

# Victoria and Albert Museum Annual Report and Accounts 2014-2015



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# Annual Report including Trustees' Report

## Introduction

The Victoria and Albert Museum (V&A) is Britain's national museum of art, design and performance. It was founded in 1837 as the Museum of the School of Design in Somerset House and it reached a wider public after its move to Marlborough House, where it became known as the Museum of Manufactures. It was subsequently renamed the Museum of Ornamental Art in 1853. In South Kensington since 1857, it became the Victoria and Albert Museum in 1899. The V&A was part of the Government's Department of Education and Science and operated under the auspices of an Advisory Council until 1 April 1984, when it acquired Trustee status with the passing of the National Heritage Act 1983 (The Act).

In this context, the Board of Trustees carries out its general functions, specified in the Act as follows:

*So far as practicable and subject to the provisions of the Act, the Board shall*

- a) care for, preserve and add to the objects in their collections,*
- b) secure that the objects are exhibited to the public,*
- c) secure that the objects are available to persons seeking to inspect them in connection with study or research, and*
- d) generally promote the public's enjoyment and understanding of art, craft and design both by means of the Board's collections and by such other means as they consider appropriate.*

The V&A comprises the main site at South Kensington, the V&A Museum of Childhood at Bethnal Green and the archive/study collections site at Blythe House, West London. The Museum also has a collections store in Dean Hill Park, Wiltshire.

During the year, the Museum undertook a thorough review of its strategy and developed a new five-year plan for 2015-20, including a new mission and strategic objectives.

## V&A Mission

*To be recognised as the world's leading museum of art, design and performance, and to enrich people's lives by promoting research, knowledge and enjoyment of the designed world to the widest possible audience.*

## V&A Strategic Objectives

Our vision for the next five years is for major expansion of our physical and digital reach, using the lens of design to make our collections increasingly accessible and relevant. To achieve this we aim to:

- Create a world-class visitor and learning experience across all V&A sites and collections
- Focus and deepen the relevance of our collections to the UK creative and knowledge economy,
- Expand the V&A's international reach, reputation and impact
- Showcase the best of digital design and deliver an outstanding digital experience
- Diversify and increase private and commercial funding sources

## In Brief

2014-15 has been a very successful year for the Museum, a record year for visitors. Across our three sites we have attracted our highest annual number of visitors, 3.7 million. More than 1 million people attended an exhibition at South Kensington, with total reach being much higher through our national and international touring. We welcomed more than 15 million unique online visitors, and visitors to our Search the Collections portal was a record 1.2 million in 2014-15. The restoration and conservation of the Weston Cast Court was successfully completed, and re-opened to the public.

## Create a world-class visitor and learning experience across all V&A sites and collections

### AUDIENCES

The V&A continues to prioritise enhancing and encouraging access to its collections, which includes visitors to South Kensington, the Museum of Childhood and the Clothworkers' Centre for the Study and Conservation of Textiles at Blythe House. In addition, the V&A continues to increase the number of people who engage with the Museum through digital or broadcast media.

2014-15 was a record year for visitors – 3,735,477 across all sites (South Kensington, Museum of Childhood and Blythe House). South Kensington attracted over 3 million visitors for the third year in a row, the Museum of Childhood recorded its highest ever number of visitors and over 6,000 people visited the study collections at Blythe House.

During the year, the Museum's exhibition programme included *William Kent: Designing Georgian Britain*, *The Glamour of Italian Fashion 1945-2014*, *Wedding Dresses 1775-2014*, *M.F. Husain: Master of Modern Indian Painting*, *Disobedient Objects*, *Prix Pictet*, *Horst: Photographer of Style*, *Constable: The Making of a Master* and *Staying Power: Photographs of Black British Experience 1950s-1990s*, as well as *Daydreams and Diaries: The Story of Jacqueline Wilson* and *Small Stories: At Home in a Dolls' House* at the Museum of Childhood. *Disobedient Objects* became the V&A's most-visited exhibition in recent years, with 416,900 visitors.

Rapid Response Collecting opened in July 2014, the first gallery in the Museum designed to be responsive to global events, technological advances, political changes or pop cultural phenomena that have an impact on art, design and architecture. This subject also engaged our visitors online through the blog and social media.

In November 2014, The Weston Cast Court reopened following refurbishment, enabling visitors to once again enjoy one of the most popular spaces in the V&A.

Exhibition	Dates	Visits
SOUTH KENSINGTON		
<i>William Kent: Designing Georgian Britain</i>	22/03/14 – 13/07/14	35,900
<i>The Glamour of Italian Fashion 1945-2014</i>	05/04/14 – 27/07/14	131,200
<i>Wedding Dresses 1775-2014</i>	03/05/14 – 15/03/15	316,800
<i>M.F. Husain: Master of Modern Indian Painting</i>	28/05/14 – 27/07/14	20,300
<i>Prix Pictet</i>	22/05/14 – 14/06/14	18,000
<i>Disobedient Objects</i>	26/07/14 – 01/02/15	416,900
<i>Horst: Photographer of Style</i>	06/09/14 – 04/01/15	94,600
<i>Constable: The Making of a Master</i>	20/09/14 – 11/01/15	99,500

MUSEUM OF CHILDHOOD (all exhibitions free – specific visits not collected)	
<i>Daydreams and Diaries: The Story of Jacqueline Wilson</i>	05/04/14 – 02/11/14
<i>Small Stories: At Home in a Dolls' House</i>	13/12/14 – 06/09/15

### Future Activity

The V&A opened its 2015-16 programme with *Alexander McQueen: Savage Beauty*, which saw unprecedented advance sales of 85,000 tickets prior to opening. The programme continues with exhibitions including *All of this Belongs to You*, *What is Luxury?*, *Shoes: Pleasure and Pain*, *Julia Margaret Cameron*, *The Fabric of India and Bejewelled Treasures: The Al Thani Collection*. At the Museum of Childhood, *Small Stories: At Home in a Dolls' House* continues until September and *The Alice Look* opens in May 2015.

### DIVERSITY

Our goal is to integrate equality and diversity into everything that we do and ensure that all aspects of the Museum – the staff profile, the collections, audiences, programmes and events – reflect the diversity that exists within 21st-century society. We believe that a commitment to equality and diversity is central to creating a positive environment which makes full use of the wide range of talents and resources (i.e. our staff) that benefit our visitors.

Some highlights of our programmes are listed below:

### **Staying Power: Photographs of Black British Experience 1950s–1990s**

Staying Power is a project to increase the number of black British photographers and images of black Britain in the V&A's collections. It aims to raise awareness of the contribution of black Britons to British culture and society, as well as to the art of photography.

Over the last seven years the V&A has been working with Black Cultural Archives, Brixton, to acquire photographs either by black photographers or which document the lives of black people in Britain. Funded by the Heritage Lottery Fund (HLF), the project has also collected oral histories from the photographers themselves, their relatives, and the people depicted in the images. Two concurrent exhibitions at the V&A and Black Cultural Archives have been presented, and associated learning programmes, workshops and a conference have accompanied the exhibitions.

### **In Black and White: Prints from Africa and the Diaspora**

This display features a variety of powerful graphic images from the 1960s to the present – prints, posters, books and ephemera – by notable artists as well as anonymous activists. Some works address social and political issues head on, others reflect their time and place more subtly, but they all confirm print as a vital medium for personal expression, protest, and cultural exchange.

### **A Room from Damascus**

In the 18th century, the main reception rooms in Syrian upper-class houses began to be highly decorated with colourful painted wooden panelling. These rooms were the focus of hospitality, but the objects displayed there also announced a family's wealth and status. When cities began to modernise in the late 19th century, many of these decorative interiors were removed for sale. The V&A was the earliest western collection to acquire one. This display will present some of the panelling and a selection of the objects that once dressed this room.

### **Digital Community Programmes**

We have been working with Great Ormond Street Hospital (GOSH) and Chelsea and Westminster Hospital (CWH) to deliver creative workshops to patients in their care. Using the artworks and installations displayed in the hospitals, we deliver monthly activities at bedsides, in waiting rooms and in social areas with adults at CWH and with children at GOSH. Our workshops use digital devices and creative applications to produce games, photography, animations and drawings.

### **Adult Community Programmes**

New partnership projects undertaken with elderly, vulnerable and socially isolated adults have strengthened and increased our Adult Community Learning offers across 2014-15. These programmes have reached out to over 1400 adults, including:

- Over 500 new audiences have come to view new performance work as part of the participatory *Take the Stage* activity in the Lydia and Manfred Gorvy Lecture Theatre.
- A new learning resource was produced out of a six-month design project with visual arts charity Intoart, which works with adults with learning disabilities.
- Synergy Theatre, the leading theatre company working with adult ex-offenders, led a performance response to the *Disobedient Objects* exhibition. Drawing on the theme of protest, this introduction to playwriting culminated in professional actors reading participants' scripts at a public event.
- New off-site craft-in-the-community workshops have been led with the homeless charity Shelter from the Storm in Islington on a once-a-month basis.



### Family Inclusion Programme

- In summer 2014, groups of parents and Key Stage 2 pupils took inspiration from the V&A collections and worked with the Dante or Die theatre company to transform their ideas into a short performance, called *Treasure*. The final piece was debuted at the Flyover Café (part of the Westway Trust) and repeated the following day for a large general audience at the V&A.
- Five workshops were delivered in partnership with the tri-borough Virtual Schools, who run programmes for children and their carers. Each workshop was led by a different designer, working with a different medium, and responding to a different part of the Museum to create a diverse welcome and orientation to the collections.
- A new sensory backpack has been created for family use in the ceramics galleries, working in partnership with SENSE, a national charity that supports and campaigns for children and adults who are deafblind or have sensory impairments, and with support from the Wolfson Foundation.
- Museum Migrations, a new Drop-in Design session, was devised working in partnership with Eritrean artist Aida Silvestri, based on her 'Even This Will Pass' series.
- Two new pop-up performances were developed by Prakruti Dance incorporating Indian dance and storytelling. The first piece, *A Dance around India*, involved students of 11 to 14 years old as performers, and their parents, who supported the performance.

### FUTUREPLAN

FuturePlan is the V&A's capital development programme. It is a complex, long-term programme which drives continuous improvement of the museum across all areas – both front and back of house. At its heart is the constant improvement of physical and intellectual access to the V&A's vast Grade 1 listed buildings and collections. FuturePlan contributes to many other V&A agendas, such as research, improving standards of collections care, engagement with the creative industries, increasing audience diversity and improving carbon efficiency.

FuturePlan is primarily funded by donations from private individuals, charitable trusts and foundations, and the Heritage Lottery Fund.

In 2014, the restoration and conservation of the Weston Cast Court was successfully completed, and on 26 November it opened to the public. The project involved refurbishing the high-level eastern windows, replacing the glass roof and repairing the ironwork roof structure, along with over 7,000 hours of conservation on key objects. The Court opened on time and under budget and was very well received by the public and press.

Work continues on three large projects on the South Kensington site: the Exhibition Road Building project, the seven galleries dedicated to 17th and 18th-century European art and design, and the refurbishment of the Japan Gallery.

The Exhibition Road Building, designed by AL\_A, consists of a large (1100m<sup>2</sup>) gallery for temporary exhibitions, a new courtyard and a new entrance hall. It is progressing well and is currently in the second of three years planned for main construction. 477 piles have been installed around the perimeter of the site, and propping has recently been completed to help support the newly excavated spaces. The installation of the tower crane will begin in June 2015.

The Europe 1600-1800 galleries, designed by ZMMA, are currently under construction and due for completion in late 2015. The original opening date of December 2014 was delayed due to difficulties with the main contract, but the project is progressing well under a new programme, with display case installation underway and conservation of 1,008 objects nearly complete.

The Japan Gallery and associated spaces are now closed and the object decant has started; these areas are due to reopen to the public by November 2015.

A smaller package of works to redesign the Secretariat Entrance is also live. Currently in the design phase, these works are due to finish in December 2015.

Finally, feasibility studies are being conducted for a proposed new Members' Room, and work continues on a master plan for the Museum of Childhood.

## LEARNING AND PARTICIPATION

There were 192,000 instances of participation in learning programmes in 2014–15. Some highlights were:

### Lampson Unlocked: 'Fear God! Fear Nought!'

Friday 5 December 2014 saw the performance of the above play and accompanying artwork, in the form of 14 'Cabinets of Curiosities,' produced by 33 students of Wren Academy, Barnet. The work was inspired by original documents in the National Archives that tell the true, hidden story of Commander Oliver Locker-Lampson's time embroiled in the February Russian Revolution.

### Concept to Catwalk

In collaboration with Queen Elizabeth Olympic Park, Central Saint Martins and MyKindaCrowd, a competition for London schools invited students to design clothing for the future inspired by East London, the Olympic Park, technology and the V&A's collections. Nearly a thousand students registered for the competition and two hundred attended an Inspiration Day at the Queen Elizabeth Olympic Park. The final event featured the seven finalist schools and their pieces, which were designed in conjunction with mentors.

### Making It: Careers in Art & Design

Devised in association with members of CreateVoice, the V&A's young people's collective, this large, free, one-day event offered young people aged 16-24 the chance to shape their future and find out more about career opportunities in the creative industries. The programme included a wide range of talks, workshops, drop-ins and displays, with highlights including AL\_A Architects, United Visual Artists and Seymourpowell.

### Norouz Festival: Celebrating Spring at Persian New Year

The Norouz Festival was a day of music, dance, song, storytelling and craft workshops developed with the Iran Heritage Foundation. The event attracted over 6,000 people, including a large family audience.

### Community Artist in Residence

The V&A, in partnership with the Royal Institute of British Architects (RIBA) and supported by the Royal Borough of Kensington and Chelsea (RBKC), staged a community-based artist residency. Over the course of six months, we funded an established local artist to stage a programme of activities, both locally and in the Museum, around themes such as architecture, regeneration and development.

## Focus and deepen the relevance of our collections to the UK creative and knowledge economy

### Acquisitions

Developing the V&A's collections is essential to maintaining the Museum's status as the world's leading museum of art, design and performance. The collections represent the best of historic and contemporary design and reflect changing and diverse societies.

The V&A now has 2.28 million objects, library items and archives in its collections. In 2014–15, 14,869 items were added to the collection, with a total value of £23.94m. Of this, the cost of objects purchased was £7.06m, made possible by funding largely from external sources, including generous support from The Art Fund, the Friends of the V&A, and private donors. The value of objects donated, either directly or via the Acceptance in Lieu scheme, was £16.88m (including £15m for Wedgwood Collection).

The V&A continues to play a significant role in the fight to save key heritage objects for the nation, safeguarding their future in national public collections. During 2014–15 the Museum raised funds to acquire works including:

- *The Wolsey Angels*, four bronze angels by Benedetto da Rovezzano, 1524-1529
- Cabinet, George Myers and John Hardman junior, c.1845
- Medal cabinet, Martin Guillaume Biennais, c.1810
- Collection of archive papers from the theatre director Peter Brook, principally covering the period 1930 to 1979

The Art Fund's purchase of the Wedgwood Collection, its gift to the V&A and the loan from the V&A to Waterford Wedgwood Royal Doulton were all confirmed in back-to-back transactions on 1 December 2014, ensuring

the collection will remain on display at the Wedgwood Museum in Barlaston. Absorbing this material into the V&A collections and supporting the subsequent loan involved extensive input from curatorial, registrar and collections management staff. This has already deepened knowledge of the collection and enabled skills sharing with colleagues in the Potteries which will continue.

The continued acquisition of historical objects adds to the overall understanding of the collections and tests established interpretations of particular periods, styles or artist/designer's work.

A major focus of the V&A's collecting is the 20th and 21st centuries. Highlights included:

- *Qubis Haus*, Dolls' house furniture set designed and manufactured by Amy Whitworth, Qubis Design, 2014
- Five womenswear ensembles designed by Meadham Kirchhoff, 2010-13
- Isle of Wight Festival 2011 poster, John Giddings, 2014
- *Inner side-outer side 2014-2*, lacquer sculpture by Tanaka Nobuyuki, 2014
- Shaun Leane for Alexander McQueen, silver-plated and jewelled 'yashmak', 2015
- AUN II, basket / sculpture made from woven bamboo by Tanabe Shochiku, 2014

Other objects acquired this year reflect the breadth of the V&A's collecting ambitions and include:

- *Jewels Verne Fighting Fish* bracelet, Stephen Webster, 2009
- Christening cup and cover, Edward Feline, 1731
- Model of the Campanile Tower of Siena Cathedral, Vicki Ambery Smith and Mary Ann Simmons, 2011
- *Forty Fridas*. A suite of colour woodcut and drypoint prints by Ellen Heck, 2011–12
- Portrait miniature of Carlo Broschi, known as Farinelli, Christian Friedrich Zincke, c.1735
- Group of kimono, 1870-1940
- Prototype for materialised sketch of a round-back chair, Front Design, 2005

### National Work

We work with UK museums, local authorities, universities and schools, charities, community groups and creative practitioners to provide a high-quality experience and the best possible access to the V&A's collections across the country. V&A staff give talks and lectures across the country; are members of boards, committees and subject specialist networks; and provide advice and training to a wide range of museums and other organisations.

In addition to the extensive programme of touring exhibitions and loans, highlights of national activity in 2014–15 included:

- The V&A, Sadler's Wells, University of the Arts London (UAL) and University College London (UCL) are working with the London Legacy Development Corporation (LLDC) to form a new cultural and higher education quarter on the Queen Elizabeth Olympic Park, Stratford, as part the Olympic legacy. The project has been championed by the Mayor of London and backed by investment from central government. The target opening date is 2020-21. The design competition for the new venue was launched in December.
- The fixed-price main contract for the V&A Museum of Design, Dundee, has been signed and work began on-site in March 2015. The museum will celebrate Scotland's historic importance in design and will form part of the V&A's long-term national strategy to broaden access to our collections and exhibitions, and foster the relationship between creative design, business and enterprise. The pre-opening programme continued throughout the year with exhibitions held at the McManus Gallery, Dundee, and the museum's first touring exhibition, *Design in Motion*, housed in a custom-built contemporary gallery inside a bus.
- Following the transfer of the Wedgwood Museum collections to the V&A's ownership, work is in progress to gather and transfer catalogue information to the V&A collections management system. Items from the Wedgwood collection are displayed in *Blue & White: British Printed Ceramics*, which opened at the V&A on 31 January 2014.
- The ACE/V&A Purchase Grant Fund, delivered by the V&A with a grant budget from Arts Council England (£750k in 2014-15), engages with over 100 different organisations throughout England and Wales each year. In 2014-15, 109 grants totalling £749k were given to 79 organisations, enabling purchases valued at over £2,800,000 to go ahead.

- The V&A, with the support of the Art Fund, and in partnership with Nottingham Castle Museum and Museums Sheffield is running a 2-year programme to develop photography curatorial skills in the UK museum sector.
- The Learning Department is working with Coventry Museums on the Museums and Schools programme, funded by the Department for Education through Arts Council England. The targets set for visits by school children from disadvantaged backgrounds (8,000 pupils and 24,000 visits over three years) were stretching but were met in September, six months before the end of the project.
- We confirmed our intention to continue our partnership with Museums Sheffield in September 2014. The objectives for the next four years are to make the V&A's knowledge and collections accessible to audiences in and around Sheffield and for the V&A and Museums Sheffield to support one another professionally by sharing expertise and collections. This year's work included touring exhibitions, lectures by V&A staff and skills sharing.
- In support of UK Government Cultural Heritage Policy, V&A curators advised Arts Council England and the Heritage Lottery Fund on official queries relating to some 1,000 objects, and have acted as champions for objects for which export licences have been withheld.

### National Touring Exhibitions

In 2014-15 nine V&A touring exhibitions travelled to 16 venues across the UK, attracting over 560,000 visitors. It is notable that the Museum of Childhood played a significant role in delivering our national programmes.

<i>Title</i>	<i>Venue</i>	<i>Dates</i>	<i>Visits</i>
<i>Japanese Cloisonné</i>	The Potteries Museum, Stoke-on-Trent	22/03/14 – 05/05/14	17,500
	Durham University	17/05/14 – 31/08/14	1,700
<i>Modern Masters</i>	Plymouth City Museum and Art Gallery	23/05/14 – 25/08/14	16,700
	Victoria Art Gallery, Bath	06/09/14 – 23/11/14	9,000
	Inverness Museum and Art Gallery	06/12/14 – 28/02/15	5,100
<i>The Birth of British Rock: Photographs by Harry Hammond</i>	The Woodville, Gravesend	29/04/14 – 29/06/14	2,000
<i>War Games</i>	Sunderland Museum & Winter Gardens	17/05/14 – 14/09/14	134,000
	Tullie House Museum and Art Gallery, Carlisle	04/10/14 – 11/01/15	3,400
	Sea City Museum, Southampton	31/01/15 – 10/05/15	11,800
<i>Magic Worlds</i>	Great North Museum: Hancock, Newcastle-upon-Tyne	22/03/14 – 22/06/14	154,700
<i>Teddy Bear Story</i>	The Beaney House, Canterbury	10/05/14 – 17/07/14	13,900
	Maidstone Museum & Bentliff Art Gallery, Kent	09/08/14 – 02/11/14	21,000
<i>Recording Britain</i>	Millennium Galleries, Sheffield	02/04/14 – 02/11/14	78,400
	The Herbert Art Gallery and Museum, Coventry	30/01/15 – 26/04/15	13,500
<i>Shooting Shakespeare: 150 years of Stage Photography</i>	Millennium Galleries, Sheffield	29/03/14 – 08/06/14	65,100
<i>A World to Win: Posters of Protest and Revolution</i>	The McManus, Dundee	13/11/14 – 04/01/15	16,600
<b>TOTAL</b>			<b>564,200</b>

## National and International Loans

In 2014-15 the V&A loaned 1,143 objects to temporary exhibitions at 100 venues in the UK and 113 venues across the world. Additionally, 1,672 long-term loans supported displays at 152 venues in the UK and 3 overseas. This year saw a V&A table go on long-term display at Horace Walpole's former residence, Strawberry Hill, Twickenham. The table is believed to have been bought by Horace Walpole for the house and is, therefore, returning to its original home. Among the short-term loans, 10 objects were lent to the Royal Albert Memorial Museum, Exeter, for *Art and Soul: Victorians and the Gothic*.

A group of 67 prints, drawings, posters and books was lent to *Oscar Wilde. Aubrey Beardsley. A Russian Perspective* at the Pushkin Museum of Fine Arts, Moscow, showcasing the V&A's collections of British Aestheticism for the Russian public. Almost concurrently with the Wilde and Beardsley exhibition, the Moscow Design Museum facilitated the loan of twelve items of Arts & Crafts decorative arts from five different V&A curatorial departments to the Pushkin Museum's *British Design from William Morris to the Digital Revolution*.

## National Touring Exhibitions

<i>Loans</i>		<i>Total</i>	<i>UK</i>	<i>Overseas</i>
Number of objects	Short-term	1,143	439	704
	Long-term	1,672	1,559	113
	<b>Total</b>	<b>2,815</b>	<b>1,998</b>	<b>817</b>
Number of venues		<b>365</b>	<b>252</b>	<b>113</b>

## RESEARCH AND EXPERTISE

Research plays a central role in improving access to, and understanding of, the designed world. Experts throughout the Museum work with a wide range of partners on preserving, studying and displaying our collections, advising on government export licenses, training postgraduates and hosting events for scholarly specialists and the general public. In 2014-15, the V&A:

- Produced 38 peer reviewed publications and edited the V&A Online Journal,
- Organised 25 conferences and 34 seminars, and held the inaugural events for the Andrew W. Mellon Foundation-funded pilot project to create the V&A Research Institute,
- Participated in 22 research projects funded by councils, trusts and government bodies in the UK, Europe and the Americas, bringing a record amount of more than £350k to the Museum,
- Hosted 15 fellowships and exchanges with universities and museums throughout the UK and abroad,
- Taught 92 postgraduates in collaboration with the Royal College of Art and other universities,
- Offered public Opinions afternoons, where visitors can have objects identified by curators, and
- Developed a Research Handbook with new policies and procedures for anyone carrying out research in and on our collections, and a new Newsletter to provide greater visibility for Research at the V&A.

## EDUCATION AND TRAINING

The V&A continues to lead the sector in professional development and work-based qualifications. As well as the prestigious five-year Assistant Curator Development Programme, the Museum runs the successful Masters accredited Innovative Management & Leadership programme, which is now in its 12th year. This year also saw the launch of the Line Manager Development Programme developed and delivered in conjunction with ACAS, the employment relations specialists. The Museum also continues to offer tutorials and training sessions for research-active staff wishing to boost their scholarly profile and research grant activity.

The V&A is an Ambassador for the National Apprenticeship Service, providing apprenticeship qualifications for the Cultural & Creative sector. In addition the Museum's Cultural Heritage Assessment Centre offers diplomas and certificates in cultural heritage, technical and conservation skills, customer service, management and business administration.

## CREATIVE ECONOMY

Showcasing the best contemporary art and design and making it accessible to all was one of the Museum's founding missions and it remains at the heart of the V&A. In 2014-15, 40% of visitors to the Museum identified themselves as working, teaching or studying in the creative industries (2013-14: 45%).

Throughout the year V&A exhibitions, displays, installations, events, products and publications continued to bring some of the best contemporary art and design to a wide audience. The Museum continues to prioritise inspiring new generations of makers and consumers, contributing to the success and growth of the UK creative economy. While all the V&A's programmes encourage engagement with art, performance and design, some events are aimed specifically at Creative Industries audiences (such as the V&A Illustration Awards), or showcase work of contemporary practitioners (such as the *Disobedient Objects* exhibition).

In September, the V&A was once again the hub of the London Design Festival (LDF), a nine day festival of contemporary design that celebrates London as the creative capital of the world. Throughout the Museum there was a range of specially commissioned installations and displays, as well as a broad programme of special events, talks and workshops. Among other commissions, the spectacular Double Space for BMW installation by London designers Barber Osgerby transformed the Raphael Court with two giant rotating mirrors, providing a stunning centrepiece for LDF at the V&A. The Museum also hosted an aluminium bridge designed by Zaha Hadid and an exhibition of products created by emerging designers for prominent design-world figures including Lord Norman Foster and Sir Terence Conran.

### **Fashion in Motion**

Fashion in Motion is a series of live fashion events presented against the unique backdrop of the Raphael Court. Featuring some of the greatest designers of our time, and the best emerging names, Fashion in Motion brings the excitement and spectacle of the high-fashion catwalk to a wide audience.

#### **Ralph and Russo, October 2014**

British couturiers Ralph & Russo were the subject of the V&A's Autumn 2014 Fashion in Motion. Comprising creative director Tamara Ralph and CEO Michael Russo, Ralph & Russo are known for creating opulent handcrafted garments. In 2013 the brand was the only British label to show on the official Paris Haute Couture Week schedule.

#### **Sibling, November 2014**

Emerging London designer Sibling presented a show of menswear in November, focusing on its signature colourful, playful knitwear.

#### **Grace Wales Bonner, April 2015**

Recent Central St Martins graduate Grace Wales Bonner presented an extraordinary tableau of her menswear, with models posing in front of a stylised Savannah backdrop and a choir alternating between religious choral music and African songs.

### **Friday Late Programme**

Held on the last Friday of every month, when the Museum is open until 10pm, Friday Lates are a mixture of live performances, cutting-edge fashion, debates, one-off displays, installations, guest DJs and late-night exhibition opening. Friday Late is one of the primary platforms for young and emerging talent to show their work at the V&A and for creative communities to embrace the Museum in new ways. Examples from the last year include:

#### **Crowdfunding: Produced by the People, January 2015**

4,435 attended January's Friday Late, which celebrated crowdfunding, the phenomenon that has changed the landscape of design production and dissemination. Visitors were chased through the museum by zombies as part of the top crowdfunded videogame of 2011, *Zombies, Run!*; Kristian Koreman from ZUS architects presented their Luchtsingel pedestrian bridge in Rotterdam; and the editors of new London design magazine *Dirty Furniture* looked at how crowdfunding has been responsible for a resurgence of independent publishing.

#### **What the Font? November 2014**

What the Font? invited some of Britain's best type and graphic designers to the museum, including Dalton Maag, who created a special Friday Late font. Vincent Connare, designer of the typeface Comic Sans, talked about his experience developing the notorious font. Assistant Curator of Prints Zorian Clayton presented typographical highlights from the past 150 years.

### **Shoreditch Takeover, 25 July 2015 & 26 July 2015 at BL\_NK**

For the first time in Friday Late history, and in collaboration with Hackney council and the East London tech community, we hosted a Friday Late at two locations. On the Friday the V&A welcomed the digital design community of Shoreditch to the museum, and on Saturday the show was relocated to BL\_NK on East Road in Shoreditch, a space developed for the digital design community. Talks, workshops, installations and live DJs filled the weekend with digital insight and entertainment. 4,333 visitors attended at the Museum, and 1,258 attended BL\_NK.

### **STUDENTS AND EDUCATIONAL PARTICIPATION**

This year the V&A again increased the number of school pupils taking part in activities at the Museum to a total of 79,000. We also ran projects targeted at Higher Education students, all with the aim of using the collections to inspire the next generation.

#### **The Swarovski Design Project**

As a repository for ideas and inspiration, the V&A can play a vital role in fostering relationships between industry and higher education institutions by drawing on its outstanding exhibitions, collections and areas of expertise. Collaborating with Swarovski and Central Saint Martins makes visible the creative interplay between three organisations and their impact on student attainment and progression. The Swarovski Design Project engaged final year BA Jewellery Design students to make a new piece of design inspired by Alexander McQueen: *Savage Beauty* that also celebrated the Swarovski crystal or gemstones. Ten students were then selected to go on to produce their pieces for display in the Museum.

#### **Creative Quarter**

The V&A's annual careers day for Secondary Schools and Colleges took place on Friday 28 November 2014. High-profile speakers included Mike McGee, co-founder Framestore, the makers of Oscar-winning film *Gravity*, legendary graphic designer Jonathan Barnbrook, Sarah Corbett from the Craftivist Collective, SHOWstudio, Ivan Harbour and ethical fashion charity TRAIID. The Raphael Court was transformed into a drop-in space where students could meet professionals from across the creative industries, take part in hands-on activities and interact with a huge installation designed by artists Isabel & Helen.

#### **Graphic Gathering**

Graphic Gathering is the V&A's annual schools Graphic Design competition. This year the students were given a live brief in collaboration with the Buying & Design teams from the V&A's Commercial & Digital Development Department to design a tote bag; the winning design (by Pierre Rolle from Raines Foundation School) will be produced and sold in the V&A shop this summer.

#### **Digital Design Weekend**

The annual Digital Design Weekend showcases over 40 leading digital art and design projects by UK and international artists. Visitors could experience the latest in digital design and take part in open hacking and making events in the Learning Centre, Garden and Grand Entrance.

#### **Digital Futures**

Digital Futures is a platform for the display and discussion of new work by students, researchers, creative practitioners and other professionals working with digital media, interactive art, digital design, science and more. The programme offers opportunities to show and discuss work and ideas with fellow creative practitioners, researchers and the public, but also a platform to network and nurture discussion and future collaborations.

#### **Summer DesignLab projects with Schools supported by John Lyon's Charity**

Last year saw the successful completion of our three-year John Lyons Charity (JLC) funded schools project. This project sought to increase the number of students from state secondary schools, and from a range of backgrounds, across seven London boroughs taking part in practical DesignLab workshops. The original target of 1,200 students was comfortably exceeded – almost 2,500 took part. Before the start of the project, 10% of state-maintained secondary schools in the catchment area engaged with the V&A schools programme but over the course of the project 68 out of 85 schools participated: 80%. 65% of pupils who participated are from BAME backgrounds.

## Future Activity

Our collections are vast and diverse, and the creative economy is growing fast – there will be a particular focus on fashion, performance, architecture and design over the next 5 years. This is part of the rationale behind the creation of a seventh collecting department – Design, Architecture & Digital.

The V&A aims to transform the thriving culture of inquiry, curation and collaboration housed within our Research Department, and make it more outward facing, using our collections to bring together experts from both academia and the creative industries.

Colleagues from the V&A in London and Dundee will be working increasingly closely together in the coming years, to ensure that the objectives and ambitions of the V&A Museum of Design, Dundee project are fully realized. In addition, the Museum will continue to progress the development of a new V&A museum at Queen Elizabeth Olympic Park.

## Expand the V&A's international reach, reputation and impact

### International Work & Priorities

The V&A is an international organisation, with global relevance, collections, audiences, exhibitions and relationships. Since its creation following the Great Exhibition of 1851, the V&A has collected outstanding examples of art, design and performance from across the world to enthuse and inspire both the public and creative practitioners.

Today, staff across the organisation operate on a global scale via institutional partnership agreements, overseas trading, provision of consultancy services, touring exhibitions and skills sharing initiatives. This international activity benefits the Museum by enriching its knowledge and expertise, attracting new audiences, generating income and building its reputation and brand.

In this context, 2014-15 marks the beginning of a new phase for V&A international work with the development of a series of innovative initiatives aimed at adding value both culturally and financially. In June 2014, China Merchants Group (CMG) and the V&A signed a pioneering collaboration during an official ceremony held at the Foreign and Commonwealth Office (FCO) and opened by Premier Li and David Cameron. Through this collaboration, the V&A is supporting CMG's ambitious plans to set up the first major design museum in Shenzhen, China.

In November 2014, the V&A also launched a new international training course, Creating Innovative Learning Programmes. Based on the success of this first edition, the marketing of next year's edition was launched in February 2015. The course received a very high number of applications from nearly all continents, far exceeding capacity. Plans to further develop the V&A's international training offer aimed at museum professionals from across the globe were introduced this year. These new international programmes have been led by the newly formed International Initiatives team.

### China

China was a key focus of our international activity in 2014-15.

The year began with the Brilliant Contribution Award from the Chinese Ministry of Culture to Martin Roth, Director of the V&A, in a ceremony held in Beijing in April 2014.

In June 2014, China Merchants Group (CMG) and the V&A entered into a five-year collaboration agreement to develop a new design museum in Shekou, Shenzhen, due to open in early 2017. This is the first time the V&A has developed such an international collaboration.

*Selected Records of Overseas Chinese Antiquities – V&A Volume* was successfully launched in March 2015. The V&A Chinese Collection was selected to feature in this first volume of a series published by the National Museum of China to present the best Chinese museum collections outside of China.

In March 2015, the V&A contributed to the GREAT Festival in Shanghai organised by UKTI and to the VIP Museum Roundtable organised jointly by the Chinese Ministry of Culture and the British Council in Beijing. V&A colleagues also gave talks at the museum masterclass hosted by the Chinese Academy of Cultural Administration in Beijing.



## India

Thanks to the support of Mrs Usha Mittal and Christie's, *MF Husain: Master of Modern Indian Painting* was displayed at the V&A in London from May to July 2014. The exhibition showcased the final nine paintings by Indian painter Husain (1915–2011), which together formed Indian Civilization, a series of monumental triptychs representing the artist's vision of the richness of Indian culture and history.

In October 2014, Beth McKillop, Deputy Director of the V&A (Collections), contributed to a series of VIP roundtable discussions organised by the British Council in Kolkata and Delhi and attended by the British Secretary of State for Culture, Media and Sport.

*India Contemporary Design: Fashion, Graphics, Interiors* was published in December 2014. In this book Divia Patel, curator in the Asian Department, analyses the response of the design community to India's recently changing environment.

Thanks to the support of the Parasol Foundation Trust, the V&A also extended the online cataloguing project of its Indian collection with full catalogue entries and new photography of 8,500 paintings, textiles and hardstones being made available on the Search the Collection database.

The year was also marked by the announcement in London and in Delhi of *V&A India Festival 2015* which will take place in autumn to celebrate the 25th anniversary of both the opening of the Nehru Gallery at the V&A and the Nehru Trust for Indian Collections. 2014–15 was marked by research trips, curatorial exchanges and conservation exchanges with our Indian colleagues to prepare for the Festival.

## Middle East

The Jameel Prize is an international award for contemporary art and design inspired by Islamic traditions. Organised by the V&A, it explores the relationship between Islamic traditions of art, craft and design and contemporary work as part of a wider debate about Islamic culture and its place in today's world; it has allowed the Museum to build new relationships throughout the Islamic Middle East and beyond. *Jameel Prize 3*, the exhibition of the latest prize, closed at the V&A in April 2014 after attracting 147,000 visitors. The exhibition then toured to Russia (Hermitage-Kazan Museum and the New Manezh in Moscow) before opening at the Sharjah Museum of Islamic Civilization on 16 March 2015.

*Project Syria: The Immersive Virtual Experience* was shown at the V&A in the Tapestry Gallery in June 2014. Originally commissioned by the World Economic Forum and created by Nonny de la Peña at the University of Southern California School of Cinematic Arts, this original, thought-provoking piece of documentary journalism combined real audio, video and photographs. *Project Syria* was presented at the V&A during Refugee Week 2014.

Following on from the successful delivery of curatorial consultancy for the National Museum of Oman (NMO) in 2013, the V&A was commissioned to conduct a new consultancy project to support the development of the NMO's learning programme and strategy.

## Russia

In April 2014 the Director attended the opening of the UK–Russia Year of Culture in Moscow. This was followed by a series of exhibitions in Russia: *Jameel Prize 3* at the Hermitage Kazan Museum in Kazan (Republic of Tatarstan) and at the New Manezh in Moscow; *Shooting Shakespeare* and *The Half: Photographs of Actors by Simon Annand* at the Bakhrushin State Theatre Museum in Moscow; and *Julia Margaret Cameron* at the Multimedia Art Museum in Moscow.

*Russian Avant-Garde Theatre: Revolution and Design 1913–1931* was staged at the V&A from October 2014 to March 2015. Presented in the Theatre and Performance galleries, the display was curated in collaboration with Bakhrushin State Central Theatre Museum.

*Future Culture* was a half-day conference hosted and organised by the V&A in collaboration with the Calvert 22 Foundation to explore with British and Russian colleagues the role of technology in cultural production, experience and exchange.

The V&A has one of the largest touring exhibitions programme in the world, and over 1.2m people saw V&A touring exhibitions at 13 venues overseas.

## International Touring Exhibitions

The V&A has one of the longest-standing touring exhibition programmes in the world. The V&A programme encompassed 8 exhibitions touring to 13 venues in 5 countries.

<i>Title</i>	<i>Venue</i>	<i>Dates</i>	<i>Visits</i>
<i>Julia Margaret Cameron</i>	Multimedia Art Museum, Moscow	18/11/14 – 01/02/15	136,000
<i>Jameel Prize 3</i>	Hermitage-Kazan Museum (Kazan Kremlin)	21/05/14 – 17/08/14	15,200
	Moscow State Exhibition Hall 'New Manezh', Russia	11/10/14 – 23/11/14	3,300
<i>Undressed: 350 Years of Underwear in Fashion</i>	Bendigo Art Gallery, Victoria, Australia	19/07/14 – 26/10/14	25,400
	Queensland Museum & Science Centre, Brisbane	12/11/14 – 01/02/14	32,900
<i>Hollywood Costume</i>	Phoenix Art Museum	22/03/14 – 06/07/14	65,700
	Academy Museum of Motion Pictures, Los Angeles	02/10/14 – 02/03/15	78,700
<i>David Bowie Is...</i>	Martin Gropius Bau, Berlin	14/05/14 – 24/08/14	150,900
	Museum of Contemporary Art, Chicago	20/09/14 – 04/01/15	135,000
<i>Italian Style: Fashion since 1945 (The Glamour of Italian Fashion)</i>	Minneapolis Institute of Art	26/10/14 – 04/01/15	45,000
	Portland Art Museum	07/02/15 – 03/05/15	116,300
<i>Art for Art's Sake</i>	Mitsubishi Ichigokan Museum, Tokyo	30/01/14 – 06/05/14	105,600
<i>Shooting Shakespeare: 150 years of Stage Photography and The Half: Photographs of Actors by Simon Anand</i>	Bakhrushin State Theatre Museum, Moscow	30/10/14 – 15/01/15	2,400
<b>TOTAL</b>			<b>912,400</b>

### Future Activity

We will build on the success of our national and international touring exhibitions, leveraging the opportunity to build museum relationships globally.

The V&A will develop a V&A-branded gallery within the Shekou museum complex. This gallery, devoted to 20th and 21st-century design, will be drawn from the Museum's rich collections. In the lead up to the opening in 2017 the V&A will provide training for the new museum staff as well as professional advice on managerial and operational matters.

## Showcase the best of digital design and deliver an outstanding digital experience

### Digital Strategy

The Digital Strategy Group (formerly Digital FuturePlan) aims to transform and improve the V&A's digital presence. Visitors, staff and clients have high expectations and are placing ever-increasing demands on the Museum's technology base. We are committed to delivering excellent content and customer experiences through efficient, sustainable and resilient technologies and processes.

The projects completed this year improved the visitor experience and updated our IT infrastructure. These included:

- Replacing ageing ticketing systems with a new Customer Relationship Management System (CRMS) comprising a ticketing portal and events management system, enabling tickets to be purchased online (with paperless and print-at-home options) and enhancing our front-of-house point of sale
- Consolidation of the Collections Management System (CMS) in day to day museum business continues with further development through training, cataloguing and procedure review. Business benefits of the system are being logged and scheduled quarterly updates are continuing in consultation with stakeholders. Regular reviews of progress take place at the CMS Steering Group meetings.

- Improving digital touchpoints within the Museum, including a new Wi-Fi splash screen and information screens in the Grand Entrance
- Undertaking research with first-time visitors to uncover opportunities for digital media to improve visitor experience within the building
- Replacing our old desktop PCs and laptops with modern, supported units
- Moving the organisation's email system into the cloud using Office 365

### Future activity

In the coming 5 years we have an opportunity and an ambition to create a distinctive perspective on what constitutes outstanding digital design, and to play a leading role in the public debate around this area of design.

We will continue to accelerate our digitisation programmes, enabling our online and museum audiences to access, understand, study and enjoy the collection, and obtain greater benefit from curation, conservation and research.

We will continue to extend our reach, and to give the variety and depth of the V&A's rich intellect a voice in the global digital discourse about art and design, through social media channels. We will aim to enhance the museum experience by making the collection more relevant and accessible, according to visitors' individual interests, and then matching this to the available technology.

## Diversify and increase private and commercial funding sources

### Fundraising

With Grant in Aid continuing to decrease, the Museum's reliance on the generosity and support of private donors, corporate sponsors and grant giving bodies is ever more critical. The Museum is therefore indebted to the many supporters, longstanding and new, who have contributed to one of the most successful years ever for fundraising.

The V&A's ambitious capital programme, FuturePlan, attracted significant backing with over £13 million received from donors to the Museum and the V&A Foundation. By the close of the financial year, over 80% of the fundraising targets for the Europe 1600-1800 galleries and the Exhibition Road Building had been achieved.

The generosity of the Heritage Lottery Fund, the National Heritage Memorial Fund and numerous individuals enabled the acquisition of important heritage objects for the V&A collection. These included the successful purchase of the *Wolsey Angels* (with £3.5 million raised via a high profile appeal led by Hilary Mantel), an export-stopped Medal cabinet by Martin Guillaume Biennais and theatre producer Peter Brook's archive.

Corporate partnerships continued to flourish with the creation of several high-value exhibition sponsorships and Corporate Membership numbers are at an all-time high. The income to the Museum from corporate events also reached record levels.

Our Director's Circle patrons remained loyal and as a result of increased visitor numbers to the Museum, we now have our largest ever number of Members. Consequently, the Friends of the V&A were in a position to pledge £1.1m in support of the Museum's priority projects.

As a successful participant in the government's Catalyst scheme, we continued our efforts to meet the June 2016 deadline to unlock matched funding. A gala fundraising evening for the opening of *Alexander McQueen Savage Beauty* attracted international media coverage and generated funds which we can apply to the scheme.

We are very grateful to those donors who have contributed in the past year and look forward to building on these positive results in the year to come.

### Commercial

Commercial activities produced a total operating profit of £3.4m via on-site retail, online, publishing, and brand and image licensing. This represents our most profitable year to date, up from £2.6m last year.

*David Bowie Is...* continued to tour around the world, creating valuable wholesale income, and the special edition of the catalogue went to a highly profitable new edition. The first two weeks' trading for *Alexander McQueen: Savage Beauty* broke the record for opening sales. Brand and image licensing delivered a strong performance, especially in Japan and China, and the Museum's buildings have been used frequently and profitably as sets for film and TV production. Our enthusiastic shop staff sold over 26,000 badges in support of the *Wolsey Angels* appeal at £1 each.

We have renewed our contract with Benugo, our catering partner, extending the relationship for a further five years in return for increased capital investment and improved share of revenue. These new terms applied from 1 January 2015.

### **Future Activity**

*Alexander McQueen: Savage Beauty* will dominate the agenda for the first half of 2015-16, and is likely to be our most commercially successful exhibition ever.

The newly launched Customer Relationship Management System will allow for increased, responsive and sophisticated communication with customers and within the Museum's different commercial activities. This should create new opportunities to develop digital initiatives and to expand the reach of e-commerce and brand licensing.

We need to be increasingly financially resilient in the future, to ensure that we are able to operate effectively as a national museum. Through capital fundraising we will ensure that we are able to invest in FuturePlan III over the years ahead. We will be increasingly prioritising the growth of an endowment fund for the V&A.

## Additional Information

### Performance Indicators

The following table shows the key indicators that the V&A uses to measure its performance during the year, and includes performance indicators agreed with DCMS as part of our Funding Agreement.

<i>Performance indicator</i>	<b>2014-15</b>	<b>2013-14</b>
Number of visits to the Museum	<b>3,736,300</b>	<b>3,646,900</b>
<i>V&amp;A South Kensington</i>	3,263,700	3,195,400
<i>V&amp;A Museum of Childhood</i>	465,800	446,300
<i>V&amp;A Blythe House</i>	6,800	5,200
Number of children aged 16 and under attending Museum sites	<b>480,200</b>	<b>478,100</b>
<i>V&amp;A South Kensington</i>	292,800	293,100
<i>V&amp;A Museum of Childhood</i>	187,400	185,000
Number facilitated and self-directed visits to the museum/gallery by children under 18 in formal education	<b>118,900</b>	<b>128,000</b>
<i>V&amp;A South Kensington</i>	77,000	77,600
<i>V&amp;A Museum of Childhood</i>	41,900	50,400
Number of instances of children under 18 participating in onsite organised activities	<b>154,200</b>	<b>168,800</b>
<i>V&amp;A South Kensington</i>	65,000	86,100
<i>V&amp;A Museum of Childhood</i>	89,200	82,700
Number of instances of adults aged 18 and over participating in outreach activities at the Museum	<b>221,100</b>	<b>236,500</b>
<i>V&amp;A South Kensington</i>	174,600	195,500
<i>V&amp;A Museum of Childhood</i>	46,500	41,000
Number and % of visits by UK adult visitors aged 18 and over from National Statistics – Socio Economic Classification (NS – SEC) groups 5 – 8	<b>229,300</b> <b>12% of UK adults</b>	<b>197,400</b> <b>10% of UK adults</b>
<i>V&amp;A South Kensington</i>	171,200 11% of UK adults	132,100 8% of UK adults
<i>V&amp;A Museum of Childhood</i>	58,100 16% of UK adults	65,300 19% of UK adults
Number and % of visits by UK adult visitors aged 18 and over from an ethnic minority background	<b>433,800</b> <b>22% of UK adults</b>	<b>342,000</b> <b>18% of UK adults</b>
<i>V&amp;A South Kensington</i>	344,300 22% of UK adults	262,600 17% of UK adults
<i>V&amp;A Museum of Childhood</i>	89,500 23% of UK adults	79,400 23% of UK adults
Number of unique web visits	<b>15,366,400</b>	<b>14,739,300</b>
% of visitors who would recommend a visit	<b>98%</b>	<b>100%</b>
<i>V&amp;A South Kensington</i>	<b>98%</b>	<b>98%</b>
<i>V&amp;A Museum of Childhood</i>	<b>98%</b>	<b>98%</b>
Number of UK Loan Venues	<b>252</b>	<b>250</b>
Number of loan venues (UK & Overseas)	<b>365</b>	<b>359</b>
Self Generated income inc. donated objects & investment income	<b>£70,290,000</b>	<b>£41,428,000</b>
Admission Income	<b>£6,371,000</b>	<b>£5,941,000</b>
Trading profit	<b>£3,413,000</b>	<b>£2,611,000</b>
Total contributed income	<b>£46,090,000</b>	<b>£12,807,000</b>
Of which donated objects	<b>£16,878,000</b>	<b>£960,000</b>
Contributed income as % of baseline GiA	<b>119%</b>	<b>32%</b>

## Financial Review

The accounts have been prepared in a form directed by the Secretary of State for Culture, Media and Sport with the consent of the Treasury in accordance with the Museum and Galleries Act 1992. The format is in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" and the Government Financial Reporting Manual.

### Trading Companies

The Museum owns 100% of the issued share capital of V&A Enterprises Ltd (VAE) which carries out trading operations on behalf of the Museum. For the year ended March 2015 VAE will contribute £3.4m (2014: £2.6m) to the Museum as a payment under Gift Aid.

The Museum also owns 100% of the issued share capital of V&A Holdings Ltd which in turn owns 100% of the issued share capital of V&A Ltd. There was no trading activity undertaken by V&A Holdings Ltd during the year. V&A Ltd undertakes consultancy work on behalf of the Museum and contributed £0.02m to the group in the year. A further wholly owned subsidiary, M&A Museum Events Ltd, which undertakes certain fundraising activities in support of the Museum's charitable objectives is also part of the group. Its results are not material in this financial year. Further details are given in Note 8 to the Accounts.

The accounts consolidate the results of the Museum with those of its trading subsidiaries.

### Related Charities

The V&A has a close relationship with a number of other charities:

- Friends of the V&A (charity no. 272056). The V&A provides staff and other resources to the charity but has no control over its Board.
- The Gilbert Trust for the Arts Ltd (charity no. 1055853). V&A manages the Trust's collections under a long term agreement; the Trust has a minority of its Trustees appointed by the Museum.
- The V&A Foundation (charity no. 1144508). It has the same charitable objectives as the V&A, and a minority of its Trustees are appointed by the V&A. The Foundation made grants to the Museum of £6.0m and the Museum made a grant to the Foundation of £0.2m during the year.

All these charities are independent of the V&A, so none of their activities or financial accounts have been consolidated with the Museum's results in this report.

### Results for the year

Visitor numbers and income were both significantly better than forecast, reflecting a strong exhibition programme and successful fundraising and trading. Continuing cost control and implementation of efficiency measures are reflected in an operating surplus which will be used for future investment in infrastructure.

Total Government funding was £31.1m (2013-14: £39.4m). A further £7.5m of the funding intended for 2014-15 was received in 2012-13.

This outcome is reconciled to the Statement of Financial Activity (see page 36) overleaf.

## Reconciliation of Operational Result to SOFA

	<i>Operational Activity</i>	<i>Designated Activity</i>	<i>Restricted Activity</i>	<i>Endow- ments</i>	<i>Fixed Assets</i>	<i>Heritage Assets</i>	<i>Total Activity</i>
	£000	£000	£000	£000	£000	£000	£000
Opening Reserves	993	15,600	2,839	6,333	359,011	61,745	446,521
Grant in Aid	29,178	–	–	–	1,968	–	31,146
Donated Assets	–	–	–	–	–	16,878	16,878
Self Generated Income	32,769	143	20,419	–	–	–	53,331
Investment income	20	32	8	21	–	–	81
Running Costs	(58,956)	(129)	(2,561)	(10)	–	–	(61,656)
Grant to Foundations	–	–	–	–	–	–	–
Depreciation	–	–	–	–	(9,202)	–	(9,202)
Increase in Assets	(1,902)	(528)	(20,003)	–	15,370	7,063	–
Gains on Investments	288	948	253	566	–	–	2,055
Gain on revaluation of Fixed Assets	–	–	–	–	19,551	–	19,551
Transfers	124	–	(124)	–	–	–	–
Closing Reserves	2,514	16,066	831	6,910	386,698	85,686	498,705
Movement for the year	1,521	466	(2,008)	577	27,687	23,941	52,184

### Fixed Assets

Capital expenditure for the Museum in the year rose to £17.3m (2013-14: £10.1m), as work continued on two major FuturePlan projects. The refurbishment of the Weston Cast Court was completed and opened to the public in November 2014, and construction work continued on Europe 1600-1800 and the Exhibition Road project.

The depreciation charge for the year was £9.2m (2013-14: £10.7m). A desktop valuation of the V&A Estate was performed by Gerald Eve, Chartered Surveyors at March 2015, following the full quinquennial valuation undertaken in March 2014. V&A South Kensington was re-valued at £331.9m (2014: £319.7m), the Museum of Childhood at Bethnal Green at £12.9m (2014: £12.2m) and the V&A portion of the site at Blythe House at £7.6m (2014: £7.5m). The valuation is based on the depreciated replacement cost of the estate. As building cost indices and land values have risen since last year, the replacement value of the buildings has increased. Therefore the accounts show a gain on revaluation of £19.6m (2013-14: gain of £24.9m).

### Heritage Assets

Spend on objects for the Collection amounted to £7.1m (2013-14: £2.3m) with a significant portion being funded from private donations. This includes £4.2m for the major acquisition of the *Wolsey Angels*. In addition objects with a value of £16.9m (2013-14: £1.0m) were donated to the Museum in the year. This includes the Wedgwood Collection, valued at £15m, as well as significant legacy donations. Further detail is given in Note 6b to the Accounts.

### Reserves Policy

The Trustees annually review the level of readily available reserves (those that are not restricted or tied up as fixed assets) appropriate to the scale, complexity and risk profile of the organisation.

The Grant in Aid (GIA) received from DCMS represented 31% of the Museum's income in the year (2013-14: 49%). The rest of the operational costs are financed by self-generated funds such as exhibition and trading income. These funding streams are volatile and their associated risks are managed through the Museum's policy for maintaining general and designated funds, and by providing contingencies for annual and project budgets.

The Trustees also consider that reserves are required to provide a sound underpinning, in terms of cash flow planning and budgetary risk, to ongoing investments in the capital infrastructure of the Museum.

Taking an overall view of the annual operational activities, the level of self generated income, GIA and planned capital investment, the Trustees believe that the minimum level of reserves should be £6.5m (2013-2014: £6.5m). This target level of reserves represents an assessment of the level of funds required to meet current capital commitments plus 3 to 6 months of the Museum's non GIA funded operating expenditure.

The Trustees are acutely aware that the current economic climate and future uncertainty in relation to all income streams require this assessment to remain under review.

The Trustees have access to only the combined total of certain General and Designated funds whose value at 31 March 2015 is £18.4m (2014 £16.4m: see note 15). Of this amount £6.5m is held to meet the requirement for general reserves set out above. The remaining £11.9m is held to provide cashflow support for FuturePlan projects, and investment in the building and IT infrastructure over the next two to three years.

### Investment Policy

The Trustees' Investment Policy is governed by the Trustees Act 2000 and based on a consideration of the risk, return and cash flow requirements arising from each category of funds, unrestricted, restricted and permanent endowments. The policy is currently implemented through investment in a number of portfolios managed by Partners Capital LLP. The market value of Museum investments, long and short term, was £27.5m at 31 March 2015 (2014: £25.5m).

<i>Fund</i>	<i>Overall objective</i>	<i>Performance objective (real return each year)</i>	<i>Actual net return (income+gain-costs)</i>
Short Term Fund	To fund specific, restricted and designated spending, whilst preserving capital in real terms and achieving modest real returns over the holding period. Preservation of capital the highest priority. Investment timeframe of 12-18 months.	1.8%	£489,267 5.1%
Reserve Fund	To maintain the reserves of the V&A and to meet specific expenditure purposes, whilst preserving capital in real terms with the potential for moderate real growth. Investment timeframe of 5 years.	5.3%	£1,027,453 12.0%
Endowments	To fund either the purchase of new collection items or to maintain existing collections for the V&A, whilst preserving capital in real terms with the potential for moderate real growth (consistent with the purposes of each underlying trust). Investment timeframe of 10 years.	5.3%	£571,099 12.1%
Bollinger Endowment	To fund future renovations of the gallery allowing all fixtures & fittings to be kept current. To invest only in UK Government debt and/or to be invested by an external professional financial adviser with the highest priority being the preservation of capital. Investment timeframe of 10 years.	1.6%	£5,639 0.2%

Fund performance is measured against a composite benchmark designed to measure the performance of the strategic asset allocation agreed in the investment policies, as this is the best test of our investment manager's performance. The asset allocation profile is agreed for each fund and reviewed at least annually. There is no leverage (borrowing to invest) within the portfolios. The portfolio is partially protected from foreign exchange rate fluctuations through the deployment of appropriate hedging strategies. Only currencies with potential exposure of greater than 5% of the portfolio value are subject to currency management. These currencies are US Dollars, Euros and Japanese Yen. Simple forward contracts are used to reduce exposure to currency variations by 80%.



### Payment Policy

The Museum settles all bills within 30 days or in accordance with the suppliers' terms of business. From a sample, we can estimate the average time for payment of invoices not subject to query was 29 days (2014: 29 days).

### Political Gifts & Donations

The V&A makes no political gifts and as a charity does not normally make donations to other charities. It provides some services free of charge to associated charities. It also awarded £749k to other organisations under the Purchase Grants Fund scheme to enable acquisitions (2014: £752k, see Note 5a).

### Auditors' Disclosure and Remuneration

The Comptroller and Auditor General is the auditor of the Museum's consolidated accounts. As far as the Accounting Officer and Board of Trustees are aware there is no relevant audit information of which the entity's auditors are unaware. The Accounting Officer and Board of Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

The audit fee paid to the National Audit Office was £42,500 (2013-14: £43,500). Additionally, a sum of £21,425 (2013-14: £25,800) was paid to auditors of other entities in the group including £1,650 (2013-14: £1,950) for non-audit services.

## SUSTAINABILITY

Sustainable development has been a strategic priority since 2005. The Museum continues to make progress in reducing its environmental impact and is a leader in the sector. All FuturePlan projects include measures to minimise energy use with much focus on sustainability.

Investment in energy management and sustainability initiatives continues to be a priority. A range of measures, including the introduction of sensor taps in washrooms, the continued replacement of older lighting set-ups with LED and Low Energy Lighting, plant optimisation, and continued development of the automatic meter reading throughout the Estate, have been implemented. Together with a revised mechanical plant controls strategy, these have all driven energy usage down, giving an improved performance in the Energy Performance of Buildings Directive.

The V&A remains a leading participant in wider discussions in the museum sector on a range of sustainability topics and is a member of the South Kensington 1851 Carbon Reduction Masterplan and the International Association of Museum Facilities Administrators (IAMFA).

The 'living roof' area continues to provide a biodiverse environment within an urban landscape, and the bee hives continue to flourish.

### Waste and recycling

The V&A recycles all paper in green bins in offices throughout the Museum, as well as glass, card, cans, batteries and printer cartridges. General V&A waste is removed to a modern incineration plant, where it is used to generate electricity.

### Sustainable procurement

The V&A recognises its responsibility to carry out its procurement activities in an environmentally and socially responsible manner. In conjunction with its Sustainable Development Policy the V&A strives to incorporate environmental and social considerations into its procurement practices, from supplier selection through to product and materials specifications and the rationalisation of the Museum's goods, works and services. For example, all firms who tender for building temporary exhibitions are asked to explain how they would minimise environmental impact, and they are scored on their proposals.

**Key sustainability data**

		<i>Unit</i>	<i>2014-15</i>	<i>2013-14</i>
<b>CO<sub>2</sub> emissions</b>	Scope 1 emissions (direct)	tonnes of CO <sub>2</sub>	154	177
	Scope 2 emissions (indirect) <sup>1</sup>	tonnes of CO <sub>2</sub>	5,230	5,725
	Total emissions tonnes of CO <sub>2</sub>		5,384	5,902
<b>Related Energy Consumption</b>	Electricity <sup>1</sup>	MWh	8,098	8,713
	Gas	MWh	5,926	6,942
	Total	MWh	14,024	15,656
<b>Financial Indicators</b>	Expenditure on energy	£000	1,433	1,460
	Expenditure on official business travel	£000	391	493
<b>Waste</b>	Waste sent to landfill	tonnes	–	–
	Waste recycled/re-used	tonnes	149	209
	Waste incinerated	tonnes	303	403
	Total waste disposed	tonnes	452	612
<b>Finite Resource Consumption</b>	Water Consumption	m <sup>3</sup>	41,207	38,146
	Water Supply Cost	£'000	86	65

<sup>1</sup> Electricity consumption + CO<sub>2</sub> figures for previous year have been restated

**EMPLOYEE ENGAGEMENT**

The V&A manages a coordinated programme of activities that is designed to keep staff up-to-date on developments and plans, improve communication between departments, enable staff to understand what the Museum does and the role they play in its success, facilitate communication between staff and management and troubleshoot problem areas. The programme is also designed specifically to solicit staff ideas and feedback.

The programme activities include the Management Forum (a monthly meeting for Heads of Department to discuss current issues and exchange information) and a Staff Forum (representatives from every department meeting every two months to discuss an area of Museum activity and address any issues that arise).

Many channels are used to communicate with staff, including regular updates to Intranet bulletins (including daily news, work and departmental information and staff contact details) and All Staff meetings (run quarterly with Director's update and presentations from different Museum departments). All staff email bulletins are used to highlight matters of significant importance. The V&A Strategic Plan and other key documents, such as Trustee Board minutes, are made available to all staff electronically or in hard copy.

Staff representatives from the Museum's three recognised trade unions meet V&A Management every two months. They also undertake formal pay negotiations.

**Policy in Relation to Disabled Employees**

The V&A policy in relation to disabled employees forms part of the Museum's Diversity Policy – it is an employer that is Positive about Disabled People ('Two Ticks Symbol'). 4% of staff have declared themselves as having a disability.

**Employee Absence due to Sickness**

The average amount of sick-day absence is 7.3 days (2013-14: 6.5 days). If long-term sickness (any absence over 3 weeks in duration) is excluded, the figure falls to 3.7 days (2013-14: 3.2 days).

## Legal and Administrative Information

### Principal Address

Victoria and Albert Museum  
Cromwell Road  
London SW7 2RL

### Bankers

National Westminster  
Knightsbridge Business Centre  
186 Brompton Road  
London SW3 1XJ

### Solicitors

Farrer & Co  
66 Lincoln's Inn Fields  
London WC2A 3CH

### Investment Advisors

Partners Capital LLP  
5 Young Street  
London W8 5EH

### Auditors-Internal

Moore Stephens LLP  
150 Aldersgate Street  
London EC1A 4AB

### Auditors-External

#### *V&A Museum and Group*

Comptroller and Auditor General  
National Audit Office  
157-197 Buckingham Palace Road  
London SW1W 9SP

### *Trading Companies*

Haysmacintyre  
Fairfax House,  
15 Fulwood Place,  
London WC1V 6AY

## Remuneration Report

### Membership

The membership of the Remuneration Committee comprised the following Trustees:

Sir Paul Ruddock – Trustee (Chair)

Samir Shah OBE – Trustee (until November 2014)

Professor Evelyn Welch – Trustee (from November 2014)

The Committee is also attended by The Director, Chief Operating Officer, and Head of Human Resources except when matters relating to their own pay and performance are discussed.

### Remuneration policy for senior managers

The Remuneration Committee reviews salaries of all senior managers employed by the Museum on Senior Manager Contracts. The Contracts provide for standard Museum terms and conditions of employment except where they apply to pay determination which is subject to review by the Remuneration Committee.

The Committee also considers the pay of two staff employed by V&A Enterprises Ltd (VAE): the Development Director and the Director of Commercial and Digital Development.

At the beginning of the year, senior managers are set objectives based on the Museum's Strategic Plan. At the end of the year, their performance is assessed against objectives by the Director (or other senior manager). The methodology enables an assessment of performance to be made against objectives; where it can be demonstrated that performance has exceeded expectations, an individual can be nominated for a bonus payment. The nominations are subject to approval by the Remuneration Committee. The Chairman of the Board of Trustees undertakes the performance assessment for the Director.

The annual performance assessments and additional information (see below) are then reviewed by the Remuneration Committee and used to set pay levels and any performance bonuses.

The Committee met on two occasions in 2014, the first in May 2014 to determine performance bonuses for 2013 and additionally in November 2014 to determine the senior staff pay award.

### Performance assessment and payment

When determining performance bonuses, the Committee will take account of:

- The budget for non-consolidated performance related pay agreed as part of the Museum's pay remit.
- The performance and contribution of the individual over the period (through performance appraisal).

As with bonus payments for staff subject to collective bargaining arrangements, senior staff bonuses are discretionary and are awarded where performance against objectives is rated as exceptional. Payments are non-consolidated and subject to the overall financial limits agreed as part of the Museum's pay remit.

Policy on duration of contracts, notice periods and termination payments

Senior staff (including the Director) are permanent employees of either the V&A or of VAE.

The notice period for senior employees is three months and for the Director, six months. If any termination payments are made, they are in accordance with Museum or VAE contractual terms.

All permanent Museum employees (unless choosing to opt-out) are members of the Civil Service pension scheme, PCSPS, with associated redundancy and early retirement conditions. All VAE staff are entitled to payments as defined under the Employment Rights Act 1996 unless individual contracts define other terms.

### Senior managers' remuneration disclosure (subject to audit)

The Board of Trustees of the V&A, who hold overall responsibility for the Museum, are not remunerated. Expenses paid are disclosed in note 5d to the Annual Report and Accounts.

The Director's and Deputy Directors' emoluments and pension details for 2014-15 are shown in the table below. These members of staff have been included as they are the most senior members of the Museum's Senior Management Team to whom all other senior staff report. The monetary value of benefits-in-kind covers any benefits provided by the employer and treated by the HM Revenue & Customs as a taxable emolument. There were no benefits-in-kind during the year and there were no additional emoluments paid other than as disclosed below.

	Total salary earned		Bonus Payable		Pension Benefits		Total	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
	£000	£000	£000	£000	£000	£000	£000	£000
Martin Roth Director	145-150	140-145	20-25	10-15	54	56	220-225	210-215
Beth McKillop Deputy Director & Director of Collections	95-100	95-100	Nil	Nil	24	8	120-125	110-115
Tim Reeve Deputy Director & Chief Operating Officer	110-115	70-75 <sup>1</sup>	10-15	Nil	49	52	170-175	125-130

	Accrued pension at pension age as at 31 March 2015	Real increase in pension at pension age -	CETV at 31 March 2015	CETV at 31 March 2014	Real increase in CETV
	-	Real increase in related lump sum			
	Related lump sum		£000	£000	£000
Martin Roth Director	10-15	2.5-5.0	187	130	38
	Nil	Nil			
Beth McKillop Deputy Director & Director of Collections	40-45	0-2.5	961	936	23
	125-130	2.5-5.0			
Tim Reeve Deputy Director & Chief Operating Officer	25-30	0-2.5	364	317	26
	75-80	5.0-7.5			

Figures in brackets are for prior year.

<sup>1</sup> Joined 5 August 2013, annualised salary of £110-115k

### Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits value is the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which the disclosure applies. The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within guidelines and framework prescribed by the Institute and Faculty of Actuaries.

### Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

## Exit packages (subject to audit)

<i>Exit package cost band</i>	<i>Number of compulsory redundancies</i>	<i>Number of other departures agreed</i>	<i>Total number of exit packages by cost band</i>
<£10,000	1 (-)	1 (4)	2 (4)
£10,000 – £25,000	3 (-)	- (3)	3 (3)
£25,000 – £50,000	1 (-)	1 (2)	2 (2)
£50,000 – £100,000	- (-)	- (1)	- (1)
£100,000 – £150,000	- (-)	1 (-)	1 (-)
£150,000 – £200,000	- (-)	1 (-)	1 (-)
Total number of exit packages	5 (-)	4 (10)	9 (10)
Total resource cost £	£94,987 (Nil)	£297,018 (£215,315)	£392,004 (£215,315)

## Figures in brackets are for prior year.

Redundancy and other departure costs are payable in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Where the Museum has agreed early retirements, the additional costs are met by the Museum and not the Civil Service pension scheme.

Fair Pay: based on the March 2015 payroll, the highest earning employee is paid £145k p.a. (before performance pay and any other benefits) and the median employee c. £26k p.a. The ratio between these is 5.6 (2014: 5.6)



MARTIN ROTH  
Director and Accounting Officer  
2 July 2015



SIR PAUL RUDDOCK  
Chair of Trustee Remuneration Committee  
2 July 2015

## STATEMENT OF TRUSTEES' AND DIRECTOR'S RESPONSIBILITIES

The Board of Trustees of the V&A was established by the National Heritage Act 1983. The functions of the Board, as defined by the National Heritage Act are to:

- care for, preserve and add to the objects in their collections;
- secure that the objects are exhibited to the public;
- secure that the objects are available to persons seeking to inspect them in connection with study or research; and
- generally promote the public's enjoyment and understanding of art, craft and design both by means of the Board's collections and by such other means as they consider appropriate.

Under ss.9(4) and (5) of the Museums and Galleries Act 1992, the Board of Trustees is required to prepare a Statement of Accounts for each financial year in the form and on the basis determined by the Secretary of State for Culture, Media and Sport with the consent of the Treasury. The accounts are prepared to show a true and fair view of the Museum's financial activities during the year and of its financial position at the end of the year. The Accounting Officer has taken the necessary steps to ensure that there is no relevant audit information of which the external auditors are unaware.

In preparing the accounts the Trustees are required to:

- observe the accounts direction issued by the Secretary of State for Culture, Media and Sport\*, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Museum will continue in operation.

The Accounting Officer for the DCMS has designated the Director as the Accounting Officer for the Museum. His relevant responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances for which he is answerable, and for the keeping of proper records, are set out in the Non-Departmental Public Bodies Accounting Officer Memorandum issued by HM Treasury.



Martin Roth  
Director and Accounting Officer  
2 July 2015



Sir Paul Ruddock  
Chairman of Trustees  
2 July 2015

\* A copy of which is available from the Director of Finance and Resources, Victoria and Albert Museum, Cromwell Road, London SW7 2RL

## Governance Statement

The V&A is governed by the National Heritage Act 1983. The Act was modified and repealed to some extent by the Museums and Galleries Act 1992, but this did not materially affect the status of the Museum. The V&A is a non-departmental public body (NDPB) sponsored by the Department for Culture, Media and Sport (DCMS), and is a charity exempt from registration under the Charities Act 2011. As an exempt charity it is regulated by the DCMS, rather than the Charity Commission. Its investments are governed by the Trustee Act 2000.

The Museum is governed by a Board of Trustees answerable to the Secretary of State for Culture, Media and Sport for the policies and performance of the Museum. The Minister is, in turn, answerable to Parliament. The Director of the V&A is accountable both to the Board as Chief Executive and to the Permanent Secretary of the DCMS as Accounting Officer.

### Board of Trustees

The V&A Board is a body corporate with between 12 and 20 members. At 31 March 2015 there were 16 Trustees. Nicholas Coleridge CBE was appointed as the Chair Designate in March 2015. He will take over from Sir Paul Ruddock in the position of Chair of the Board of Trustees in November 2015. Trustees serve an initial term of up to four years and are eligible for reappointment at the end of that time. However, under the rules laid down by the Commissioner for Public Appointments, Trustees are restricted to serving two terms or a maximum period of 10 years. Trustees are not remunerated but are able to claim expenses.

Details of the Trustees during the year are shown in Table A.

During the year one Trustee retired from the Board.

### Trustee appointment & induction

Appointments to the V&A Board of Trustees, including that of the Chairman, are made by the Prime Minister following the DCMS process for recruiting 'upper tier' public appointments. Appointment to the Board is governed by selection on merit, on the basis of equality of opportunity for all, and is subject to monitoring by the Commissioner for Public Appointments. There is one ex officio member of the Board, the Rector of the Royal College of Art; currently Dr Paul Thompson. On appointment, Trustees are provided with a Trustee Handbook that gives information on the V&A, outlines the roles and responsibilities of Trustees and senior staff, and refers to other guidelines on public service and conduct of public appointees. New Trustees are personally introduced to their role by the Chairman and the Director, involving other V&A staff as necessary. DCMS also provide a booklet for Board members of its NDPBs.

### Delegation of Authority

The National Heritage Act 1983 requires the Board to appoint a Director, with the approval of the Prime Minister, and stipulates that the Director will be responsible to the Board for the general exercise of the Board's functions. In general, the Board focuses on policy and strategy, leaving operational matters to the Director. Key decisions and issues reserved to the Board include:

- Issues of corporate strategy;
- Key strategic objectives and targets;
- Major decisions involving the use of financial and other resources;
- Senior personnel issues and standards of conduct;
- The appointment of the Director (jointly with the Prime Minister);
- Involvement in the appointment of some senior staff (jointly with the Director);
- The approval of major purchases by the Museum of objects valued at £100,000, or more, on the recommendation of the Trustees' Collections Committee;
- The approval of major loans by the Museum of objects valued at £1,000,000, or more, on the recommendation of the Trustees' Collections Committee;
- Considering the remuneration of senior staff.



The primary operational decision-making body of the V&A is the Senior Management Team, comprising senior staff members and chaired by the Deputy Director & Chief Operating Officer, Tim Reeve. The full composition of the Senior Management Team is shown at Table C. It meets fortnightly to review all operational issues and receive reports from a variety of committees from across the organisation for information and transparency. The committees that report to Senior Management Team are listed at Table D.

### **Compliance with Corporate Governance Code**

The Museum is a non-departmental public body and a statutory charity. It is mindful of the Corporate Governance Code for central government departments and Trustees are content that the Museum complies where appropriate.

### **Committees of the Board**

Much of the Board's business is conducted through its eleven committees. Details of their scope and structure are given in Table B. Although it is not a formal committee of the Board of Trustees, updates from V&A Enterprises Board meetings are also reported to Trustees via the Commercial Strategy Committee.

### **Board performance**

A number of strategic issues were considered by Trustees during the year, including: the Museum's Strategic Plan, collections' storage, FuturePlan (capital expenditure on museum developments and redevelopments), international partnerships and commercial strategy.

Regarding the V&A's collections the Board:

- Approved the purchase of a number of major acquisitions and the Museum's responsibility for the Wedgwood Collection
- Agreed major loans of V&A objects.
- Approved the Collecting Plan.

During the year the Trustees also considered routine business including: agreeing the budget and new Strategic Plan for 2015-20; reviewing the Museum's financial management, performance of investments and progress against performance indicators; considering the forthcoming Public Programme; the annual Safety Report; departmental updates from a number of curatorial departments; updates from the V&A Dundee project.

During the year the Trustees undertook a self-assessment exercise to appraise the Board's performance and identify areas for future development, as required by the Corporate Governance Code. This will be repeated annually.

### **Audit Committee**

The Audit Committee is responsible for reviewing the Museum's risks, reviewing the controls in place to manage them, and monitoring its compliance with statutory requirements (including the Annual Report & Accounts). During the year the committee reviewed all the Internal Audit reports it had commissioned and agreed the Internal Audit plan for 2014-15 to cover the areas where it would be most beneficial. It reviewed the Strategic Risk Register at each meeting and updated the corporate Risk Policy. It also reviewed the external audit of the Annual Report & Accounts for 2013-14 and approved the Governance Statement.

The areas reviewed by Internal Audit during the year were touring exhibitions, digital strategy, fundraising & development, child and vulnerable adult protection and shared services. It also reviewed VAE's operations, including a joint review of copyright, image rights and brand protection. It also reviewed the Museum and VAE's key financial controls. In its Annual review, Internal Audit was able to give reasonable assurance on the effectiveness of the V&A's risk management, control and governance processes over the year.

### **Risk management and control**

The Museum has adopted a Risk Policy that lays out its policies and procedures for managing risk. The implementation of this policy is described here.

## Identification and assessment of risk

The Museum has two risk registers: Strategic and Operational

The Strategic Risk Register deals with issues mostly within the control of Trustees, and which are likely to benefit from their scrutiny. Such risks include: governance, reputation and policy matters. The strategic section includes key physical threats, relating to issues such as health and safety and the security of the Collections, where the Trustees have statutory or quasi-statutory obligations or where realisation of a risk would have exceptionally serious consequences.

The Strategic Risk Register is discussed and updated on a regular basis by the Museum's Senior Management Team and the Audit Committee reviews the updated Strategic Risk Register at its meetings.

The Operational Risk Register deals with matters more within the control, and personal responsibility, of senior management. This embraces a wide range of issues such as collections management; staff recruitment, development and appraisal; financial management and fraud prevention; information systems security; audience development and procurement. Operational risk registers are maintained by line management at a local level. Managers are expected to regularly review and update their view of risk and highlight major new risks arising to Senior Management Board during the year. A formal review and update is performed as part of the annual planning round.

Management establishes mitigating actions to reduce residual risk to an acceptable level and reports to Audit Committee on their implementation at each meeting.

## Monitoring of risk

The Museum has a well-worked out process for identifying and continually assessing risks to its ongoing operations and services to the public. Many of these risks change with circumstances and time but for 2014-15 the major risks (and mitigating steps) for the Museum were:

- The funding environment – cash reductions in Grant in Aid has increased reliance on private fundraising and visitor income for both revenue and capital projects. This is partly mitigated by the reserves held, and the long term financial strategy, developed alongside the new five year plan.
- The Museum's ability to sustain the record number of visitors recently achieved. We intend to promote a compelling and varied programme.
- Delivery and funding of the current major capital projects (Exhibition Road and Europe 1600-1800). These projects are closely scrutinised by Trustees and management, with robust contracts in place.
- Ensuring the security of visitors, staff and collections at a time of global instability. The Museum has a thorough and flexible security strategy that responds to changes in risk.
- Finding resources to enable investment in IT, digital and other infrastructure. The IT strategy is monitored by the Technology Strategy Committee to ensure priorities are met.
- Securing long-term storage solution for the reserve collection. Discussions are underway with DCMS and other museums to resolve this issue
- Recruiting & retaining appropriate staff. A staff development and succession strategy has been developed alongside the five year plan.

The Trustees are mindful of the continuing reductions in Grant in Aid and the need to manage resource accordingly.

The procedures associated with the Risk Registers are only part of the control environment operating within the Museum. Other key aspects include:

- the Senior Management Team meets fortnightly to review all operational issues;
- the Trustees and senior management have agreed a Strategic Plan which outlines key short- and medium-term objectives and appropriate indicators. This ensures that scarce resources are applied to key corporate priorities;
- the Audit Committee receives regular reports from the Internal Auditor on the steps taken to manage risks in all areas of activity;
- the Museum also receives reports from the External Auditors (National Audit Office) arising from their annual audit;
- the Finance Committee reviews the financial management of the Museum;

- the Buildings Strategy Committee monitors the progress of large capital projects and the performance of management on Health and Safety issues;
- the Development Advisory Board informs & supports the Museum's fundraising ;
- the Collections Committee monitors key aspects of collections management and major acquisition and loan proposals;
- the Research Advisory Committee considers research priorities and strategy;
- the Museum of Childhood Committee monitors the policies and performance of the MoC;
- the Technology Strategy Committee oversees investment in IT and Digital Resources;
- the Investment Committee provides oversight of investment policy and management of investment advisors; and
- the Remuneration Committee reviews salaries of all senior managers including staff employed by VAE
- the Commercial Strategy Committee oversees the commercial activities of the Museum.

### Data Quality

The Board has gained assurance that the data quality of the information it receives is sound through a mix of internal audit work on data held and its own challenge of the data presented.

### Personal Data

The Museum takes the protection of personal data very seriously and has processes in place to ensure compliance with relevant legislation & best practice. There have been no known losses of personal data held by the Museum during the year.

Table A

Board of Trustees at date of signing				
Name	Term expires	Attendance		
		Board	Audit	Rem
Sir Paul Ruddock (Chair)	31/10/2015	6/6	2/4	2/2
João Baptista	27/11/2015	5/6	4/4	
Nicholas Coleridge CBE (Chair Designate)	25/11/2016	6/6		
Mark Damazer CBE	27/11/2018	6/6		
Professor Margot Finn	25/11/2018	5/6		
Andrew Hochhauser QC	19/04/2019	6/6	3/4	
Stephen McGuckin	14/09/2016	5/6		
Michelle Ogundehin	14/09/2015	1/2		
Dame Theresa Sackler	27/11/2015	4/6		
Mark Sebba	31/06/2018	5/5	1/2	
Caroline Silver	31/06/2018	4/5	1/1	
Sir John Sorrell	19/04/2019	6/6		
Robert Stefanowski	14/09/2015	3/6		
Dr Paul Thompson	(ex officio as Rector of the Royal College of Arts)	4/6		
Edmund de Waal OBE	27/11/2015	4/6		
Professor Evelyn Welch	25/11/2016	5/6		
Other Trustees who served during the year				
Samir Shah OBE	Until 05/12/2014	3/4	3/3	2/2

Table B

<b>Committees of the Board of Trustees</b>		
<b><i>Committee</i></b>	<b><i>Primary functions</i></b>	<b><i>Chair</i></b>
Audit	Financial reporting, risk management & assurance	João Baptista
Buildings Strategy	Development & maintenance of the Museum's estate	Stephen McGuckin
Collections	Acquisition, disposal & loan of the collection	Professor Evelyn Welch
Commercial Strategy	Overseeing and advising on the Museum's commercial strategy	Mark Sebba
Development Advisory Board	Informing & assisting the Museum's fundraising	Nicholas Coleridge CBE
Finance	Overseeing the Museum's financial position	Robert Stefanowski
Investment	Monitoring investment performance & policy	Robert Stefanowski
Museum of Childhood	Policies & practice of the MoC	Sir John Sorrell
Remuneration	Remuneration of senior staff	Sir Paul Ruddock
Research Advisory	Overseeing Research policy & projects	Professor Margot Finn
Technology Strategy	Development of the Museum's digital & information systems	Mark Damazer CBE

Table C

<b>V&amp;A Senior Management Team at March 2015</b>	
Martin Roth	Director
Tim Reeve	Deputy Director & Chief Operating Officer (Chair)
Emmajane Avery	Director of Learning and Visitor Experience
Heather Francis	Director of Finance and Resources
Steve Hyde	Head of Estates
Jane Lawson	Director of Development
Beth McKillop	Deputy Director & Director of Collections
Alex Stitt	Director of Commercial and Digital Development

Table D

Committees of the Senior Management Team	
<i>Committee</i>	<i>Chair</i>
Collections Group	Deputy Director
Digital Strategy Group	Director of Finance & Resources
Education Programmes Group	Director of Learning & Visitor Experience
Exhibitions Steering Group	Director
FuturePlan Steering Group	Director of Design, Exhibitions & FuturePlan
Management Forum	Chief Operating Officer
Safety and Security Committee	Head of Security
Staffing Committee	Director of Finance & Resources
Sustainability Group	Head of Estate



Martin Roth  
 Director and Accounting Officer  
 2 July 2015



Sir Paul Ruddock  
 Chairman of Trustees  
 2 July 2015

## THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

I certify that I have audited the financial statements of the Victoria and Albert Museum for the year ended 31 March 2015 under the Museum and Galleries Act 1992. The financial statements comprise: the Consolidated Statement of Financial Activities, the Consolidated and Museum Balance Sheets, the Consolidated Cash Flow Statement, and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

### Respective responsibilities of the Board of Trustees, the Accounting Officer and auditor

As explained more fully in the Statement of Trustees' and Director's Responsibilities, the Trustees and the Director, as Accounting Officer, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Museums and Galleries Act 1992. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Victoria and Albert Museum's and the group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Victoria and Albert Museum; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the incoming resources and resources expended recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### Opinion on regularity

In my opinion, in all material respects the incoming resources and resources expended recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the group's and of the Victoria and Albert Museum's affairs as at 31 March 2015 and of its incoming resources and total resources expended for the year then ended; and
- the financial statements have been properly prepared in accordance with the Museums and Galleries Act 1992 and Secretary of State directions issued thereunder

### Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made under the Museums and Galleries Act 1992; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which I report by exception** I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

### **Report**

I have no observations to make on these financial statements.

Sir Amyas C E Morse  
Comptroller and Auditor General

7 July 2015

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

## Consolidated Statement of Financial Activities

	Notes	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2015 Total funds £'000	2014 Total funds £'000
<b>Incoming resources</b>						
<i>Incoming resources from generated funds</i>						
Voluntary Income						
– Grant in Aid	2a	29,178	1,968	–	31,146	39,408
– Donations, legacies and similar income	2b	7,785	16,410	–	24,195	12,149
– Lottery income		–	3,749	–	3,749	1,738
– Donated objects	6b	–	16,878	–	16,878	960
Activities for generating funds						
– Trading Income	8	14,955	–	–	14,955	15,842
– Sponsorship		1,209	46	–	1,255	2,367
Investment income	3	52	8	21	81	89
		<u>53,179</u>	<u>39,059</u>	<u>21</u>	<u>92,259</u>	<u>72,553</u>
<i>Incoming resources from charitable activities</i>						
Admissions & exhibition fees (incl loans & touring)		6,380	28	–	6,408	6,024
Other trading		1,215	1	–	1,216	1,031
		<u>7,595</u>	<u>29</u>	<u>–</u>	<u>7,624</u>	<u>7,055</u>
<i>Other Incoming resources</i>						
Other income		1,368	185	–	1,553	1,228
		<u>1,368</u>	<u>185</u>	<u>–</u>	<u>1,553</u>	<u>1,228</u>
<b>Total incoming resources</b>		<u>62,142</u>	<u>39,273</u>	<u>21</u>	<u>101,436</u>	<u>80,836</u>
<b>Resources expended</b>						
5a						
<i>Cost of generating funds</i>						
Costs of generating voluntary income		3,523	304	–	3,827	3,640
Trading costs	8	11,581	10	–	11,591	13,035
Investment management costs		18	5	10	33	49
		<u>15,122</u>	<u>319</u>	<u>10</u>	<u>15,451</u>	<u>16,724</u>
<i>Charitable Activities</i>						
Charitable Activities	5a	43,753	11,444	–	55,197	55,700
Governance costs	5a	210	–	–	210	159
<b>Total resources expended</b>		<u>59,085</u>	<u>11,763</u>	<u>10</u>	<u>70,858</u>	<u>72,583</u>
<b>Net incoming resources before transfers</b>	4	<u>3,057</u>	<u>27,510</u>	<u>11</u>	<u>30,578</u>	<u>8,253</u>



**Consolidated Statement of Financial Activities (cont'd)**

	Notes	Unrestricted funds	Restricted funds	Endowment funds	2015 Total funds £'000	2014 Total funds £'000
		£'000	£'000	£'000	£'000	£'000
Gross transfers between funds		(2,306)	2,306	–	–	–
<b>Net incoming resources before other recognised gains and losses</b>		751	29,816	11	<b>30,578</b>	8,253
Gains/(losses) on investment assets	7	1,236	253	566	<b>2,055</b>	572
Gain/(loss) on revaluation of fixed assets for the charity's own use	6	–	19,551	–	<b>19,551</b>	24,911
<b>Net movement in funds</b>		<b>1,987</b>	<b>49,620</b>	<b>577</b>	<b>52,184</b>	33,736
<b>Fund balances bfwd at 1 April 2014</b>		<b>16,593</b>	<b>423,595</b>	<b>6,333</b>	<b>446,521</b>	412,785
<b>Fund balances cfwd at 31 March 2015</b>	14	<b>18,580</b>	<b>473,215</b>	<b>6,910</b>	<b>498,705</b>	446,521

All operations of the Museum continued throughout both periods and no operations were acquired or discontinued in either period. There are no recognised gains or losses other than those shown above.

The notes on pages 40 to 60 form part of these financial statements.

## Consolidated and Museum Balance Sheets Year ended 31 March 2015

	Notes	Group 2015 £'000	Museum 2015 £'000	Group 2014 £'000	Museum 2014 £'000
<b>Fixed assets</b>					
Tangible assets	6a	386,805	386,698	359,195	359,009
Heritage assets	6b	85,686	85,686	61,745	61,745
Investments	7,8	17,522	17,725	15,943	16,146
		<u>490,013</u>	<u>490,109</u>	<u>436,883</u>	<u>436,900</u>
Debtors due after one year	9	-	-	-	1,025
<b>Current assets</b>					
Stock		1,867	-	1,812	-
Debtors due within one year	9	9,710	13,241	8,234	9,986
Short Term Investments	7	9,985	9,985	9,517	9,517
Cash		6,451	2,320	6,139	3,897
		<u>28,013</u>	<u>25,546</u>	<u>25,702</u>	<u>23,400</u>
<b>Current liabilities</b>					
Creditors due within one year	10	(16,170)	(13,799)	(12,694)	(11,409)
Provisions due within one year	12	(36)	(36)	(201)	(201)
		<u>11,807</u>	<u>11,711</u>	<u>12,807</u>	<u>11,790</u>
<b>Net current assets</b>					
		<u>11,807</u>	<u>11,711</u>	<u>12,807</u>	<u>11,790</u>
<b>Total assets less current liabilities</b>					
		<u>501,820</u>	<u>501,820</u>	<u>489,690</u>	<u>449,715</u>
Creditors due after one year	10	(2,602)	(2,602)	(2,681)	(2,681)
Provisions due after one year	12	(513)	(513)	(488)	(488)
		<u>498,705</u>	<u>498,705</u>	<u>446,521</u>	<u>446,546</u>
<b>Net assets</b>					
		<u>498,705</u>	<u>498,705</u>	<u>446,521</u>	<u>446,546</u>
<b>Income funds</b>					
<i>Designated funds</i>		16,066	16,066	15,600	15,625
<i>General funds</i>		2,514	2,514	993	993
<i>Total Unrestricted funds</i>	14	<u>18,580</u>	<u>18,580</u>	<u>16,593</u>	<u>16,618</u>
Restricted funds	14	355,673	355,673	325,604	325,604
Revaluation Reserve	14	117,542	117,542	97,991	97,991
Total Restricted Funds		<u>473,215</u>	<u>473,215</u>	<u>423,595</u>	<u>423,595</u>
<b>Total Income funds</b>					
		<u>491,795</u>	<u>491,795</u>	<u>440,188</u>	<u>440,213</u>
Endowment funds	14	6,910	6,910	6,333	6,333
<b>Total funds</b>					
		<u>498,705</u>	<u>498,705</u>	<u>446,521</u>	<u>446,546</u>

The financial statements on pages 36 to 60 were approved by the Director and the Chairman.



MARTIN ROTH  
Director and Accounting Officer  
2 July 2015



SIR PAUL RUDDOCK  
Chairman of Trustees  
2 July 2015

The financial statements were authorised for issue by the Accounting Officer and Board of Trustees on the date shown on the audit certificate.

The notes on pages 40 to 60 form part of these financial statements.

## Consolidated Cashflow Statement Year ended 31 March 2015

	Notes	2015 £'000	2014 £'000
Net cash inflow from operating activities	a	24,198	8,887
Returns on investments	b	81	89
Capital expenditure and financial investment	b	(23,967)	(11,484)
<b>(Decrease)/Increase in cash and cash equivalents</b>	d	<b>312</b>	<b>(2,508)</b>

### a) Reconciliation of net incoming resources to net cash inflow from operating activities

Net incoming resources	30,578	8,253
Investment income	(81)	(89)
Net incoming resources before transfer and revaluations	30,497	8,164
Donated assets	(16,878)	(960)
Depreciation	9,289	10,772
(Gain)/Loss on fixed assets	-	19
Decrease/(Increase) in stocks	(55)	582
Decrease/(Increase) in debtors	(1,476)	2,369
(Decrease)/Increase in creditors due within one year	3,040	(12,373)
Increase/(Decrease) in provisions due within one year	(165)	160
Increase/(Decrease) in creditors due after one year	(79)	179
(Decrease)/Increase in provisions due after one year	25	(25)
Net cash inflow from operating activities	<b>24,198</b>	<b>8,888</b>

### b) Analysis of cash flows

#### Return on investments:

Investment income	81	89
-------------------	----	----

#### Capital expenditure and financial investment:

Payments to acquire tangible fixed assets inc. heritage assets	(23,975)	(11,512)
Purchase of investments	7 (71)	(64)
Proceeds from sale of investments and tangible fixed assets	7 79	92
	<b>(23,967)</b>	<b>(11,484)</b>

### c) Reconciliation of net cash flow to movement in net funds

(Decrease)/Increase in cash in the period	312	(2,508)
Non-cash movement in Current Asset Investments	468	(72)
Movement in net funds in the period	780	(2,580)
Net funds at 1 April 2013	15,656	18,236
Net funds at 31 March 2014	<b>16,436</b>	<b>15,656</b>

### d) Analysis of net funds

	At 1 April 2014 £'000	Cashflow £'000	Non-cash changes £'000	At 31 March 2015 £'000
Cash at bank and in hand	6,139	312	-	6,451
Current Asset Investments	9,517	-	468	9,985
Net funds	<b>15,656</b>	<b>312</b>	<b>468</b>	<b>16,436</b>

All cash in bank is held in commercial bank accounts.

The notes on pages 40 to 60 form part of these financial statements.

## Notes to the Consolidated Financial Statements Year ended 31 March 2015

### 1 Accounting policies

#### a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets and with the exception of investments which have been included at market value, and comply with Statement of Recommended Practice "Accounting and Reporting by Charities", Government Financial Reporting Manual, applicable accounting standards, the requirements of the Companies Act and the Accounts Direction issued by the Department for Culture, Media & Sport in 2002 with the consent of Treasury in accordance with the Museums and Galleries Act 1992.

The Museum is a charity within the meaning of Par. 1, Sch. 6 of Finance Act 2010. Accordingly the Museum is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Consolidated accounts have been prepared which include the Museum accounts, the Museum's trading subsidiaries V&A Enterprises Ltd, and V&A Ltd, consolidated on a line-by-line basis. The Museum Trustees act as Trustees to all the individual funds within the Museum accounts. The Museum owns the whole of the issued share capital of V&A Enterprises Ltd and V&A Holdings Ltd (a holding company which in turn owns the share capital of V&A Ltd) and exercises further control through its overall majority voting powers by virtue of the fact that one of the Museum's Trustees as well as the Museum Director and Chief Operating Officer are directors of the company. The Friends of the V&A Ltd, The V&A Foundation and the Gilbert Trust for the Arts Ltd are separate charitable companies, run by their own boards of Trustees and are not consolidated into the Museum's accounts.

#### b) Fund accounting

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Museum. Designated funds comprise unrestricted funds which have been set aside at the discretion of the Trustees for specific purposes. Restricted funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal. Endowment funds are funds which the donor has stated are to be held as capital or expended over the long term.

The South Kensington, Bethnal Green and Blythe House sites are subject to restrictions on their disposal. As a result a transfer is made each year from Unrestricted to Restricted funds in respect of the government funded portion of capital movements in the year.

An appropriate proportion of investment returns on Endowment funds are allocated to Restricted Funds and are available to spend.

#### c) Incoming resources

Grant-in-Aid income from the Department for Culture, Media and Sport is recognised in the Statement of Financial Activities on receipt. The restricted element relates to those funds granted specifically for capital expenditure or other restricted purposes.

Gifts and donated assets are accounted for when received by the Museum, and are valued at their market value on the date of receipt.

Legacies are recognised as receivable when confirmation is received from the estate's executor.

Grants and other income that is awarded subject to specific performance conditions, including scientific grants and income from the Heritage Lottery Fund, are recognised when the performance conditions for their receipt have been met and, where appropriate, income is deferred accordingly. Donations are recognised in full in the statement of financial activities when receivable.

Income from sales is included in the financial statements in the year in which the good or service is supplied. Ticket sales for exhibitions are recognised in the statement of financial activities when the ticket holders attend the respective exhibitions.

All other income is accounted for on a receivable basis.

*d) Expenditure*

Expenditure is classified under the principal categories of Charitable Activities and Costs of Generating Funds rather than by type of expense, in order to provide more useful information to the users of the financial statements. These categories comprise direct expenditure including direct staff costs attributable to the activity.

Costs are allocated directly to the activities to which they relate. Finance, Human Resources, Information Services & Support, Estate and Central Administration costs are allocated between the activities on the basis of staff numbers within these areas.

Governance costs comprise the costs associated with the strategic management of the Museum. Governance staff costs represent the staff involved in supporting the Trustee Board and managing governance issues. Also included within Governance costs are the costs of supporting these staff together with other costs such as fees for internal and external audit, certain legal and other professional fees.

Costs for exhibitions are spread over the periods which the exhibitions take place. Costs incurred in advance of an exhibition's opening date are deferred until the exhibition takes place.

Grant expenditure is accounted for when the recipient has indicated acceptance of the terms of the grant, and any conditions attached to the award of the grant have been met.

Depreciation has been allocated to activities on a basis consistent with the use of assets and is charged based upon opening asset values.

All other liabilities are recognised as they fall due.

*e) Heritage assets*

Additions to the collection are capitalised and recognised in the Balance Sheet at the cost or value of the acquisition, where such a cost or valuation is reasonably obtainable. Such items are not depreciated as they are deemed to have indefinite lives; items are not revalued as a matter of course unless significantly impaired. To date no impairments have occurred of capitalised items. The Museum's management policy in respect of its heritage assets is summarised in note 6.

Acquisitions are capitalised at cost. Donated objects are capitalised at their deemed value at the date of donation. This value will be determined by the Keeper of the relevant collection. It is not the Museum's policy to revalue items once capitalised. Due to the vast number of items within the V&A's collection, and their diverse nature, to undertake valuations with sufficient frequency for them to remain current, would incur a disproportionate cost to the Museum.

Only items for which we have reliable information on cost or value have been capitalised. Such information is not readily available for items donated or acquired prior to 1 April 2001, and could only be obtained at a disproportionate cost to the benefits that would be generated. The number of objects that have been capitalised represent approximately 1% of the entire collection, and revaluing the remainder would require so much resource that the Museum's ability to deliver its charitable objectives would be impaired.

Any object that has not been in place for five years or longer will be designated as Missing by the Museum's Loss Review Board, and will be treated as a disposal in the Financial Statements. No objects that have been capitalised since 2001 have been designated Missing.

*f) Tangible fixed assets*

Tangible fixed assets are accounted for using modified historical cost accounting where the effect is material. Assets with a value greater than £2,000 are capitalised and included in the balance sheet.

Depreciation has been provided on all opening gross book values of tangible assets except land, calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Buildings – Structural	– between 20 and 50 years
Buildings – Fit-out	– between 4 and 20 years
Buildings – Plant & Machinery	– between 4 and 20 years
Furniture and Fittings	– between 4 and 20 years
Equipment	– between 4 and 10 years

For assets under construction, depreciation is not charged until the year the asset is brought into use.

A full year of depreciation is charged in the year of acquisition, and none in the year of disposal.

A full professional valuation is carried out every five years by Gerald Eve (Chartered Surveyors) on Land and Buildings and was performed at 31 March 2014. A desktop revaluation is carried out every year between full revaluations.

*g) Investments*

Where possible investments are valued using unadjusted quoted prices in active markets for identical financial instruments. The Museum's investments in its subsidiaries, for which no ready market exists, are measured on a cost basis and reviewed for impairment annually. It is the Museum's policy to keep valuations up to date. This means that there is no distinction between realised and unrealised gains in the SoFA.

Investments that are intended to produce a return, but are available to be spent within a 12 month period are treated as Current Asset investments. All other investments, which are intended to produce a long term return, and are not intended to be spent within the next 12 months, are treated as Fixed Asset investments.

Simple forward currency contracts are used within the investment portfolios to minimise the effect of currency fluctuations.

Under FRS26 these are classified as Held for Trading assets, and are valued according to market prices for matching contracts at the balance sheet date.

*h) Financial Instruments*

Financial Instruments play a limited role in the Museum as the operating cash requirements are mostly met through Grant-in-Aid funding, and investment is largely funded by donations.

All trade debts over six months old (excluding debts owed by group companies) are provided for as doubtful debts.

*i) Stock and work in progress*

Stock is valued at the lower of cost and net realisable value and comprises goods for resale.

*j) Pension cost*

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) which are described at Note 5c. The defined benefit elements of the schemes are unfunded and are non-contributory except in respect of dependents' benefits. The Museum recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the schemes, the Museum recognises the contributions payable for the year.

V&A Enterprises Limited operates a defined contribution pension scheme and the assets of the scheme are held separately from those of the company in an independently administered fund with Aviva plc.

*k) Operating leases*

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

*l) Foreign currencies*

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are valued at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

**2a) Grant in Aid income**

Grant in Aid of £31.146m was received from the Department for Culture, Media and Sport during the year (2013-14: £39.408m). This represents 31% of the total income for the Museum. The balance of funding, including the majority of capital improvements, comes from self-generated income. Included within the total Grant in Aid received is an amount restricted to capital works which for 2014-15 totalled £2.0m (2013-14: £1.9m).

**2b) Voluntary income**

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	<b>Total 2015 £'000</b>	Total 2014 £'000
Donations and Legacies	6,915	16,410	–	<b>23,325</b>	11,353
Corporate Members	412	–	–	<b>412</b>	357
Director's Circle	458	–	–	<b>458</b>	439
	<u>7,785</u>	<u>16,410</u>	<u>–</u>	<u><b>24,195</b></u>	<u>12,149</u>

**2c) Statement of Income and Expenditure**

The Total Incoming Resources of the Museum alone were £89,350k, Total Resources Expended were £58,794k. Revaluation gains on investment assets were £2,055k, and on fixed assets £19,551k. The movement on net funds for the year was £52,162k. The difference between this and the result shown in the SoFA (£52,184k) arises from the operating profit of V&A Ltd.

**3) Investment Income**

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	<b>Total 2015 £'000</b>	Total 2014 £'000
Interest receivable	8	2	–	<b>10</b>	29
British Government stocks	12	2	8	<b>22</b>	–
UK equities	32	4	13	<b>49</b>	43
Overseas equities	–	–	–	<b>–</b>	17
	<u>52</u>	<u>8</u>	<u>21</u>	<u><b>81</b></u>	<u>89</u>

**4) Net incoming resources:** is stated after charging:

	<b>Group 2015 £'000</b>	<b>Museum 2015 £'000</b>	<b>Group 2014 £'000</b>	<b>Museum 2014 £'000</b>
External Auditors' remuneration	<b>63</b>	<b>43</b>	68	44
Operating lease payments – Land and Buildings	<b>116</b>	<b>116</b>	103	103
– Other	<b>175</b>	<b>68</b>	199	87
Movement on provision for doubtful debts	–	–	22	22

## 5a) Total resources expended

	Direct Costs £'000	Grants Made To Other Charities £'000	Allocated Support Costs £'000	Depreciation & loss on disposal £'000	Total 2015 £'000	Total 2014 £'000
<i>Cost of generating funds</i>						
Costs of generating voluntary income	3,095	–	431	301	<b>3,827</b>	3,640
Trading costs	11,492	–	–	99	<b>11,591</b>	13,035
Investment management costs	33	–	–	–	<b>33</b>	49
	<u>14,620</u>	<u>–</u>	<u>431</u>	<u>400</u>	<b>15,451</b>	16,724
<i>Charitable Activities</i>						
Collections & Learning	24,530	889	12,206	8,340	<b>45,965</b>	45,582
Exhibitions & Contemporary	7,434	–	1,249	549	<b>9,232</b>	10,118
	<u>31,964</u>	<u>889</u>	<u>13,455</u>	<u>8,889</u>	<b>55,197</b>	55,700
<i>Governance costs</i> <sup>1</sup>	133	–	77	–	<b>210</b>	159
<b>Total resources expended</b>	<u><b>46,717</b></u>	<u><b>889</b></u>	<u><b>13,963</b></u>	<u><b>9,289</b></u>	<b>70,858</b>	72,583

Grants totalling £749k were paid out via the Purchase Grant Fund with the balance paid to the V&A Foundation.

<sup>1</sup> Governance Costs (Direct)

External Audit Fees (Museum only)	<b>43</b>	44
Internal Audit Fees	<b>34</b>	34
Legal Fees	<b>63</b>	13
Staff costs	<b>70</b>	60
Other executive costs	–	8
	<u><b>210</b></u>	<u>159</u>

Support costs included in above resources expended have been allocated in the activities above on the basis of staff numbers and floor area as follows:

	Information services & support £'000	Projects & Estates £'000	Finance & Admini- stration £'000	Human Resources £'000	Other Central Costs £'000	Museum of Childhood – Admini- stration £'000	Total £'000
<i>Cost of generating funds</i>							
Costs of generating voluntary income	69	215	32	28	67	20	<b>431</b>
<i>Charitable Activities</i>							
Collections & Learning	1,936	6,100	902	802	1,905	561	<b>12,206</b>
Exhibitions & Contemporary	198	624	92	82	195	58	<b>1,249</b>
	<u>2,134</u>	<u>6,724</u>	<u>994</u>	<u>884</u>	<u>2,100</u>	<u>619</u>	<b>13,455</b>
	<u>2,203</u>	<u>6,939</u>	<u>1,026</u>	<u>912</u>	<u>2,167</u>	<u>639</u>	<b>13,886</b>
Governance	–	–	77	–	–	–	<b>77</b>
	<u>2,203</u>	<u>6,939</u>	<u>1,103</u>	<u>912</u>	<u>2,167</u>	<u>639</u>	<b>13,963</b>



**5b) Wages and salaries**

	2015 £'000	2014 £'000
Wages and salaries	24,237	23,905
Social security costs	1,884	1,889
Pension costs	3,871	3,681
Agency and temporary staff	1,357	1,347
	<u>31,349</u>	<u>30,822</u>
Early retirement and redundancy costs	305	116
	<u>31,654</u>	<u>30,938</u>

During the year restricted funding for staff costs was received totalling £1.207m (2013-14: £1.109m).

V&A Enterprises Limited's staff costs were £5.735m (2013-14: £5.698m) of which £4.168m (2013-14: £4.112m) was for trading activities and £1.567m (2013-14: £1.586m) was for services provided to others.

In addition, £88k of early retirement and redundancy costs were accrued in 2013-14. The total cost of early retirement and redundancy costs in 2014-15 was £392k. See the Remuneration Report for details.

The number of employees, including the Director, whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	2015	2014
£60,001 – £70,000	11	11
£70,001 – £80,000	6	4
£80,001 – £90,000	6	4
£90,001 – £100,000	3	4
£110,001 – £120,000	2	–
£140,001 – £150,000	–	1
£150,000 – £160,000	1	–
	<u>29</u>	<u>24</u>

Of the employees listed above, 22 (2013-14: 18) are members of the Principal Civil Service Pension Scheme, and the total pension contributions payable in the year for these employees was £394,943 (2013-14: £324,847). The other 7 (2013-14: 6) employees are members of the V&A Enterprises Limited defined contribution scheme, and the total pension contributions payable in the year for these employees was £50,113 (2013-14: £45,764).

Senior staff salaries are disclosed in further detail in the remuneration report.

### 5c) Pension disclosure

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme. The Victoria and Albert Museum is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2012. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation. The Victoria and Albert Museum is only liable for the contribution they have made directly.

For 2014-15, employers' contributions of £3.478m were payable to the PCSPS (2013-14: £3.327m) at one of four rates in the range 16.7% to 24.3% of pensionable earnings, based on salary bands. The scheme Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2014-15 to be paid when the member retires and not the benefits paid during this period to existing pensioners. The contribution rates are set to meet the cost of the benefits accruing during 2014-15 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

From 1 October 2002, Museum staff may be in one of three statutory based 'final salary' defined benefit schemes (classic, premium, and classic plus). The Schemes are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, and classic plus are increased annually in line with changes in the Consumer Prices Index.

Employee contributions changed in April 2014 and are now between the rate of 1.5% to 6.85% of pensionable earnings for classic and 3.5% to 8.85% for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. Its benefits reflect pay throughout an individual's career allowing members to work longer and more flexibly. Each scheme year (1st April to 31st March) pension will be built up at the rate of 2.3% of staff's pensionable earnings. The balance of nuvos pension is increased in line with Pensions Increase Legislation. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

Employees joining after 1 October 2002 could opt to open a partnership pension account, a stakeholder pension with an employer contribution, rather than join a PCSPS scheme. Employer's contributions of £61,623 (2013-14: £43,475) were paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3% and 12.5% of pensionable earnings. Employers also match employee contributions up to 3% of pensionable earnings. Employers also contribute a further 0.8% of pensionable pay to cover the cost of centrally - provided risk benefit cover (death in service or ill health retirement).

NEST (National Employment Savings Trust) is a pension scheme that has been set up by the Government for employers to use to comply with auto-enrolment. From 1 December 2013, we are using NEST as the pension scheme for our Occasional Professional Assistants (OPAs). OPAs who earn more than £833 per month (£10,000 pa) will be automatically enrolled into NEST, with the option to then opt out if they wish. OPAs can also choose to opt in at any point, as long as they are aged at least 22 and earning at least £5,772 pa. Employer and total contributions will increase over a transition period until 1 October 2018 of between 1% and 3% for employers and 2% and 8% for a total minimum contribution. Employer contributions paid during the year were £8,680 (2013-14: £3,152).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

The Museum's trading company, V&A Enterprises Limited, operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund with Aviva. Employer's contributions are made at an average of 10% and the total amount paid during the year was £406,901 (2013-14: £318,837).

Of these, pension costs of £84k relating to projects recognised in future years were deferred at the year end.

A new pension scheme, alpha, was introduced on 1 April 2015. The majority of current Principal Civil Service Pension Scheme members (includes classic, classic plus, premium and nuvos) will be transferred into alpha and new members will also join this scheme. From 1 April 2015 there will be a single set of contribution rates across Civil Service Pensions, irrespective of whether members are in classic, classic plus, premium, nuvos or alpha; the new rates are based on actual salary and range from 4.60 – 8.05%.

**5d) Trustees**

The Trustees neither received nor waived any emoluments during the year (2013-14: £nil).

Expenses for travel totalling £34 were incurred by one Trustee wholly and necessarily on the Museum's business and were reimbursed in the period (2013-14: £nil.)

**5e) Average number of employees (\*)**

	2015	2014
Generating voluntary income	61	57
Trading	115	127
Collections & Visitors	545	540
Exhibitions & Contemporary	61	58
Learning	51	58
Governance & Directorate	11	11
	<u>844</u>	<u>851</u>

(\*) based on full-time equivalents.

Of the above employees - 748 are full time permanent employees of the Museum and its subsidiaries (2013-14: 749), 37 are externally funded posts (2013-14: 36), and the remaining employees are temporary staff.

**6a) Tangible fixed assets**

	Land & Buildings £'000	Furniture & fittings £'000	Equipment £'000	Assets in course of construction £'000	Total £'000
<b>Group</b>					
<b>Cost or valuation</b>					
At 1 April 2014	340,019	4,523	7,425	17,226	369,193
Transfers	884	-	-	(884)	-
Additions	498	295	2,136	14,419	17,348
Disposals	-	-	-	-	-
Revaluation	11,052	-	-	-	11,052
At 31 March 2015	<u>352,453</u>	<u>4,818</u>	<u>9,561</u>	<u>30,761</u>	<u>397,593</u>
<b>Depreciation</b>					
At 1 April 2014	665	3,218	6,115	-	9,998
Charged for the year	7,916	399	974	-	9,289
Disposals	-	-	-	-	-
Revaluation	(8,499)	-	-	-	(8,499)
At 31 March 2015	<u>82</u>	<u>3,617</u>	<u>7,089</u>	<u>-</u>	<u>10,788</u>
<b>Net book value</b>					
At 31 March 2015	<u>352,371</u>	<u>1,201</u>	<u>2,472</u>	<u>30,761</u>	<u>386,805</u>
At 1 April 2014	<u>339,354</u>	<u>1,305</u>	<u>1,310</u>	<u>17,226</u>	<u>359,195</u>

The net book value at 31 March 2015 represents fixed assets of the Group for:

	Land & Buildings £'000	Furniture & fittings £'000	Equipment £'000	Assets in course of construction £'000	Total £'000
Direct charitable activities	352,371	1,146	2,420	30,761	386,698
Other activities	-	55	52	-	107
Total	<u>352,371</u>	<u>1,201</u>	<u>2,472</u>	<u>30,761</u>	<u>386,805</u>

	Land & Buildings £'000	Furniture & fittings £'000	Equipment £'000	Assets in course of construction £'000	Total £'000
<b>Museum</b>					
<b>Cost or valuation</b>					
At 1 April 2014	340,019	3,938	7,066	17,226	<b>368,249</b>
Transfers	884	–	–	(884)	–
Additions	498	285	2,136	14,419	<b>17,338</b>
Disposals	–	–	–	–	–
Revaluation	11,052	–	–	–	<b>11,052</b>
At 31 March 2015	<u>352,453</u>	<u>4,223</u>	<u>9,202</u>	<u>30,761</u>	<u><b>396,639</b></u>
<b>Depreciation</b>					
At 1 April 2014	665	2,716	5,859	–	<b>9,240</b>
Charged for the year	7,916	361	923	–	<b>9,200</b>
Disposals	–	–	–	–	–
Revaluation	(8,499)	–	–	–	<b>(8,499)</b>
At 31 March 2015	<u>82</u>	<u>3,077</u>	<u>6,782</u>	<u>–</u>	<u><b>9,941</b></u>
<b>Net book value</b>					
At 31 March 2015	<u>352,371</u>	<u>1,146</u>	<u>2,420</u>	<u>30,761</u>	<u><b>386,698</b></u>
At 31 March 2014	<u>339,354</u>	<u>1,222</u>	<u>1,207</u>	<u>17,226</u>	<u><b>359,009</b></u>

### Land & Buildings

On the 31st March 2015 a desktop valuation of the freehold properties comprising the Victoria and Albert Museum Estate was carried out by an external valuer, Gerald Eve LLP, a regulated firm of Chartered Surveyors. The valuation was prepared in accordance with the requirements of the RICS Valuation - Professional Standards, January 2014 amendment and Financial Reporting Standard (FRS) 15 (UK GAAP). The valuation of non-specialised properties was undertaken on an Existing Use Value (EUUV) basis. Specialised properties were valued on a Depreciated Replacement Cost (DRC) basis and included the refurbished spaces which came into use during the year. The site at South Kensington was valued at £331.9m, the site at Bethnal Green at £12.9m and the V&A's share of Blythe House at £7.6m. These valuations include some plant and machinery that is included in Fixtures & Fittings and Equipment.

The appropriate basis of valuation for financial statements is normally Existing Use value. However, the Museum at South Kensington and the Museum of Childhood in Bethnal Green are of such a construction and specialised use that an Existing Use basis of valuation is inappropriate. The lack of demand or market value for the property in isolation from its current use is such that the land and buildings are most appropriately valued according to their Depreciated Replacement Cost.

All land and buildings are freehold.

## 6b) Heritage Assets

Additions of £23.940m (2013-14: £3.250m) were made to the Collection. There were no disposals during the year. The additions comprise the following elements:

	2015 £'000	2014 £'000	2013 £'000	2012 £'000	2011 £'000
<b>Opening balance b/fwd</b>					
Donated objects (shown at valuation)	37,425	36,465	35,251	33,991	29,026
Acquisitions (shown at cost)	24,320	22,030	20,743	16,628	14,799
	<b>61,745</b>	<b>58,495</b>	<b>55,994</b>	<b>50,619</b>	<b>43,825</b>
Donations of objects by gift or bequest	16,878	960	899	980	3,703
Donations of objects under the acceptance in lieu scheme	-	-	315	280	1,262
	<b>16,878</b>	<b>960</b>	<b>1,214</b>	<b>1,260</b>	<b>4,965</b>
Acquisitions	7,063	2,290	1,287	4,115	1,829
Total Additions	<b>23,941</b>	<b>3,250</b>	<b>2,501</b>	<b>5,375</b>	<b>6,794</b>
<b>Closing balance c/fwd</b>					
Donated objects (shown at valuation)	54,303	37,425	36,211	35,205	30,286
Acquisitions (shown at cost)	31,383	24,320	22,030	20,743	16,628
	<b>85,686</b>	<b>61,745</b>	<b>58,241</b>	<b>55,948</b>	<b>46,914</b>

### Further information on the Museum's heritage assets

In total the V&A holds 1,197,637 museum objects and works of art within its collections, as well as 1,079,668 library items and 878 archival collections. Of these approximately 1% have been included in the balance sheet of the Museum and the table above. At 31 March 2015, 60,124 items were on display with access to other items available through reading and study rooms or by arrangement. Further access can be obtained from reference facilities and publications, the Museum website, selected third party websites, and other electronic media. These objects are held within the following collections:"

#### *Asian Collections 129,239 objects and 1 archival collection:*

The Asian Collections of the V&A are world-renowned, spanning the wealth and diversity of artistic creativity across the continent from 3,500 BC until the present day. The collections are remarkable for their range of media; particular strengths include ceramics from China and the Middle East, textiles from China, South Asia and the Middle East and lacquer and prints from Japan. The Department collects objects illustrating the history of art and design throughout Asia.

#### *Furniture, Textiles & Fashion Collections 83,460 objects:*

The Western Furniture and Woodwork collections date from the medieval period to current times and are unique in their international scope. However, the greatest strength lies in the holdings of British furniture made between 1700 and 1900. The Textile collection is the world's largest and the most wide-ranging of its kind, covering all parts of the world, extending in date from the 3rd century AD to the present day, concentrating on Western Europe. The Fashion collection is the premier collection in the UK and consists of European (mainly French and English) fashionable clothes and accessories for both sexes. High quality 18th - and 19th-century fashion is a priority but primary emphasis is on contemporary material, especially the development of technologically advanced fabrics and their use in the fashion industry.

#### *Sculpture, Metalwork Ceramics & Glass Collections 109,511 objects:*

The Western Sculpture collection is the most comprehensive holding of post-classical European sculpture in the world. The Metalwork collection contains examples of decorative metalwork, silver and jewellery ranging in date from the Bronze Age to the present day. It includes the national collection of English silver. The Ceramics collection is without parallel in the world and, by virtue of its size, quality and range, may be considered pre-eminent in its entirety. The Glass collection is the most comprehensive in Europe, and the stained glass holdings are unparalleled anywhere.

In addition, approximately 38,000 objects form part of the Wedgwood Collection and were gifted to the Museum during the year by the Art Fund; they will be catalogued and officially brought into the collection in the coming months.

*Word & Image Collections 769,705 objects, 371 archival collections, 977,953 library items:*

The Word & Image collections encompass design, drawings, paintings, prints, photographs and the art of the book. They provide a national centre for primary source material for the study of design. The collection of 19th-century British oil paintings includes the principal collection of John Constable, and the foreign oil paintings collection is of national significance. The Museum has the national responsibility for collecting watercolours and English portrait miniatures. The Photographs collection is international and spans the whole history of the subject from 1839 to the present. The Prints collection, uniquely in Britain, embraces 'fine' prints and commercial production. Holdings of the art, craft and design of the book encompass every aspect of the book from illuminated manuscripts to paperbacks. Contemporary production is a priority in all relevant fields; digital media represents a current challenge. The Department is especially active in areas where the fine and applied arts intersect.

*Childhood Collections 33,750 objects and 45 archival collections:*

The V&A Museum of Childhood (MoC) houses the UK's national collection of childhood objects, ranging in date from the 1600s to the present day. As well as toys, dolls, dolls' houses, games and puzzles, the Museum also has a wealth of objects relating to many other aspects of childhood, including home and childcare, play and learning, clothing, representations of childhood, archival collections and ephemera. In the Museum, rare hand-crafted objects such as the earliest surviving English rocking horse (from around 1605) sit alongside well-loved toys from the 20th century. Together, these objects allow us an insight into how different children might have lived, thought and felt, through the objects they were surrounded by throughout their childhood.

*Theatre & Performance Collections 71,972 objects, 461 archival collections, 101,715 library items:*

The Theatre & Performance Collections are dedicated to the history, craft and practice of the performing arts in the UK. Its primary emphasis is on drama, dance, opera and musical theatre. In providing the national record of performance, it combines the functions of archive, library and educational resource. The department documents its production and reception by gathering a variety of evidence in different media. Since 1992, the department has made archival recordings of current theatre productions under a unique agreement with the Federation of Entertainment Unions. Contemporary and 20th -century collecting includes graphic, photographic, video and audio material relating to the performing arts and, selectively, designs, models, costumes, archives, theatre architecture/stage technology and library materials..

**Preservation & Management**

All objects are recorded and managed by one of the Museum's six collection departments, which is overseen by the respective Collection Keeper or Director, who report to the Director of Collections. The Museum maintains a Collections Management System for the documentation of collection objects and a Library system for bibliographic items and archival material, which is catalogued at collections level.

The Museum has established standards of care for the preservation of collections that are regularly reviewed. These standards reflect public access requirements, research and exhibition needs, funding and staff resources, and urgency of care. The Museum is guided by 'A Code of Practice on Archives for Museums and Galleries in the United Kingdom' (Standing Conference on Archives and Museums, 3rd edition, 2002) and 'The Standard for Record Repositories' (Historical Manuscripts Commission, 3rd edition, 2001).

The V&A is fully accredited as a Museum by the Arts Council England. The Museum's Acquisition and Disposal Policy is available on the V&A website ([www.vam.ac.uk](http://www.vam.ac.uk)) as part of the V&A Collections Management Policy. This Policy was approved by the Board of Trustees on 17 September 2009 and will be reviewed at five year intervals. The National Heritage Act 1983, as amended by the Museums and Galleries Act 1992 sets out the Museum's statutory framework and powers of disposal.

Acquisitions are made on the basis of aesthetic or historical significance, illustration of a significant development of a specific technique or to complete an object(s) already held. As specified under this Act, the Board of Trustees may dispose of an object by sale, exchange or gift, if it falls into one or more of the following categories: if it is a duplicate of another object, if it is unsuitable for retention and can be disposed of without detriment to the interests of students or other members of the public, if it is transferred, given to, sold to or exchanged with an institution specified in Schedule 5 of the Museums & Galleries Act 1992, or it has deteriorated beyond usefulness for the purposes of the collections.

## 7) Investments

	Short Term Investments		Fixed Asset Investments	
	Group 2015 £'000	Museum 2015 £'000	Group 2015 £'000	Museum 2015 £'000
<b>Market value at 1 April</b>	<b>9,517</b>	<b>9,517</b>	<b>15,943</b>	<b>16,146</b>
Add: Additions to portfolio	16	16	55	55
Less: Withdrawals from portfolio	(32)	(32)	(47)	(47)
Net gain/(loss) on revaluation	484	484	1,571	1,571
<b>Market value at 31 March 2015</b>	<b>9,985</b>	<b>9,985</b>	<b>17,522</b>	<b>17,725</b>
<i>of which</i>				
<b>Historical cost at 31 March 2015</b>	<b>9,661</b>	<b>9,661</b>	<b>14,265</b>	<b>14,468</b>
Unrealised investment gain/(loss) at 31 March 2015	324	324	3,256	3,256
Analysis of gain by asset class				
(Loss)/Gain on assets Available for Sale	484	484	1,753	1,753
(Loss)/Gain on assets Held for Trading	-	-	(182)	(182)
	<b>484</b>	<b>484</b>	<b>1,571</b>	<b>1,571</b>
Investment assets in the UK				
Government stocks & Corporate bonds	1,852	1,852	950	950
Investment Funds	2,157	2,157	2,143	2,143
Cash & currency hedges	35	35	9,542	9,542
Unlisted Equities (trading subsidiary)	-	-	-	203
Investment assets outside the UK				
Multi Asset Investment Funds	5,941	5,941	4,887	4,887
	<b>9,985</b>	<b>9,985</b>	<b>17,522</b>	<b>17,725</b>

**The Role of Financial Instruments**

The following disclosure describes the nature and extent of risks arising from financial instruments to which the Museum is exposed and how the Museum manages those risks.

**Liquidity and Credit Risk**

The largest single source of income (i.e. 31%) is received by way of Grant in Aid which is drawn down according to need, and as a result the Museum is not exposed to significant liquidity or credit risk. The remainder of the Museum's activity is funded by self-generated income and funds given for restricted purposes such as capital projects, projects are only progressed when income is certain.

**Market Risk****Foreign Currency Risk**

The Museum's exposure to foreign currency risk is not significant as, wherever possible contracts are negotiated in sterling, and foreign currency receipts are converted to sterling on receipt.

As the Museum's investments include overseas assets, it uses simple forward currency contracts within the portfolios to offset the effect of currency fluctuations in major currencies (Euros & US Dollars) within the portfolios. If the value of the investment increases because of currency movements, the corresponding contract will decrease in value, and vice versa. If the currency contract is in a negative position on maturity, the Museum would meet the cash requirement by selling some of the corresponding assets (which would have increased in value).

The amount of the currency contracts are determined by the allocation of assets within the portfolios, and adjusted at least quarterly to match any changes in asset allocations. Therefore the net effect of any currency fluctuation in one of the hedged currencies should be nil.

It is our policy to hedge a minimum of 90% of our foreign currency holdings. A 10% appreciation of the US dollar, Euro, Singapore dollar or Japanese Yen would have given rise to a nil increase in income and an increase in unrestricted funds of £46k, restricted funds of £6k and endowment funds of £24k. A 10% depreciation of the stated currencies would have an equal and opposite effect. These are the major currencies in which the Group's financial instruments are denominated.

#### *Interest Rate Risk*

The Museum has no exposure to interest rate risk on its financial liabilities. Its financial assets are held in fixed term deposit accounts with maturity of one month or less, or in funds or assets that can be readily traded, and so have no fixed interest rate.

It is our policy to hedge a minimum of 90% of our foreign currency holdings. A 10% appreciation of the US dollar, Euro, Singapore dollar or Japanese Yen would have given rise to a nil increase in income and a increase in unrestricted funds of £46k, restricted funds of £6k and endowment funds of £24k. A 10% depreciation of the stated currencies would have an equal and opposite effect. These are the major currencies in which the Group's financial instruments are denominated.

#### **8) Trading subsidiaries**

The Museum owns the whole of the issued share capital of V&A Enterprises Limited, a company registered in England and Wales. The company's principal activities are the sourcing, design, production and sale of books and merchandise relating to the collections and mission of the V&A; also the granting of licenses for commercial goods inspired by the collections of the V&A, and sold under the V&A brand. The company runs V&A Publishing and V&A Images, and also manages the income for corporate venue hire and educational services within the Museum.

The Museum also owns 100% of the issued share capital of V&A Holdings Limited which in turn owns 100% of the issued share capital of V&A Limited; during the year V&A Ltd undertook consultancy work on the V&A gallery in Shekou, China.

The Museum also controls V&A Museum Events Ltd which has an accounting period ending 31 December 2015. V&A Museum Events Ltd organised a fundraising Gala in March 2015; the proceeds of the gala will be donated to the Museum or the V&A Foundation in support of the Museum's charitable objectives during 2015-16.

A summary of the results of the subsidiaries are shown overleaf.



	V&A Enterprises Limited		V&A Limited	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Turnover	14,814	15,848	143	–
Cost of sales	(5,039)	(6,628)	(117)	–
<b>Gross Profit</b>	<b>9,775</b>	<b>9,220</b>	<b>26</b>	<b>–</b>
Administrative expenses	(6,362)	(6,609)	(1)	–
<b>Trading profit</b>	<b>3,413</b>	<b>2,611</b>	<b>25</b>	<b>–</b>
Interest receivable and similar income	5	6	–	–
Loan Interest Payable	(15)	(15)	–	–
Payment under gift aid to Museum	(3,403)	(2,602)	(1)	–
Profit on Ordinary Activities before Taxation	–	–	24	–
<b>Retained in subsidiary</b>	<b>–</b>	<b>–</b>	<b>24</b>	<b>–</b>
<b>Balance sheet</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Tangible fixed assets	106	186	–	–
Current assets	7,028	6,088	817	3
Creditors due within one year	(6,931)	(5,071)	(817)	(2)
Creditors due after one year	–	(1,000)	–	–
<b>Net assets</b>	<b>203</b>	<b>203</b>	<b>–</b>	<b>1</b>
Share capital and reserves	203	203	–	–
Profit and loss account	–	–	–	(24)
<b>Shareholders' Funds</b>	<b>203</b>	<b>203</b>	<b>–</b>	<b>(24)</b>
Reconciliation of results of trading company to the consolidated Statement of Financial Activities:				
Turnover	14,814	15,848	143	–
Intercompany transactions	(2)	(6)	–	–
<b>Trading income included within SOFA</b>	<b>14,812</b>	<b>15,842</b>	<b>143</b>	<b>–</b>
Cost of sales	5,039	6,628	117	–
Administrative expenses	6,362	6,609	1	–
Interest payable	15	15	–	–
Taxation	–	–	–	–
<i>Intercompany transactions</i>	(15)	(217)	–	–
<b>Trading costs included within SOFA</b>	<b>11,401</b>	<b>13,035</b>	<b>118</b>	<b>–</b>
Interest receivable and similar income	5	6	–	–
<i>Intercompany transactions</i>	–	–	–	–
<b>Included in Investment Income per SOFA</b>	<b>5</b>	<b>6</b>	<b>–</b>	<b>–</b>

A further £71k of other trading costs were incurred by the Museum in 2014-15 in relation to the renegotiation of the catering franchise.

**9) Debtors**

	Group 2015 £'000	Museum 2015 £'000	Group 2014 £'000	Museum 2014 £'000
Trade debtors	3,211	2,170	2,438	1,631
Less provision for Doubtful debts	(4)	(4)	(4)	(4)
Other debtors	722	676	588	562
Prepayments and accrued income	1,767	958	2,192	1,533
Prepaid exhibition expenditure	2,913	2,913	1,407	1,407
Recoverable taxation (VAT)	1,101	1,101	1,613	1,613
Amounts due from subsidiary undertaking	-	5,427	-	3,244
	<u>9,710</u>	<u>13,241</u>	<u>8,234</u>	<u>9,986</u>

**Amounts falling due after one year**

Debtors – after one year				
Due from trading subsidiaries	-	-	-	1,025
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,025</u>

The Museum has agreed an intercompany loan facility for £2m to V&A Enterprises Limited, of which £1m has been drawn down to date. The loan is repayable on demand and is secured by a Mortgage Debenture dated 25th June 2008 on all of the subsidiary's assets. The fair value of the loan is £1m.

The Museum has confirmed that it will not call the loan for repayment until, at the earliest 30 June 2015, subject to the ability of the subsidiary to make repayments. Interest on the loan is charged at 1% above the Bank of England Base rate.

The Museum also made a loan of £25k in a previous year to V&A Limited which is repayable by 30 June 2015.

The Museum made a loan of £50k to V&A Museum Events Ltd which is repayable by 30 June 2015

**9.1) Intra-Government Balances (Group)**

	Amounts falling due within one year		Amounts falling due after more than one year	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Balances with other central government bodies	1,832	1,700	-	-
Balances with bodies external to government	7,878	6,464	-	-
Total debtors at 31 March	<u>9,710</u>	<u>8,234</u>	<u>-</u>	<u>-</u>

**10) Creditors**

	Notes	Group 2015 £'000	Museum 2015 £'000	Group 2014 £'000	Museum 2014 £'000
<b>Amounts falling due within one year</b>					
Trade creditors		3,184	2,872	5,261	4,307
Other creditors		19	12	13	7
Accruals		7,018	5,653	4,392	3,641
Deferred income	11	1,357	684	657	657
Deferred exhibition income		3,599	3,599	1,414	1,414
Taxation and social security costs		993	853	957	840
Amounts owed to subsidiary undertaking		-	126	-	543
		<u>16,170</u>	<u>13,799</u>	<u>12,694</u>	<u>11,409</u>
<b>Amounts falling due after one year</b>					
Deferred income – after one year	11	2,602	2,602	2,681	2,681
		<u>2,602</u>	<u>2,602</u>	<u>2,681</u>	<u>2,681</u>

**10.1) Intra-Government Balances (Group)**

	Amounts falling due within one year		Amounts falling due after more than one year	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Credit balances with other central government bodies	1,546	1,238	-	-
Credit balances with bodies external to government	14,624	11,456	2,602	2,681
Total creditors at 31 March	<u>16,170</u>	<u>12,694</u>	<u>2,602</u>	<u>2,681</u>

**11) Deferred Income**

	2015 £'000	2014 £'000
As at 1 April	3,338	3,636
Deferred in current year	1,449	958
Released from previous year	(828)	(1,256)
As at 31 March	<u>3,959</u>	<u>3,338</u>

Of this balance £2.381m represents funds given to the Museum by Royal Institute of British Architects in relation to its occupation of certain office and gallery spaces in the Museum. An amount representing an annual rental payment is released each year.

**12) Provisions**

	2015 £'000	2014 £'000
As at 1 April	689	554
Provision in year	1	177
Paid in year	(141)	(42)
As at 31 March	<u>549</u>	<u>689</u>
Provisions – within one year	36	201
Provisions – after one year	513	488
	<u>549</u>	<u>689</u>

Provisions relate to those early retiring employees for whom the Museum will continue to pay PCSPS contributions until they reach the relevant pensionable age and the potential cost of reinstating the highway following the completion of the Exhibition Road project.

**13) Financial commitments**

At 31 March 2015 the Group had annual commitments under non-cancellable leases as follows:

Operating leases which expire:	2014	2014	2013	2013
	Land & Buildings £'000	Other £'000	Land & Buildings £'000	Other £'000
Within one year	-	-	-	9
In the second to fifth year	235	-	209	6
After five years	-	-	-	-
	<u>235</u>	<u>-</u>	<u>209</u>	<u>15</u>

V&A Enterprises Ltd have annual commitments under non-cancellable operating leases, which expire between two and five years. The other subsidiaries of the Museum do not have any financial commitments.

## 14) Statement of funds

	As at 1 April 2014 £'000	Incoming Resources £'000	Resources Expended £'000	Transfers £'000	Fixed Assets – Gains/ losses on Revaluation £'000	Invest- ments – Gains/ losses under Fair Values £'000	As at 31 March 2015 £'000
<b>Unrestricted Funds</b>							
General Income funds	993	61,967	(58,956)	(1,778)	–	288	2,514
Designated Income funds	15,600	175	(129)	(528)	–	948	16,066
<b>Total Unrestricted Funds</b>	<b>16,593</b>	<b>62,142</b>	<b>(59,085)</b>	<b>(2,306)</b>	<b>–</b>	<b>1,236</b>	<b>18,580</b>
<b>Restricted Funds</b>							
<i>Restricted Income Funds</i>							
– Acquisitions for the Collection <sup>1</sup>	(57)	4,210	–	(3,877)	–	14	290
– Restricted Income funds <sup>1</sup>	1,253	3,109	(2,533)	(957)	–	156	1,028
– Museum Development funds <sup>1</sup>	966	13,108	77	(15,249)	–	83	(1,015)
– Endowment funds income	677	–	(105)	(44)	–	–	528
	<b>2,839</b>	<b>20,427</b>	<b>(2,561)</b>	<b>(20,127)</b>	<b>–</b>	<b>253</b>	<b>831</b>
<i>Restricted Asset Funds</i>							
Restricted Capital funds <sup>2</sup>	261,020	1,968	(9,202)	15,370	–	–	269,156
Revaluation Reserve	97,991	–	–	–	19,551	–	117,542
Heritage Assets <sup>1</sup>	61,745	16,878	–	7,063	–	–	85,686
	<b>420,756</b>	<b>18,846</b>	<b>(9,202)</b>	<b>22,433</b>	<b>19,551</b>	<b>–</b>	<b>472,384</b>
<b>Total Restricted Funds</b>	<b>423,595</b>	<b>39,273</b>	<b>(11,763)</b>	<b>2,306</b>	<b>19,551</b>	<b>253</b>	<b>473,215</b>
<b>Endowment Funds</b>							
Endowments	6,333	21	(10)	–	–	566	6,910
<b>Total Endowment Funds</b>	<b>6,333</b>	<b>21</b>	<b>(10)</b>	<b>–</b>	<b>–</b>	<b>566</b>	<b>6,910</b>
<b>Total Funds</b>	<b>446,521</b>	<b>101,436</b>	<b>(70,858)</b>	<b>–</b>	<b>19,551</b>	<b>2,055</b>	<b>498,705</b>

<sup>1</sup> Transfers are made each year from Income to Restricted Capital funds in respect of certain capital assets acquired since the assets are subject to restrictions on their disposal.

<sup>2</sup> Transfers have been made from Unrestricted to Restricted funds in respect of the capital funds in order to show the value of the Museum's fixed assets as separate restricted and designated funds.

**Unrestricted funds general**

The general funds consist of the accumulated surplus or deficit on the Statement of Financial Activities. The amount of these available for use at the discretion of the Trustees in furtherance of the general objectives of the Museum is detailed in note 15.

**Designated funds**

These funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. They consist mainly of the following:

Designated Income funds – a collection of funds which have been set aside at the discretion of the Trustees for specific purposes, primarily used to fulfil the Trustees' reserve policy.

### Restricted funds

These funds are subject to specific restriction imposed by the donor, by the purpose of an appeal or are received for a specific purpose. They consist mainly of the following:

Acquisitions for the Collection - a collection of funds from various donations, which are to be used to purchase items for the Collection

Restricted Income Funds - grants and donations restricted to certain activities such as research, displays and other curatorial projects

Museum Development funds – funds received in relation to FuturePlan projects. the negative balance relates to funds that are expected to be received after year end in relation to the Exhibition Road building project.

Endowment funds income – income arising from the investment of the Endowment funds, which is to be used as agreed on original receipt of the endowment.

Restricted Capital funds – expenditure funded from restricted sources, including capital grant in aid, on assets which have been capitalised. These funds represent the movements of the fixed assets and agree to the balance sheet values.

Heritage – these funds represent the movements in the capital value of the assets donated to or acquired for the collection and agree to the balance sheet values.

### Endowment funds

These comprise funds donated on condition that the capital value of the donation is held in perpetuity, or in the case of expendable endowment, for the long term.

### Fair Value

Funds include investments stated as fair value. The Fair Value reserve included in the numbers above is:

	2015 £'000	2014 £'000
Unrestricted	3,386	386
Restricted	292	(33)
Endowment	1,088	201
	<u>4,766</u>	<u>554</u>

### 15) Statement of fund commitments

	As at 31 March 2015 £'000	As at 31 March 2014 £'000
<i>Funds available for spending at Trustees' discretion:</i>		
General income funds (excluding investment in VAE)	2,311	790
Designated income funds	16,066	15,600
	<u>18,377</u>	<u>16,390</u>
<i>Funds raised for specific purposes:</i>		
Restricted income funds	831	2,839
<b>Total funds available for spending</b>	<u>19,208</u>	<u>19,229</u>
<i>Funds not available for Trustees' spending:</i>		
General income funds – share capital of V&A Enterprises	203	203
Endowment funds (Capital element)	6,910	6,333
Capital funds (Fixed Assets)	472,384	420,756
<b>Total funds not available for spending</b>	<u>479,497</u>	<u>472,292</u>
<b>Total funds in balance sheet</b>	<u>498,705</u>	<u>446,521</u>

**16) Analysis of group net assets between funds**

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2015 £'000	Total 2014 £'000
Fund balances at 31 March 2014 are represented by:					
Tangible fixed assets	107	472,384	–	<b>472,491</b>	420,940
Investments	10,084	528	6,910	<b>17,522</b>	15,943
Current assets	27,710	303	–	<b>28,013</b>	25,702
Current liabilities	(16,206)	–	–	<b>(16,206)</b>	(12,895)
Liabilities due after one year	(3,115)	–	–	<b>(3,115)</b>	(3,169)
Net assets	<u>18,580</u>	<u>473,215</u>	<u>6,910</u>	<u><b>498,705</b></u>	<u>446,521</u>

**17) Capital commitments**

	2015 £'000	2014 £'000
Capital expenditure commitments were as follows:		
Contracted for, but not provided in the accounts	<u>19,590</u>	<u>32,705</u>

The majority of the capital commitments relate to design, construction and professional fees on the Europe 1600-1800 galleries, Castcourt Roofs and the Exhibition Road project.

## 18) Related Party Transactions

The Victoria and Albert Museum is a Non-Departmental Public Body (NDPB) sponsored by the Department for Culture, Media and Sport (DCMS). Other bodies sponsored by DCMS are regarded as related parties, as are organisations in which Trustees or key members of management (or their connected persons) have an interest. During the year, the Victoria and Albert Museum only entered into transactions with related parties under normal business terms.

Relationship	Related Party	Donations/ Grants Received/ (Made)	Amount Sold	Amount Purchased	Year end balance Debtors	Year end balance (Creditors)
		£'000	£'000	£'000	£'000	£'000
DCMS funded bodies	Arts Council	757	–	1	–	–
	British Library	–	8	–	–	–
	British Museum	–	506	443	221	(15)
	English Heritage	–	–	1	–	–
	Geffrye Museum	–	3	21	–	–
	Imperial War Museum	–	5	20	2	–
	The National Gallery	–	3	–	–	–
	National Portrait Gallery	–	21	–	–	–
	Science Museum Group	–	107	22	44	(21)
	Natural History Museum	–	114	1,640	26	(553)
Martin Roth is a Trustee	Exhibition Road Cultural Group	–	–	19	–	(19)
James Beardsworth is Co Secretary	Friends of the V&A	1,253	61	11	572	(63)
Sir Paul Ruddock, Martin Roth & Beth McKillop are Trustees; Fraser Jopp is Co Secretary	Gilbert Trust for the Arts	374	–	–	–	–
Sir Paul Ruddock is a Trustee	The V&A Foundation	11,000	–	–	–	–
	The Metropolitan Museum Of Art	–	5	1	–	–
	Ruddock Foundation for the Arts	112	–	–	–	–
Joao Baptista is a Director	CGI Group (formally Logica)	–	–	109	–	–
Sir John Sorrell is a Director	London Design Festival	–	11	17	–	–
Martin Roth is a Trustee of the RCA: Paul Thompson (Rector of the RCA) is a Trustee of the V&A	Royal College of Art	–	448	120	–	(10)

In addition, five trustees made personal donations worth a total of £15,197 to the Museum during the year.

No other Trustees or staff member obtained any personal pecuniary benefit from these transactions and no trustee or staff member had any other material transactions with the Museum in the year. No trustees held any significant interests which would conflict with their management responsibilities of the Museum.

The Director and Chief Operating Officer of the Victoria and Albert Museum serve unremunerated on the Board of V&A Enterprises Limited.

#### **19) Contingent Liabilities**

There are no contingent liabilities as at 31st March 2015 (2014: Nil).

#### **20) Post Balance Sheet Events**

There have been no events after the balance sheet date and up to the date the accounts were authorised for issue requiring an adjustment to the financial statements. The date the accounts were authorised for issue is interpreted as the date of the Certificate and report of the Comptroller and Auditor General.









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