of investments at 1 April	29,050,229	28,160,030
Additions at cost	21,181,193	-
Disposals at market value	-	(630,000)
(Losses) / Gains on investments (net of fees)	(1,135,055)	1,520,199
Market value of investments at 31 March	**49,096,367**	**29,050,229**

7. DEBTORS

	2023 £	2022 £
Accrued income	-	786
Prepayments	706	653
	706	**1,439**

8. CREDITORS: amounts falling due within one year

	2023	2022
	£	£
Accruals	9,051	7,928
Other creditors	-	51,734
	9.051	**59,662**

9. NET ASSETS BETWEEN FUNDS

	Unrestricted 2023	Restricted 2023	Endowment 2023	Total 2023
	£	£	£	£
Fund balances at 31 March are represented by:				
Non-Current assets	6,227,954	21,252,354	21,616,059	49,096,367
Current assets	503,324	1,686,661	-	2,189,985
Current liabilities	(9,051)	-	-	(9,051)
Net assets	**6,722,227**	**22,939,015**	**21,616,059**	**51,277,301**

	Unrestricted 2022	Restricted 2022	Endowment 2022	Total 2022
	£	£	£	£
Fund balances at 31 March are represented by:				
Non-Current assets	3,266,005	115,795	25,668,429	29,050,229
Current assets	3,918,092	136,799	-	4,054,891
Current liabilities	(59,662)	-	-	(59,662)
Net assets	**7,124,435**	**252,594**	**25,668,429**	**33,045,458**

10. FUNDS

FUNDS	At 1 April 2022	Incoming resources	Resources expended	Transfers	Investment gains/losses	At 3 March 202
Restricted funds						
Curatorial and Exhibitions	252,594	-	(624,079)	678,274	-	306,78
Jameel Gallery Refurbishment Fund	-	-	-	2,175,442	-	2,175,44
Safeguarding the Collection	-	20,175,000	(39,381)	-	321,165	20,456,78
Expendable endowment funds						
Jewellery curator post	1,560,454	-	(7,052)	(81,000)	(70,308)	1,402,09
Illustration award	246,071	-	(1,112)	(8,000)	(11,087)	225,87
Catalyst - Art Jameel	2,882,548	-	(13,027)	(479,080)	(129,877)	2,260,56
Catalyst - Fashion	85,632	-	(387)	(14,315)	(3,858)	67,07
Catalyst - Iranian Treasures	758,319	-	(3,427)	-	(34,167)	720,72
Catalyst - Porter	241,154	-	(1,090)	(39,880)	(10,865)	189,31
Catalyst - General fund	144,106	-	(650)	(33,978)	(6,493)	102,98
Jameel Endowment Refurbishment Fund	2,175,442	-	-	(2,175,442)	-	
Elizabeth Gage Curator of Jewellery	1,000,000	-	(4,519)	(56,000)	(45,056)	894,42
Permanent endowment funds						
Art Jameel	11,858,355	-	(53,593)	-	(534,292)	11,270,47
Fashion	354,833	-	(1,604)	-	(15,987)	337,24
Iranian Treasures	2,474,264	-	(11,182)	-	(111,481)	2,351,60
Porter	985,923	-	(4,456)	-	(44,422)	937,04
General fund	901,327	-	(4,073)	-	(40,610)	856,64
Unrestricted funds	7,124,435	28,141	(242,175)	33,978	(222,152)	6,722,22
	33,045,458	**20,203,141**	**(1,011,808)**	**-**	**(959,490)**	**51,277,30**

10. FUNDS (continued)

	At 1 April 2021	Income	Expenditure	Transfers	Investment gains	At 31 March 2022
	£	£	£	£	£	£
Restricted funds						
Curatorial and Exhibitions	221,350	-	(596,231)	627,475	-	252,594
Expendable endowment funds						
Jewellery curator post	1,608,487	-	(17,044)	(136,041)	105,052	1,560,454
Illustration award	242,068	-	(2,565)	(9,243)	15,811	246,071
Catalyst - Art Jameel	3,175,589	-	(33,968)	(468,431)	209,358	2,882,548
Catalyst - Fashion	84,532	-	(896)	(3,524)	5,520	85,632
Catalyst - Iranian Treasures	649,570	-	(6,890)	73,174	42,465	758,319
Catalyst - Porter	213,244	-	(2,522)	14,887	15,545	241,154
Catalyst - General fund	142,254	-	(1,507)	(5,930)	9,289	144,106
Jameel Endowment Refurbishment Fund	2,175,442	-	-	-	-	2,175,442
Elizabeth Gage Curator of Jewellery Endowment	-	1,000,000	-	-	-	1,000,000
Permanent endowment funds						
Art Jameel	11,237,688	-	(120,204)	-	740,871	11,858,355
Fashion	350,273	-	(3,711)	(11,276)	19,547	354,833
Iranian Treasures	2,442,466	-	(25,878)	(78,626)	136,302	2,474,264
Porter	973,252	-	(10,311)	(31,330)	54,312	985,923
General fund	889,743	-	(9,427)	(28,642)	49,652	901,327
Unrestricted funds	6,657,112	129,819	(71,400)	57,507	351,398	7,124,435
	31,063,070	**1,129,819**	**(902,554)**	-	**1,755,122**	**33,045,458**

Curatorial and Exhibitions These represent funds to be applied towards specific curatorial and exhibitions activities. Grants are made following successful applications to the Trustees.

Jameel Gallery Refurbishment Fund is set aside for the refurbishment of this gallery space.

Safeguarding the Collection this donation was made to enable the ongoing safekeeping and accessibility of the V&A Museum's collection

Endowment Funds The endowment funds have been provided to support specific posts within the V&A, as well as the general activities of the Charity. The charitable company is the Corporate Trustee of the permanent endowment funds and the transactions and balances relating to these funds are reflected in the financial statements accordingly.

Transfers A portion of investment returns on Endowment funds are allocated to the relevant Restricted funds and are available to spend.

11. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS

	Art Jameel	Fashion	Iran	Porter	General	Total
At 1 April 2022						
Trust for investment						
Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	13,877,715
Inflationary uplift	1,634,424	46,081	321,323	125,172	116,255	2,243,256
Unapplied total return	(76,070)	39,859	277,941	110,751	101,248	453,730
Total	**11,858,354**	**354,833**	**2,474,264**	**985,923**	**901,327**	**16,574,701**
Movements in the reporting period						
Gift of endowment funds	-	-	-	-	-	-
Investment return: realised and unrealised gains	(534,292)	(15,987)	(111,481)	(44,422)	(40,610)	**(746,793)**
Less: investment management costs	(53,593)	(1,604)	(11,182)	(4,456)	(4,073)	**(74,908)**
Total	**(587,885)**	**(17,591)**	**(122,663)**	**(48,878)**	**(44,684)**	**(821,701)**
Income paid out to restricted funds in the reporting period	-	-	-	-	-	-
Transfer to expendable endowment	-	-	-	-	-	-
Net movement in the reporting period:	**(587,885)**	**(17,591)**	**(122,663)**	**(48,878)**	**(44,684)**	**(821,701)**
At 31 March 2023						
Trust for investment						
Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	2,689,818	77,662	541,533	212,919	196,473	**3,718,405**
Unapplied total return	(1,719,348)	(9,312)	(64,932)	(25,874)	(23,652)	**(1,843,118)**
Total	**11,270,470**	**337,242**	**2,351,601**	**937,045**	**856,644**	**15,753,002**

11. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS (continued)

	Art Jameel	Fashion	Iran	Porter	General	Total
At 1 April 2021						
Trust for investment *Gift component of the permanent endowment*	10,300,000	268,892	1,875,000	750,000	683,823	13,877,715
Inflationary uplift	937,688	24,571	171,329	65,403	61,615	1,260,606
Unapplied total return	-	56,810	396,137	157,849	144,305	755,101
Total	**11,237,688**	**350,273**	**2,442,466**	**973,252**	**889,743**	**15,893,422**
Movements in the reporting period						
Gift of endowment funds	-	-	-	-	-	-
Investment return: realised and unrealised gains	740,871	19,547	136,302	54,312	49,652	1,000,684
Less: investment management costs	(120,204)	(3,711)	(25,878)	(10,311)	(9,427)	(169,531)
Total	**620,667**	**15,836**	**110,424**	**44,001**	**40,225**	**831,153**
Income paid out to restricted funds in the reporting period	-	(11,276)	(78,626)	(31,330)	(28,642)	**(149,874)**
Net movement in the reporting period:	**620,667**	**4,560**	**31,798**	**12,671**	**11,583**	**681,279**
At 31 March 2022						
Trust for investment *Gift component of the permanent endowment*	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	1,634,425	46,081	321,323	125,172	116,255	**2,243,256**
Unapplied total return	(76,070)	39,860	277,941	110,751	101,249	**453,730**
Total	**11,858,355**	**354,833**	**2,474,264**	**985,923**	**901,327**	**16,574,701**

11. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS (continued)

The Charity Trustees have exercised their powers to adopt a total return approach under section 104A of the Charities Act 2011 as amended by the Trust (Capital and Income) Act 2013.

The terms of the Jameel Endowment require an inflationary uplift based on CPI to be added to the value of the Trust for investment and this is not available for distribution. The inflationary uplift for the year was £1,055,394 (2022: £696,737). In accordance with the terms of the Jameel Trust deed, any surplus total return over and above the inflationary uplift and the 3.25% of the opening capital value spending rule is transferred to the Jameel refurbishment fund which is treated as an expendable endowment and shown in Note 10 to the financial statements. During the year this was re-classified as a restricted income fund.

The terms of the other endowments do not require an inflationary uplift; however, the trustees have adopted a policy of maintaining the real value of the trusts for investment and therefore a similar treatment has been applied.

12. RELATED PARTY TRANSACTIONS

The Foundation has one Trustee in common with the Victoria and Albert Museum. While the museum provides accounting and administrative services, these are charged for on an arm's length basis and the Foundation is run independently from, and is not controlled by the museum. During the year grants of £739,079 were payable by the Foundation to the Museum (2022: £647,965). At year end no grant remained to be paid over to the museum. (2022: £51,734)

13. POST BALANCE SHEET EVENT

There were no post balance sheet events.

THE V&A FOUNDATION

England & Wales - Charity number 1144508

Accounts

THE V&A FOUNDATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

Charity Number: 1144508

Company Number: 07788681

THE V&A FOUNDATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

CONTENTS	Page
Reference and administrative details	3
Trustees' Report	4 – 6
Independent Auditors' Report	7-9
Statement of Financial Activities	10 - 11
Balance sheet	12
Statement of Cashflows	13
Notes to the Financial Statements	14 - 23

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Heather Acton (Chair) Sir Nicholas Coleridge CBE Dr Genevieve Davies (to 21 October 2021) Mrs Lydia Gorvy (to 21 October 2021) Mr Manfred Gorvy (to 21 October 2021) Andrew Hochhauser QC Lady Jill Shaw Ruddock Sir Paul Ruddock (to 21 October 2021) Dame Theresa Sackler (to 21 October 2021) The Rt Hon Sir Timothy Sainsbury (to 21 October 2021) Alireza Sarikhani Bernard Selz Caroline Silver (from 1 July 2022) Nicholas Snowman OBE Dr Susan Weber (to 21 October 2021) Peter Williams
Registered office	Victoria and Albert Museum Cromwell Road London SW7 2RL
Auditors	Moore Kingston Smith LLP 9 Appold Street London EC2A 2AP
Bankers	National Westminster Bank 18 Cromwell Place South Kensington London SW7 2LB
Solicitors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3CH

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 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The V&A Foundation was incorporated as a company limited by guarantee on 27 September 2011 and registered as a charity on 2 November 2011. It is governed by its Memorandum and Articles. The charitable company also acts as corporate trustee for the permanent endowment funds shown in note 10 to the financial statements.

Trustees

The Trustees, who are also the directors for the purposes of company law, who served during the period and since the year end are shown on page 3. None of the Trustees has any beneficial interest in the Foundation. New Trustees are elected to the Board by existing members.

In line with the Charity Commission's guidance on long-serving Trustees, seven members of the Board of Trustees stood down at the October 2021 board meeting. Dr Genevieve Davies, Lydia and Manfred Gorvy, Sir Paul Ruddock, Dame Theresa Sackler, Sir Timothy Sainsbury and Dr Susan Weber have all served with great generosity and commitment during their time with the Foundation, and depart with the very best wishes and gratitude of the Board.

The Trustees are responsible for its overall management and control, including the implementation of policies. The Board meets regularly. They have certain legal, financial and fiduciary duties under charity law.

Trustees Induction and Training

New Trustees receive the latest Annual Report and Accounts and all relevant information relating to the Foundation. All Trustees are kept informed about relevant developments within the charity sector.

STRATEGIC REPORT

Risk Management

The Trustees are responsible for the management of the risks faced by the Foundation. Risks are identified, assessed and controls established as appropriate.

As a grant-making body, the major risk to the Foundation's ability to deliver its objectives is a failure to secure sufficient income for distribution. Over the last two financial years the value of investments have recovered following their fall in value at start of the Covid-19 pandemic. The financial position of the Foundation is furthered strengthened by the £20m donation received in April 2022. This large donation and investment performance to date give the trustees confidence that they can continue to make distributions and deliver on the charity's objectives, despite the recognised macro-economic and inflationary pressures. The level of unrestricted funds held will also allow the Foundation to carry on its work in the event of a future slowdown in fundraising.

Objectives and Activities

The objects of the Foundation, as set out in its Memorandum and Articles are for the benefit of the public, to further, in so manner as the Trustees see fit, all or any of the objects from time to time of the Victoria and Albert Museum (V&A).

The Foundation has had regard to the guidance from the Charity Commission to ensure that its objects and activities are undertaken for the public benefit.

Achievements, Performance and Financial Review

During the year, the Foundation received donated income of £1,128,087 (2021: £134,096). Of this, £1,000,000 was an expendable endowment with all other income unrestricted. (2021 restricted income: £74,000). Investment income of £1,732 (2021: £2,638) was received. Investments overall made an unrealised gain of £1,755,123, (2021: gain of £7,138,910). Trustees made grants of £647,965 (2021: £356,489).

Total Return

Following the launch of the Foundation's successful endowment fundraising campaign, supported by the Heritage Lottery Fund's Catalyst: Endowment initiative, the Trustees have exercised their power under Section 104A(2) of the Charities Act 2011 to invest on a total return basis. The initial values of the trust for investment and unapplied total return were established as at 1 April 2016.

At 1 April 2016 and subsequently as donations were received under the endowment fundraising campaign, the value of these donations were allocated to the trust for investment. At the end of each year, except where donor agreements stated otherwise, an amount of up to 3.25% of the trust for investment is allocated to income from the unapplied total return at discretion of the trustees. An amount sufficient to maintain the real value of the trust for investment, based on CPI, is allocated from the unapplied total return to the trust for investment.

This year returns were sufficient to allow the trust to drawdown funds to deliver charitable activities, at the maximum 3.25% allowable. All returns in excess of this amount were applied to the endowments in order to maintain the real value of these endowments for investment.

Reserves Policy

The Trustees have agreed that as it has very low running costs, £10,000 of unrestricted reserves should be retained to cover administrative and compliance costs. At the balance sheet date, the Foundation's unrestricted reserves were £7.1m (2021: £6.8m); the excess will be distributed in line with the Foundation's charitable objects as suitable grant requests are received.

Plans for the Future

With the museum reopened to the public again, the Foundation will continue to raise funds in line with existing priorities, while keeping a close eye on the performance of the endowments relative to the level of activity that they are required to fund.

How we Fundraise

Fundraising for the Foundation is supported by the V&A's Development team. The V&A's Development team has an exceptional reputation in the sector for fundraising professionally, responsibly and sensitively. Many of the V&A's fundraising team are members of the Institute of Fundraising and the V&A is registered with the Fundraising Regulator, whose Code of Fundraising Practice and Fundraising Promise set a standard for fundraising activity in the UK. The Legacies team are members of the Institute of Legacy Management, and the V&A is also registered with Remember a Charity, a consortium of 200 charities based at the Institute of Fundraising that encourages legacy giving in the UK.

How we Fundraise (continued)

The Foundation's approach to fundraising is highly-personalised. The Foundation operates almost exclusively on a one-to-one basis with its supporters and partners, ensuring communications are not excessive or intrusive and that the individuals contacted do not feel under any undue pressure to donate.

When feedback is received from supporters on how the Foundation could improve, it is taken very seriously, and the Foundation is pleased that it has had no complaints related directly to how it fundraises in the last year.

When fundraising is carried out on behalf of the Foundation it is with a small group of trusted partners who help it secure sponsorship from organisations, or individuals who promote the Foundation through their personal and professional connections. The Foundation works closely with these partners to ensure their approach consistently meets the high standards of its own fundraising.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity 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 Foundation and of the incoming resources and application of resources of the Foundation 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 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 charitable company will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the Trust 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees' Report, incorporating the Strategic Report, approved by the Board of Trustees on 6 October 2022 and signed on its behalf:

Heather Acton
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF V&A FOUNDATION

Opinion

We have audited the financial statements of V&A Foundation ('the company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 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.

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 charitable company 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 charitable company'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 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 there is 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, 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, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

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 company's members 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

James Cross (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 7 October 2022

6th Floor
9 Appold Street
London
EC2A 2AP

THE V&A FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £	Total 2021 (restated) £
INCOMING RESOURCES						
Income and endowments from:						
Donations and legacies	2	128,087	-	1,000,000	1,128,087	134,096
Investment income	3	1,732	-	-	1,732	2,638
Total income		**129,819**	**-**	**1,000,000**	**1,129,819**	**136,734**
Expenditure on:						
Charitable activities						
Grants payable		51,734	596,231	-	647,965	356,489
Governance costs		19,666	-	-	19,666	11,791
Investment Management Costs		-	-	234,923	234,923	273,835
Total resources expended		**71,400**	**596,231**	**234,923**	**902,554**	**642,115**
NET INCOME/(EXPENDITURE) BEFORE GAINS & LOSSES ON INVESTMENTS		**58,419**	**(596,231)**	**765,077**	**227,265**	**(505,381)**
Gains on Investments		351,397	-	1,403,726	1,755,123	7,322,070
NET INCOME/(EXPENDITURE)		**409,816**	**(596,231)**	**2,168,803**	**1,982,388**	**6,816,689**
Transfers between funds		57,507	627,475	(684,982)	-	-
Net movement in funds		**467,323**	**31,244**	**1,483,821**	**1,982,388**	**6,816,689**
Funds brought forward as at 1 April		6,657,112	221,350	24,184,608	31,063,070	24,246,381
FUNDS AS AT 31 MARCH		**7,124,435**	**252,594**	**25,668,429**	**33,045,458**	**31,063,070**

All activities are continuing. There are no other gains or losses other than those shown above.

PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted 2021 £	Restricted 2021 £	Endowment 2021 (restated) £	Total 2021 (restated) £
INCOMING RESOURCES					
Income and endowments from:					
Donations and legacies	2	60,096	74,000	-	134,096
Investment income	3	2,638	-	-	2,638
Total income		**62,734**	**74,000**	-	**136,734**
Expenditure on:					
Charitable activities					
Grants payable		20,000	336,489	-	356,489
Governance costs		11,791	-	-	11,791
Investment Management Costs		-	-	273,835	273,835
Total resources expended		**31,791**	**336,489**	**273,835**	**642,115**
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS		**30,943**	**(262,489)**	**(273,835)**	**(505,381)**
Gains on Investments		970,635	-	6,351,435	7,322,070
NET INCOME/(EXPENDITURE)		**1,001,578**	**(262,489)**	**6,077,600**	**6,816,689**
Transfers between funds		25,820	276,185	(302,005)	-
Net movement in funds		**1,027,398**	**13,696**	**5,775,595**	**6,816,689**
Funds brought forward as at 1 April		5,629,714	207,654	18,409,013	24,246,381
FUNDS AS AT 31 MARCH		**6,657,112**	**221,350**	**24,184,608**	**31,063,070**

THE V&A FOUNDATION
company number: 07788681

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	2021 £
NON CURRENT ASSETS			
Investments	6	29,050,229	28,160,030
CURRENT ASSETS			
Debtors	7	1,439	691
Cash at bank		4,053,452	2,908,241
		4,054,891	**2,908,932**
CREDITORS: amounts falling due within one year	8	(59,662)	(5,892)
NET CURRENT ASSETS		**3,995,229**	**2,903,040**
TOTAL ASSETS LESS CURRENT LIABILITIES		**33,045,458**	**31,063,070**
NET ASSETS			
Represented by:			
Unrestricted funds		7,124,435	6,883,285
Restricted funds		252,594	221,350
Endowment funds		25,668,429	23,958,435
		33,045,458	**31,063,070**

The accounts were approved and authorised for issue by the Board of Trustees on 6 October 2022 and signed on its behalf by:

Heather Acton
Chair of the Board

The notes on pages 14 to 23 form part of these financial statements.

THE V&A FOUNDATION

STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2022

	Notes	2022 £	2021 (restated) £
Net cash provided by/(used in) operating activities	A	**513,479**	**(238,535)**
Cash flows from investing activities:			
Purchase of investments		-	-
Drawdown of investments		630,000	235,000
Interest from investments		1,732	2,638
Net cash provided by investing activities		**631,732**	**237,638**
Change in cash and cash equivalents in the reporting period		1,145,211	(897)
Cash and cash equivalents at the beginning of the year		2,908,241	2,909,138
Cash and cash equivalents at the end of the year		**4,053,452**	**2,908,241**

A: Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income	1,982,388	6,816,689
Gain on investments	(1,755,123)	(7,322,070)
Interest from investments	(1,732)	(2,638)
Investment fees (deducted from portfolio)	234,923	273,835
Increase in debtors	(748)	(38)
Increase / (Decrease) in creditors	53,771	(4,313)
Net cash provided by operating activities	**513,479**	**(238,535)**

1. ACCOUNTING POLICIES

Basis of preparation
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The V&A Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

Going Concern

The trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern for 12 months from the date of signing these financial statements. Due consideration for the effects of the Covid-19 pandemic has been taken. The charity is largely sheltered from the impact of Covid-19 due to the high level of unrestricted reserves and low level of non-discretionary spend in the charity. Accordingly, the going concern basis continues to be adopted in preparing the financial statements.

Donations, grants and legacies
Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Foundation is considered probable.

Investment income
Investment income is accounted for on an accruals basis.

Expenditure
Expenditure is charged to the Statement of Financial Activities on an accruals basis and is charged as follows:

Grants payable are charged in the year which the offer is conveyed to the recipient except where the grant is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled. Grants offered which are subject to conditions that have not been met at the year-end are noted as commitments. Governance costs are those costs relating to the strategic direction of the charity and of regulatory compliance.

The method of calculating the Investment manager fees has been updated to more accurately reflect the quarterly fees charged, rather than use an estimate of fees based on the investment manager's reporting by calendar year. The comparatives have been restated to reflect this updated calculation method.

Financial Instruments
Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

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 Statement of Financial Activities.

1. ACCOUNTING POLICIES (continued)

Debtors
Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Funds
Unrestricted funds – these represent the initial investment in the Foundation available for distribution at the Trustees' discretion. A transfer is made to unrestricted funds each year representing 3.25% of the General Endowment fund capital allocated from the unapplied total return of the General Endowment.

Restricted funds – these represent the different projects that the Foundation supports, following the receipt of income specifically restricted to these projects – detailed in note 7. Transfers are made each year representing 3.25% of the Restricted Endowment fund capital and allocated to income from the unapplied total return of the Endowment Funds.

Endowment funds – these are funds that the donor has stated are to be held as capital or expended over the long term. The charitable company acts as corporate trustee of the permanent endowment funds and accordingly these are reflected in the financial statements.

2. VOLUNTARY INCOME

	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £
Donations	128,087	-	1,000,000	1,128,087
	128,087	-	**1,000,000**	**1,128,087**

	Unrestricted 2021 £	Restricted 2021 £	Endowment 2021 £	Total 2021 £
Donations	60,096	74,000	-	134,096
	60,096	**74,000**	-	**134,096**

3. INVESTMENT INCOME

	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £	Total 2021 £
Interest Received	1,732	-	-	1,732	2,638
	1,732	-	-	**1,732**	**2,638**

All investment income received in 2021-22 and 2020-21 was unrestricted.

4. EXPENDITURE

a. Charitable activities	Unrestricted 2022 £	Restricted 2022 £	Endowment 2022 £	Total 2022 £
Grants payable:				
Capital Projects	51,734	-	-	51,734
Curatorial and Exhibitions	-	596,231	-	596,231
Governance costs - audit and tax return fees	11,515	-	-	11,515
Insurance	909	-	-	909
Bank charges	42	-	-	42
Accounting and administrative services	7,200	-	-	7,200
Investment management fees	-	-	234,923	234,923
	71,400	**596,231**	**234,923**	**902,554**

4. EXPENDITURE (continued)

b. Charitable activities	Unrestricted 2021	Restricted 2021	Endowment 2021 (restated)	Total 2021 (restated)
	£	£	£	£
Grants payable:				
Capital Projects	20,000	96,489	-	116,489
Curatorial and Exhibitions	-	240,000	-	240,000
Governance costs - audit fees	3,706	-	-	3,706
Insurance	883	-	-	883
Bank charges	2	-	-	2
Accounting and administrative services	7,200	-	-	7,200
Investment management fees	-	-	273,835	273,835
	31,791	**336,489**	**273,835**	**642,115**

5. TRUSTEES

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Foundation during the year (2020-21: nil).

6. INVESTMENTS

	2022	2021
	£	£
Market value of investments at 1 April	28,160,030	21,346,795
Additions at cost	-	-
Disposals at market value	(630,000)	(235,000)
Gains on investments (net of fees)	1,520,199	7,048,235
Market value of investments at 31 March	**29,050,229**	**28,160,030**

7. DEBTORS

	2022	2021
	£	£
Accrued income	786	-
Prepayments	653	691
	1,439	**691**

8. CREDITORS: amounts falling due within one year

	2022	2021
	£	£
Accruals	7,928	5,892
Other creditors	51,734	-
	59,662	**5,892**

9. NET ASSETS BETWEEN FUNDS

	Unrestricted 2022	Restricted 2022	Endowment 2022	Total 2022
	£	£	£	£
Fund balances at 31 March are represented by:				
Non-Current assets	3,266,005	115,795	25,668,429	29,050,229
Current assets	3,918,092	136,799	-	4,054,891
Current liabilities	(59,662)	-	-	(59,662)
Net assets	**7,124,435**	**252,594**	**25,668,429**	**33,045,458**

	Unrestricted 2021	Restricted 2021	Endowment 2021	Total 2021
	£	£	£	£
Fund balances at 31 March are represented by:				
Non-Current assets	3,847,492	127,930	24,184,608	28,160,030
Current assets	2,815,512	93,420	-	2,908,932
Current liabilities	(5,892)	-	-	(5,892)
Net assets	**6,657,112**	**221,350**	**24,184,608**	**31,063,070**

10. FUNDS

	At 1 April 2021	Income	Expenditure	Transfers	Investment gains	At 31 March 2022
	£	£	£	£	£	£
Restricted funds						
Curatorial and Exhibitions	221,350	-	(596,231)	627,475	-	252,594
Expendable endowment funds						
Jewellery curator post	1,608,487	-	(17,044)	(136,041)	105,052	1,560,454
Illustration award	242,068	-	(2,565)	(9,243)	15,811	246,071
Catalyst - Art Jameel	3,175,589	-	(33,968)	(468,431)	209,358	2,882,548
Catalyst - Fashion	84,532	-	(896)	(3,524)	5,520	85,632
Catalyst - Iranian Treasures	649,570	-	(6,890)	73,174	42,465	758,319
Catalyst - Porter	213,244	-	(2,522)	14,887	15,545	241,154
Catalyst - General fund	142,254	-	(1,507)	(5,930)	9,289	144,106
Jameel Endowment Refurbishment Fund	2,175,442	-	-	-	-	2,175,442
Elizabeth Gage Curator of Jewellery Endowment	-	1,000,000	-	-	-	1,000,000
Permanent endowment funds						
Art Jameel	11,237,688	-	(120,204)	-	740,871	11,858,355
Fashion	350,273	-	(3,711)	(11,276)	19,547	354,833
Iranian Treasures	2,442,466	-	(25,878)	(78,626)	136,302	2,474,264
Porter	973,252	-	(10,311)	(31,330)	54,312	985,923
General fund	889,743	-	(9,427)	(28,642)	49,652	901,327
Unrestricted funds	6,657,112	129,819	(71,400)	57,507	351,398	7,124,435
	31,063,070	**1,129,819**	**(902,554)**	-	**1,755,122**	**33,045,458**

10. FUNDS (continued) (Restated)

	At 1 April 2020	Income	Expenditure	Transfers	Investment gains	At 31 March 2021
	£	£	£	£	£	£
Restricted funds						
Capital Projects	22,489	74,000	(96,489)	-	-	-
Curatorial and Exhibitions	185,165	-	(240,000)	276,185	-	221,350
Expendable endowment funds						
Jewellery curator post	1,219,301	-	(6,006)	(15,000)	410,192	1,608,487
Illustration award	181,802	-	(895)	-	61,161	242,068
Catalyst - Art Jameel	2,298,176	-	(11,320)	115,589	773,143	3,175,589
Catalyst - Fashion	65,075	-	(321)	(2,115)	21,892	84,532
Catalyst - Iranian Treasures	441,956	-	(2,177)	61,109	148,681	649,570
Catalyst - Porter	183,262	-	(903)	(5,956)	36,841	213,244
Catalyst - General fund	109,512	-	(539)	(3,559)	36,841	142,254
Jameel Endowment Refurbishment Fund	-	-	-	2,175,442	-	2,175,442
Permanent endowment funds (note 11)						
Art Jameel	10,325,811	-	(50,860)	(2,511,031)	3,473,768	11,237,688
Fashion	269,650	-	(1,328)	(8,764)	90,715	350,273
Iranian Treasures	1,880,280	-	(9,261)	(61,109)	632,556	2,442,466
Porter	749,238	-	(3,690)	(24,350)	252,055	973,252
General fund	684,950	-	(186,534)	(22,261)	413,588	889,743
Unrestricted funds	5,629,714	62,734	(31,791)	25,820	970,635	6,657,112
	24,246,381	**136,734**	**(642,115)**	**-**	**7,322,070**	**31,063,070**

Capital Projects This represents donations and grants received for capital projects at the V&A's South Kensington and Bethnal Green sites. Capital grants are made following successful applications to the Trustees.

Curatorial and Exhibitions These represent funds to be applied towards specific curatorial and exhibitions activities. Grants are made following successful applications to the Trustees.

Endowment Funds The endowment funds have been provided to support specific posts within the V&A, as well as the general activities of the Charity. The charitable company is the Corporate Trustee of the permanent endowment funds and the transactions and balances relating to these funds are reflected in the financial statements accordingly.

Transfers A portion of investment returns on Endowment funds are allocated to the relevant Restricted funds and are available to spend.

11. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS

	Art Jameel	Fashion	Iran	Porter	General	Total
At 1 April 2021						
Trust for investment						
Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	13,877,715
Inflationary uplift	937,688	24,571	171,329	65,403	61,615	1,260,606
Unapplied total return	-	56,810	396,137	157,849	144,305	755,101
Total	**11,237,688**	**350,273**	**2,442,466**	**973,252**	**889,743**	**15,893,422**
Movements in the reporting period						
Gift of endowment funds	-	-	-	-	-	-
Investment return: realised and unrealised gains	740,871	19,547	136,302	54,312	49,652	1,000,684
Less: investment management costs	(120,204)	(3,711)	(25,878)	(10,311)	(9,427)	(169,531)
Total	**620,667**	**15,836**	**110,424**	**44,001**	**40,225**	**831,153**
Income paid out to restricted funds in the reporting period	-	(11,276)	(78,626)	(31,330)	(28,642)	**(149,874)**
Net movement in the reporting period:	**620,667**	**4,560**	**31,798**	**12,671**	**11,583**	**681,279**
At 31 March 2022						
Trust for investment						
Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	1,634,425	46,081	321,323	125,172	116,255	**2,243,256**
Unapplied total return	(76,070)	39,860	277,941	110,751	101,249	**453,730**
Total	**11,858,355**	**354,833**	**2,474,264**	**985,923**	**901,327**	**16,574,701**

11. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS (continued) (Restated)

	Art Jameel	Fashion	Iran	Porter	General	Total
At 1 April 2020						
Trust for investment						
Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	834,430	21,874	152,526	57,911	54,766	**1,121,506**
Unapplied total return	(808,618)	(21,116)	(147,246)	(58,673)	(53,639)	**(1,089,292)**
Total	**10,325,811**	**269,650**	**1,880,280**	**749,238**	**684,950**	**13,909,929**
Movements in the reporting period						
Gift of endowment funds						
Investment return: realised and unrealised gains	3,473,768	90,715	632,556	252,055	413,588	**4,862,682**
Less: investment management costs	(50,860)	(1,328)	(9,261)	(3,690)	(186,534)	**(251,674)**
Total	**3,422,907**	**89,386**	**623,295**	**248,365**	**227,054**	**4,611,008**
Income paid out to restricted funds in the reporting period	(335,589)	(8,764)	(61,109)	(24,350)	(22,261)	**(452,073)**
Transfer to expendable endowment	(2,175,442)	-	-	-	-	**(2,175,442)**
Net movement in the reporting period:	**911,876**	**80,623**	**562,186**	**224,015**	**204,793**	**1,983,492**
At 31 March 2021						
Trust for investment						
Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	937,688	24,571	171,329	65,403	61,615	**1,260,606**
Unapplied total return	-	56,810	396,137	157,849	144,305	**755,101**
Total	**11,237,688**	**350,273**	**2,442,466**	**973,252**	**889,743**	**15,893,422**

11. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS (continued)

The Charity Trustees have exercised their powers to adopt a total return approach under section 104A of the Charities Act 2011 as amended by the Trust (Capital and Income) Act 2013.

The terms of the Jameel Endowment require an inflationary uplift based on CPI to be added to the value of the Trust for investment and this is not available for distribution. The inflationary uplift for the year was £696,737 (2021: £103,258). In accordance with the terms of the Jameel Trust deed, any surplus total return over and above the inflationary uplift and the 3.25% of the opening capital value spending rule is transferred to the Jameel refurbishment fund which is treated as an expendable endowment and shown in Note 10 to the financial statements.

The terms of the other endowments do not require an inflationary uplift; however, the trustees have adopted a policy of maintaining the real value of the trusts for investment and therefore a similar treatment has been applied.

12. RELATED PARTY TRANSACTIONS

The Foundation has one Trustee in common with the Victoria and Albert Museum. While the museum provides accounting and administrative services, these are charged for on an arm's length basis and the Foundation is run independently from, and is not controlled by the museum. During the year grants of £647,965 were payable by the Foundation to the Museum (2021: £356,489). At year end £51,734 remained to be paid over to the museum. (2021: Nil)

13. POST BALANCE SHEET EVENT

The Foundation received an unrestricted donation of £20,000,000 from a private individual on 4 April 2022.

THE V&A FOUNDATION

England & Wales - Charity number 1144508

Accounts

THE V&A FOUNDATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Charity Number: 1144508

Company Number: 07788681

THE V&A FOUNDATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

CONTENTS

	Page
Reference and administrative details	3
Trustees' Report	4 – 6
Independent Auditors' Report	7-9
Statement of Financial Activities	10
Balance sheet	11
Statement of Cashflows	12
Notes to the Financial Statements	13 - 21

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	Heather Acton (Chair) The Rt Hon Sir Timothy Sainsbury (to 21 October 2021) Nicholas Coleridge CBE Dr Genevieve Davies (to 21 October 2021) Mrs Lydia Gorvy (to 21 October 2021) Mr Manfred Gorvy (to 21 October 2021) Andrew Hochhauser Lady Jill Shaw Ruddock Sir Paul Ruddock (to 21 October 2021) Dame Theresa Sackler (to 21 October 2021) Alireza Sarikhani Bernard Selz Nicholas Snowman OBE Dr Susan Weber (to 21 October 2021) Peter Williams
Registered office	Victoria and Albert Museum Cromwell Road London SW7 2RL
Auditors	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	National Westminster Knightsbridge Business Centre 186 Brompton Road London SW3 1XJ
Solicitors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3CH

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 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

The V&A Foundation was incorporated as a company limited by guarantee on 27 September 2011 and registered as a charity on 2 November 2011. It is governed by its Memorandum and Articles. The charitable company also acts as corporate trustee for the permanent endowment funds shown in note 10 to the financial statements.

Trustees

The Trustees, who are also the directors for the purposes of company law, who served during the period and since the year end are shown on page 3. None of the Trustees has any beneficial interest in the Foundation. New Trustees are elected to the Board by existing members.

In line with the Charity Commission's guidance on long-serving Trustees, seven members of the Board of Trustees stood down at the October 2021 board meeting. Dr Genevieve Davies, Lydia and Manfred Gorvy, Sir Paul Ruddock, Dame Theresa Sackler, Sir Timothy Sainsbury and Dr Susan Weber have all served with great generosity and commitment during their time with the Foundation, and depart with the very best wishes and gratitude of the Board.

The Trustees are responsible for its overall management and control, including the implementation of policies. The Board meets regularly. They have certain legal, financial and fiduciary duties under charity law.

Trustees Induction and Training

New Trustees receive the latest Annual Report and Accounts and all relevant information relating to the Foundation. All Trustees are kept informed about relevant developments within the charity sector.

STRATEGIC REPORT

Risk Management

The Trustees are responsible for the management of the risks faced by the Foundation. Risks are identified, assessed and controls established as appropriate.

As a grant-making body, the major risk to the Foundation's ability to deliver its objectives is a failure to secure sufficient income for distribution. In particular this year Trustees have had to consider the risks around Covid-19 and subsequent measures to control the pandemic. While the temporary closure of the museum did not appear to impact our ability to fundraise, the fall in the value of investments at the end of the previous financial year put pressure on the endowments. Since the specific curatorial activities of the V&A that are funded by the Foundation's endowments were more limited than normal in the 2020-21 year, transfers to income were lower than in previous years. This helped to preserve the capital values of the endowments, which have subsequently recovered, thanks to strong investment performance. The level of unrestricted funds held will allow the Foundation to carry on its work in the event of a future slowdown in fundraising.

Objectives and Activities

The objects of the Foundation, as set out in its Memorandum and Articles are for the benefit of the public, to further, in so manner as the Trustees see fit, all or any of the objects from time to time of the Victoria and Albert Museum (V&A).

The Foundation has had regard to the guidance from the Charity Commission to ensure that its objects and activities are undertaken for the public benefit.

Achievements, Performance and Financial Review

During the year, the Foundation received donated income of £134,096 (2020: £33,883) towards the Victoria and Albert Museum's curatorial and exhibitions activities. Of this, £74,000 was restricted income for FuturePlan projects (2020: £27,489). Investment income of £2,638 (2020: £13,526) was received. Investments made a gain of £7,138,910 (2020: loss of £1,323,315) as markets recovered from the impacts of the Covid-19 pandemic in the final quarter of 2020. Trustees made grants towards the Victoria and Albert Museum's curatorial and exhibitions activities of £356,489 (2020: £849,964).

Total Return

Following the launch of the Foundation's successful endowment fundraising campaign, supported by the Heritage Lottery Fund's Catalyst: Endowment initiative, the Trustees have exercised their power under Section 104A(2) of the Charities Act 2011 to invest on a total return basis. The initial values of the trust for investment and unapplied total return were established as at 1 April 2016.

At 1 April 2016 and subsequently as donations were received under the endowment fundraising campaign, the value of these donations were allocated to the trust for investment. At the end of each year, except where donor agreements stated otherwise, an amount of up to 3.25% of the trust for investment is allocated to income from the unapplied total return at discretion of the trustees. An amount sufficient to maintain the real value of the trust for investment, based on CPI, is allocated from the unapplied total return to the trust for investment.

This year returns have been sufficient to allow the trust to drawdown funds to deliver charitable activities, which it was agreed should be made at below the maximum 3.25% allowable. The remaining gains were used to maintain the real value of the trust for investment, while some of the unapplied total returns were used to rebuild the value of the expendable endowments which had been eroded in the previous two years, when investment returns were not sufficient to fund committed activity in the V&A.

Reserves Policy

The Trustees have agreed that as it has very low running costs, £10k of unrestricted reserves should be retained to cover administrative and compliance costs. At the balance sheet date, the Foundation's unrestricted reserves were £6.7m (2020: £5.6m); the excess will be distributed in line with the Foundation's charitable objects as suitable grant requests are received.

Plans for the Future

With the museum reopened to the public again, the Foundation will continue to raise funds in line with existing priorities, while keeping a close eye on the performance of the endowments relative to the level of activity that they are required to fund.

How we Fundraise

Fundraising for the Foundation is undertaken by the V&A's Development team. The V&A's Development team has an exceptional reputation in the sector for fundraising professionally, responsibly and sensitively. Many of the V&A's fundraising team are members of the Institute of Fundraising and the V&A is registered with the Fundraising Regulator, whose Code of Fundraising Practice and Fundraising Promise set a standard for fundraising activity in the UK. The Legacies team are members of the Institute of Legacy Management, and the V&A is also registered with Remember a Charity, a consortium of 200 charities based at the Institute of Fundraising that encourages legacy giving in the UK.

How we Fundraise (continued)

The V&A's approach to fundraising is highly-personalised. The V&A operates almost exclusively on a one-to-one basis with its supporters and partners, ensuring communications are not excessive or intrusive and that the individuals contacted do not feel under any undue pressure to donate.

When feedback is received from supporters on how the V&A could improve, it is taken very seriously, and the V&A is pleased that it has had no complaints related directly to how it fundraises in the last year. Furthermore, advisory boards made up of volunteers representing a diverse range of supporters help the V&A to understand what these groups expect of it and how it can best deliver the world-leading programmes it has become known for.

When fundraising is carried out on behalf of the V&A it is with a small group of trusted partners who help it secure sponsorship from organisations, or individuals who promote the V&A through their personal and professional connections. The V&A works closely with these partners to ensure their approach consistently meets the high standards of the museum's own fundraising.

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity 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 Foundation and of the incoming resources and application of resources of the Foundation 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 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 charitable company will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the Trust 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees' Report, incorporating the Strategic Report, approved by the Board of Trustees on 21 October 2021 and signed on its behalf:

Heather Acton
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE V&A FOUNDATION

Opinion

We have audited the financial statements of The V&A Foundation ('the company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 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.

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 charitable company 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 charitable company'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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 6, 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, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
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 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 is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.

- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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 company's members 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

.....

Date: 26 October 2021

James Cross (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

THE V&A FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted 2021 £	Restricted 2021 £	Endowment 2021 £	Total 2021 £	Total 2020 £
INCOMING RESOURCES						
Income and endowments from:						
Donations and legacies	2	60,096	74,000	-	134,096	33,883
Investment income	3	2,638	-	-	2,638	13,526
Total income		**62,734**	**74,000**	-	**136,734**	**47,409**
Expenditure on:						
Charitable activities						
Grants payable		20,000	336,489	-	356,489	849,964
Governance costs		11,791	-	-	11,791	10,977
Investment Management Costs		-	-	90,675	90,675	8,187
Total resources expended		**31,791**	**336,489**	**90,675**	**458,955**	**869,128**
NET INCOME/(EXPENDITURE) BEFORE GAINS AND LOSSES ON INVESTMENTS		**30,943**	**(262,489)**	**(90,675)**	**(322,221)**	**(821,719)**
Gains/(Losses) on Investments		970,635	-	6,168,275	7,138,910	(1,323,315)
NET INCOME/(EXPENDITURE)		**1,001,578**	**(262,489)**	**6,077,600**	**6,816,689**	**(2,145,034)**
Transfers between funds		25,820	276,185	(302,005)	-	-
Net movement in funds		**1,027,398**	**13,696**	**5,775,595**	**6,816,689**	**(2,145,034)**
Funds brought forward as at 1 April		5,629,714	207,654	18,409,013	24,246,381	26,391,415
FUNDS AS AT 31 MARCH		**6,657,112**	**221,350**	**24,184,608**	**31,063,070**	**24,246,381**

All activities are continuing. There are no other gains or losses other than those shown above.

THE V&A FOUNDATION
company number: 07788681

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	2020 £
NON CURRENT ASSETS			
Investments		28,160,030	21,346,795
CURRENT ASSETS			
Debtors		-	-
Prepayment		691	653
Cash at bank		2,908,241	2,909,138
		2,908,932	**2,909,791**
CREDITORS: amounts falling due within one year		(5,892)	(10,205)
NET CURRENT ASSETS		2,903,040	2,899,586
TOTAL ASSETS LESS CURRENT LIABILITIES		**31,063,070**	**24,246,381**
NET ASSETS			
Represented by:			
Unrestricted funds		6,657,112	5,629,714
Restricted funds		221,350	207,654
Endowment funds		24,184,608	18,409,013
		31,063,070	**24,246,381**

The accounts were approved and authorised for issue by the Board of Trustees on 21 October 2021 and signed on its behalf by:

.....
Chair of the Board

The notes on pages 13 to 21 form part of these financial statements.

THE V&A FOUNDATION

STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2021

	Notes	2021 £	2020 £
Net cash used in operating activities	A	**(238,535)**	**(828,677)**
Cash flows from investing activities:			
Purchase of investments		-	-
Drawdown of investments		235,000	673,000
Interest from investments		2,638	13,526
Net cash provided by investing activities		**237,638**	**686,532**
Change in cash and cash equivalents in the reporting period		(897)	(142,151)
Cash and cash equivalents at the beginning of the year		2,909,138	3,051,289
Cash and cash equivalents at the end of the year		**2,908,241**	**2,909,138**

A: Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure)	6,816,689	(2,145,034)
(Gain)/Loss on investments	(7,138,910)	1,323,321
Interest from investments	(2,638)	(13,526)
Investment fees (deducted from portfolio)	90,675	8,187
(Increase)/Decrease in prepayments	(38)	400
Decrease in creditors	(4,313)	(2,025)
Net cash provided by operating activities	**(238,535)**	**(828,677)**

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The V&A Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value. The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

Going Concern

The trustees consider that there are no material uncertainties about the Foundation's ability to continue as a going concern for 12 months from the date of signing these financial statements. Due consideration for the effects of the Covid-19 pandemic has been taken. The charity is largely sheltered from the impact of Covid-19 due to the high level of unrestricted reserves and low level of non-discretionary spend in the charity. Accordingly, the going concern basis continues to be adopted in preparing the financial statements.

Donations, grants and legacies

Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the Foundation is considered probable.

Investment income

Investment income is accounted for on an accruals basis.

Expenditure

Expenditure is charged to the Statement of Financial Activities on an accruals basis and is charged as follows:

Grants payable are charged in the year which the offer is conveyed to the recipient except where the grant is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled. Grants offered which are subject to conditions that have not been met at the year-end are noted as commitments. Governance costs are those costs relating to the strategic direction of the charity and of regulatory compliance.

Financial Instruments

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost with the exception of investments which are held at fair value. Financial assets held at amortised cost comprise cash at bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

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 Statement of Financial Activities.

1. ACCOUNTING POLICIES (continued)

Debtors
Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Funds
Unrestricted funds – these represent the initial investment in the Foundation available for distribution at the Trustees' discretion. A transfer is made to unrestricted funds each year representing 3.25% of the General Endowment fund capital allocated from the unapplied total return of the General Endowment.

Restricted funds – these represent the different projects that the Foundation supports, following the receipt of income specifically restricted to these projects – detailed in note 7. Transfers are made each year representing 3.25% of the Restricted Endowment fund capital and allocated to income from the unapplied total return of the Endowment Funds.

Endowment funds – these are funds that the donor has stated are to be held as capital or expended over the long term. The charitable company acts as corporate trustee of the permanent endowment funds and accordingly these are reflected in the financial statements.

2. VOLUNTARY INCOME

	Unrestricted 2021 £	Restricted 2021 £	Endowment 2021 £	Total 2021 £
Donations	60,096	74,000	-	134,096
	60,096	**74,000**	**-**	**134,096**

	Unrestricted 2020 £	Restricted 2020 £	Endowment 2020 £	Total 2020 £
Donations	6,394	27,489	-	33,883
	6,394	**27,489**	**-**	**33,883**

3. INVESTMENT INCOME

	Unrestricted 2021 £	Restricted 2021 £	Endowment 2021 £	Total 2021 £	Total 2020 £
Interest Received	2,638	-	-	2,638	13,526
	2,638	**-**	**-**	**2,638**	**13,526**

All investment income received in 2019-20 was unrestricted.

4. EXPENDITURE

a. Charitable activities	Unrestricted 2021	Restricted 2021	Endowment 2021	Total 2021
Grants payable to V&A Museum:	£	£	£	£
FuturePlan	20,000	96,489	-	116,489
Curatorial and Exhibitions	-	240,000	-	240,000
General Activities	-	-	-	-
Governance costs - audit fees	3,706	-	-	3,706
Insurance	883	-	-	883
Bank charges	2	-	-	2
Financial services	7,200	-	-	7,200
Investment management fees	-	-	90,675	90,675
	31,791	**336,489**	**90,675**	**458,955**

4. EXPENDITURE (continued)

b. Charitable activities	Unrestricted 2020	Restricted 2020	Endowment 2020	Total 2020
Grants payable to Victoria & Albert Museum:	£	£	£	£
FuturePlan	-	172,987	-	172,987
Curatorial and Exhibitions	-	642,977	-	642,977
General Activities	-	34,000	-	34,000
Governance costs - audit fees	2,496	-	-	2,496
Insurance	1,271	-	-	1,271
Bank charges	10	-	-	10
Financial services	7,200	-	-	7,200
Investment management fees	-	-	8,187	8,187
	10,977	**849,964**	**8,187**	**869,128**

5. TRUSTEES

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Foundation during the year (2019-20: nil).

6. INVESTMENTS

	2021	2020
	£	£
Market value of investments at 1 April	21,346,795	23,351,303
Additions at cost	-	-
Disposals at market value	(235,000)	(673,000)
Gains/(Losses) on investments	7,048,235	(1,331,508)
Market value of investments at 31 March	**28,160,030**	**21,346,795**

7. DEBTORS

	2021	2020
	£	£
Prepayments	691	653
	691	**653**

8. CREDITORS: amounts falling due within one year

	2021 £	2020 £
Accruals	5,892	10,205
	5,892	**10,205**

9. NET ASSETS BETWEEN FUNDS

	Unrestricted 2021 £	Restricted 2021 £	Endowment 2021 £	Total 2021 £
Fund balances at 31 March are represented by:				
Non-Current assets	3,847,492	127,930	24,184,608	28,160,030
Current assets	2,815,511	93,420	-	2,908,931
Current liabilities	(5,892)	-	-	(5,892)
Net assets	**6,657,112**	**221,350**	**24,184,608**	**31,063,070**

	Unrestricted 2020 £	Restricted 2020 £	Endowment 2020 £	Total 2020 £
Fund balances at 31 March are represented by:				
Non-Current assets	2,833,276	104,507	18,409,012	21,346,795
Current assets	2,806,643	103,148	-	2,909,791
Current liabilities	(10,205)	-	-	(10,205)
Net assets	**5,629,714**	**207,655**	**18,409,012**	**24,246,381**

10. FUNDS

	At 1 April 2020	Income	Expenditure	Transfers	Investment gains	At 31 March 2021
	£	£	£	£	£	£
Restricted funds						
FuturePlan	22,489	74,000	(96,489)	-	-	-
Curatorial and Exhibitions	185,165	-	(240,000)	276,185	-	221,350
Expendable endowment funds						
Jewellery curator post	1,219,301	-	(6,006)	(15,000)	410,192	1,608,487
Illustration award	181,802	-	(895)	-	61,161	242,068
Catalyst - Art Jameel	2,298,176	-	(11,320)	115,589	773,143	3,175,589
Catalyst - Fashion	65,075	-	(321)	(2,115)	21,892	84,532
Catalyst - Iranian Treasures	441,956	-	(2,177)	61,109	148,681	649,570
Catalyst - Porter	183,262	-	(903)	(5,956)	36,841	213,244
Catalyst - General fund	109,512	-	(539)	(3,559)	36,841	142,254
Jameel Endowment Refurbishment Fund	-	-	-	2,175,442	-	2,175,442
Permanent endowment funds (note 11)						
Art Jameel	10,325,811	-	(50,860)	(2,511,031)	3,473,768	11,237,688
Fashion	269,650	-	(1,328)	(8,764)	90,715	350,273
Iranian Treasures	1,880,280	-	(9,261)	(61,109)	632,556	2,442,466
Porter	749,238	-	(3,690)	(24,350)	252,055	973,252
General fund	684,950	-	(3,374)	(22,261)	230,428	889,743
Unrestricted funds	5,629,714	62,734	(31,791)	25,820	970,635	6,657,112
	24,246,381	**136,734**	**(458,955)**	**-**	**7,138,910**	**31,063,070**

10. FUNDS (continued)

	At 1 April 2019	Income	Expenditure	Transfers	Investment losses	At 31 March 2020
	£	£	£	£	£	£
Restricted funds						
FuturePlan	3,405	22,489	(172,987)	169,582	-	22,489
Curatorial and Exhibitions	134,847	5,000	(642,977)	688,295	-	185,166
Joan Jordan Bequest	202,933	-	(34,000)	(168,933)	-	-
Expendable endowment funds						
Jewellery curator post	1,379,457	-	(556)	(79,165)	(80,436)	1,219,301
Illustration award	202,028	-	(81)	(8,364)	(11,780)	181,802
Catalyst - Art Jameel	2,941,153	-	(1,185)	(470,295)	(171,498)	2,298,176
Catalyst - Fashion	81,851	-	(33)	(11,970)	(4,773)	65,075
Catalyst - Iranian Treasures	559,988	-	(226)	(85,153)	(32,653)	441,956
Catalyst - Porter	230,120	-	(93)	(33,348)	(13,418)	183,262
Catalyst - General fund	146,526	-	(59)	(28,411)	(8,544)	109,512
Permanent endowment Funds (note 11)						
Art Jameel	10,969,881	-	(4,420)	-	(639,650)	10,325,811
Fashion	286,469	-	(115)	-	(16,704)	269,650
Iranian Treasures	1,997,562	-	(805)	-	(116,477)	1,880,280
Porter	795,971	-	(321)	-	(46,413)	749,238
General fund	727,674	-	(293)	-	(42,430)	684,950
Unrestricted funds	5,731,549	19,920	(10,977)	27,762	(138,539)	5,629,714
	26,391,415	**47,409**	**(869,128)**	**-**	**(1,323,315)**	**24,246,381**

FuturePlan -This represents donations and grants received for capital works at the V&A's South Kensington and Bethnal Green sites. Capital grants are made to the V&A Museum following successful applications to the Trustees.

Curatorial and Exhibitions These represent funds to be applied towards specific curatorial and exhibitions activities of the V&A.

Joan Jordan Bequest Legacy income received to be spent towards supporting students with limited means.

Endowment Funds -The endowment funds have been provided to support specific posts within the V&A, as well as the general activities of the Charity. The charitable company is the Corporate Trustee of the permanent endowment funds and the transactions and balances relating to these funds are reflected in the financial statements accordingly.

Transfers - A portion of investment returns on Endowment funds are allocated to the relevant Restricted funds and are available to spend.

11. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS

	Art Jameel	Fashion	Iran	Porter	General	Total
At 1 April 2020						
Trust for investment						
Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	834,430	21,874	152,526	57,911	54,766	**1,121,506**
Unapplied total return	(808,618)	(21,116)	(147,246)	(58,673)	(53,639)	**(1,089,292)**
Total	**10,325,811**	**269,650**	**1,880,280**	**749,238**	**684,950**	**13,909,929**
Movements in the reporting period						
Gift of endowment funds						
Investment return: realised and unrealised gains	3,473,768	90,715	632,556	252,055	230,428	**4,679,522**
Less: investment management costs	(50,860)	(1,328)	(9,261)	(3,690)	(3,374)	**(68,514)**
Total	**3,422,907**	**89,386**	**623,295**	**248,365**	**227,054**	**4,611,008**
Income paid out to restricted funds in the reporting period	(335,589)	(8,764)	(61,109)	(24,350)	(22,261)	**(452,073)**
Transfer to expendable endowment	(2,175,443)	-	-	-	-	**(2,175,443)**
Net movement in the reporting period:	**911,876**	**80,623**	**562,186**	**224,015**	**196,344**	**1,983,492**
At 31 March 2021						
Trust for investment						
Gift component of the permanent endowment	10,300,000	268,892	1,875,000	750,000	683,823	**13,877,715**
Inflationary uplift	937,688	24,571	171,329	65,403	61,615	**1,260,605**
Unapplied total return	-	56,810	396,137	157,849	144,305	**755,102**
Total	**11,237,688**	**350,273**	**2,442,466**	**973,252**	**889,743**	**15,893,422**

11. PERMANENT ENDOWMENT FUNDS – SUMMARY OF TOTAL RETURN MOVEMENTS (continued)

The Charity Trustees have exercised their powers to adopt a total return approach under section 104A of the Charities Act 2011 as amended by the Trust (Capital and Income) Act 2013.

The terms of the Jameel Endowment require an inflationary uplift based on CPI to be added to the value of the Trust for investment and this is not available for distribution. The inflationary uplift for the year was £103,258 (2020: £164,548). In accordance with the terms of the Jameel Trust deed, any surplus total return over and above the inflationary uplift and the 3.25% of the opening capital value spending rule is transferred to the Jameel refurbishment fund which is treated as an expendable endowment and shown in Note 10 to the financial statements.

The terms of the other endowments do not require an inflationary uplift however the trustees have adopted a policy of maintaining the real value of the trusts for investment and therefore a similar treatment has been applied.

12. RELATED PARTY TRANSACTIONS

The Foundation has two Trustees in common with the Victoria and Albert Museum. While the museum provides support services, the Foundation is run independently from, and not controlled by the museum. During the year grants of £356,489 were payable by the Foundation to the Museum (2020: £849,964).