

Victoria and Albert Museum Annual Report and Accounts 2022–2023

For the period 1 April 2022 to 31 March 2023

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Contents

Annual Report including Trustees' Report	4
Financial Review	34
Remuneration and Staff Report	43
Statement Of Trustees' And Accounting Officer's Responsibilities	50
Governance Statement	52
The Certificate and Report of the Comptroller and Auditor General	62
Financial Statements	
Consolidated Statement of Financial Activities	68
Consolidated and Museum Balance Sheets	72
Consolidated Cash Flow Statement	73
Notes to the Consolidated Financial Statements	75

The Annual Report including Trustees' Report

Overview

For more than 170 years, the V&A's mission has been to promote art and design for all, building a peerless collection to showcase human creativity, and to inspire the designers and makers of today and tomorrow.

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:

- 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
- 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 original site at South Kensington; Young V&A in Bethnal Green (formerly the V&A Museum of Childhood and reopening 1 July 2023); the archive/study collections site at Blythe House, Kensington Olympia; V&A Dundee; and the V&A Wedgwood Collection in Barlaston. The museum also has a collections store in Dean Hill Park, Wiltshire. The V&A is developing V&A East, one of the most significant new museum projects in the UK, made up of two new sites, currently under construction: V&A East Storehouse at Here East and V&A East Museum (both opening 2025) in Stratford, part of East Bank.

V&A strategic objectives

Our mission is to champion design and creativity in all its forms, for everyone, and our vision to take that mission to new audiences of all ages and backgrounds, online and in person, redefining the role of the V&A as a 21st-century museum.

To achieve this we aim to:

- Rebuild visitor numbers, and broaden how we connect with diverse local and global audiences through integrated digital and physical experiences
- Transform access to our collection as a public asset, and broaden its creative relevance and social impact
- Inspire creative confidence in all our audiences, and champion the skills needed to drive the future of the creative economy
- Become a more effective, sustainable and inclusive organisation
- Build financial resilience to underpin our strategic objectives

Review of 2022–23

The V&A is undergoing a generational transformation as it continues with its expansion into a multisite museum group. Capitalising on this strategic shift, work has been undertaken throughout this year to evolve experiences, services and operations across all sites, so that we can better engage and welcome a larger and more diverse audience that represents the cultural diversity of the UK, and become a more collaborative and sustainable organisation.

Highlights this year include the appointment of a permanent Head of Sustainability to lead on delivering our net zero by 2035 ambition, the establishment of a new EDI plan for 2022–25, and more than 100 new acquisitions reflecting ongoing efforts to improve equality within the national collections. These included the museum's first objects acquired from Rwanda and Eswatini. Additionally, new governance structures and recruitment and training programmes were put into place, as part of ongoing work to ensure the V&A collections, programmes, sites and teams are as inclusive and representative as possible.

This year the V&A's ambitious expansion plans moved closer to completion, with the imminent opening of three new sites in London: Young V&A in July 2023 and both V&A East Storehouse and V&A East Museum in 2025. Collections packing for the move from Blythe House reached 62% completion; at Young V&A, construction work was finalised and the collections installation began; and V&A East Storehouse and V&A East Museum sites both approached practical completion. Through education, co-creation and pre-opening events, our east London museums connected and collaborated with thousands of local schoolchildren, teachers and parents; partnered with local organisations; and began building their staff base – always seeking to reflect the heritage of their local areas. Following the new sites being named last year, visual identities were put in place – giving each its own personality within the wider V&A family.

The V&A's expansion is grounded in our mission to foster creativity and develop the next creative generation. Across all sites, the V&A worked to support the teaching of art and design education in the UK, and to increase access and open up career pathways into the creative industries. This year saw the development of a series of new flagship education initiatives, from bespoke experiences designed for babies to teens at Young V&A, a new online experience for those aged 10–14 funded by Bloomberg Philanthropies, and a popular V&A East schools programme that took national collections into schools for the first time.

Ensuring the museum's recovery from the impact of Covid-19 remained a priority. Across the year, a total of 2.73 million visitors were welcomed to the museum, with ongoing efforts to rebuild visitor figures back to pre-pandemic levels.

V&A South Kensington's exhibition programming brought two world firsts: *Africa Fashion*, a major exploration of 20th-century fashions from across Africa and the diaspora, and *Hallyu! The Korean Wave*, with a focus on the global impact of post-war Korean creativity, both generating new and more diverse audiences for the museum. *Fashioning Masculinities: The Art of Menswear* was also the UK's most-popular ticketed exhibition in 2022. This contemporary, topical exhibition programme has shifted our traditional visitor profile, with greater attendance from the under 26s, those identifying from an ethnic minority background and those working in the creative industries.

Following the conclusion of pandemic restrictions, in April 2022 the museum returned to seven-day operations, and resumed late night openings and events on Fridays. Walk-up entry was reintroduced, removing the requirement to book in advance, and the volunteer guided tours programme fully resumed.

V&A South Kensington exhibitions 2022–23

Exhibition title	Dates	Visitors in 2022–23
<i>Fabergé in London: Romance to Revolution</i>	20 November 2021– 8 May 2022	39,148
<i>Beatrix Potter: Drawn to Nature</i>	12 February 2022– 8 January 2023	149,995
<i>Fashioning Masculinities: The Art of Menswear</i>	19 March– 6 November 2022	153,214
<i>Africa Fashion</i>	2 July 2022– 16 April 2023	124,802
<i>Hallyu! The Korean Wave</i>	24 September 2022– 25 June 2023	104,332 (as of 31 March 2023)
<i>Donatello: Sculpting the Renaissance</i>	11 February– 11 June 2023	49,166 (as of 31 March 2023)

Performance against strategic objectives

In this section we summarise the V&A’s performance against the five objectives outlined in the three-year strategic plan.

1. Rebuild visitor numbers, and broaden how we connect with diverse local and global audiences through integrated digital and physical experiences

A brand to support the V&A’s mission

With a mission to reach more people than ever before in new places and spaces, in person and online – and with six UK venues soon to be open to the public – the Marketing team led a project this year to evolve the V&A’s Masterbrand positioning and brand identity. This work helps all audiences – those who know and love the V&A, and those who don’t yet – understand who we are, what we do and how to find us. A key part of this involved a rollout of a new visual design system across 2022, replacing a heavy focus on V&A South Kensington with a reflection of the future multisite V&A footprint.

In April 2022, a brand campaign was launched to share the V&A’s overarching mission with visitors. ‘Creativity. It’s what makes us’ ran across all V&A touchpoints including social media and on-site, supplemented by a paid media campaign targeted at audiences who are not current visitors. The campaign reached more than 2.1 million 16–34-year-olds in London and the south-east. Those who viewed the campaign were 40% more likely to say they wanted to visit the V&A than those who had not. The campaign contributed to a strong performance for younger audiences at V&A South Kensington, with higher numbers (in percentage and in real terms) than pre-pandemic.

Young V&A

On 1 July 2023, Young V&A opened its doors in east London’s Bethnal Green after five intensive years of development. This flagship capital project is a full-scale transformation of the former V&A Museum of Childhood, designed for ages 0–14 and showcasing roughly 2,000 objects from across the V&A collection. New spaces include a suite of daylight learning studios, an open design studio, upgraded visitor facilities and three new gallery spaces: Play, Imagine and Design.

Practical completion and the formal handover of the Young V&A site from contractors took place in mid-March 2023 and fit-out reached near completion. All large infrastructural elements were constructed, including the oversized letters P-L-A-Y and D-E-S-I-G-N for their respective galleries; the Ames Room, an immersive optical illusion; a performance and storytelling stage; the landscape for a Mini Museum sensory area for under-fives and the entrance structure and suite of cases for construction toys in the Build It gallery. The first object to arrive back at the building was a conserved Marionette puppet theatre, in a section of the Imagine Gallery titled Adventure.

V&A East

V&A East Museum

In August 2022, JA Projects, A Practice for Everyday Life and Larry Achiampong were selected to design the two permanent collection galleries at V&A East Museum, through a competitive tender. Entitled Why We

Make, the galleries will avoid traditional art historical chronologies and will champion global, diverse and previously marginalised narratives.

The proposal was selected for its thoughtful approach to sustainable materials and local production and a deep understanding of east London. At its heart is a commitment to increasing representation and creating tangible opportunities for young people through the design process, supporting our ambition to create a museum that represents the interests of under-24-year-olds, and reflects the heritage and communities of the four Olympic boroughs (Hackney, Newham, Tower Hamlets and Waltham Forest).

V&A East Museum building's external envelope was primarily completed and the precast concrete cladding put in place ahead of practical completion this summer. The V&A East brand identity was completed by Wasted Talent, complementing the existing designs for the V&A Masterbrand, V&A South Kensington and Young V&A.

V&A East Storehouse

V&A East Storehouse opens in 2025 and will be a new type of museum experience designed within and around the V&A's stored collections. Taking visitors behind the scenes, it will enable unprecedented access to the nation's collections, in a new purpose-built home for more than 250,000 objects, 350,000 books and 1,000 archives. V&A East Storehouse brings together conservation labs, working stores, research and reading rooms with galleries, display and performance spaces and creative studios – brought together through an extensive public network centred around the Collections Hall, to create a unique experience for visitors. At The David Bowie Centre for the Study of Performing Arts at V&A East Storehouse, fans will be able to get up close with and gain new insights into Bowie's creative process like never before. The Centre will provide a home for more than 80,000 items spanning Bowie's innovative career, their ongoing conservation, research and study. Feasibility work on the Centre began this year and a design team will be appointed this summer.

Construction of V&A East Storehouse reached near-completion this year. The largest objects – including an apartment from the modernist housing estate Robin Hood Gardens; an example of Margarete Schütte-Lihotzky's seminal Frankfurt Kitchen; the 15th-century Torrijos Ceiling; and the Kauffman Office by Frank Lloyd Wright – have all been installed. Works to The Clothworkers' Centre for the Study and Conservation of Textiles and Fashion were also brought to near-completion.

Collections move

Blythe House decant preparation continued throughout 2022–23 in readiness for the transportation of 260,000 objects, 915 archives and 350,000 library books to V&A East Storehouse. The original target to pack a third of the collection was exceeded, with 62% packed by year end. Archive essential rehousing was 99% complete and archive containers barcoded at 98%.

An extended packing period created the need for additional transit or lay-down space for packed objects. An estimated additional 2,900 sq m was appropriated to provide temporary transit areas. In October 2022, the team undertook a successful move of 6,510 objects to the state-of-the-art storage facility Constantine West ahead of the main object move.

Exhibitions

The V&A's 2022–23 programme began with the UK's most-successful ticketed exhibition of the year, *Fashioning Masculinities: The Art of Menswear*. Celebrating the complex diversity of masculine attire across centuries, it brought together fashion and fine art from the V&A's collection with loans from across the UK and Europe. It received wide critical acclaim and was especially popular with first-time visitors and those employed or studying in the creative industries. The V&A partnered with Gucci and digital magazine

Culted to create a TikTok-first event, inviting 60 TikTok creators to a private viewing of the exhibition and helping the museum reach new audiences.

Prior to the V&A's opening of *Africa Fashion* in June, no museum had presented a major exhibition exploring 20th-century fashions from across Africa and the diaspora. It led to the acquisition of 105 new objects from 17 countries for the national collection, including the museum's first objects from Rwanda and Eswatini, and welcomed a comparatively higher number of visits from audiences identifying as Black, African, Black British or Caribbean than previous exhibitions. Related events included a day-long celebration of Afro hair for all ages, and digital collaborators included the popular TikTok account, Afro in Heels.

Hallyu! The Korean Wave in September 2022 was also the first major exhibition to explore the global impact of post-war Korean creativity through music, film, television, fashion, beauty, and technology. It received positive reviews in the British and international press. The year concluded with *Donatello: Sculpting the Renaissance*. Realised in partnership with the Fondazione Palazzo Strozzi and Museo Nazionale del Bargello, Florence, and the Staatliche Museen zu Berlin, this was the UK's first solo presentation of work by the Renaissance master, and the first globally in almost 40 years.

Public programmes

Contemporary Programme

The Contemporary Programme encompasses monthly V&A Friday Lates, festivals, biennials and collaborations with artists and designers to engage varied audiences with contemporary issues. Its mission is to platform emerging and underrepresented designers; to test new formats of programming and to set a progressive agenda for design that cares for people and planet. In 2022–23, programmes directly engaged more than 100,000 participants.

From July to September the British-Pakistani artist Osman Yousefzada explored themes of displacement, movement, migration and climate change in three installations for *What is Seen and What is Not*, a project commissioned by the British Council, in partnership with the V&A and the Pakistan High Commission. It was also supported by the Rangoonwala Foundation, and was part of the British Council's festival season Pakistan/UK: New Perspectives, celebrating the 75th anniversary of Pakistan's independence. A half-day symposium explored connected themes.

Monthly Friday Lates events engaged 30,000 people this year. The opening for Yousefzada's installation coincided with July 2022's Friday Late: My East is Your West, marking 75 years of India and Pakistan's independence. This and the following Friday Late in August 2022, celebrating *Africa Fashion*, drew the highest attendance figures for the event since 2019. For both of these Friday Lates, strategic partnerships were built with external, grassroots organisations to successfully bring in new audiences, and these relationships have been maintained.

From 17–25 September 2022, the museum hosted 10 installations and displays themed around transformation and regeneration as part of the London Design Festival. The John Madejski Garden became an immersive glass-blowing studio making new artefacts from unwanted copper and glass. DesignSingapore Council and National Design Centre (Singapore) brought British and Singaporean designers together to repair and creatively renew household objects. Also on show was a 3D-printed sculpture made with marine plastic waste and an animated film that explored climate action. At the festival the V&A launched an annual Emerging Designer Commission, for which the all-female interdisciplinary design collective Xcessive Aesthetics examined the reclaiming of public space inspired by the V&A's Cast Courts. We also hosted the 2022 Global Design Forum, the festival's curated thought-leadership programme.

In December 2022, the London-based Korean fashion designer Miss Sohee presented a dramatic couture ensemble inspired by religious statuary for the V&A’s annual Christmas tree installation. In spring 2023, the inaugural Ramadan Pavilion, a purpose-built architectural structure designed by Shahed Saleem, drew inspiration from the V&A’s collection and the history of the mosque and Muslims in Britain. The Pavilion was supported by The Diriyah Biennale Foundation with additional support from COSARAF Charitable Foundation, the University of Westminster, RIBA and AKT II.

Displays

The 2015 sculpture *Europe Supported by Africa and America* by British-Nigerian artist Sokari Douglas Camp was installed in the The Dorothy and Michael Hintze Galleries, exploring colonial views of Africa and the Americas and touching on the climate crisis. Posters by the Organization of Solidarity with the People of Asia, Africa and Latin America went on show in *OSPAAAL: Solidarity and Design*, and both displays featured in an online trail and included QR codes that linked to further online interpretation for visitors to access.

A major free display, *Re:Imagining Musicals*, opened in October 2022, celebrating the vibrant world of musical theatre. The majority of its 100 objects went on show for the first time, from brand-new acquisitions to unseen classics. *Print and Prejudice: Women Printmakers, 1700 – 1930* was the first display in the UK to explore the significant contribution of women to the medium of print and charted varied innovations and accomplishments across genres.

Fashion in Motion

The V&A’s live fashion showcase continued to spotlight global creativity. In August, the multidisciplinary London artist Daniel Lismore presented “wearable artworks” combining haute couture, charity-shop finds, found objects and religious paraphernalia. With sustainability at the heart of his design philosophy, each ensemble exemplified creative reuse and upcycling.

Designer Thebe Magugu presented his Spring/Summer 2023 collection ‘Discard Theory’ for the first time in October 2022. Questioning the idea of conspicuous consumption, the Johannesburg-based designer drew inspiration from the city’s Dunusa second-hand market to create his vibrant collection.

Digital estate

The V&A’s new visual identity was rolled out this year across the V&A’s digital estate, creating a seamless experience and consistent expression of the brand, encompassing the museum’s family of sites including Young V&A, V&A East and V&A Wedgwood Collection. It was implemented across the main website (July 2022), Explore the Collections (October 2022), the V&A Blog (December 2022) and online shop (January 2023). The main site, vam.ac.uk, has been restructured as a single V&A family website for venues, and Masterbrand programmes and activities. The new structure helps online visitors navigate the wider V&A offer and allows flexibility of expression for each site through “venue hubs”, that reflect each site’s brand and content offer.

Search the Archives was updated to aid traversing the archival hierarchy (supported by archivists improving data and code). The V&A Wedgwood Collection archive was added to the site and records started to be made available.

Web traffic

The V&A’s website has seen a slight drop in traffic, with a total of 11,102,651 sessions. This represents a 14% decrease from the previous year, likely due to the requirement for booking timed entry in 2021–22. The top traffic channel remained organic search, followed by email and social media platforms such as

Facebook and Pinterest. There was an upward trend in traffic from Google Lens (image search), which is driving users to online articles, the V&A blog and object pages.

A new digital content platform for young people, funded by Bloomberg Philanthropies

The V&A is proud to participate in Bloomberg Philanthropies' Digital Accelerator for Arts and Culture, which supports arts organisations through strategic improvements to technology infrastructure. In autumn 2022 the museum was awarded a significant sum to invest in a new digital content platform and to develop a new website for 10–14-year-olds, complementing the V&A's expanding offer for young people across our physical sites.

Social media

The V&A maintained its place as the 10th most followed museum globally across Instagram, Facebook, Twitter and TikTok, with a 6.4% increase in followers from 2021. The museum's TikTok content received recognition in the international media this year for its content that proved popular with younger audiences. On Instagram, Twitter and Facebook, V&A followers increased by 9% overall. Instagram attracted more than 62.2 million video views, and TikTok video views reached nearly 29.4 million.

Relationships with Pinterest were also built this year, through a collaboration on a board for the website's landing page coinciding with *Africa Fashion*, and Pinterest providing one of its most popular content creators to contribute to the V&A's board.

In November 2022, V&A East launched its Instagram channel with a pilot aiming to practise living the values of a shared and open institution. Collaborators included Nourishment, a collective of Black creatives from Newham, Hackney and Barking and Dagenham and the global youth culture and travel platform Trippin', who created content inspired by the prompt: "Why live, work, and make in east London?". Young collectors and members of streetwear collective The Basement visited Blythe House, and members of the creative collective Muslim Sisterhood met curators from the V&A Asia department to discuss Islamic artefacts in the V&A collection.

YouTube

The museum passed its 10% subscriber growth target for the video sharing platform, reaching 18.5% growth. In a notable first for the Digital team, an ASMR film created for YouTube was also borrowed for the exhibition *Weird Sensation Feels Good* at the Design Museum. The V&A continued to produce films in series, and provide specific set pieces around exhibitions. Two films produced for *Re:Imagining Musicals* were a particular success, sharing nearly 800,000 views.

FuturePlan: The V&A Photography Centre – Phase Two

Work on the second phase of the Photography Centre intensified this year, leading up to its opening in May 2023. It will be the largest space dedicated to the display of photography in the UK, comprising more than 400 works and more than 150 cameras. Installation of objects began at the end of March 2023. Three new galleries were completed, with heritage fabric and features restored, bringing back into use spaces (originally paintings galleries) that exemplify the architectural and civic ambition of the V&A since its foundation. Former storage cupboards were transformed into a full-size camera obscura, part of a gallery exploring the history of photographic equipment, whose display and interpretation was developed in collaboration with a group of 16–24-year-olds.

The range of photographic material held by the V&A is unparalleled in the UK. Throughout the Centre, showcases were installed for material that cannot be hung, such as in the Photography and the Book gallery, now a reading room with publications lining the walls. A new mezzanine-level balcony will

accommodate 20,000 items from the V&A’s archive of books, journals and albums. All the publications will be available to order for viewing in the National Art Library and roughly 20 will be openly available in the gallery, alongside a themed display of books from the collection. A room at the Centre’s heart, The Meta Media Gallery was reconfigured to allow for flexible use and display of digital native photography, to be updated twice a year. Galleries delivered during phase one of the project were fully rehung with works spanning the historic reach of the collection.

International partnerships

Touring in China

Across 2022–23, the V&A continued to present touring exhibitions across China. In May 2022, three separate exhibitions were presented simultaneously at multiple venues in Beijing, a first for the museum. Through a long-term ongoing partnership with Swire Properties, the V&A presented *Bags: Inside Out* in Chengdu, Guangzhou and Beijing, with Hong Kong SAR to follow in May 2023. In partnership with Art Exhibitions China (AEC), the V&A made visits to Shenzhen, Beijing and Chengdu with *Masterpieces in Miniature: Treasures from The Rosalinde and Arthur Gilbert Collection*. This will complete its seven-city tour in 2023. In March, a new partnership framework agreement was signed, which will see the V&A present three further exhibitions with AEC in cities across China by 2028. In a new collaboration with K11, *The Love of Couture: Artisanry in Fashion Beyond Time* was presented at K11 Musea in Hong Kong. The collaboration took 12 pieces from the V&A, representing 200 years of women’s fashion from western Europe, while six Asian designers – Tomo Koizumi, Ryunosuke Okazaki, Sensen Lii, Celine Kwan, Yueqi Qi and Sohee Park – created new looks based on the V&A exhibits that inspired them.

The Palestinian Museum

The Palestinian Museum began the first stage of its collaboration with the V&A to conserve material cultural heritage, supported by a grant from ALIPH Foundation. A conservation studio was established at the Palestinian Museum, drawing on expertise from the V&A, and aims to be the first local and regional hub of excellence to meet textile conservation needs. In parallel, Palestinian Museum conservators travelled to the V&A for specialised textile conservation and collections management training.

Partnership with La Biennale di Venezia

Since 2015, the V&A has staged an annual special project at the Pavilion of Applied Arts in the Arsenale in Venice in partnership with La Biennale di Venezia. In February 2023, the museum announced the presentation of *Tropical Modernism: Architecture & Power in West Africa*, curated by Studio NYALI co-founders Nana Biamah-Ofori and Bushra Mohamed, with Christopher Turner, Keeper of Art, Architecture, Photography and Design.

V&A international touring exhibitions

Title	Venue	Dates	Visitors	V&A Objects	Loan Objects
<i>Treasures from The Rosalinde and Arthur Gilbert Collection</i>	Hunan Provincial Museum, China	18 January– 17 April 2022	36,991	–	90 (long loans to V&A)
	Summer Palace Museum, China	30 April– 1 July 2022	15,627	–	90 (long loans to V&A)
	Nanshan Museum, China	15 July–30 October 2022	72,914	–	90 (long loans to V&A)
	Jinsha Site Museum, China	1 December 2022–19 March 2023	456,568 (as of 1 March 2023)	–	90 (long loans to V&A)
<i>Tim Walker: Wonderful Things</i>	Chimei Museum, Taiwan	31 July 2021– 15 May 2022	69,914	32	–
	Kunsthal, The Netherlands	24 September 2022–29 January 2023	91,300	32	–
<i>Jameel Prize: Poetry to Politics</i>	Centro Cultural Palacio La Moneda, Chile	4 March– 31 July 2022	24,120	2	21
	Museo Provincial de Bellas Artes Franklin Rawson, Argentina	16 September– 27 November 2022	13,780	2	21
<i>Alice: Curiouser and Curiouser</i>	YT/UCCA, China	25 February– 11 July 2022	12,500	108	104
	Mori Art Museum, Japan	16 July– 10 October 2022	102,041	108	104
	Abeno Harukas Museum, Japan	10 December 2022–5 March 2023	68,210	108	104
<i>Kimono: Kyoto to Catwalk</i>	Quai Branly Museum, France	22 November 2022–28 May 2023	185,000 (as of 5 April 2023)	294	216

Title	Venue	Dates	Visitors	V&A Objects	Loan Objects
<i>Seeking Truth: The Art of John Constable</i>	Art Safari, Romania	22 September–11 December 2022	16,000	80	80
<i>Bags: Inside Out</i>	Taikoo Li Sanlitun North, China	28 April–11 June 2022	3,700	214	35
	Taikoo Li Qiantan, China	13 July–4 August 2022	3,700	214	35
	Taikoo Hui Guangzhou, China	1–21 September 2022	3,400	214	35
	Sino-Ocean Taikoo Li, Chengdu, China	24 October–23 November 2022	7,700	214	35
	Modemuseum Hasselt, Belgium	23 December 2022–15 May 2023	6,371 (as of 25 April 2023)	214	35
<i>The Love of Couture: Artisanry in Fashion Beyond Time</i>	K11 Musea, Hong Kong	6 December 2022–29 January 2023	6,339	12	–
<i>Mary Quant</i>	Auckland Art Gallery, New Zealand	20 November 2021–13 March 2022	26,503	37	201
	Taipei Fine Art Museum, Taiwan	21 May–4 September 2022	410,434	37	201
	The Bunkamura Museum of Art, Japan	26 November 2022–29 January 2023	55,642	37	201

Future activity

The museum will launch a new What's On service to support ticket sales and promotion for the wider family of sites as they open. Work developing our audiences for the new sites in east London will continue, with a focus on growing our social media presence, and we will build on the launch of Young V&A in July 2023.

2. Transform access to our collection as a public asset, and broaden its creative relevance and social impact

All museums, and especially those embedded in their local communities, are an essential part of the fabric of British society. They transform lives through active public participation, engaging with diverse communities and sharing collections and knowledge. The V&A achieves this by providing the best possible physical and intellectual access to our collections and by working flexibly in partnership with many different organisations across the UK, from schools and community groups to historic houses and large local authority run museums. The loan of our objects and touring exhibitions, giving grants and support through the Arts Council England/V&A Purchase Grant Fund, and delivering our groundbreaking learning programmes are just some of the ways we work collaboratively to inspire creative practitioners and champion the skills needed for the future creative economy.

Increasing access to national collections

V&A East

The Your Collection initiative launched this year, taking special collection objects out to schools in east London – a first for the V&A. The programme aims to deepen dialogue and invite debate about what the V&A collection might mean to young local people, and how it may inspire them. It also aims to demystify the creative industries and provide pathways into the sector. Workshops about V&A collections care work were developed alongside to spotlight career paths.

In summer 2022, the V&A East team delivered East Bank Summer School over two weeks. This is the fifth time the V&A has worked with East Bank partners to deliver a large-scale programme of free creative skills courses for young people living or going to school in Hackney, Newham, Tower Hamlets and Waltham Forest. This face-to-face programme for young people aged 12–17 is tailored to create pathways into the creative sector, from fashion, textiles, dance and digital architecture to skateboarding, inventing and climate change activism.

The V&A East Director hosted a teachers' event at the Good Growth Hub on the Olympic Park to view objects, network and learn about the programme, other engagement projects and V&A East Storehouse. In February 2023, the first visit to a special school in Newham took place. At East Careers Week – an initiative led by the London Legacy Development Corporation to support the development of youth programmes by East Bank partners – the V&A East team delivered three bespoke workshops on illustration and self-employed arts businesses to more than 70 students.

Learning activity at V&A South Kensington

Our learning programme aims to transform access to the V&A collection as a public asset and broaden its creative relevance and social impact. Highlights this year included Museum on the Move, a new offsite programme for local youth organisations developed in response to the London Youth Arts Creativity Network. The museum also partnered with a new hospital school as part of Museum in Your Room, following a pilot collaboration with Great Ormond Street Hospital, which took object-based learning beyond the museum walls using the latest in 3D scanning and printing technology and digital applications. This year three new 3D printed object replicas were scanned and printed and additional resources were developed.

This year we also relaunched our onsite Cognitive Stimulation Therapy programme for adults living with dementia, for the first time since the Covid-19 pandemic. It was delivered in partnership with Resonate

Arts, the NHS Memory Service and UCL, and generously supported by The Gilbert Trust for the Arts. The V&A developed the first museum-based adaptation of the clinical model in the UK in 2019.

The museum partnered with COSARAF and the Ramadan Tent Project to deliver an Open Iftar event this year, alongside a Ramadan Pavilion installed in the Exhibition Road Courtyard, welcoming visitors of all faiths to share food and learn about Ramadan – 400 people attended on 24 March and another 400 on 14 April 2023.

Acquisitions

Developing the V&A's collections is essential to ensuring our relevance and ongoing evolution. This year's acquisitions reflect a strategic collections policy focused on acquisitions that support V&A East, Young V&A and other capital projects; enhance the representation of Africa and Diaspora artists and makers; and place greater focus on digital design and upcoming projects and rotations. Following Art Fund awards, acquisitions included contemporary Chinese crafts, and works by trans and non-binary artists. We also benefit from the Cultural Gifts Scheme (Acceptance in Lieu), and legacies, unsolicited gifts and bequests. Even with a reduction in acquisition budgets, this year the museum has supported remarkable acquisitions across all departments, through purchase, often with restricted funds, gifts, bequests and Acceptance in Lieu.

The V&A looks after 2.8 million objects, library items and archives. In 2022–23, the collection grew by 5,105 items, with a total value of £3.6m. Of this, the cost of objects purchased was £1.2m. A significant proportion was made possible by funding from external sources, including generous support from V&A Members and a number of private donors. The value of objects donated, either directly or via the Acceptance in Lieu scheme, was £2.4m.

Highlights include:

- **Hew Locke, *Souvenir 4 (Princess Alexandra)*, 2019.** A parian ware bust of Princess Alexandra, with an ornate brass headdress and adornments that reference colonial and Caribbean histories, by the celebrated British sculptor.
- **Bisila Noha, *Reunion VIII Beginnings*, 2021–22, and *Reunion VI Underneath the Surface*, 2021–22.** Two-legged terracotta vessels by the Spanish artist represent her mixed-race heritage and global pottery traditions.
- **Djellaba and Djellaba dress by Amine Bendriouich, 2020, Morocco.** Linen and silk creations that mix cultural references, drawing from Moroccan and global textile traditions.
- **Photographs by James Barnor, 1971–72.** Three archival C-type prints show the pioneering Ghanaian photographer's mastery of colour.
- **Poulomi Basu, *Photographs from the series Centralia*, 2010-present.** Explores a decades-long geopolitical conflict in central and eastern India.
- **Sougwen Chung, *MEMORY (Drawing Operations Unit: Generation 2)*, 2017–22.** The V&A's first generative adversarial network (GAN), made in collaboration with artificial intelligence, as robotic arms responded to Chung's drawing gestures.

The V&A Research Institute

Research programmes in 2022–23 focused on a number of key areas, generating new knowledge about the V&A’s collections and contributing to innovation in the creative industries.

The National Art Library underwent a phased reopening following a comprehensive review of the National Art Library and Archive services in November 2021. Since September 2022, the National Art Library has been open Tuesday–Thursday, 11.00–17.00, alongside pre-booked appointments. The library hosted groups for special visits, and in March 2023 a new Chief Librarian was appointed: Dr Richard Espley, former Head of Modern Collections at Senate House Library.

Historic collections and industrial innovation came together in the Business of Fashion, Textiles and Technology, a five-year research and development project led by London College of Fashion, funded through the Arts and Humanities Research Council’s (AHRC) Creative Industries Clusters programme. The V&A was part of two research areas in this project: in Rethinking Material Resources, archivists, historians, textile practitioners and green chemists investigated pre-synthetic textile innovations, such as regenerated protein fibres in the V&A collections, to inform the development of sustainable materials. Reimagining the consumer and retail experience brought together industry partners and led to the installation *Made in Code: Reimagining the Experience of Fashion*, at the V&A in March 2023. Visitors’ movements were captured and their costume-based avatars dressed in garments designed by fashion designer Maria Grachvogel using state-of-the-art textile rendering technology developed by Numerion Software. The installation and the wider project highlighted the potential for creativity and technology to develop transformative experiences, with significant consequences for sustainable fashion.

Following the completion of a £2.3m redevelopment of the V&A’s Science Lab in March 2022, generously funded by the AHRC’s Capability for Collections fund, the initiative Making London Porcelain used the new scientific equipment to investigate 18th-century porcelain pieces made by Bow and Chelsea, two of the first UK porcelain manufacturers. In summer 2022, the museum’s first science-based public engagement project brought together young Londoners and their communities to investigate local histories of scientific and artistic innovation through the analysis and remaking of 18th-century porcelain. Sixth-form students in the London Borough of Newham undertook workshops and presented the co-curated exhibition, *Making East London Porcelain*, at Stratford Library in June 2022.

Increasing access to previously “stored” collections

Building on our experience at The Clothworkers’ Centre for the Study and Conservation of Textiles and Fashion, which improved access to over 100,000 textiles and fashion pieces, we are taking the opportunity afforded by the opening of the V&A East Storehouse to rethink access to stored collections. This year we examined how to encourage a broader audience to feel a sense of ownership over the V&A collections, and reimagined the experience of ordering an object to view. Requesting objects to view “via appointment” until now has been a fairly discrete offer, used by a small number of donors, students and academics.

We worked with our target audience, service designers, user researchers, creatives, technicians, conservators, curators and our Technology and Digital teams to investigate how to provide easy, safe, fun, equitable and meaningful physical access to the V&A collections.

Research in 2022–23 informed the design of a new service for V&A East Storehouse, and helped us develop Principles for Public Access and Handling policies that lay the foundations for this visitor experience.

Advice to Government and others

As part of our role as a national museum, we advise the Government and its agencies on objects that fall within the remit of our collections. In 2022–23 the work of agencies and their cultural property schemes continued, and curators have commented on 338 applications for export, 33 Government Indemnity

valuations and 39 ivory exemption certificates in response to the implementation of the Ivory Act in June 2022 and our obligation as a Prescribed Institution offering specialist advice.

Supporting acquisitions

The Arts Council England/V&A Purchase Grant Fund supports colleagues working in regional museums to buy objects to develop and grow their collections to better reflect and respond to their communities. The Fund has helped 76 organisations – from Leeds and Lincolnshire to Norwich and Cornwall – acquire objects for their collections. Overall, 91 grants totalling £1,035,149 were awarded. Highlights include the autographed draft manuscripts of the memoirs of Caroline Lucretia Herschel, for Herschel Museum of Astronomy; a pair of vases attributed to Benjamin Lund’s factory, from c.1749–52, for Bristol’s Museums, Galleries and Archives; the contemporary installation *Open Code* by emerging British artist Mac Collins, 2022, for Harewood House; and a Portrait of Elizabeth, Viscountess Dunbar by Sir Godfrey Kneller for Fairfax House, York.

**The Arts Council England/V&A Purchase Grant Fund grants budget for 2022–23 (July–March) was £725,000, of which £724,999 has been committed for grant expenditure.*

National touring exhibitions

Maurice Broomfield: Industrial Sublime toured to Bradford Industrial Museum, opening on 18 February 2023 and featuring dramatic photographs capturing factories and their workers in an era of rapid transition. As of 19 April 2023, the exhibition attracted 5,666 visitors.

National loans

In 2022–23, the V&A lent 625 objects to temporary exhibitions at 51 UK venues and 47 venues overseas. Additionally, 1,445 long-term loaned objects supported permanent displays at 122 venues in the UK and nine international venues.

The V&A also has approximately 165,000 objects that form the V&A Wedgwood Collection on long-term loan to the World of Wedgwood, with 3,500 objects on display in the purpose-built museum at Barlaston, Stoke-on-Trent.

National loans	UK	Overseas	Total
Short-term loans venues	51	47	98
Short-term loans objects	294	331	625
Long-term loans venues	122	9	131
Long-term loans objects	1,420*	25	1,445*

**Figure excludes the V&A Wedgwood Collection*

Showtown Blackpool

The V&A continues to support the work of the team at Blackpool’s new museum Showtown, and this year prepared objects from the Theatre and Performance Collections for loan. They range from costumes worn by Morecambe and Wise to George Formby’s ukulele banjo and a rare 19th-century clown costume.

Long-term loans Norwich Castle, Norfolk Museums

Since 2004, the V&A has supported the medieval displays at Norwich Castle with the loan of a rare 11th-century walrus ivory crucifixion carved in Norfolk. As part of Norwich Castle: Royal Palace Reborn – a capital project that will transform the iconic Norman keep’s internal spaces and add a new Medieval Treasure Gallery – from autumn 2023, the V&A will lend three further works of art to Norwich Castle that are of particular importance to the medieval city: a painted panel from a rood screen, a carving that once formed part of a stall or bench, and a heraldic stained glass panel, all dating from the 15th century.

V&A Wedgwood Collection

The collection of more than 165,000 works of art, ceramics, manuscripts and photographs in Barlaston reopened in May 2021 as the V&A Wedgwood Collection. It is one of the most important industrial collections in the world and a unique record of British ceramic production.

This year a suite of new storage furniture was installed thanks to the Art Fund Future Fund, enabling the team at the V&A Wedgwood Collection to begin to unpack, catalogue and digitise much of the collection for the first time since it was gifted to the V&A. Recruitment began, with Art Fund support, for a temporary Cataloguer and Junior Photographer to ensure that records are searchable on Explore the Collections with high-quality imagery.

A rotating temporary display entitled *Unpacking the V&A Wedgwood Collection* opened, featuring objects that communicate to visitors the work happening behind the scenes.

With academic partner the University of Keele, the V&A Wedgwood Collection’s first joint Collaborative Doctoral Award was recruited, entitled ‘Am I not a Man and a Brother? To Ar’n’t I A Woman?’ Social Reform and Transatlantic Abolition (1787–1865), and will start in October 2023.

In addition to joining the V&A’s DesignLab Nation secondary schools initiative as a partner, the V&A Wedgwood Collection recruited its first Learning Producer: Families, Schools and Young People in January 2023.

Artists in residence

From autumn 2022, Rebecca Stevenson was the V&A Shifting Perspectives Resident, coinciding with the exhibition *Donatello: Sculpting the Renaissance*. The London-based sculptor developed and presented new works in direct response to Room 64a and the Medieval and Renaissance Galleries, drawing on traditional methods (modelling, casting, lost wax casting)

Florence Dwyer also completed a residency in the Ceramic Studio as part of DesignLab Nation, to help develop ways to engage secondary school students with design. Researching objects at V&A Wedgwood Collection and V&A South Kensington, Dwyer helped to create teacher resources to support wider secondary school programming linked to the Design and Technology (D&T) GCSE syllabus. Her work explored the role of uncertainty, incompleteness and imperfection, and celebrated hidden mistakes and tests within the cycle of making.

Improving inclusivity within our gallery interpretation

Initiatives have been implemented to address Eurocentric predominance in how we present and discuss objects and narratives of the collection. Bringing multiple perspectives into the foreground is central to this work. This year, Interpretation team members worked with Curatorial and Learning colleagues to run consultations with audience stakeholder groups and garner new perspectives that can be made visible in our interpretation. We commissioned expert peer readers to review interpretation from lived-experience viewpoints. They ensured the views expressed and tones used were balanced and representative of those who hold a stake in the objects exhibited, both for temporary exhibitions and permanent gallery displays, most notably in *Africa Fashion*.

Work was undertaken to ensure people in audiovisual interpretation are representative of all our audiences, particularly in upcoming capital projects such as the completion of the Photography Centre and creation of Young V&A. We released updated guidelines on problematic or sensitive terminology for those writing interpretation or catalogue records that refer to people and places associated with our collections.

Future activity

The installation of the collections at V&A East Storehouse is expected to start mid-2023. Work will continue in 2023 on accessing stored collections as we develop the experience design, operating model, and deliver the technology needed to enable us to scale the offer. Funding from the Adobe Foundation will enable the museum to significantly expand its Artist in Residence programme from 2023.

The V&A's new digital platform for young people will launch in summer 2023, and work will begin on the installation of Young V&A's first exhibition, *Japan: Myths to Manga*, supported by Toshiba, which will open in October 2023.

V&A Wedgwood Collection will develop and deliver the ongoing transformation of the Learning offer, and plan and deliver programmes for schools, young people, and families exploring Wedgwood's unique collections.

3. Inspire creative confidence in all our audiences, and champion the skills needed to drive the future of the creative economy

Expanding our flagship Learning programme

Young V&A prepared for launch in July 2023

A national museum of creativity, codesigned with and for children from early years to teens, Young V&A's learning programmes continued to feed into displays and programming this year and engage young people and parents. In total 275 activities led to 13,139 engagements over the year.

Leading up to its opening, the year-long Reinvent Festival launched in June 2022, celebrating 150 years of the museum in Bethnal Green with 150 ways to be creative. Ambassadors included children's author Ed Vere (*How to be a Lion*), whose stories encourage diversity and inclusion, the artist Albert Potrony and Zoom Rockman, *Beano's* youngest-ever illustrator and *Private Eye* cartoonist.

Co-creation projects included Mile End Community Project, in which young Muslim women worked with the artist Rehan Jamil to review photography about children's creativity in Bethnal Green, for display in the Imagine Gallery. Local architect Emilie Queney explored how children from Bangabandhu Primary School felt about their built environment for an installation in the Imagine Gallery. The V&A worked with Big Family Press, a community printing press for ages 4–12, Central Foundation Girls School in Bow and the creative, sports and empowerment youth space, Spotlight, to develop zines exploring issues that matter to 13–14-year-olds. These will feature in the Design Gallery.

Co-curation projects included Under a Fiver, in which Year 9 students from the Ilford Ursuline Academy helped select items for display in the Design Gallery. This was a key opportunity to understand young people's diverse perspectives. Ideas were tested for the Design Gallery's open studio through the Tower Hamlets Holiday Child Care Scheme and with the Young V&A Collective.

The museum continued collaborations with local arts organisations such as Rich Mix and built relationships with further secondary schools in east London. The project Designing Together began, with support from The Paul Hamlyn Foundation exploring inclusive approaches to design education and working with three special schools in Tower Hamlets, designers, educators and SEND specialists. In the autumn, new sessions explored taking user-centred design into secondary classrooms, mapped to the D&T curriculum for Key Stage 3, and received positive feedback from learners and teachers.

The importance of engagement with stakeholders and peers increased as we approached opening. V&A staff attended the Newham Early Years Conference, the largest conference of its kind in the UK, co-convened an online round table with Montessori Group, and presented at an international conference hosted by the Museum of Architecture in Rome (MAXXI).

DesignLab Nation

DesignLab Nation is part of the V&A's National Schools Programme, and aims to inspire the next generation of designers, makers and innovators. It brings together secondary schools in partnership with regional museums, designers, and industry, to engage students and support teachers in the delivery of the D&T GCSE. V&A collections are a catalyst for projects that are rooted in the unique design heritage of regions working in tandem with museum collections. This year, we continued to create new resources so projects could be offered online, in person or in a hybrid format and tailored to the needs of teachers and learners.

Phase two of DesignLab Nation also continued with partners at Grundy Art Gallery, Blackpool; Ipswich Museum; The Box, Plymouth; Museums Sheffield; The Potteries Museum and Art Gallery, Stoke-on-Trent; and the National Glass Centre/University of Sunderland. Bradford’s Cartwright Hall joined for DesignLab Nation Year 6 in 2022, and our work in Stoke-on-Trent was further underpinned with a bespoke teacher development strand and ceramics residency with artist Florence Dwyer. Building on this initiative, V&A Wedgwood Collection will become an official DesignLab Nation partner in September 2023.

V&A Innovate

Schools from Suffolk, Skegness, Coventry and Merseyside were among the finalists of the museum’s annual National Schools Challenge for Key Stage 3. The initiative invites students to explore one of three themes – this year, Adapt, Care and Disrupt – inspired by real-world social and environmental issues and objects in the Design: 1900–Now galleries at South Kensington. Overall, 2,657 students took part in lessons, after-school clubs and off-timetable enrichment days, and 271 teams entered design ideas from 42 schools from across the country.

In March 2023, 50 students from 10 participating schools across the UK pitched their design ideas to the V&A’s expert judging panel, with Outwood Academy Haydock in Merseyside named as the overall 2022 winners.

V&A Dundee

Consultant curators from V&A South Kensington worked with V&A Dundee to present its first co-produced exhibition, *Plastic: Remaking Our World*, created with the Vitra Design Museum and MAAT and opening in October 2022. V&A South Kensington curators also lent expertise and research to the development of V&A Dundee’s first curated exhibition, *Tartan*, ahead of its opening on 1 April 2023. The exhibition will help further the museum’s aim to champion design from Scotland and catalyse creative energy as Scotland’s design museum.

Higher education

Higher education partnerships grew this year with further relationships built with the V&A’s East Bank academic partners for the start of a new 12-month programme for the V&A/RCA History of Design MA programme, and the delivery of a new undergraduate module with Imperial College, Thinking Through Materials. PhD students undertook a wide range of research rooted in the V&A collection and practices, looking at histories of photography, institutional and collecting histories, conservation and science.

4. Becoming a more effective, sustainable and inclusive organisation

V&A Redesign launched this year as a programme of work aiming to better engage and support a larger and more diverse audience, as the V&A opens new sites and works towards expanding and diversifying its audience and organisation. Three areas were identified that require changes to better reflect our new multisite structure, and that offer opportunities to better meet the expectations of our 2025 target audience, adopt learnings from other sectors, and improve return on investment.

Volunteering

Currently, the V&A's volunteering opportunities are limited to long-term front of house roles. We lack consistency in how we support volunteers and there is a limit to the numbers we can engage. To address this, Stephen Hill joined the People and Change team this year as the first V&A Head of Volunteering, and we have worked with our volunteers, volunteer managers and potential volunteers to create new opportunities at Young V&A and to design the V&A "volunteer journey". Work began on procuring a new Volunteer Management System that will improve volunteer experience and enable the programme to grow.

Welcome experience for visitors

Our research tells us that the first 15 minutes of a visit sets the tone for the experience and is critical for making new visitors feel welcome and at ease. A key focus this year was a new project exploring how we can design a more inclusive welcome across our sites.

We worked with members of our target audience and an accessibility panel to map the current welcome experience. Designers and V&A teams developed recommendations for improvements to online information, policy, practice and training for teams, design information for first-time visitors and accessibility.

Contact Centre

In readiness for the expansion of the V&A family of sites, the museum explored how to provide effective and efficient support in a sustainable way to people at their first point of remote contact – for booking tickets, processing refunds, arranging school visits, resolving queries and more. Some issues were resolved at source, reducing the need for people to make contact or enabling people to directly address their own issues, and we simplified and shortened processes with changes to policy, practice and technology.

Equality, Diversity and Inclusion

Highlights and achievements

Equality, Diversity and Inclusion (EDI) was a major priority and focus in 2022–23. Launched in summer 2022, the V&A's new EDI Strategy and Action plan 2022–25 focuses on people, programmes and places. We identified three priority areas that will shape our future workforce, including diversifying our workforce to be more representative of the UK population; ensuring our leaders and managers take a positive and proactive approach to EDI; and promoting an inclusive culture at the V&A, taking an intersectional approach.

Diversifying our workforce

Our employee survey data has highlighted two areas to prioritise: race and ethnicity, and disability. As such, we are reviewing early-career opportunities and are working with local communities to identify career pathways into our new museum sites. A Diversity in Recruitment Toolkit was developed to assist recruiting managers, and Young V&A modelled new ways of working through a unique recruitment process working directly with the local community to highlight job opportunities, resulting in a hugely positive recruitment drive, with 50% of new recruits coming from Young V&A's four local boroughs. Additionally, of the new recruits, 14% are disabled, 43% identify as from an ethnic minority background, 25% are male and 71% are female.

Inclusive leadership

An Inclusivity Forum launched this year, featuring representatives from all staff groups and networks to share good practice and be a “critical friend” in our EDI ambitions. We rolled out a bespoke Inclusivity Ambassadors programme for senior leaders and managers to gain relevant EDI skills and knowledge. An EDI governance structure was developed to map clear lines of accountability and a new Supplier EDI Working Group created, to ensure our external partners are working to the same EDI commitments as the V&A.

Promoting an inclusive culture

In November 2022, an employee engagement survey communicated overall positive results, and colleagues were asked to develop divisional action plans for their area of responsibility, outlining how they would respond to survey results and build on work to date. In 2022 a new EDI training programme was launched. Subsequently, an analysis of training needs was undertaken across the organisation to inform future priorities. An internal EDI Hub was also launched to provide an ever expanding resource for all staff to use in support of their work.

Anti-Racism Taskforce

The Anti-Racism Task Force is now in its third phase, following its establishment in 2020. On the recommendation of earlier phases, an EDI Lead was appointed towards the end of Phase 2, charged with driving workforce development and cultural change. Following this appointment the Task Force focused on public programme and collections activity at the museum. Building on recommendations from Phases 1 and 2, the group took practical actions to increase representation within exhibitions, displays and contemporary programmes, Learning and Membership activities. It also pushed to accelerate the reframing of collections, particularly those with complex or contested histories, introducing richer, more diverse narratives around object history.

While the public programme at V&A South Kensington – and in particular the Contemporary Programme – is seen to be wide in its reach and appeal, the museum continues to work towards greater diversity of content and perspectives in all areas of its public offer.

Sustainability

Work has continued to embed sustainable practices across everything we do. This year, a permanent Head of Sustainability role was created to lead on the strategic delivery of our net zero by 2035 ambition. Refreshed governance launched in January 2023, splitting strategy and oversight from delivery functions with the creation of two new net zero by 2035 boards. Sustainability coordinator meetings have relaunched as the Sustainability Forum. The Forum will be a place to learn, share and inspire, enabling coordinators to champion sustainability across the museum as we move to ensure sustainability is part of business as usual.

The V&A recognises that working with partners is crucial in solving one of the biggest global challenges we face – climate change – and has been working with a number of partners nationally and internationally. In 2022, leaders of South Kensington cultural institutions formed the South Kensington zero emissions and nature positive neighbourhood initiative (South Ken ZEN+). South Ken ZEN+ is an ambitious programme that harnesses local resources to accelerate action on climate change across four key priorities: zero emissions, nature positive, circular economy and sustainable transport. We continue to play a key role in the steering group and Zero Emissions working group.

The V&A, Science Museum, Natural History Museum and Imperial College secured support from the Greater London Authority’s (GLA) Local Energy Accelerator programme. This innovative project, the first joint initiative of South Ken ZEN+, was presented at the Museum Next’s international Green Museum Summit in March 2023. It will deliver a feasibility study into developing an integrated approach to decarbonised local heat and power across the four institutions, through either electrification with heat pump technology or finding local sources of waste heat, such as the London Underground or sewers. The project will assess the opportunity for renewables.

Curatorial practice

‘The Curator of the Future’ working group was created this year, aiming to take stock of internal and external curatorial practices, and develop a new model that ensures our collections, publications and programming connect with changing public expectations of the 21st-century museum. It will also support staff development and empower curators, and brings together staff from across the V&A’s curatorial teams and family of sites. In its first year, the group has carried out extensive stakeholder engagement and focused on contemporary challenges, sector-wide trends, training and professional development.

In line with the museum’s ambition to be open and transparent about our practice, a new page outlining the museum’s approach to deaccessioning and restitution was published on our website. A new terminology guide was developed for use in drafting text about the collections for publication or use in the galleries. Plans are now being developed for the strategic review, revision and replacement of problematic labels in the galleries, and a “trigger” system for flagging offensive content on the Explore the Collections database was refined. This process is used as a temporary solution while curators check and work through outdated online information, always working to provide additional contextual information alongside the collections.

A new initiative for exhibition processes was launched, requiring themes and narratives to be presented to all staff at an early stage of exhibitions’ development, for open consideration and comment, allowing for broad perspectives on the museum’s programme. Enhanced consultation is being sought on specific exhibitions, both externally (via advisory groups or the V&A Youth Collectives) and internally.

Future activity

The opening of Young V&A will create a flagship new cultural destination, advocating for the role of creativity in young people’s lives and offering a range of free resources for children, their caregivers and

teachers. A wide-ranging programme of activity for young people will take place throughout the 2023 summer holidays, and the Young V&A Schools programme will launch in September 2023.

As part of The National Museums Directors Council, the V&A is involved in planning a museums' COP (conference of the parties) later in 2023, specifically the working group focusing on reducing Scope 3 (indirect) emissions. We are also installing more energy-efficient printers and reducing the number of printers from 86 to 55 early in the 2023–24 financial year.

5. Build financial resilience to underpin our strategic objectives

V&A Membership

V&A Membership is key to achieving the museum’s mission to create a world-class visitor and learning experience across all its sites and collections, while looking to diversify and increase private and commercial funding sources. However, the rising cost of living has impacted sales.

In 2022–23, Membership reached its goal to sustain approximately 59,000 memberships (more than 110,000 members) by delivering a comprehensive online and onsite engagement programme of talks, exclusive members events, online content, and via the V&A Magazine, while also informing members first on public programme activities, exhibitions, events and developments on all projects. During this year, V&A Membership’s retention rate stabilised at 70%, while 14,663 new members were recruited.

In summer 2022, more than 1,100 members completed a survey about the upcoming multisite offer and how the introduction of new sites makes them feel about the value of their membership. This informed the V&A Membership multisite strategy, which will deliver:

- A single membership offer for all sites
- A simple, easy to articulate offer
- A consistent multisite experience
- Centralised operations and fulfilment
- A more varied multisite programme through the existing benefits structure
- Integration of a clear membership message across all sites and online

Private fundraising

This year, the museum was pleased to complete fundraising for the second and final phase of the Photography Centre with generous funding from The Kusuma Trust.

As we approached the opening of Young V&A on 1 July 2023, further pledges were secured from the Unwin Charitable Trust, Cockayne Grants for the Arts, a donor-advised fund held at The London Community Foundation, Mojang Studios, and several other trusts, individuals and legacies. In addition, we made good progress in raising funds towards V&A East Storehouse thanks to supporters including the Unwin Charitable Trust and Toshiba.

We are enormously grateful to the trusts, foundations, legators and individuals who have helped us continue to secure acquisitions for the V&A collection. We will soon have completed the acquisition of The David Bowie Archive, which has been made possible thanks to a significant donation from the Blavatnik Family Foundation and Warner Music Group. We acquired an important collection of drawings by AWN Pugin thanks to support from Art Fund, The Rick Mather David Scrase Foundation, The Friends of the National Libraries and The Murray Family, with additional support from Bonhams.

The museum also offers continued thanks to all the members of the Photographs Acquisition Group for their support in acquiring contemporary photography for the collection.

We were also thrilled that the V&A was awarded a grant as part of Art Fund’s inaugural Sir Nicholas Goodison Award for Contemporary Craft to grow the V&A’s collection of contemporary Japanese lacquer.

We appreciate the generosity of all the individuals, trusts and foundations and corporate partners who have helped to support our exhibitions, displays and events programme this year. This includes Genesis, Bagri Foundation, LG, Netmarble Healer.B and YouTube Shorts who join the Ministry of Culture, Sports and Tourism Republic of Korea in supporting *Hallyu! The Korean Wave*. Returning sponsors Gucci and American Express supported *Fashioning Masculinities: The Art of Menswear*. *Africa Fashion* was made possible thanks to Gregory Annenberg Weingarten, GRoW @ Annenberg, Merchants on Long and Bank of America. *Donatello: Sculpting the Renaissance* was supported by Rocco Forte Hotels, with further support from Art Mentor Foundation Lucerne, Daniel Katz Ltd, Kathryn Uhde, Henry Moore Foundation, Tavolozza Foundation and the *Donatello: Sculpting the Renaissance* Exhibition Supporters' Circle. We were delighted to begin working with Chanel on our forthcoming exhibition *Gabrielle Chanel. Fashion Manifesto*. We would like to express our gratitude to Toshiba and Cockayne Grants for the Arts, a donor-advised fund held at The London Community Foundation, for their support of the upcoming *Japan: Myths to Manga*, the inaugural exhibition at Young V&A.

We are also grateful to Toshiba for generously extending their longstanding support for the Toshiba Gallery of Japanese Art for a further 10 years, from 2022.

We would like to thank the trusts, foundations, companies and individuals that have supported Learning programmes this year. We are delighted that the Adobe Foundation has pledged to support an expanded Residencies programme and an annual display of Residents' work alongside Learning Department programming. We also received generous support from The Daniel Howard Foundation towards our Young People's Programme, Digital Design Weekend and Young V&A pre-opening activity.

We are also delighted that Art Fund's support towards the V&A Wedgwood Collection is enabling us to create new storage spaces, undertake important cataloguing of the collection and realise exciting learning projects with the community.

A number of generous gifts supported posts this year, including The Polonsky Foundation, whom we thank for its commitment towards the Senior Provenance Research Curator post over three years, and De Beers, which has supported a V&A East Researcher post.

The Linder Foundation generously extended its support for the V&A Illustration Awards, with a grant towards the 2024 awards. The V&A Parasol Foundation Prize for Women in Photography was launched thanks to support from the Parasol Foundation Trust.

Corporate Membership saw a growth in total income in 2022–23. We would like to express our sincere gratitude to the Corporate Members who renewed their support, and those that joined the scheme for the first time.

We are grateful for the continued support and kindness of Director's Circle and Young Patrons' Circle members, and to the many new patrons who joined this year.

There was a large increase in revenue generated through venue hire following the end of Covid-19 restrictions, and public confidence in large-scale events grew.

The museum continues to be extremely grateful to all those who leave a gift in their Will. Legacies received in 2022–23 helped to support acquisitions and capital projects including Young V&A and V&A East Storehouse. A number of objects were also bequeathed to the collection.

Commercial activity

Licensing

The year delivered ongoing success for the V&A brand licensing programme, which relies on the promotion of the V&A collections as a source of design inspiration to retailers, manufacturers and designers. The licensing programme grew 20% against 2021–22, with new ranges and activations in key territories, enabling existing and new audiences to connect with the V&A's collections. The museum's 90 global licensees indicate the ongoing appeal of the brand on high streets across multiple product categories and territories. There are long-standing strategic relationships of more than 20 years with several licensees, including Samsung and Chow Sang Sang fine jewellery, with two groundbreaking V&A/CSS co-branded experiential stores in Macau and Hong Kong. Homeware is the key category in the UK, Europe, USA and Japan and, this year, the V&A launched a new creative partnership with Sanderson Design Group, with inaugural launches of bedding, window blinds, rugs and wall art planned for 2024.

East Asia has been the focus for expansion. The 10-year collaboration with Healer.B in Korea continued, with the associated V&A Beauty range expanding into Japan, and a rollout planned in China for later in 2023. This sits alongside fashion and accessories collaborations in those territories.

Image licensing

Revenue from image licensing was higher than expected, with sales nearly meeting pre-pandemic levels. Interest increased in V&A content from a variety of markets worldwide, with particular demand for Cecil Beaton's photography of Her Majesty Queen Elizabeth II. Images were licensed for use by a number of luxury fashion brands, and V&A content was used in exhibitions worldwide by institutions such as New York's The Met, Jio World Centre in Mumbai, the Al Thani Collection and Art Exhibitions China for publicity, displays, catalogues and merchandise. The market for V&A video for online educational publishers grew, while the traditional book publishing market remained strong.

Publishing

V&A Publishing's titles in 2022–23 ranged from *Donatello: Sculpting the Renaissance* to *Hallyu! The Korean Wave* and early colour photography in *Colour Mania: The World in Autochrome* (V&A/Thames & Hudson). The work of several years came to fruition in autumn 2022 with the publication of the children's book *Jim's Spectacular Christmas* (V&A/Penguin Random House), written by Emma Thompson and illustrated by Axel Scheffler. The book was supported by major press and notable sales. Pressures on margin, supply chain and shipping still created complexity in bringing books to market.

Retail and e-commerce

In total, the museum's gross retail sales for the year reached £11.3m (£10.1m through physical shops and £1.3m online), up 57% on 2021–22 results, up 20% on budget.

In the physical shops, a 11.6% sales conversion rate and average transaction value of £24.16 are due to a particularly strong performance in the main shop, with total sales at £8.7m (up 112% on 2021–22 and 11% on 2019–20) the highest ever for this space. Continuous review of our individual ranges helped deliver on sustainability goals – a key highlight being a tote bag collaboration with The Revival, a community-led non-profit organisation that upcycles global textile waste being sent to Ghana, with an aim to draw attention to the disposal of fast fashion.

Products for *Beatrix Potter: Drawn to Nature* achieved £900,000 gross turnover across all shops and exceeded expectations by 168%. *Fabergé in London: Romance to Revolution* delivered £268,000 through the main shop. *Fashioning Masculinities: The Art of Menswear* contributed £660,000, with 24% visitors

making a purchase in the shop. *Africa Fashion* range sales totalled £450,000, and featured collaborations with makers from across Africa including jewellery, accessories and prints, and exclusive designs by Yinka Ilori. Sales from *Hallyu! The Korean Wave* totalled £366,000 to the year end and include a popular exclusive product range featuring the work of Korean graphic designer NaKim. *Donatello: Sculpting the Renaissance* contributed sales of £155,000 to year end. In total, across these exhibitions, 27,849 catalogues were sold.

Ahead of the opening of Young V&A, the Retail team has worked in collaboration with curatorial and interpretation colleagues to develop a range of 500 sustainability-conscious, price-sensitive and relevant products.

The Retail, Finance and Technology teams worked towards the implementation of a major new integrated Retail and Finance system. Phase 1 went live at the start of the 2023–24 financial year. The new system combines Point of Sale, store operations, supply chain management, inventory and financials.

International commercial opportunities

In addition to the V&A's above-mentioned brand licensing programme, publishing programmes continued to grow. V&A Publishing titles are distributed through commissioned warehousing in the UK, USA and Australasia, and many are licensed co-editions in multiple languages. Strategic collaborations with online retail giants such as Tmall and Amazon are supported by the V&A's expanding presence on social media platforms such as Weibo, WeChat, RED and Instagram.

V&A Academy

More than 6,000 people from around the world explored the history and practice of art and design with V&A Academy in 2022–23. The courses 'Colour in Art' and 'Italy and the Islamic World' attracted 200 students each. The professional development course, 'The Principles of Interpretation' brought together nearly 100 international heritage professionals over six weeks, to understand interpretive practice in museums and galleries. The Met in New York commissioned a bespoke version for its interpretation team.

Other highlights included Black Joy Day, in collaboration with the Black Gallery Visitor Network (UK), which celebrated *Africa Fashion*. Object-handling days returned with the V&A Academy's Unlocked series. Elsewhere, we invested for growth, with a significant new promotional campaign aiming to set us in good stead to stay ahead in the lifelong learning market.

Future Activity

The launch of Young V&A will be a key focus for the Commercial teams, with a new cafe and retail experience, and significant work will take place this year developing the commercial offer at V&A East, including the recruitment of a new partner for the restaurant.

Additional information

Performance Indicators	2022–23	2021–22
Number of visits to the museum	2,727,000	1,194,000
V&A South Kensington	2,727,000	1,194,000
Young V&A	–	–
Blythe House	–	–
Number of overseas visits	945,000	94,500
V&A South Kensington	945,000	94,500
Young V&A	–	–
Number of children aged 16 and under attending museum sites	211,100	123,800
V&A South Kensington	211,000	123,800
Young V&A	–	–
Number of facilitated and self-directed visits to the museum by children under 18 in formal education	38,500	5,700
V&A South Kensington	38,500	5,700
Young V&A	–	–
Number of instances of children under 18 participating in onsite organised activities	16,700	16,500
V&A South Kensington	16,700	16,500
Young V&A	–	–
Number of instances of adults aged 18 and over participating in onsite activities at the museum	50,300	42,800
V&A South Kensington	50,300	42,800
Young V&A	–	–
Number and % of visits by UK adult visitors aged 18 and over from National Statistics–Socio Economic Classification (NS-SEC) groups 5-8	83,000 5% of UK adult visits	78,451 8% of UK adult visits
V&A South Kensington	83,000 5% of UK adult visits	78,451 8% of UK adult visits
Young V&A	–	–
Number and % of visits by UK visitors from an ethnic minority background	339,000 19% of UK visits	142,600 13% of UK visits
V&A South Kensington	339,000 19% of UK visits	142,600 13% of UK visits
Young V&A	–	–

Performance Indicators	2022–23	2021–22
Number of unique web visits	11,103,000	12,911,000
% of visitors who would recommend a visit	99%	99%
V&A South Kensington	99%	99%
Young V&A	–	–
Number of UK loan venues	173	181
Number of loan venues (UK & Overseas)	229	234
Self-generated income	£51,480,000	£53,193,000
Admission income	£8,535,000	£5,667,000
Trading profit	£5,382,000	£3,355,000
Charitable Giving	£18,858,000	£26,166,000
Of which donated objects	£2,436,000	£10,348,000
Charitable Giving as % of baseline Grant in Aid	36%	54%

Financial Review

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 31 March 2023, VAE made profits of £1.1m (2022: £0.1m), which will be paid to the museum as a distribution 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 £nil to the group (2022: £0.2m) in the year. A further wholly owned subsidiary of V&A Holdings Ltd, V&A Museum Events Ltd, which undertakes certain fundraising activities in support of the museum's charitable objectives, is also part of the group. There was no trading activity undertaken by V&A Museum Events Ltd during the year (2022: no activity). 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:

- The Gilbert Trust for the Arts (charity no. 1055853). The V&A manages the Trust's collections under a long-term agreement; the Trust has a minority of its Trustees appointed solely by the museum. In the year ended 31 March 2023, The Gilbert Trust for the Arts made grants to the museum of £0.3m (2022: £0.3m).
- 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. In the year ended 31 March 2023, the Foundation made grants to the museum of £0.8m (2022: £0.6m).
- Design Dundee Limited (charity no. SC041219). The V&A is a founding partner of Design Dundee Limited. The Deputy Director and COO of the V&A is a member of the Design Dundee Limited board, and the V&A provides ongoing support in relation to the operations of V&A Dundee.

None of these charities are controlled by the V&A. However, as the V&A appoints more than 20% of the trustees of the Gilbert Trust for the Arts, a portion of its net assets have been included in the V&A's financial accounts, as required under FRS102. None of the activities or financial results of the V&A Foundation or Design Dundee Limited have been consolidated within the museum's results in this report, reflecting the lack of control or significant influence the V&A has over Design Dundee Limited and, in the case of the Foundation, reflecting the Accounts Direction issued by the Secretary of State for Culture, Media & Sport, with the approval of the Treasury.

Results for the year

In 2022–23, V&A South Kensington was open for a full year for the first time since 2018–19. There was significant year-on-year growth in visitor numbers and associated self-generated income, with income from exhibition ticket sales up 27%, and onsite retail sales up 79%. However, despite 69% growth in visitor numbers over 2021–22, these only reached roughly three-quarters of pre-pandemic levels, reflecting the slow pace of recovery being experienced by the cultural sector as a whole, particularly in respect to international tourism. Visitor numbers – and behaviour – continued to be affected by the pandemic, and the rising cost of living created an additional challenge. We found maintaining and growing our membership scheme a particular challenge in this environment. The weak pound sterling helped to drive an improvement in inbound tourism, but pre-pandemic levels remain unmatched.

High levels of inflation in the past year affected operating budgets and our capital programme, and put pressure on salary budgets; we saw higher staff turnover as a result.

Given this context, we are extremely grateful for the final year of Covid-19 support provided by DCMS, and the acknowledgment that our recovery would be gradual.

Total Grant in Aid was £67.5m (2022: £78.3m). Alongside the additional Covid-19 Support Package resource funding noted above, a Public Bodies Infrastructure Funding allocation was granted to the V&A, helping to fund essential work to protect the heritage buildings at South Kensington.

Fixed assets

Capital expenditure for the museum in the year was £25.9m (2022: £30.6m).

Thanks to the Public Bodies Infrastructure Fund Grant in Aid allocation from DCMS, the appearance of the north garden façade was transformed through a programme of cleaning, repair and consolidation. Detailed design work was carried out and the main contract commenced on the restoration of the historic roofs over the North East Quarter. Both of these projects followed on from detailed surveys and feasibility work funded by DCMS in the previous year.

The depreciation charge for the year was £15.1m (2022: £14.8m). A full quinquennial valuation of the V&A Estate was performed by Gerald Eve, Chartered Surveyors, as at March 2023. V&A South Kensington was revalued at £473.0m (2022: £444.0m), while Young V&A at Bethnal Green was revalued at £25.8m (2022: £13.2m), the increase reflecting the work carried out on the building over the past few years. The lease for the new V&A East Storehouse at Here East continues to be accounted for as a finance lease in accordance with FRS102, giving rise to a fixed asset of £76.1m (2022: £67.6m).

Heritage assets

Spend on objects for the collection amounted to £1.1m (2022: £0.9m), some of which was funded from private donations. In addition, donated objects by gift, bequest or under the Acceptance in Lieu scheme amounted to £2.4m (2022: £10.3m).

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 56% of the museum's income in the year (2022: 59%). 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 providing contingencies for annual and project budgets.

Taking an overall view of the annual operational activities, the level of self-generated income, GiA and planned capital investment in light of the level of operational risk and uncertainty facing the V&A in the wake of the pandemic, the Trustees believe that the minimum level of general reserves should be £5.0m (2022: £5.0m).

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. While the V&A had funds of £818.2m at 31 March 2023 (2022: £757.1m), the Trustees only have access to the combined total of certain General and Designated funds whose value is £53.5m (2022: £46.1m – see note 18). Of this amount, £5.0m of general funds were held at the year end, in line with the reserves policy set out above. The remaining £48.5m is held for specific building and IT infrastructure projects planned over the next two to three years,

including commitments relating to the opening of new sites at V&A East. The balance of funds is restricted, with the vast majority representing capital assets, mainly the three V&A sites at South Kensington, Hackney and Bethnal Green, and the portion of the collection that is valued under Heritage Assets accounting.

Principal risks and uncertainties

A description of the principal risks and uncertainties facing the museum and its subsidiary undertakings, as identified by the museum Trustees, together with a summary of their plans and strategies for managing those risks is shown within the Governance Statement on pages 52–61.

Investment policy

The Trustees' Investment Policy is governed by the Trustees Act 2000 and is based on a consideration of the risk, return and cash flow requirements arising from each category of funds, unrestricted, restricted and permanent endowments. In the year the policy was implemented through investment in a number of portfolios managed by Partners Capital LLP. The market value of museum investments, long and short-term, was £76.7m at 31 March 2023 (2022: £60.7m). The objectives and performance for the funds overseen by the V&A Investment Committee were as follows.

Fund	Overall objective	Actual net return (income + gain – costs) %	Actual net return (income + gain – costs) £
Short-term fund	To meet the requirement for general reserves in order to manage the financial impact of a significant risk crystallising. Investment timeframe of less than one year.	1.31%	£65,681
Reserve fund	To meet specific restricted and designated expenditure purposes, while preserving capital in real terms with the potential for moderate real growth. Investment timeframe of five years.	-4.96%	-£2,226,935
Endowments	To fund the purchase of new collection items, maintain existing collections and to support the ongoing activities of the V&A (consistent with the purposes of each underlying trust) whilst preserving capital in real terms. Perpetual investment timeframe.	-5.02%	-£400,577
Bollinger endowment	To fund future renovations of the gallery allowing all fixtures and 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.	1.49%	£38,416

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. The portfolios are partially protected from foreign exchange rate fluctuations through the deployment of appropriate hedging strategies. There is a target allocation to pound sterling of 75% of the investment assets' value, although to account for fluctuations in the value of the investment assets, the actual allocation to pound sterling is permitted to range from 65%–85%. The composition of the 25% allocation to non-sterling currencies comprises mainly US dollars and emerging market currencies. All investments are made in accordance with the museum's Investment Policy, which is reviewed annually by the museum's Investment Committee and Board of Trustees.

During the year the V&A retendered for investment management services and, after careful consideration, awarded the contract to JP Morgan. While no funds had been invested through JP Morgan at the year end, the process of transitioning to the new portfolio resulted in higher levels of liquidity within invested funds than normal.

Payment policy

The museum aims to settle all bills within 30 days or in accordance with the suppliers' terms of business. In 2023, 70% (2022: 75%) of invoices were settled on time.

Political gifts and 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 £1.1m to other organisations under the Purchase Grant Fund scheme to enable acquisitions (2022: £0.8m, see note 5a).

Auditors' disclosure and remuneration

The Comptroller and Auditor General is the auditor of the museum's consolidated accounts. The audit fee paid to the National Audit Office was £74,300 (2022: £67,700).

Additionally, a sum of £31,615 (2022: £26,340) was paid to auditors of other entities in the group including £3,760 (2022: £3,130) for non-audit services.

Sustainability

In addition to the ongoing work outlined above, extensive activity has taken place to embed sustainable practice across all aspects of V&A operations.

Reducing Scope 1 & 2 emissions

Reducing our Scope 1 & 2 emissions across our estate remains a key priority, especially at V&A South Kensington. There has been an increase in Scope 1 emissions from the previous year, due to temporary boiler use at South Kensington, when the usual source was turned off because of a pipe leakage. Heating and air handling units at Young V&A also returned to operation in November 2022, having been out of use in the previous year.

Scope 2 emissions include heat and electricity at V&A South Kensington, and saw a 20% decrease this year due to delaying turning on our heating by a month, efficiencies such as LEDs and Building Management System optimisations.

A number of short-term activities are underway including a smart radiator pilot in the Henry Cole Wing to improve control of heating back of house areas; improving metering to provide granular data; and mapping and installing LED lighting.

Data review highlighted gaps and issues around accuracy and robustness especially for Scope 3 emissions. We are developing a strategic approach to improving data capture, which includes carbon accounting software with the aim to improve accuracy and greater transparency in emissions reporting.

We are working with the Greater London Authority's Retrofit Workplace Accelerator Programme to deliver energy efficiency and retrofitting for South Kensington and heat pump technology at Young V&A.

Reducing impacts from ICT and digital

We have a five-year transformation to move to Microsoft Azure Cloud Services, reducing the number of physical servers so far, from roughly 200 to 13. Our current server room temperature will change to 22°C from 15°C, reducing energy use.

Bizot Green Protocol

The V&A is part of the Bizot Group, a collaboration between 21 museums across 10 countries in Asia, Europe, Oceania and North America. In 2014, the Group established the Bizot Green Protocol, comprising a series of guiding principles and standards for environmental control. In light of the climate emergency, this year the development of a new working group was agreed, to refresh the protocol and better reflect shifts in knowledge, evidence and technology. New Green Protocol and guiding principles will be voted on mid-2023.

Waste

The V&A is committed to reducing waste at source and requires that all staff and partners implement waste prevention and reduction measures across all areas of their responsibility. Collectively we work to close material loops, focusing on longevity, leasing and use of service packages, reuse and recovery to design out waste. There has been an increase in waste compared to the previous year due to moving to a seven-day operation and increase in visitor numbers.

Our waste management contractors are engaged with recycling solutions including carbon emissions and wider sustainability issues. With 17 waste streams at V&A South Kensington, we are able to recycle over 60% of operational waste. We established monitoring of waste segregation, to assess and implement further avoidance, reduction and recycling opportunities. This year we recycled over 63%, processed through our waste management network solution.

Throughout the year, we have printed 2,079 reams of paper. We anticipate printing will reduce with an upcoming new printer rollout, by reducing the number of printers across our estate.

Finite resources

Staff and visitor toilet facilities were refurbished this year to install water-saving mechanisms. The treatment equipment of two water features was upgraded to improve efficiency, and Automatic Meter Reader alarms allowed us to capture and address unexpected consumption.

Biodiversity enhancement

The V&A has very limited green space, and limited potential to increase it. Our focus to date has been to ensure we are protecting local biodiversity by removing pest control chemical use in the garden, locating beehives on the roof and installing a small green roof.

Sustainable procurement

We have a sustainable procurement policy and include sustainability requirements in our tender criteria.

Climate change adaptation

The V&A continues to represent the cultural sector on the London Climate Change Partnership. Its vision is to ensure London will become the most climate-resilient global city and comprises public, private and community sector organisations that have a role to play in preparing London for extreme weather today and climate change in the future.

Sustainable construction

Young V&A

Sustainability and social responsibility targets were clearly outlined in tender requirements for the build and fit-out of Young V&A. Base build contractors Quinn London Limited and fit-out contractors Factory Settings Ltd both scored highly against sustainability initiatives.

While it was not possible to install an efficient air source heat pump system within the scope of the project, a low voltage switch panel was installed to help futureproof heating refits. Pre-existing equipment from the former V&A Museum of Childhood was reused and, from January 2023, this included security cameras and external housing, office desks, pedestals, cabinets, bookshelves and pre-existing doors.

Fit-out works began in September 2022, and involved the use of sustainable materials including ecoboard, stormboard, corrugated hemp panels, Smile Plastics 100% recycled and recyclable panels, and terrazzo created from building rubble in the early demolition phase. Reused materials also feature prominently including reclaimed douglas fir doors, used for cladding in the Build It area; offcuts of London plane veneer; timber from setworks in the exhibition *Beatrix Potter: Drawn to Nature* for use in the Design Gallery; historic showcases being used for new displays; and five large wall frames previously made for a V&A South Kensington exhibition to help furnish the museum's This is Me section.

Factory Settings Ltd also donated excess material to local schools and organisations: Leyton Sixth Form College, the Forest Recycling Project and Riverlea Primary School.

V&A East

Construction for the two new museums at V&A East targets a BREEAM excellent rating (denoting the top 10% of UK new non-domestic buildings for sustainable value). Phase 1 contractors are required to provide evidence against a number of targets, for example, a minimum of 80% construction and excavation waste is to be diverted from landfill. In January 2023, our contractor reported this as 100%.

Sustainability was considered across the design of the museums to Stage 4 and BREEAM has already agreed and awarded the credits. All briefs for workstreams (wayfinding, shop fit-out, catering provider etc) include sustainability as a key requirement, including questions in the tender process.

The Galleries Design team includes Urge Collective, a multidisciplinary design collective that helps organisations respond to the climate emergency, who is advising on sustainability. It has identified five focus areas as the design of V&A East galleries progresses: materials; energy and carbon; procurement; AV and lighting equipment; and communication.

A carbon tracker tool has been developed by Urge Collective to capture the carbon footprint of activities during all stages of the galleries workstream. This will enable us to generate insights into carbon-intensive aspects of the project and guide decisions regarding the design and operation of the galleries.

The Phase 2 contractor will be matching the targets met by Phase 1 and Buro Happold, our BREEAM co-ordinator, will submit the assessment in 2024. This will include calculations such as life-cycle evaluations. Buro Happold will carry out a Post Occupancy Evaluation, one year after building occupation, to gain in-use performance feedback from users to inform operational processes.

Key sustainability data

Key sustainability data	Type/Kind	Unit	2022–23	2021–22	2020–21	2019–20
CO2 Emissions	Scope 1 emissions (direct)	tonnes of CO ₂	396	186	117	138
	Scope 2 emissions	tonnes of CO ₂	2,616	3,242	3,581	3,846
	Total emissions	tonnes of CO ₂	3,012	3,428	3,698	3,984
Related energy consumption	Electricity	MWh	7,310	7,750	6,719	8,236
	Gas and Other fuel	MWh	6,550	6,358	7,494	8,461
	Total	MWh	13,860	14,108	14,213	16,697
Financial Indicators	Expenditure on energy	£'000	2,022	1,463	1,128	1,326
	Expenditure on official business travel	£'000	337	141	42	494
Waste	Waste sent to landfill	tonnes	-	-	-	-
	Waste recycled / reused	tonnes	241	167	52	304
	Waste incinerated	tonnes	166	115	44	271
	Composted	tonnes	43	14	4	46
	Total waste disposed	tonnes	450	296	100	621
Finite resource consumption	Water consumption	m ³	31,873	30,174	16,652	49,080
	Water supply cost	£'000	93	85	83	107

Legal and Administrative Information

Principal Address

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Cromwell Road
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Bankers

National Westminster Bank
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South Kensington
London SW7 2LB

Solicitors

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London WC2A 3LH

Investment Advisors

Partners Capital LLP
5 Young Street
London W8 5EH

Auditors-Internal

RSM Risk Assurance LLP
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London EC4A 4AB

Auditors-External

Museum Group
Comptroller and Auditor General
National Audit Office
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London SW1W 9SP

Trading companies

Moore Kingston Smith LLP
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Remuneration and Staff Report

Our People at the V&A

The V&A is the world’s leading museum of art, design and performance, and successfully delivers its mission by utilising and applying the considerable skill, experience and knowledge of its people. At the beginning of 2022–23, the V&A directly employed 952 people and worked with many more volunteers, freelancers and partners.

The challenges and opportunities in 2022–23

The V&A launched an ambitious new strategy in 2022: a mission to champion design and creativity in all its forms, for everyone, and a vision to take that mission to new audiences of all ages and backgrounds, online and in person, redefining the role of the V&A as a 21st-century museum. Alongside this, we revised our organisational values and behaviours that connect to how we work together internally, and in how we connect with the public. Five values have been created – equity, creativity, collaboration, sustainability and generosity – each with indicative behaviours, which will help refine our working culture at the V&A and deliver our ambitions for the future. Our values and behaviours unite us, they represent how we act, interact and come together to make decisions, and provide a common way of working, for all our people.

Ways of working and engagement

The V&A continues to operate a hybrid working model for the majority of people, and on average a minimum of 60% of their time is spent onsite, with the remainder spent working remotely. This approach brings the many advantages of a work-life balance, keeping the opportunity to connect and collaborate with colleagues in the museum environment, and is therefore popular. Hybrid working has been an effective recruitment offering and enabled us to attract a wide range of potential employees, positively impacting diversity.

Effective communication and staff engagement continues to be crucial. In autumn 2022, we conducted a full engagement survey of all employees and volunteers for the first time. This provided comprehensive feedback on working at the V&A, highlighting areas in which we perform well and those in which we can continue to improve. Each division constructed an action plan to highlight how we can improve the way we work. A pulse survey will be conducted in autumn 2023 to track progress.

Workforce

The V&A is a recognised Disability Confident Employer and, in our current workforce, 5.5% of employees declared themselves as having a disability, while 90.5% of employees have chosen to declare against protected characteristics, creating the following employee profile: 73.3% white, 2.1% Black, 5.6% Asian, 3.8 % mixed, 1.6% other. The gender profile is 73.6% female and 26.4% male.

We continue to monitor absence due to sickness, and the average in 2022–23 was 7.9 days (2021–22: 6.6 days). If long term absence or any absence over three weeks in duration is excluded, the figure falls to 5.1 days (2021–22: 4.4 days).

Trade Union Activity

The V&A voluntarily recognises three trade unions in Prospect, PCS and FDA as a Trade Union Side, for all employees, and meets regularly to facilitate effective communication and negotiation. Union representatives are granted reasonable requests for paid facility time, to carry out their union duties and details are shown below for the financial year 2022–23.

The total number of employees who were relevant union officials was 26 (22.6 on an FTE basis). Four spent 0% of their paid working time on facility time and 22 spent between 1–50% of their paid working time on facility time. The total cost of facility time was £10,648, the total pay bill during this time was £40.1m, and therefore 0.03% of the total pay bill was spent on facility time. Finally, the time spent on paid trade union activities as a percentage of total paid facility time hours was 37%.

Remuneration Committee membership

The membership of the Remuneration Committee comprised the following Trustees:

Sir Nicholas Coleridge CBE; Trustee (Chair)

David Bomford; Trustee

Nick Hoffman; Trustee

The committee is also attended by the Director, Deputy Director and Chief Operating Officer, and Director of People and Change, 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. Employment contracts are either standard V&A Enterprises Ltd (VAE) terms and conditions of employment, or legacy standard museum terms and conditions of employment, except where they apply to pay determination, which is subject to review by the Remuneration Committee.

At the beginning of the financial year, senior managers are set objectives based on the museum's strategic plan. At the end of the financial year, individual performance against objectives is reviewed. Where it can be demonstrated that performance has exceeded expectations, an individual can be nominated and therefore become eligible 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 once in 2022 to agree senior pay adjustments, which mirrored those for staff across the organisation.

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 employees subject to collective bargaining arrangements, senior employee 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 employees (including the Director) are permanent employees of either VAE or the museum.

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 employees (unless choosing to opt-out) are members of either a defined contribution group personal pension or the Principal Civil Service Pension Scheme (PCSPS), which has associated redundancy and early retirement conditions. Termination payments for staff on VAE terms and conditions are determined by 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 on page 92.

The director’s and senior managers’ emoluments and pension details for 2022–23 are shown in the table below. The V&A has prepared this remuneration report in accordance with the Government Financial Reporting Manual, which requires disclosure of information about directors’ remuneration, where “directors” is interpreted to mean those who influence decisions of the V&A as a whole. In the V&A’s opinion, this means the Trustees, Director and Deputy Director. 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.

Dr Tristram Hunt, Director	2021–22	2022–23
Total salary earned per year (in £’000)	145–150	150–155
Bonus paid per year (in £’000)	0–5	10–15
Pension benefits per year (in £’000)	57	59
Total per year (in £’000)	200–205	220–225

Tim Reeve, Deputy Director & Chief Operating Officer	2021–22	2022–23
Total salary earned per year (in £'000)	120–125	125–130
Bonus paid per year (in £'000)	0–5	5–10
Pension benefits per year (in £'000)	27	13
Total per year (in £'000)	150–155	145–150

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 that the individual has transferred to the Civil Service pension arrangements. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax, which may be due when pension benefits are taken. CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023–24 CETV figures.

Senior Manager	Accrued pension at pension age as at 31 March 2023 – Related lump sum (in £'000)	Real increase in pension at pension age – Real increase in related lump sum (in £'000)	CETV at 31 March 2023 (in £'000)	CETV at 31 March 2022 (in £'000)	Real increase in CETV (in £'000)
Dr Tristram Hunt Director	20–25	2.5–5	249	198	29
	nil	nil			
Tim Reeve Deputy Director & Chief Operating Officer	50–55	0–2.5	883	796	-5
	90–95	nil			

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It does not include 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. For Tim Reeve, Taking account of inflation, the CETV funded by the employer has decreased in real terms.

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 and the higher of 65 or State Pension Age for members of Alpha. For more details on the pension schemes see note 5c.

Exit packages (subject to audit)

(Figures in brackets are for the prior year.)

Exit package cost band	Number of compulsory redundancies 2023 (2022)	Number of other departures agreed 2023 (2022)	Total number of exit packages by cost band 2023 (2022)
<£10,000	-	4	4
	(-)	(7)	(7)
£10,000–£25,000	-	-	-
	(-)	(13)	(13)
£25,000–£50,000	-	1	1
	(3)	(14)	(17)
£50,000–£100,000	-	1	1
	(-)	(4)	(4)
£100,000–£150,000	-	-	-
	(-)	(1)	(1)
Total number of exit packages	-	6	6
	(3)	(39)	(42)
Total resource cost	-	£134,205	£134,205
	(£96,254)	(£1,043,545)	(£1,139,799)

For employees of the museum, 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. For individuals employed by VAE, redundancy and other departure costs are payable in accordance with the provisions of their employment contract.

Fair pay (subject to audit)

Based on the March 2023 payroll, the highest-earning employee is banded at £160,000–£165,000 pa including performance pay and any other benefits in kind (2022: £145,000–£150,000) and the median employee £30,100 (2022: £28,858). This is a ratio of 5.28:1 (2022: 5.03:1). In 2022–23 there was an increase in the director’s salary of 3.4% (2022: 0%), and an increase in the director’s total pay and benefits of 10.2% (2022: 0%). For employees there was a 4.8% (2022: 1.6%) increase in average salary, and 4.2% (2022: 0.4%) increase in total pay and benefits. The director’s salary and average salaries have increased due to the annual pay award, and respective remuneration has increased due to higher bonuses awarded in 2022–23. Salaries ranged from a banded remuneration of £20,000–£25,000 to £150,000–£155,000 (2022: £20,000–£25,000 to £145,000–£150,000). Further details on the pay percentiles are laid out in the table below.

<u>Pay percentiles (subject to audit)</u>	25th percentile	50th percentile	75th percentile
2023 Salary	£25,070	£30,100	£38,920
2023 Total pay and benefits	£25,716	£30,783	£39,501
2023 Total pay and benefits – pay ratio	6.32	5.28	4.11
2022 Salary	£22,877	£28,858	£38,000
2022 Total pay and benefits	£23,333	£29,309	£38,381
2022 Total pay and benefits – pay ratio (restated)	6.32	5.03	3.84

Prior year figures have been restated to reflect a ratio based on total pay and benefits.

Staff employment contract types

Year	Permanent	Fixed-term	Zero hours
2023	71%	12%	17%
2022	71%	10%	19%

Staff turnover was 22.9% (2022: 23.3%).

Off-payroll appointments

For the year ended 31 March 2023, there were 12 off-payroll engagements for more than £245 per day that lasted for longer than six months and less than one year (2022: four). None related to directors or people with significant financial control and none were within the scope of IR35 (2022: none). Consultancy spend for the year ended 31 March 2023 was nil (2022: nil).



Dr Tristram Hunt
Director and Accounting Officer
12 July 2023



Sir Nicholas Coleridge CBE
Chairman of Trustees
12 July 2023

STATEMENT OF TRUSTEES' AND ACCOUNTING OFFICER'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 re-search
- 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 on an accruals basis 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 and Accounting Officer are required to:

- Observe the accounts direction issued by the Secretary of State for Culture, Media and Sport (DCMS), 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
- 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 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 and for safeguarding the V&A's assets, are set out in *Managing Public Money* published by HM Treasury.

The Accounting Officer is required to confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and that he takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the V&A's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.



Dr Tristram Hunt
Director and Accounting Officer
12 July 2023



Sir Nicholas Coleridge CBE
Chairman of Trustees
12 July 2023

Governance Statement

The V&A comprises the Victoria and Albert Museum at South Kensington, Young V&A at Bethnal Green (formerly the V&A Museum of Childhood) and the V&A reserve collections at Blythe House. There are also object stores at Dean Hill Park, Wiltshire. Two new sites – together, V&A East – are under construction in the Queen Elizabeth Olympic Park, with the V&A due to exit Blythe House in 2024. The V&A has partnerships with cultural institutions in Dundee (V&A Dundee), Shekou in China (V&A at Design Society) and V&A Wedgwood Collection in Barlaston, with facilities operated by third parties under licence.

The museum 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 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 DCMS as Accounting Officer.

DCMS drew up a Management Agreement in consultation with the V&A, which was agreed in February 2017. This document sets out the broad framework within which the V&A operates and was due for review following the completion of the 2021 Comprehensive Spending Review. A revised and updated Framework Agreement has been developed and is nearing completion.

Board of Trustees

The V&A Board is a body corporate with between 12 and 20 members. As of 31 March 2023, there were 16 Trustees including Sir Nicholas Coleridge CBE, the Chair of the Board of Trustees. Trustees are not remunerated but are able to claim expenses.

The governance framework of the V&A, including information about the Board's committee structure, its attendance records and a summary of its work, is set out in this statement.

During the year, three Trustees retired from the Board, and three new Trustees were appointed. Four Trustees were reappointed for a further four-year period. Details of the Trustees during the year are shown in Table A on page 59.

Trustee appointment and induction

Appointments to the V&A Board of Trustees, including that of the Chair, are made by the Prime Minister following the DCMS process for 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, Dr Paul Thompson, the Vice Chancellor of the Royal College of Art. Dr Thompson has served as a Trustee since September 2009 and his appointment is ex officio. 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 Chair and the Director, involving other V&A staff as necessary. DCMS also provides a booklet for Board members of its NDPB. Trustees serve an initial term of up to four years and DCMS is responsible for determining the renewal and term length for all Trustees.

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 Executive Board. 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)
- Considering the remuneration of senior staff
- The approval of major purchases by the museum of objects valued at £500,000, or more, on the recommendation of the Trustees’ Collections Committee (Board approval to raise this threshold from £100,000 to be in line with other similar institutions was granted in November 2021)
- The approval of major loans by the museum of objects valued at £1m or more, on the recommendation of the Trustees’ Collections Committee

The primary operational decision-making body of the V&A is the Executive Board, comprising senior staff members and chaired by the Director, Dr Tristram Hunt. The full composition of the Executive Board is shown at Table C on page 61. It meets fortnightly to review all operational issues.

In addition to the Executive Board, there is a wider Leadership Forum, chaired by the Director, which meets approximately every six weeks.

Compliance with Governance Codes

The museum is a NDPB 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. An external review of the museums’ compliance with that Code was undertaken between January and March 2022 and Trustees reviewed the findings, including any recommendations, at their away day in May 2022. In the opinion of this review, the V&A Trustee Board takes its responsibilities seriously and operates in a professional manner compliant with the principles of the UK Corporate Governance Code 2018.

The museum is also mindful of the Charity Governance Code for Larger Charities. A detailed review of the museums’ compliance with that Code was undertaken in 2018, compliance with that Code is routinely monitored and Trustees are content that the museum complies where appropriate. The review suggested ways to continue streamlining the machinery of the Board to ensure Trustee receipt of key information. It also reinforced the importance of a focus on future skills requirements, particularly in light of the upcoming recruitment of a new Chair in 2023 and the move to multisite operations.

The museum maintains the following policies, available on the website, which are periodically reviewed and updated:

- Modern slavery act statement
- Equality and diversity at the V&A
- Freedom of information
- Gift acceptance
- Sustainability
- Collections policies
- Privacy notice and cookies policy
- Public task
- Research ethics policy

We do not publish our register of interests externally, however information on its contents can be requested by contacting: hello@vam.ac.uk.

Committees of the Board

Much of the Board's business is conducted through its committees. Details of their scope and structure are given in Table B on page 60. The committees have retained the same form and scope this year.

The V&A Museum of Childhood Committee was renamed Young V&A Committee in line with the rebranding of this site.

Board performance

The Museum returned to seven-day opening at the start of the financial year and Board meetings were once more held in person with the occasional online joiner, when unavoidable.

This year the Board has implemented the recommendations of last year’s Board Effectiveness Review and ensured the agenda was structured to include focus on:

- the Key Strategic Priorities by ensuing agenda items are considered under the priority they support
- activity of the Trustee Committees through a focus on one Committee at each Board Meeting

The Board considered a range of critical work areas including regular reports on the capital projects at V&A East – the new V&A East Museum at East Bank and the new open storage concept, V&A East Storehouse – and also the redevelopment of Young V&A. Brand work has been presented and approved by the Board as the museum moves towards the “family of sites” model from 2023 when the newly remodelled Young V&A opens in July and ahead of the new V&A East sites opening in 2025.

Financial monitoring has been a main item for discussions at all Board Meetings as the museum seeks to return to a stronger financial position following the pandemic. Presentations on understanding the data on visitor numbers and audiences were received as this area was considered key to re-establishing self-generated income from memberships, retail and paid exhibitions.

The exhibition programme for the year had been presented and included the well-attended *Fabergé in London: Romance to Revolution*, 20 Nov 2021–8 May 2022, *Fashioning Masculinities: The Art of Menswear*, 19 March–6 November 2022, *Africa Fashion*, 2 July 2022–16 April 2023, *Hallyu! The Korean Wave*, 24 September 2022–25 June 2023 and *Donatello: Sculpting the Renaissance*, 11 February–11 June 2023. The year 2022–23 had an emphasis on attracting new audiences, which had an impact on numbers, but was seen as an important step to engaging new visitors ahead of the opening of the new sites at V&A East. The Board was kept advised of the future exhibitions programme and the Contemporary Programme as well as recent acquisitions and research work on future curatorial roles. The new DCMS Framework agreement was circulated as a draft and approved by the Board in principle ahead of its final approval by the Audit Committee early next financial year.

The Board was also kept apprised of the museum’s EDI strategy and the work of the Anti-Racism Taskforce, as well as the results of the staff survey in December 2022 and the gender pay gap figures in March 2023. During the year, the Trustees also considered routine business including: agreeing the budget; reviewing the performance of investments and the level of general reserves; progress against performance indicators; the annual Safety Report, and approval of the Gift Acceptance Policy.

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 and Accounts). These controls have been in place for the year under review and up to the date of approval of the Annual Report and Accounts. Regular scrutiny of these internal control processes is overseen by the Audit Committee, and the programme of internal audits for each year provides another method of testing and assurance. During the year the Committee reviewed all the Internal Audit reports it had commissioned and agreed on the Internal Audit plan for 2023–24. It reviewed the Strategic Risk Register at each meeting, reviewed the external audit of the Annual Report and Accounts for 2022–23 and approved the Governance Statement.

The areas reviewed by Internal Audit during the year included a focus on collections movement controls ahead of the move of objects from Blythe House to the new Storehouse and a review of collection acquisition procedure. Internal Audit has also undertaken reviews of volunteer management, budgeting

and forecasting, KPI reporting and cyber-security incident management procedures. In addition, follow-up work was performed to provide assurance on the implementation of recommendations from internal audit work undertaken in the previous year. In its Annual Report, 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 Management Policy that lays out its approach to risk and sets out policies and procedures for managing risk. The implementation of this policy is described here.

Identification and assessment of risk

The museum has two levels of risk register: Operational and Strategic.

Operational Risk Registers are maintained by line management at a local level and embrace a wide range of risks and issues that concern discrete and containable elements of the V&A's operations and projects such as collections management; staff recruitment, development and appraisal; financial management and fraud prevention; information systems security; audience development; and procurement. Managers are expected to regularly review and update their view of risk and highlight major new risks arising to the Executive Board.

When the assessment of the likelihood of a risk crystallising and its impact reaches a level that is of material impact to the overall strategy of the V&A or affects its ability to fulfil its purpose, these risks are reflected in the Strategic Risk Register.

The Strategic Risk Register includes risks relating to governance, reputation and policy matters, and key physical threats to staff, volunteers, visitors, contractors or to the security of the collections, where the Trustees have statutory or quasi-statutory obligations.

The Strategic Risk Register is discussed and updated on a regular basis by the museum's Executive Board; the Audit Committee reviews the updated Strategic Risk Register at its meetings.

The Executive Board agrees mitigating actions to reduce residual risk to an acceptable level and reports to the Audit Committee on progress.

Monitoring of risk

An established process is in place for identifying and continually assessing risks to ongoing operations and services to the public. Many of these risks change with circumstances and over time.

Over the course of 2022–23, the major risks identified for the museum were:

- Visitor numbers and spend per head – visitor numbers have recovered to some extent during 2022–23 but remain well below pre-pandemic levels, compounded by the slow recovery of inbound tourism. Lower footfall will lead to lower commercial income. A strong exhibitions programme in 2023–24 will mitigate this to some degree, combined with a focus on London and family audiences
- Increasing operational and financial risks relating to inflationary pressures – both in the supply chain and the labour market – continue to present a risk to financial sustainability and operational effectiveness. Some mitigation is in place through the level of general reserves held to manage unexpected cost volatility. A consolidated pay award was made for the first time since 2019–20, with some market adjustments to mitigate risk in areas falling particularly below the market. It

remains challenging to keep pace in certain areas, including roles requiring digital and technology skills

- Ensuring the security of visitors, staff, volunteers and collections at a time of global instability. The museum has a thorough and flexible security strategy that responds to changes in risk. A new Safety and Security Committee was established in 2022 and this has provided enhanced senior management oversight of these areas
- Continued medium-term pandemic impacts on major capital projects, particularly the construction work at V&A East. Work has taken place throughout the year to mitigate and to quantify and plan for these impacts, as well as working with DCMS to secure some flexibility around the arrangements for vacating Blythe House
- Climate change: both risks around meeting the V&A's net zero target and the potential impact of extreme weather on the estate and collections. A Head of Sustainability was appointed during the year and further investment will be made in this area in 2023–24

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

- The Executive Board meets fortnightly to review all operational issues
- The Trustees and senior management have agreed a three-year 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 oversight of the Board's Sub-Committees, as set out in Table B on page 60
- The retention of Internal Auditors with a reporting line directly to the Trustees

Sanctions

As a result of the Russian invasion of Ukraine in early 2022, a full assessment was undertaken to identify any exposure to persons or organisations listed in the HM Treasury Notice on financial sanctions. The V&A worked closely with DCMS to ensure appropriate mitigating action was taken around loans of cultural objects. Controls are in place to ensure no transactions or other exposure to persons or organisations on the UK financial sanctions list arise.

Whistleblowing arrangements

The museum upholds the core values detailed in the Code of Professional Ethics of the Museums Association and the International Council of Museums, and actively promotes their implementation. In line with these commitments, the museum encourages employees and others with serious concerns about any aspect of the museum's work to come forward and voice those concerns, and expects its managers to encourage employees to express their views openly. This is clearly documented in the Whistleblowing section of the V&A's People Policies and Guidance.

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.

Data protection and information assurance

The V&A takes the protection of personal data very seriously, being mindful of the Data Protection Act 2018, the UK GDPR and the EU GDPR, which remains applicable as the V&A processes data of European citizens. The Data Protection Officer and the Data Protection & Information Compliance Manager report that one personal data breach notification was made to the Information Commissioner's Office during the

year. A series of malicious emails were received, which appeared to contain copies of V&A emails with external parties dating from 2016–21. Following extensive investigation, an internal breach was ruled out, subsequently corroborated by information from a supplier involved in the email, which indicated that external parties were probably the source. The ICO investigation was closed without further action, and steps are being taken to improve evaluation of our systems supply chain.

The museum maintains a data protection e-learning module that all staff are mandated to complete annually. The 2023 training round, which took place between January and March, achieved an 85% completion rate across the V&A. This is an excellent result compared to a benchmark of 77% provided by our e-learning supplier for mandatory compliance training. The figures include all staff, including those absent during the period (c.5%, either short-term or parental leave/career break/long term sick leave), so that managers can monitor completions. We are mindful that this percentage should be as high as possible and review our communications plan regularly to encourage this. In addition, a monthly completions report is forwarded to senior leaders to communicate to teams for action. A review of mandated training completions is also embedded into the annual performance review process.

The V&A's Senior Information Risk Owner, the Director of Finance and Resources, has received assurance of the security of the museum's information assets from Information Asset Owners.

Accounting Officer's and Chair's conclusion

We have considered the Annual Governance Statement and the independent advice and assurance provided by the Audit Committee. We conclude that the V&A has satisfactory governance and risk management systems with effective plans to ensure continuous improvement.

Table A: Board of Trustees at date of signing 31 March 2023			
Name	Term expires	Attendance	
		Board	Audit
Sir Nicholas Coleridge CBE (Chair)	31 October 2023	6/6	4/4
Jonathan Anderson	3 February 2027	5/6	
Martin Bartle	29 February 2024	5/6	
Allegra Berman	29 February 2024	5/6	
Prof Polly Blakesley	4 September 2026	4/4	
David Bomford	31 March 2027	6/6	
Sir Ben Elliot	31 December 2024	4/6	
Rusty Elvidge	4 September 2026	4/4	
Zewditu Gebreyohanes	4 September 2026	4/4	
Nick Hoffman	14 September 2023	6/6	4/4
Amanda Leveté CBE	29 February 2024	5/6	
Kavita Puri	1 July 2026	6/6	
Amanda Spielman	29 February 2024	6/6	4/4
Marc St John	3 February 2027	6/6	
Dr Paul Thompson	(ex officio as Vice Chancellor of the Royal College of Arts)	5/6	
Nigel Webb	31 December 2024	6/6	1/1

Table B: Committees of the Board of Trustees during the year		
Committee	Primary functions	Chair
Audit	Financial reporting, risk management and assurance	Nick Hoffman
Building Strategy	To oversee and guide the development of the V&A's estate	Nigel Webb
Collections	Acquisition, disposal and loan of the collection	David Bomford
Audiences and Commercial Strategy (formerly Commercial Strategy)	Overseeing and advising on the museum's audience and commercial strategies.	Martin Bartle
Finance	Overseeing the museum's financial position	Allegra Berman
Investment	Monitoring investment performance and policy	Allegra Berman
Young V&A (previously V&A Museum of Childhood)	Policies and practice of Young V&A, and the capital project	Marc St John
Remuneration	Remuneration of senior staff	Sir Nicholas Coleridge CBE
Research	Overseeing research policy and projects	Professor Polly Blakesley
V&A East	To advise and oversee the establishment of V&A East	Kavita Puri

Table C: V&A Executive Board during the year	
Dr Tristram Hunt	Director (Chair)
Tim Reeve	Deputy Director and Chief Operating Officer
Dr Antonia Boström	Director of Collections
Sophie Brendel	Director of Audiences, Commercial and Digital
Dr Gus Casely-Hayford	Director of V&A East
Dr Helen Charman	Director of Learning and National Programmes
Jane Ellis	Director of Finance and Resources
Jane Lawson	Director of Development
Dr Philippa Simpson	Director of Design, Estate and Public Programme
Judy Roberts	Director of People and Change

Parliamentary accountability (subject to audit)

There are no disclosable remote contingent liabilities (2022: nil), no disclosable losses and special payments (2022: nil), no gifts were made over the limits prescribed in Managing Public Money (2022: nil) and no material income from fees and charges (2022: nil)



Dr Tristram Hunt
Director and Accounting Officer
12 July 2023



Sir Nicholas Coleridge CBE
Chairman of Trustees
12 July 2023

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

Opinion on financial statements

I certify that I have audited the financial statements of the Victoria and Albert Museum and its Group for the year ended 31 March 2023 under the Museums and Galleries Act 1992.

The financial statements comprise the Victoria and Albert Museum and its Group's:

- Consolidated and Museum Balance Sheet as at 31 March 2023;
- Consolidated Statement of Financial Activities and Consolidated Cash Flow Statement for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the Victoria and Albert Museum its Group's affairs as at 31 March 2023 and its net income for the year then ended; and
- have been properly prepared in accordance with the Museums and Galleries Act 1992 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure 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.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the Victoria and Albert Museum and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Victoria and Albert Museum and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Victoria and Albert Museum and its Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Trustees and Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements nor my auditor's certificate and report. The Trustees and Accounting Officer are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Museums and Galleries Act 1992.

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

- those parts of the Annual Report subject to audit have been properly prepared in accordance with Secretary of State directions issued 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 and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Victoria and Albert Museum and its Group and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report.

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 by the Victoria and Albert Museum and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Annual Report, subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by Secretary of State directions issued under the Museums and Galleries Act 1992 have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury’s guidance.

Responsibilities of the Trustees and Accounting Officer for the financial statements

As explained more fully in the Statement of Trustees’ and Accounting Officer’s Responsibilities, the Trustees and the Accounting Officer are responsible for:

- maintaining proper accounting records;
- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Trustees and the Accounting Officer determines is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and
- assessing the Victoria and Albert Museum and its Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees and the Accounting Officer either intends to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Museums and Galleries Act 1992.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud:

- considered the nature of the sector, control environment and operational performance including the design of the Victoria and Albert Museum and its Group’s accounting policies and key performance indicators.
- inquired of management, the Victoria and Albert Museum’s head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Victoria and Albert Museum and its Group’s policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Victoria and Albert Museum and its Group’s controls relating to its compliance with the Museums and Galleries Act 1992, the National Heritage Act 1983, Charities Act 2011 and Managing Public Money;
- inquired of management, the Victoria and Albert Museum’s head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;
- discussed with the engagement team including significant component audit teams and the relevant internal specialists, including financial instrument experts and IT auditors and external specialists including land and building valuation experts, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Victoria and Albert Museum and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I obtained an understanding of the Victoria and Albert Museum and its Group’s framework of authority and other legal and regulatory frameworks in which the Victoria and Albert Museum and Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Victoria and Albert Museum and its Group. The key laws and regulations I considered in this context included, Museums and Galleries Act 1992, the National Heritage Act 1983, the Charities Act 2011, Managing Public Money, employment law and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing the risk of fraud in revenue recognition, assessing the recognition of grants, sponsorship, legacies and donations in line with the accounting framework, assessing the completeness of these income streams and the recognition points around the year-end.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income 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.

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

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General
National Audit Office
157–197 Buckingham Palace Road
Victoria
London
SW1W 9SP

15 July 2023

Consolidated Statement of Financial Activities

	Notes	Unrestricted funds (in £'000)	Restricted funds (in £'000)	Endowment funds (in £'000)	2023 Total funds (in £'000)	2022 Total funds (in £'000)
Income and receipt of endowments						
<i>Income from donations and legacies</i>						
– Grant in Aid	2a	51,891	15,561	-	67,452	78,268
– Donations, legacies and similar income	2b	2,627	13,796	-	16,423	15,818
– Donated objects	6c	-	2,421	-	2,421	10,348
		54,518	31,778	-	86,296	104,434
<i>Income from other trading activities</i>						
– Trading income	8	16,842	-	-	16,842	12,321
– Sponsorship		1,347	-	-	1,347	999
		18,189	-	-	18,189	13,320
Investment income	3	169	-	12	181	7
<i>Income from charitable activities</i>						
Admissions & exhibition fees (inc loans & touring)		8,535	-	-	8,535	5,667
– Membership income		5,230	-	-	5,230	5,115
– Furlough income		-	-	-	0	241
– Other trading		500	-	-	500	439
		14,265	-	-	14,265	11,462
Other income		1,924	640	-	2,564	2,479
Total income		89,065	32,418	12	121,495	131,702

Prior Year Consolidated Statement of Financial Activities

		Unrestricted funds (in £'000)	Restricted funds (in £'000)	Endowment funds (in £'000)	2022 Total funds (in £'000)
Income and receipt of endowments	Notes				
<i>Income from donations and legacies</i>					
– Grant in Aid	2a	58,188	20,080		78,268
– Donations, legacies and similar income	2b	2,601	12,217	1,000	15,818
– Donated objects	6c	-	10,348	-	10,348
		60,789	42,645	1,000	104,434
<i>Income from other trading activities</i>					
– Trading income	8	12,321	-	-	12,321
– Sponsorship		949	50	-	999
		13,270	50	0	13,320
Investment income	3	7	-	-	7
<i>Income from charitable activities</i>					
– Admissions & exhibition fees (inc loans & touring)		5,617	50	-	5,667
– Membership income		5,115	-	-	5,115
- Furlough income		-	241	-	241
- Other trading		439	-	-	439
		11,171	291	-	11,462
Other income		919	1,560	-	2,479
Gain from Associate		-	-	-	0
Total income		86,156	44,546	1,000	131,702
Expenditure					
Expenditure on raising funds	5a				
– Costs of generating voluntary income		8,094	1,947	-	10,041

Consolidated Statement of Financial Activities (cont'd)

	Notes	Unrestricted funds (in £'000)	Restricted funds (in £'000)	Endowment funds (in £'000)	2023 Total funds (in £'000)	2022 Total funds (in £'000)
Expenditure	5a					
<i>Expenditure on raising funds</i>						
– Costs of generating voluntary income		9,498	1,834	-	11,332	10,041
– Trading costs	8	11,460	-	-	11,460	8,966
– Investment management costs		277	-	69	346	298
		21,235	1,834	69	23,138	19,305
Expenditure on charitable activities						
– Charitable Activities	5a	55,788	20,623	-	76,411	64,124
Loss on Associate	9	-	469	-	469	2,045
Total expenditure		77,023	22,926	69	100,018	85,474
Net income before gains and losses on investments		12,042	9,492	(57)	21,477	46,228
(Losses)/Gains on investment assets	7	(1,884)	216	(522)	(2,190)	123
Loss on revaluation of fixed assets	6	-	-	-	-	(3,517)
Net income	4	10,158	9,708	(579)	19,287	42,834
Transfers between funds	17	(2,771)	2,771	-	-	-
Net income before other recognised gains and losses		7,387	12,479	(579)	19,287	42,834
Gain on revaluation of fixed assets	6	-	41,756	-	41,756	8,936
Net movement in funds		7,387	54,235	(579)	61,043	51,770
Fund balances brought forward at 1 April		46,319	701,781	9,010	757,110	705,340
Fund balances carried forward at 31 March	17	53,706	756,016	8,431	818,153	757,110

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 75 to 116 form part of these financial statements.

Prior Year Consolidated Statement of Financial Activities (cont'd)

	Notes	Unrestricted funds (in £'000)	Restricted funds (in £'000)	Endowment funds (in £'000)	2022 Total funds (in £'000)
– Trading costs	8	8,811	155	-	8,966
– Investment management costs		214	-	84	298
		17,119	2,102	84	19,305
Expenditure on charitable activities					
– <i>Charitable Activities</i>	5a	44,582	19,542	-	64,124
Loss on Associate	9	-	2,045	-	2,045
Total expenditure		61,701	23,689	84	85,474
Net income before gains and losses on investments		24,455	20,857	916	46,228
(Losses) / Gains on investment assets		(308)	195	236	123
Loss on revaluation of fixed assets for the charity's own use		-	(3,517)	-	(3,517)
Net income	4	24,147	17,535	1,152	42,834
Transfers between funds	17	(12,424)	12,424	-	-
Net income before other recognised gains and losses		11,723	29,959	1,152	42,834
Loss on revaluation of fixed assets for the charity's own use		-	8,936	-	8,936
Net movement in funds		11,723	38,895	1,152	51,770
Fund balances brought forward at 1 April		34,596	662,886	7,858	705,340
Fund balances carried forward at 31 March	17	46,319	701,781	9,010	757,110

The notes on pages 75 to 116 form part of these financial statements.

Consolidated and Museum Balance Sheets

	Notes	Group 2023 (in £'000)	Museum 2023 (in £'000)	Group 2022 (in £'000)	Museum 2022 (in £'000)
Fixed assets					
Tangible assets	6a	593,247	593,247	541,354	541,354
Intangible assets	6b	3,028	1,739	2,280	2,078
Heritage assets	6c	152,905	152,905	149,338	149,338
Investments	7,8	71,608	71,811	55,455	55,658
Investment in Associate	9	19,252	-	19,721	-
		840,040	819,702	768,148	748,428
Current assets					
Stock and Work in Progress	10	3,078	1,418	3,635	1,953
Debtors due within one year	11	20,482	23,331	19,392	19,982
Short Term Investments	7	5,092	5,092	5,026	5,026
Cash		23,368	17,330	31,137	26,343
		52,020	47,171	59,190	53,304
Current liabilities					
Creditors due within one year	12	(24,134)	(21,219)	(20,656)	(17,780)
Provisions due within one year	15	(904)	(842)	(868)	(821)
Net current assets		26,982	25,110	37,666	34,703
Total assets less current liabilities		867,022	844,812	805,814	783,131
Creditors due after one year	12	(48,869)	(48,869)	(48,704)	(48,704)
Net assets		818,153	795,943	757,110	734,427
Represented by					
Designated funds		48,706	48,706	41,319	41,319
General funds		5,000	2,042	5,000	2,038
Total Unrestricted funds	17	53,706	50,748	46,319	43,357
Restricted funds	17	485,151	485,151	472,203	472,203
Revaluation Reserve	17	251,613	251,613	209,857	209,857
Investment in Associate	17	19,252	-	19,721	-
Total Restricted funds		756,016	736,764	701,781	682,060
Total Income funds		809,722	787,512	748,100	725,417
Endowment funds	17	8,431	8,431	9,010	9,010
Total funds		818,153	795,943	757,110	734,427

The financial statements on pages 70 to 119 were approved by the Director and the Chairman.



Dr Tristram Hunt
Director and Accounting Officer
12 July 2023



Sir Nicholas Coleridge CBE
Chairman of Trustees
12 July 2023

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 75 to 116 form part of these financial statements.

Consolidated Cash Flow Statement

	Notes	2023 (in £'000)	2022 (in £'000)
Net cash inflow from operating activities	a	41,889	45,148
Cash flows from investing activities			
Returns on investments		181	7
Loss from associate		469	2,045
Purchase of property, plant and equipment (inc. heritage and lease assets)		(29,230)	(28,088)
Purchase of investments	7	(18,754)	(35,300)
Proceeds from the sale of investments	7	308	5,271
Change in value of Short Term Investments	7	104	-
Net cash used in investing activities		(46,922)	(56,065)
Cash flows from financing activities			
Payment of interest		(2,670)	(2,670)
Net cash used in financing activities		(2,670)	(2,670)
Decrease in cash and cash equivalents		(7,703)	(13,587)
Cash and cash equivalents at the beginning of the year		36,163	49,750
Change in cash and cash equivalents		(7,703)	(13,587)
Cash and cash equivalents at the end of the year		28,460	36,163
a) Reconciliation of net income to net cash inflow from operating activities			
Net income		19,287	42,834
Investment income		(181)	(7)
Donated assets		(2,421)	(10,348)
Depreciation and revaluation loss charged to operations		14,737	18,286
Amortisation		360	338
Finance lease interest charge		3,209	3,209
Loss / (Gain) on investments		2,189	(123)
Decrease / (Increase) in stocks		557	(672)
Increase in debtors		(1,090)	(5,654)
Increase / (Decrease) in creditors due within one year		5,579	(2,262)
Increase / (Decrease) in provisions due within one year		36	(533)
(Decrease) / Increase in creditors due after one year		(373)	80
Net cash inflow from operating activities		41,889	45,148

Consolidated Cash Flow Statement (cont'd)**b) Analysis of net funds and statement of net debt**

	At 1 April 2022	Cash flow	Non-cash changes	At 31 March 2023
	£'000	£'000	£'000	£'000
Cash at bank and in hand	31,137	(7,769)	-	23,368
Short Term Investments	5,026	(38)	104	5,092
	36,163	(7,807)	104	28,460
Finance lease obligations	49,520	(2,670)	3,209	50,059
Net funds	(13,357)	(5,137)	(3,105)	(21,599)

All cash at bank is held in commercial bank accounts and no overdraft facility is in place.

The notes on pages 75 to 116 form part of these financial statements.

Notes to the Consolidated Financial Statements

1) Accounting policies

a) Basis of Accounting

The financial statements of the museum, which is a public benefit entity under Financial Reporting Standard 102 (FRS102), 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” (SORP), Government Financial Reporting Manual, applicable accounting standards (FRS102) and the Accounts Direction issued by the Department for Digital, Culture, Media & Sport in 2019 with the consent of Treasury in accordance with the Museums and Galleries Act 1992.

The museum is a charity within the meaning of Para 1, Sch 6 of the 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 (registered no. 01955898), and V&A Ltd (registered no. 02815248), 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 V&A Museum Events Ltd). The Gilbert Trust for the Arts is accounted for as an associate of the museum and has been consolidated using the equity method in accordance with FRS102. The V&A Foundation and Design Dundee 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 and Bethnal Green 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 the relevant 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, along with certain resource funds received for specific 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.

Pecuniary legacies are recognised once probate has been granted and notification of entitlement has been received. Residuary legacies are recognised when probate is granted and there is sufficient information to value them and any conditions attached to the legacy are either within the control of the charity have been met. An allowance is made against the amounts receivable to reflect the uncertainty inherent in estate administration.

Grants and other income that is awarded subject to specific performance conditions, including research 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 goods or services are supplied. Ticket sales for exhibitions are recognised in the statement of financial activities on the date when the ticket gives entry to the respective exhibitions. Sponsorship income is recognised on a straight-line basis over the duration of the sponsorship arrangement.

Membership income is recognised in the period it is received. All other income is accounted for on a receivable basis.

d) Expenditure

Termination benefits are recognised as a liability and an expense only when there is a demonstrable commitment either:

- a) to terminate the employment of an employee or group of employees before their normal retirement date; or
- b) to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

All other liabilities are recognised as they fall due.

e) Heritage assets

Additions to the collection are capitalised and recognised on 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. 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 or Director 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 14% 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 as 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 was carried out by Gerald Eve (Chartered Surveyors) on Land and Buildings on 31 March 2023. A desktop revaluation is carried out every year between full revaluations.

g) Intangible assets

Intangible assets with an economic life of more than one year and value greater than £2,000 are capitalised. All intangible assets are measured at cost. Costs relating to assets developed internally are capitalised in accordance with the requirements of FRS102.

Intangible assets are stated at cost less amortisation.

h) 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 Statement of Financial Activities.

Investments that are intended to produce a return, but are available to be spent within a 12 month period are treated as Short Term 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.

For unquoted investments, reported valuations reflect their fair value which are generally compiled using US GAAP principles. Typically, this will involve valuing unquoted investments based on the price of comparable quoted investments or other observable market data, or discounting projected cash flows back to present value.

Simple forward currency contracts are used within the investment portfolios to minimise the effect of currency fluctuations. These are classified as Held for Trading and are accounted for in accordance with IAS39 as permitted by FRS102, and are valued according to market prices for matching contracts at the balance sheet date.

i) Financial Instruments

Financial Instruments play a limited role in the museum and the museums' investments are largely funded by donations.

Trade debts are held at carrying value and are provided for as doubtful debts once they are deemed to be unrecoverable.

j) Stock and Work in Progress

Stock is valued at the lower of cost and net realisable value. Stock comprises goods for resale and the cost of exhibitions not yet opened. Exhibition costs are recognised over the duration of the exhibition's run at the V&A.

k) Pension cost

Past and present employees of the museum are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) which are described at note 5c. 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.

l) Operating leases

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

m) 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.

n) Finance lease

In 2019–20 the V&A entered into a 100-year lease on commercial terms for the new V&A East Storehouse. Given the lease term is for the major part of the economic life of the asset, this lease has been classified as a finance lease. The lease terms provide for a rent review at 50 years. Valuations have been prepared on the basis that the V&A cannot be reasonably certain that the lease will be extended beyond this period. In

line with FRS102, the lease was recognised at the lower of the amounts equal to the fair value of the leased asset on inception, and the present value of the minimum lease payments. In the absence of an interest rate implicit in the lease, and any external borrowings, the HM Treasury rate would be applied to calculate the present value of the minimum lease payments.

o) Key judgements

Inclusion of associates

The V&A is entitled to appoint four trustees to the Board of the Gilbert Trust for the Arts, representing more than 20% of the trustees. In accordance with the Charity SORP the V&A is presumed to have an interest in an associate and a portion of the Gilbert Trust for the Arts' net assets have therefore been included in the V&A's financial accounts. This has been calculated with reference to the proportion of trustees nominated by the V&A, as all trustees have equal voting rights.

While the V&A has the right to appoint trustees on the Board of the V&A Foundation and Design Dundee Ltd, the V&A trustees represent less than 20% of the voting power of each Board. The V&A is not deemed to have significant influence over decision-making and does not control Design Dundee Limited.

The Accounts Direction issued by the Secretary of State for Culture, Media and Sport, with the approval of the Treasury for the 2022–23 financial year requires the exclusion of the Foundation from the consolidated accounts.

Valuation of V&A East Storehouse

While in the 2019–20 financial year the V&A East Storehouse was valued on an Existing Use Value basis with the special assumption of vacant possession, works carried out on that property during 2020–21 meant that this basis was no longer appropriate as at 31 March 2021, as the property was no longer suitable for anything other than a highly-specialised publicly accessible museum storage facility. As such, this property was subsequently valued according to its Depreciated Replacement Cost.

Valuation of other land and buildings

The V&A uses an external valuer to assess the capital value of the museum's interest in properties included in the financial statements. The properties are valued at fair value and the valuations are conducted in line with FRS102 and the charity SORP and with regard to the Accounting Direction issued reference to the Government Financial Reporting Manual (the FReM) in place at the time of the valuation, as required by the DCMS Accounting Direction

Valuation of investments

While the majority of investments held are quoted and their valuations are derived using observable prevailing market prices, there is a portion of the portfolio that is unquoted and whose valuations are derived from significant unobservable inputs. These investments are held through third party managers who will make judgements as to what valuation methodology to use.

Exhibition work-in-progress impairment

As noted above, exhibition costs are held within stock at the lower of cost and net realisable value prior to being recognised over the duration of the exhibition's run at the V&A. Each year an impairment review is carried out. As at 31 March 2023, the review showed that while these exhibitions were originally planned on the basis that they would generate a positive financial return, visitor number expectations had to be downgraded in light of lower than expected demand. This resulted in lower income projections, which no

longer supported the carrying value of the amounts held within stock, and therefore an impairment loss of £0.4m was recognised in the year.

p) Going concern

The accounts are prepared on the going concern basis as financial projections show the museum is able to meet its liabilities as they fall due for the foreseeable future. In reaching the conclusion on the ability of the museum to remain a going concern, the Trustees have carefully considered the financial impact of cost pressures and the impact on revenue of the drop in visitor numbers compared to pre-pandemic. Mitigating actions have been taken, and these alongside an assessment of the liquidity of assets held and the level of general funds, have given assurance to the Trustees that it is reasonable to assume the museum is able to continue to operate for the coming 12 months and beyond.

2a) Grant in Aid income

Grant in Aid of £67.452m was received from the Department for Culture, Media and Sport during the year (2021–22: £78.268m). This represents 61% (2021–22: 63%) of the total income for the museum and 56% (2021–22: 59%) of the income of the group, with the balance of funding coming from self-generated income. Included within the total Grant in Aid received is an amount restricted to capital works which for 2022–23 totalled £9.238m (2021–22: £20.080m).

2b) Donations, legacies and similar income

	Unrestricted funds	Restricted funds	Endowment funds	2023 Total	2022 Total
	£'000	£'000	£'000	£'000	£'000
Donations and Legacies	1,027	13,796	-	14,823	14,493
Corporate Members	665	-	-	665	541
Director's Circle	935	-	-	935	784
	2,627	13,796	-	16,423	15,818

Donations, legacies and similar income 2022

	Unrestricted funds	Restricted funds	Endowment funds	2022 Total
	£'000	£'000	£'000	£'000
Donations and Legacies	1,281	12,212	1,000	14,493
Corporate Members	541	-	-	541
Director's Circle	779	5	-	784
	2,601	12,217	1,000	15,818

2c) Statement of Income and Expenditure (museum only)

	Unrestricted funds (in £'000)	Restricted funds (in £'000)	Endowment funds (in £'000)	2023 Total (in £'000)	2022 Total (in £'000)
Income and receipt of endowments					
<i>Income from donations and legacies</i>					
– Grant in Aid	51,891	15,561	-	67,452	78,268
– Donations, legacies and similar income	2,627	13,796	-	16,423	15,818
– Donated objects	-	2,421	-	2,421	10,348
– Covenant of profits from subsidiaries	1,083	-	-	1,083	296
<i>Income from other trading activities</i>					
– Trading Income	4,313	-	-	4,313	3,214
– Sponsorship	1,347	-	-	1,347	999
Investment income	159	-	12	171	7
	61,420	31,778	12	93,210	108,950
<i>Income from charitable activities</i>					
Admissions & exhibition fees (inc loans & touring)	8,535	-	-	8,535	5,667
– Membership income	5,230	-	-	5,230	5,115
– Furlough income	-	-	-	-	85
– Other trading	500	-	-	500	439
	14,265	-	-	14,265	11,306
Other income	1,924	640	-	2,564	2,479
Total income	77,609	32,418	12	110,039	122,735

2c) Statement of Income and Expenditure (museum only) (cont'd)

	Unrestricted funds (in £'000)	Restricted funds (in £'000)	Endowment funds (in £'000)	2023 Total (in £'000)	2022 Total (in £'000)
Expenditure					
<i>Expenditure on raising funds</i>					
– Costs of generating voluntary income	9,498	1,834	-	11,332	10,041
– Investment management costs	277	-	69	346	298
	9,775	1,834	69	11,678	10,339
<i>Expenditure on charitable activities</i>					
– Charitable activities	55,789	20,622	-	76,411	64,122
Total expenditure	65,564	22,456	69	88,089	74,461
Net income/(expenditure) before gains and losses on investments	12,045	9,962	(57)	21,950	48,274
(Losses)/Gains on investment assets	(1,884)	216	(522)	(2,190)	123
Loss on revaluation of fixed assets	-	-	-	-	(3,517)
Net income	10,161	10,178	(579)	19,760	44,880
Transfers between funds	(2,771)	2,771	-	-	-
Net income before other recognised gains and losses	7,390	12,949	(579)	19,760	44,880
Gain/(loss) on revaluation of fixed assets	-	41,756	-	41,756	8,936
Net movement in funds	7,390	54,705	(579)	61,516	53,816
Fund balances brought forward at 1 April	43,357	682,060	9,010	734,427	680,613
Fund balances carried forward at 31 March	50,747	736,765	8,431	795,943	734,427

2c) Statement of Income and Expenditure (museum only) 2022

	Unrestricted funds (in £'000)	Restricted funds (in £'000)	Endowment funds (in £'000)	2022 Total (in £'000)
Income and receipt of endowments				
<i>Income from donations and legacies</i>				
– Grant in Aid	58,188	20,080	-	78,268
– Donations, legacies and similar income	2,601	12,217	1,000	15,818
– Donated objects	-	10,348	-	10,348
– Covenant of profits from subsidiaries	296	-	-	296
<i>Income from other trading activities</i>				
– Trading Income	3214	-	-	3,214
– Sponsorship	949	50	-	999
Investment income	7	-	-	7
	65,255	42,695	1,000	108,950
<i>Income from charitable activities</i>				
Admissions & exhibition fees (inc loans & touring)	5,617	50	-	5,667
– Membership income	5,115	-	-	5,115
– Furlough Income	-	85	-	85
– Other Trading	439	-	-	439
	11,171	135	-	11,306
Other income	919	1,560	-	2,479
Total income	77,345	44,390	1,000	122,735

2c) Statement of Income and Expenditure (museum only) 2022 (cont'd)

	Unrestricted funds (in £'000)	Restricted funds (in £'000)	Endowment funds (in £'000)	2022 Total (in £'000)
Expenditure				
<i>Expenditure on raising funds</i>				
– Costs of generating voluntary income	8,094	1,947	-	10,041
– Investment management costs	214	-	84	298
	8,308	1,947	84	10,339
<i>Expenditure on charitable activities</i>				
– Charitable Activities	44,583	19,539	-	64,122
Total expenditure	52,891	21,486	84	74,461
Net income / (expenditure) before gains and losses on investments	24,454	22,904	916	48,274
Gains on investment assets	(308)	195	236	123
Loss on revaluation of fixed assets for the charity's own use	-	(3,517)	-	(3,517)
Net income	24,146	19,582	1,152	44,880
Transfers between funds	(12,424)	12,424	-	-
Net income before other recognised gains and losses	11,722	32,006	1,152	44,880
Loss on revaluation of fixed assets	-	8,936	-	8,936
Net movement in funds	11,722	40,942	1,152	53,816
Fund balances brought forward at 1 April	31,635	641,120	7,858	680,613
Fund balances carried forward at 31 March	43,357	682,062	9,010	734,429

3) Investment income

	Unrestricted funds (in £000)	Restricted funds (in £000)	Endowment funds (in £000)	2023 Total (in £000)	2022 Total (in £000)
Interest Receivable	169	-	-	169	7
UK equities and investment funds	-	-	12	12	-
	169	-	12	181	7

All investment income in 2022 was unrestricted.

4) Net income is stated after charging

	Group 2023 (in £'000)	Museum 2023 (in £'000)	Group 2022 (in £'000)	Museum 2022 (in £'000)
External Auditors' remuneration	102	74	91	68
Finance lease payments				
- Land and Buildings	2,251	2,251	2,251	2,251
Operating lease payments				
- Land and Buildings	281	103	281	103
- Other	24	15	15	15

There were no non-audit services provided by the Comptroller and Auditor General during 2022–23 (2021–22: nil).

5a) Total expenditure

	Direct Costs (in £'000)	Grants Made To Other Charities (in £'000)	Allocated Support Costs (in £'000)	Depreciation, revaluation loss & loss on disposal (in £'000)	2023 Total (in £'000)	2022 Total (in £'000)
<i>Expenditure on raising funds</i>						
Costs of generating voluntary income	6,267	-	3,408	1,657	11,332	10,041
Trading costs	11,460	-	-	-	11,460	8,966
Investment management costs	346	-	-	-	346	298
	18,073	-	3,408	1,657	23,138	19,305
<i>Charitable Activities</i>						
Collections & Learning	29,939	1,089	22,623	11,624	65,275	55,003
Exhibitions	8,018	-	2,082	1,036	11,136	9,121
	37,957	1,089	24,705	12,660	76,411	64,124
Loss on associate	469	-	-	-	469	2,045
Total expenditure	56,499	1,089	28,113	14,317	100,018	85,474

Grants totalling £1.035m (2021–22: £0.755m) were paid out via the Purchase Grant Fund.

	2023 (in £'000)	2022 (in £'000)
Governance Costs (Direct)		
External Audit Fees (museum only)	74	68
Internal Audit Fees	46	52
Legal costs	7	6
Staff costs	143	139
	270	265

Support costs included in the above expenditure have been allocated across the activities above on the basis of staff numbers as follows:

	Information services & support (in £'000)	Projects & Estate (in £'000)	Finance & Administration (in £'000)	Human Resources (in £'000)	Other Central Costs (in £'000)	Young V&A – Administration (in £'000)	Governance (in £'000)	Total (in £'000)
<i>Expenditure on raising funds</i>								
Costs of generating voluntary income	691	1,916	200	210	263	95	33	3,408
<i>Charitable Activities</i>								
Collections & Learning	4,587	12,724	1,327	1,397	1,742	628	217	22,623
Exhibitions	422	1,171	122	129	160	58	20	2,082
	5,700	15,811	1,649	1,736	2,615	781	270	28,113

Total expenditure 2022

	Direct Costs (in £'000)	Grants Made To Other Charities (in £'000)	Allocated Support Costs (in £'000)	Depreciation, revaluation loss & loss on disposal (in £'000)	2022 Total (in £'000)
<i>Expenditure on raising funds</i>					
Costs of generating voluntary income	5,438	-	2,903	1,700	10,041
Trading costs	8,966	-	-	-	8,966
Investment management costs	298	-	-	-	298
	14,702	-	2,903	1,700	19,305
<i>Charitable Activities</i>					
Collections & Learning	24,675	942	18,066	11,320	55,003
Exhibitions	6,476	-	1,668	977	9,121
	31,151	942	19,734	12,297	64,124
Loss on associate	2,045	-	-	-	2,045
Total expenditure	47,898	942	22,637	13,997	85,474

Support costs included in the above expenditure have been allocated across the activities above on the basis of staff numbers as follows:

	Information services & support (in £'000)	Projects & Estate (in £'000)	Finance & Administration (in £'000)	Human Resources (in £'000)	Other Central Costs (in £'000)	Young V&A – Administration (in £'000)	Governance (in £'000)	Total (in £'000)
<i>Expenditure on raising funds</i>								
Costs of generating voluntary income	604	1,731	201	168	95	69	34	2,902
<i>Charitable Activities</i>								
Collections & Learning	3,760	10,771	1,254	1,046	594	432	210	18,067
Exhibitions	347	994	116	97	55	40	19	1,668
	4,711	13,496	1,571	1,311	744	541	263	22,637

5b) Wages and salaries	2023 (in £'000)	2022 (in £'000)
Wages and salaries	32,617	27,809
Social security costs	3,395	2,792
Pension costs	3,489	3,426
Agency and temporary staff	251	281
	39,752	34,308
Early retirement and redundancy costs	154	(233)
	39,906	34,075

During the year restricted funding for staff costs was received totalling £2.184m (2021–22: £2.006m).

V&A Enterprises Ltd's staff costs were £27.986m (2021–22: £20.998m), of which £4.609m (2021–22: £3.187m) was for trading activities and £23.377m (2021–22: £17.811m) was for services provided to the V&A.

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:

	2023	2022
£60,001–£70,000	28	15
£70,001–£80,000	14	14
£80,001–£90,000	9	8
£90,001–£100,000	5	3
£100,001–£110,000	6	3
£110,001–£120,000	3	4
£120,001–£130,000	5	1
£130,001–£140,000	1	-
£140,001–£150,000	-	1
£150,001–£160,000	1	-
£160,001–£170,000	-	-
£170,001–£180,000	1	-
£180,001–£190,000	-	-
£190,001–£200,000	-	-
£200,001–£210,000	1	-
	74	49

Of the employees listed above, 33 (2021–22: 16) are members of the Principal Civil Service Pension Scheme, and the total pension contributions payable in the year for these employees was £659,018 (2021–22: £401,217). Another 41 (2021–22: 33) 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 £226,942 (2020–21: £154,263).

5c) Pension disclosure

The V&A has employees in one of three pension schemes.

1. The Civil Service Pension Scheme (CSPS) is an unfunded multi-employer defined benefit scheme. The V&A is unable to identify its share of the underlying assets and liabilities. The scheme actuary provided a statement in the Civil Superannuation Account 2022–23, with assessment of the Scheme liability in respect of the Civil Service Pension Scheme (CSPS) as at 31 March 2023, and the movement in the Scheme liability over the year 2022–23. The assessment has been carried out by calculating the liability as at 31 March 2016 based on the data provided as at 31 March 2016 and rolling forward that liability to 31 March 2023. The contributions due from employers and employees to fund future service liabilities are set by the Actuary at the four-yearly Scheme valuation. The last valuation was as at 31 March 2016 and contributions were adjusted to take account of the move to alpha.

For 2022–23, employer's contributions of £2.126m were payable to the CSPS (2021–22: £2.411m) at one of four rates in the range 26.6% to 30.3% 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 2022–23 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: Three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and five months from their normal pension age on 1 April 2012 switched into alpha sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to alpha have their PCSPS benefits “banked”, with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha, the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% for members of closed schemes, classic, premium, classic plus, nuvos and the existing scheme alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. A lump sum equivalent to three years initial pension is also 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 hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. 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.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

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, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCS or alpha – as appropriate. Where the official has benefits in both the PCS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

2. 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 any workers on zero-hours contracts. Those workers who earn more than £833 per month (£10,000 pa) will be automatically enrolled into NEST but can then opt out if they wish. Workers can also choose to opt in at any point, as long as they are aged at least 22 and earning less than £10,000 pa. Employer contributions (3%) paid during the 2022–23 year were £4,488 (2021–22: £3,530).

3. The museum's trading company, V&A Enterprises Ltd, operates a defined contribution pension scheme and from 1 January 2016 following the introduction of new terms and conditions, new starters are employed by V&A Enterprises Ltd and have been auto enrolled into a Group Personal Pension Scheme, which is managed by Aviva.

The assets of the scheme are held separately from those of the company in an independently administered fund with Aviva. Employer total contributions paid during the 2022–23 year were £1.111m (2021–22: £0.989m).

On joining, employees contribute 5% of gross salary (4% of net pay) and the museum also contributes the sum of 3%. Contributions are deducted from net pay and are paid directly to Aviva.

On completion of six months' service and successfully concluding their Probation, employees may then choose to enhance their personal contributions to the pension scheme. The museum will contribute the sum of 10% of basic annual salary, provided that the employee also contributes at least 5.5% of gross salary (4.4% of net pay).

Employees can elect to contribute more than the 5.5% of gross salary; however, the V&A's contribution will remain fixed at 10%.

5d) Trustees

The Trustees neither received nor waived any emoluments during the year (2022: nil).

No Trustees were reimbursed for expenses during the year (2022: nil).

5e) Average number of employees

(Based on full-time equivalents)

	2023	2022
Generating voluntary income	104	91
Trading	162	112
Collections & Learning	713	566
Exhibitions	63	52
	1,042	821

6a) Tangible fixed assets

Group	Land & Buildings (in £'000)	Furniture & fittings (in £'000)	Equipment (in £'000)	Assets in course of construction (in £'000)	Total (in £'000)
Cost or valuation					
At 1 April 2022	540,332	6,410	15,918	13,078	575,738
Transfers	11,403	-	-	(11,403)	-
Additions	420	222	526	23,705	24,873
Disposals	-	(386)	(1,082)	-	(1,468)
Revaluation	30,190	-	-	-	30,190
At 31 March 2023	582,345	6,246	15,362	25,380	629,333
Depreciation					
At 1 April 2022	15,455	5,647	13,282	-	34,384
Charged for the year	13,269	253	1,214	-	14,736
Disposals	-	(386)	(1,082)	-	(1,468)
Revaluation	(11,566)	-	-	-	(11,566)
At 31 March 2023	17,158	5,514	13,414	-	36,086
Net book value					
At 31 March 2023	565,187	732	1,948	25,382	593,247
At 31 March 2022	524,877	763	2,636	13,078	541,354

As at 31 March 2023, all assets included within the above net book value are used by the V&A for direct charitable activities.

We do not hold sufficient data to show the historical cost of the V&A's land and buildings.

6a) Tangible fixed assets (cont'd)

Museum	Land & Buildings (in £'000)	Furniture & fittings (in £'000)	Equipment (in £'000)	Assets in course of construction (in £'000)	Total (in £'000)
Cost or valuation					
At 1 April 2022	540,332	6,214	15,569	13,078	575,193
Transfers	11,403	-	-	(11,403)	-
Additions	420	222	526	23,705	24,873
Disposals	-	(386)	(1,033)	-	(1,419)
Revaluation	30,190	-	-	-	30,190
At 31 March 2023	582,345	6,050	15,062	25,382	628,837
Depreciation					
At 1 April 2022	15,455	5,451	12,933	-	33,839
Charged for the year	13,269	253	1,214	-	14,736
Disposals	-	(386)	(1,033)	-	(1,419)
Revaluation	(11,566)	-	-	-	(11,566)
At 31 March 2023	17,158	5,318	13,114	-	35,590
Net book value					
At 31 March 2023	565,187	732	1,948	25,382	593,247
At 31 March 2022	524,877	763	2,636	13,078	541,354

Land & Buildings

On 31 March 2023, a full 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 FRS102. The net book value of land & buildings of £574.9m (2022: £524.8m) includes the site at South Kensington valued at £473.0m (2022: £444.0m), the site at Bethnal Green at £25.8m (2022: £13.2m) and the V&A East Storehouse, treated as a finance lease, valued at £76.0m (2022: £67.6m) (see note 14). 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 and this is used for non-specialised properties. However, the museums at South Kensington and 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.

The V&A East Storehouse is a highly specialised publicly accessible museum storage facility. As such, this property has been valued according to its Depreciated Replacement Cost since 31 March 2021. As stages of the building works become substantially complete, relevant capital expenditure included within Assets in the course of construction has been transferred to Land & Buildings and revalued on this basis.

The South Kensington and Bethnal Green land and buildings are freehold.

6b) Intangible Assets

Group	Intangible assets (in £'000)	Assets in course of construction (in £'000)	Total (in £'000)
Cost or valuation			
At 1 April 2022	3,356	269	3,625
Transfers	88	(88)	-
Additions	-	1,108	1,108
Disposals	-	-	-
At 31 March 2023	3,444	1,289	4,733
Amortisation			
At 1 April 2022	1,345	-	1,345
Charged for the year	360	-	360
Disposals	-	-	-
At 31 March 2023	1,705	-	1,705
Net book value			
At 31 March 2023	1,739	1,289	3,028
At 31 March 2022	2,011	269	2,280

6b) Intangible Assets (cont'd)

Museum	Intangible assets (in £'000)	Assets in course of construction (in £'000)	Total (in £'000)
Cost or valuation			
At 1 April 2022	3,356	67	3,423
Transfers	88	(88)	-
Additions	-	21	21
Disposals	-	-	-
At 31 March 2023	3,444	-	3,444
Amortisation			
At 1 April 2022	1,345	-	1,345
Charged for the year	360	-	360
Disposals	-	-	-
At 31 March 2023	1,705	-	1,705
Net book value			
At 31 March 2023	1,739	-	1,739
At 31 March 2022	2,011	67	2,078

6c) Heritage Assets

Additions of £3.6m (2021–22: £11.2m) were made to the Collection. The additions comprise the following elements:

	2023 (in £'000)	2022 (in £'000)	2021 (in £'000)	2020 (in £'000)	2019 (in £'000)
Opening balance brought forward					
Donated objects (shown at valuation)	102,139	91,791	90,668	73,584	61,993
Acquisitions (shown at cost)	47,199	46,306	45,983	44,310	42,122
	149,338	138,097	136,651	117,894	104,115
Donations of objects by gift or bequest*	2,391	3,026	978	13,026	5,991
Donations of objects under the acceptance in lieu scheme	30	7,322	145	4,058	5,600
	2,421	10,348	1,123	17,084	11,591
Acquisitions	1,146	893	323	1,673	2,188
Total Additions	3,567	11,241	1,446	18,757	13,779
Closing balance carried forward					
Donated objects (shown at valuation)	104,560	102,139	91,791	90,668	73,584
Acquisitions (shown at cost)	48,345	47,199	46,306	45,983	44,310
	152,905	149,338	138,097	136,651	117,894

*Donations are shown net of disposals. In 2022–23, disposals of £13,730 were made, with the items disposed of ranging in value from £1–£10,000. In 2021–22, disposals of £1,850 were made, with the items disposed of ranging in value from £5–£400.

Further information on the museum's heritage assets

The V&A holds 1,691,513 museum objects and works of art in its collections, alongside 1,130,157 library items and 1,173 archival collections. Of these approximately 14% have been included in the balance sheet of the museum.

At 31 March 2023, 61,646 items were on display at South Kensington or the V&A Wedgwood Collection, 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.

Art, Architecture, Photography and Design Collections – 1,162,394 objects

The Department of Art, Architecture, Photography and Design (AAPD) cares for and develops the museum's collections of prints, drawings, paintings, designs, architectural drawings and models, photographs, digital art, digital design and product design (a responsibility shared with PFTF).

The Department makes these collections publicly accessible online and through the Prints and Drawings Study Room in order to share knowledge, facilitate research, and encourage inspiration.

Asian Collections – 143,557 objects and one archival collection

The Asian Department has a collection of about 150,000 objects, spanning the wealth and diversity of artistic creation across the continent from 3500BC to the present day, in a vast range of materials and techniques, including paintings, prints, sculptures, carvings, jewellery, metalwork, arms and armour, ceramics, glass, furniture, lacquer, plastics, and dress, textiles and carpets. It holds collections from East Asia, South and Southeast Asia, and the Middle East.

Performance, Furniture, Textiles & Fashion Collections – 170,489 objects

The Performance, Furniture, Textiles and Fashion department holds collections documenting the history of all areas of performing arts in the UK, western furniture from the medieval period to the modern day, textiles from all areas except Asia, and fashion from 1600 to the present day.

Decorative Art and Sculpture Collections – 178,507 objects and 11 archival collections

This department holds the collections of Ceramics and Glass, Metalwork and Sculpture. It also includes approximately 65,000 objects which form part of the Wedgwood Museum Collection and were gifted to the V&A during 2014–15 by Art Fund and are on long-term loan to the V&A Wedgwood Collection in Barlaston along with the Wedgwood archives.

Young V&A Collections – 36,566 objects

The museum holds the UK's national collection of childhood, which represents the material culture of childhood from 1600 to the present day, including representations of children.

Research, National Art Library and Archives Collections – 1,161 archival collections and 1,130,157 library items

The archival collections contain the archives of more than 1,000 individuals and organisations relating to art, design, performance, toy manufacturers, childhood, and the history of the museum.

Library items include the National Art Library, departmental libraries, Royal Photographic Society library and the Asian special collections. It holds the UK's most comprehensive public reference collection of literature on the fine and decorative arts, including books, journals, exhibition catalogues, auction house sales catalogues, comics, e-resources and much more.

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 reports to the Director of Collections. The museum maintains a Collections Management System for the documentation of collection objects and archives and a library system for bibliographic items, which are 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, and are available online in the form of the Collections Information and Access Policy and Collections Care and Conservation Policy. These policies were last reviewed and approved by the Trustees Collections Committee in June 2019. 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 National Archives' standard for record repositories, 2004.

The V&A is fully accredited as a museum by Arts Council England and, as of November 2016, has gained accreditation as an Archival Service. The museum's Acquisition and Disposal Policy and Collections Development Policy are available on the V&A website (www.vam.ac.uk). The museum's Collections Policies were reviewed and approved by the Trustees Collections Committee in June 2019. 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

	Group Short-Term Investments (in £'000)	Museum Short- Term Investments (in £'000)	Group Fixed Asset Investments (in £'000)	Museum Fixed Asset Investments (in £'000)
Market value at 1 April 2022	5,026	5,026	55,455	55,658
Additions to portfolio	-	-	18,754	18,754
Withdrawals from portfolio	(38)	(38)	(308)	(308)
Net gain / (loss) on revaluation	104	104	(2,293)	(2,293)
Market value at 31 March 2023	5,092	5,092	71,608	71,811
of which				
Historical cost at 31 March 2023	5,092	5,092	72,986	73,189
Unrealised investment loss at 31 March 2023	-	-	(1,378)	(1,378)
Analysis of loss by asset class				
Loss on assets Available for Sale	-	-	(1,378)	(1,378)
Gain on assets Held for Trading	-	-	-	-
	-	-	(1,378)	(1,378)
Investment assets in the UK at 31 March 2023				
Credit funds	-	-	117	117
Multi-asset funds	-	-	961	961
Equities	-	-	2,090	2,090
Unlisted Equities (trading subsidiary)	-	-	-	203
Cash at brokers	5,092	5,092	21,367	21,367
Investment assets outside the UK at 31 March 2023				
Multi-asset funds	-	-	21,473	21,473
Equities	-	-	6,202	6,202
Property funds	-	-	11	11
Currency Hedges	-	-	47	47
Cash at brokers	-	-	213	213
Cash in transit	-	-	19,127	19,127
	5,092	5,092	71,608	71,811

7) Investments (*cont'd*)

Investments 2022

	Group Short-Term Investments (in £'000)	Museum Short- Term Investments (in £'000)	Group Fixed Asset Investments (in £'000)	Museum Fixed Asset Investments (in £'000)
Group Investments 2022				
Market value at 1 April 2021	8,552	8,552	25,303	25,505
Additions to portfolio	5,000	5,000	30,300	30,301
Withdrawals from portfolio	(8,526)	(8,526)	(271)	(271)
Net gain on revaluation	-	-	123	123
Market value at 31 March 2022	5,026	5,026	55,455	55,658
Historical cost at 31 March 2022	5,026	5,026	51,748	51,951
Unrealised investment gain at 31 March 2022	-	-	3,707	3,707
Analysis of gain / loss by asset class				
Gain on assets Available for Sale	-	-	3,753	3,753
Loss on assets Held for Trading	-	-	(46)	(46)
	-	-	3,707	3,707
Investment assets in the UK at 31 March 2022				
Multi-asset funds	-	-	973	973
Equities	-	-	1,576	1,576
Unlisted Equities (trading subsidiary)	-	-	-	203
Cash at brokers	5,026	5,026	2,857	2,857
Investment assets outside the UK at 31 March 2022				
Multi-asset funds	-	-	42,793	42,793
Equities	-	-	7,289	7,289
Property funds	-	-	13	13
Currency Hedges	-	-	(46)	(46)
	5,026	5,026	55,455	55,658

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 (61% of Museum income) 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.

Market Risk

The Multi Asset Investment Funds include investments in equities and so are exposed to market risk; however, the diversified nature of these funds has resulted in better performance than if investments were solely held in equities.

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.

The V&A Museum Permanent Endowment and V&A Museum Reserves portfolio deploy currency hedges to target an allocation range of 65%–85% to pounds sterling. The hedges are reviewed and adjusted at least quarterly.

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.

8) Trading subsidiaries

The museum owns the whole of the issued share capital of V&A Enterprises Ltd (VAE), 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 licences 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 delivers corporate venue hire and commercial and educational services within the museum.

During the year ending 31 March 2023, the V&A continued to reimburse VAE for the salaries of staff members employed on its behalf (shown within Recharged staff costs income and Recharged staff costs expense below), irrespective of whether the staff members were furloughed. The cost of paying the salaries of staff, whether employed directly by the V&A or on its behalf by VAE, continue to be categorised within costs of generating voluntary income or charitable activities both in the consolidated and museum-only Statements of Income and Expenditure, whether or not staff were furloughed during the year. This ensures comparability of costs across years, and reflects the underlying purpose for which these staff were employed, even while they were unable to work. Income received by VAE under the Coronavirus Job Retention Scheme was retained by VAE in full. The Trustees believe that this arrangement was in the charity's best interests.

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 and V&A Museum Events Limited; during the year V&A Ltd undertook consultancy work. No activity was undertaken during the year by V&A Museum Events Limited.

Profit and loss account

Profit and loss account	V&A Enterprises Ltd		V&A Ltd	
	2023 (in £'000)	2022 (in £'000)	2023 (in £'000)	2022 (in £'000)
Turnover	16,842	12,100	-	221
Cost of sales	(8,406)	(6,162)	-	(6)
Gross Profit	8,436	5,938	-	215
Administrative expenses	(7,350)	(5,950)	(4)	(62)
Trading profit / (loss)	1,086	(12)	(4)	153
Furlough income	-	155	-	-
Recharged staff costs: income	23,377	17,811	-	-
Recharged staff costs: expense	(23,377)	(17,811)	-	-
Interest receivable and similar income	10	-	-	-
Profit on Ordinary Activities before Taxation & Distributions	1,096	143	(4)	153
Tax on profit	(13)	-	-	-
Profit/(loss) after tax	1,083	143	(4)	153

8) Trading subsidiaries (cont'd)Balance Sheet

Balance sheet	V&A Enterprises Ltd		V&A Ltd	
	2023 (in £'000)	2022 (in £'000)	2023 (in £'000)	2022 (in £'000)
Tangible fixed assets	-	-	-	-
Intangible fixed assets in development	1,289	202	-	-
Current assets	9,643	7,998	48	203
Creditors due within one year	(7,767)	(5,035)	(52)	(203)
Net assets/(liabilities)	3,165	3,165	(4)	-
Share capital and reserves	202	202	-	-
Profit and loss account	2,963	2,963	(4)	-
Shareholders' Funds	3,165	3,165	(4)	-

Reconciliation of results of trading company to the consolidated Statement of Financial Activities (SoFA):

	V&A Enterprises Ltd		V&A Ltd	
	2023 (in £'000)	2022 (in £'000)	2023 (in £'000)	2022 (in £'000)
Turnover	16,842	12,100	-	221
Intercompany transactions	-	-	-	-
Trading income included within SoFA	16,842	12,100	-	221
Cost of sales	8,406	6,161	-	6
Administrative expenses	7,350	5,951	4	62
Interest payable	-	-	-	-
Taxation	13	-	-	-
Intercompany transactions	(4,313)	(3,214)	-	-
Trading costs included within SoFA	11,456	8,898	4	68
Interest receivable and similar income	10	-	-	-
Intercompany transactions	-	-	-	-
Included in Investment Income per SoFA	10	-	-	-

9) Associates

Since 2008, the museum has been entitled to appoint four trustees to the board of the Gilbert Trust for the Arts, a separate charity that owns a collection of silver, gold, micromosaics and gold boxes, on long-term loan to the V&A. The Gilbert Trust also owns an endowment, the returns of which are used to fund the display and upkeep of the collection by the V&A, and associated research and outreach activities.

In accordance with the requirements of FRS102 and the SORP, the V&A is required to account for the Gilbert Trust as an associate using the equity method. An investment asset is recognised at a value based on the V&A's hypothetical share of the net assets of the Gilbert Trust, calculated with reference to the proportion of trustees nominated by the V&A. At 31 March 2023, this was £19.3m (2021–22: £19.7m) representing 36% (2021–22: 36%) of the net assets of the Gilbert Trust. The V&A's hypothetical share of the results of the Gilbert Trust are shown in the table below. The actual value of the V&A's incoming resources from the Gilbert Trust are shown within note 21. The Gilbert Trust saw a small net reduction in its funds in the year. The change in the proportion attributed to the V&A is included within expenditure in the consolidated Statement of Financial Activities.

At 30 March 2023 the V&A made a loan to the Gilbert Trust of £2.9m in March 2023 to invest in order to mitigate the loss of market exposure while the Gilbert Trust's investments were being transferred between investment managers. This loan was outstanding at the year end but was subsequently repaid. The loan was made on an arm's length basis using commercial terms.

Proportion of Associate's Results Attributed to the V&A	2023 (in £'000)	2022 (in £'000)
Investment income	-	-
Total income	-	-
Expenditure on raising funds	(27)	(44)
Expenditure on charitable activities	(92)	(110)
Total expenditure	(119)	(154)
Net expenditure before gains and losses on investments	(119)	(154)
(Losses) / Gains on investments	(235)	295
Net income	(354)	141
Gain on revaluation of Heritage Assets	(115)	11
Loss on disposal of Heritage Assets	-	(182)
Net movement in funds	(469)	(30)

10) Stock and Work in Progress

	Group	Museum	Group	Museum
	2023	2023	2022	2022
	(in £'000)	(in £'000)	(in £'000)	(in £'000)
Stock	1,660	-	1,682	-
Exhibition costs	1,418	1,418	1,953	1,953
	3,078	1,418	3,635	1,953

11) Debtors

	Group	Museum	Group	Museum
	2023	2023	2022	2022
	(in £'000)	(in £'000)	(in £'000)	(in £'000)
Trade debtors	2,016	866	1,689	597
Less provision for doubtful debts	(122)	(12)	(4)	(4)
Other debtors	149	25	109	33
Prepayments and accrued income	11,727	10,911	13,549	13,016
Recoverable taxation	3,812	3,800	4,049	4,024
Amounts due from subsidiary undertaking	-	4,841	-	2,316
Amount due from associate	2,900	2,900	-	-
	20,482	23,331	19,392	19,982

12) Creditors

		Group	Museum	Group	Museum
		2023	2023	2022	2022
	Notes	(in £'000)	(in £'000)	(in £'000)	(in £'000)
Amounts falling due within one year					
Trade creditors		2,976	2,646	3,928	3,615
Accruals		12,920	11,139	10,409	8,542
Deferred income	13	997	997	470	470
Deferred exhibition income	13	3,329	3,329	2,028	2,028
Taxation and social security costs		1,242	438	1,151	455
Finance lease liability	14	2,670	2,670	2,670	2,670
		24,134	21,219	20,656	17,780
Amounts falling due after one year					
Deferred income – after one year	13	1,480	1,480	1,853	1,853
Finance lease liability	14	47,389	47,389	46,851	46,851
		48,869	48,869	48,704	48,704

	2023	2022
	(in £'000)	(in £'000)
13) Deferred Income		
As at 1 April	4,352	3,969
Deferred in current year	3,805	2,424
Released from previous year	(2,351)	(2,041)
As at 31 March	5,806	4,352

Of this balance, £1.411m (2022: £1.532m) represents funds received by the museum in relation to the Royal Institute of British Architects' occupation of certain office and gallery spaces in the museum.

14) Financial Lease

Finance lease liability – V&A East Storehouse	2023 (in £'000)	2022 (in £'000)
As at 1 April	49,520	49,015
Lease payments	(2,670)	(2,670)
Finance interest	3,209	3,175
As at 31 March	50,059	49,520

In 2019–20 the V&A entered into a 100-year lease on commercial terms for the new V&A East Storehouse. The lease terms provide for a rent review at 50 years. The lease has been accounted for as a finance lease in accordance with FRS102. On inception the lease gave rise to a liability and corresponding asset valued at £46.6m based on a 50-year term. Valuations are prepared on a 50-year term on the basis that the V&A cannot be reasonably certain that the lease will be extended beyond this period.

As at 31 March each year the lease asset is revalued and at 31 March 2023 is recognised within tangible fixed assets in the V&A's balance sheet at £76.1m (2021–22: £67.6m). A revaluation gain of £8.5m (2021–22: £11.0m) and a depreciation cost of £1.8m (2021–22: £1.3m) are recognised within the V&A's Statement of Financial Activities. The asset value will reduce throughout the term of the lease as it is annually depreciated. The lease liability of £50.1m is recognised within creditors in the V&A's balance sheet. The lease liability is increased by annual interest which is shown as a finance cost within the V&A's Statement of Financial Activities. The lease payments, paid quarterly in advance, reduce the value of the liability. At the end of the 50 year lease term the net impact of the annual interest and rent payments will reduce the liability to nil. In the first few years of the lease term, the annual interest charge exceeds the value of lease payments, and will therefore increase the value of the lease liability. The lease liability will subsequently reduce in value once the lease payments exceed the annual interest charge. In 2022–23 interest of £3.2m (2021–22: £3.2m) has been recognised as a finance cost within the V&A's Statement of Financial Activities.

15) Provisions

	Group 2023 (in £'000)	Museum 2023 (in £'000)	Group 2022 (in £'000)	Museum 2022 (in £'000)
As at 1 April	868	821	1,401	1,334
Provision in year	162	147	805	788
Paid in year	(126)	(126)	(1,338)	(1,301)
As at 31 March	904	842	868	821
Provisions – within one year	904	842	868	821
Provisions – after one year	-	-	-	-
	904	842	868	821

16) Financial commitments

As at 31 March, the group had annual commitments under non-cancellable leases as follows.

	2023 (in £'000)	2023 (in £'000)	2022 (in £'000)	2022 (in £'000)
Operating leases which expire:	Land & Buildings	Other	Land & Buildings	Other
Within one year	281	15	281	15
In the second to fifth year	398	44	679	59
After five years	-	-	-	-
	679	59	960	74

	2023 (in £'000)	2022 (in £'000)
Finance leases which expire:	Land & Buildings	Land & Buildings
Within one year	2,670	2,670
In the second to fifth year	11,345	11,104
After five years	173,397	176,309
Total	187,412	190,083

In 2019–20, the V&A entered into a 50-year finance lease for the V&A East Storehouse. The V&A Museum is also under contract for an operating lease for a storage facility at Dean Hill Park, and V&A Enterprises Ltd is under contract for an operating lease for a warehouse. The other subsidiaries of the museum do not have any financial commitments.

17) Statement of funds

Statements of funds 2023

All values in £'000	As at 1 April 2022	Incoming Resources	Resources Expended	Transfers	Fixed Assets - Gains/losses on Revaluation	Investments - Gains/losses under Fair Values	As at 31 March 2023
Unrestricted Funds							
General Income funds	5,000	79,358	(70,043)	(9,315)	-	-	5,000
Designated Income funds	41,319	9,707	(6,980)	6,544	-	(1,884)	48,706
Total Unrestricted Funds	46,319	89,065	(77,023)	(2,771)	-	(1,884)	53,706
Restricted Funds							
<i>Restricted Income Funds</i>							
Acquisitions for the Collection ¹	719	3,761	(14)	(501)	-	-	3,965
Restricted Income funds	12,677	12,457	(7,100)	(310)	-	-	17,724
Museum Development funds ¹	22,797	11,704	(84)	(22,431)	-	-	11,986
Endowment funds income	1,356	137	(162)	(27)	-	216	1,520
	37,549	28,059	(7,360)	(23,269)	-	216	35,195
<i>Restricted Asset Funds</i>							
Restricted Capital funds ²	285,317	1,938	(15,097)	24,894	-	-	297,052
Revaluation Reserve	209,857	-	-	-	41,756	-	251,613
Heritage Assets ¹	149,337	2,421	-	1,146	-	-	152,904
Associate	19,721	-	(469)	-	-	-	19,252
	664,232	4,359	(15,566)	26,040	41,756	-	720,821
Total Restricted Funds	701,781	32,418	(22,926)	2,771	41,756	216	756,016
Endowment Funds							
Endowments ³	9,010	12	(69)	-	-	(522)	8,431
Total Endowment Funds	9,010	12	(69)	-	-	(522)	8,431
Total Funds	757,110	121,495	(100,018)	-	41,756	(2,190)	818,153

¹ 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.

² 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.

³ An appropriate proportion of investment returns on Endowment funds are allocated to the relevant Restricted Funds and are available to spend.

17) Statement of funds (*cont'd*)Statements of funds 2022

All values in £'000	As at 1 April 2021	Incoming Resources	Resources Expended	Transfers	Fixed Assets - Gains/ losses on Revaluation	Investments - Gains/losses under Fair Values	As at 31 March 2022
Unrestricted Funds							
General Income funds	2,830	77,149	(56,416)	(18,563)	-	-	5,000
Designated Income funds	31,766	9,007	(5,285)	6,139	-	(308)	41,319
Total Unrestricted Funds	34,596	86,156	(61,701)	(12,424)	-	(308)	46,319
Restricted Funds							
<i>Restricted Income Funds</i>							
Acquisitions for the Collection ¹	741	520	(21)	(521)	-	-	719
Restricted Income funds	11,181	9,462	(7,069)	(897)	-	-	12,677
Museum Development funds ¹	15,484	22,195	619	(15,501)	-	-	22,797
Endowment funds income	1,132	121	(65)	(27)	-	195	1,356
	28,538	32,298	(6,536)	(16,946)	-	195	37,549
<i>Restricted Asset Funds</i>							
Restricted Capital funds ²	273,564	1,900	(15,108)	28,478	(3,517)	-	285,317
Revaluation Reserve	200,921	-	-	-	8,936	-	209,857
Heritage Assets ¹	138,097	10,348	-	892	-	-	149,337
Associate	21,766	-	(2,045)	-	-	-	19,721
	634,348	12,248	(17,153)	29,370	5,419	-	664,232
Total Restricted Funds	662,886	44,546	(23,689)	12,424	5,419	195	701,781
Endowment Funds							
Endowments ³	7,858	1,000	(84)	-	-	236	9,010
Total Endowment Funds	7,858	1,000	(84)	-	-	236	9,010
Total Funds	705,340	131,702	(85,474)	-	5,419	123	757,110

¹ 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.

² 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.

³ An appropriate proportion of investment returns on Endowment funds are allocated to the relevant Restricted Funds and are available to spend.

Unrestricted funds

General income funds – 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 18.

Designated income funds – a collection of funds that have been set aside by the Trustees for specific purposes, primarily to meet commitments to live multi-year projects and to provide matched funding in line with the expectations of donors. This includes funds committed to the V&A East project, in addition to a number of essential capital, maintenance and digital infrastructure projects.

Restricted funds

These funds are subject to specific restrictions 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 – represents restricted income funds to be spent towards a specific appeal or purpose that do not fall within one of the other specific categories of restricted funds
- Museum development funds – funds received in relation to FuturePlan projects
- 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
- Revaluation reserve – comprises the cumulative movement in value of land and buildings. The Victoria and Albert Museum freehold properties are valued by Gerald Eve LLP on an annual basis (further details are disclosed in note 6)
- Heritage assets – these funds represent the movements in the capital value of the assets donated to or acquired for the collection

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 at fair value. The fair value reserve included in the numbers above is:

	2023 (in £'000)	2022 (in £'000)
Unrestricted	2	2,776
Restricted	-	-
Endowment	(1,380)	931
	(1,378)	3,707

18) Statement of fund commitments as at 31 March

Funds available for spending at Trustees' discretion:	2023 (in £'000)	2022 (in £'000)
General income funds	5,000	5,000
Designated income funds (excluding investment in V&A Enterprises Ltd)	48,503	41,117
	53,503	46,117

Funds raised for specific purposes:

Restricted income funds	35,195	37,549
Total funds available for spending	88,698	83,666

Funds not available for Trustees' spending:

Designated income funds – share capital of V&A Enterprises & V&A Limited	202	202
Endowment funds (capital element)	8,431	9,010
Capital funds (fixed assets)	720,822	664,232
Total funds not available for spending	729,455	673,444
Total funds in balance sheet	818,153	757,110

19) Analysis of group net assets between funds

	Unrestricted Funds (in £'000)	Restricted Funds (in £'000)	Endowment Funds (in £'000)	2023 Total (in £'000)	2022 Total (in £'000)
Fund balances at 31 March are represented by:					
Tangible and intangible fixed assets and heritage assets	1,289	747,891	-	749,180	692,971
Investments	61,658	20,771	8,431	90,860	75,174
Current assets	14,606	37,414	-	52,020	59,192
Current liabilities	(22,368)	(2,670)	-	(25,038)	(21,523)
Liabilities due after one year	(1,480)	(47,389)	-	(48,869)	(48,704)
Net assets	53,705	756,017	8,431	818,153	757,110

Analysis of group net assets between funds 2022

	Unrestricted Funds (in £'000)	Restricted Funds (in £'000)	Endowment Funds (in £'000)	2022 Total (in £'000)
Fund balances at 31 March are represented by:				
Tangible and intangible fixed assets and heritage assets	200	692,771	-	692,971
Investments	45,090	21,074	9,010	75,174
Current assets	21,735	37,457	-	59,192
Current liabilities	(18,853)	(2,670)	-	(21,523)
Liabilities due after one year	(1,853)	(46,851)	-	(48,704)
Net assets	46,319	701,781	9,010	757,110

20) Capital Commitments

	2023 (in £'000)	2022 (in £'000)
Capital expenditure commitments were as follows:		
Contracted for, but not provided in the accounts	5,123	14,392

The majority of the capital commitments relate to construction and professional fees on the V&A Storehouse (£3.7m), Young V&A (£0.5m), and the Blythe House Decant (£0.4m).

21) Related party transactions

Relationship	Related Party	Donations/Grants			Year end balance Debtors (in £'000)	Year end balance Creditors (in £'000)
		Received/ (Made) (in £'000)	Amount Sold (in £'000)	Amount Purchased (in £'000)		
DCMS-funded bodies	British Library	-	1	-	-	-
	British Museum	-	1,125	102	190	(98)
	British Film Institute	-	-	14	-	-
	The National Gallery	-	-	4	-	-
	Science Museum Group	-	628	-	208	-
	Natural History Museum	-	46	1,312	-	(939)
Tim Reeve is a Trustee	Exhibition Road Cultural Group	-	-	23	-	(1)
Sir Nicholas Coleridge CBE, Nick Hoffman, Dr Tristram Hunt and Dr Antonia Boström are Trustees; Anthony Misquitta is Co Secretary	Gilbert Trust for the Arts	225	-	-	56	-
Sir Nicholas Coleridge CBE is a Trustee; Anthony Misquitta is Co Secretary	V&A Foundation	767	7	-	-	-
Dr Paul Thompson is Vice Chancellor of the RCA; Dr Tristram Hunt is a Trustee	Royal College of Art	-	343	20	-	-
Dr Paul Thompson is a Board Member	Ashmolean Museum	-	-	4	-	-
Dr Paul Thompson is a Board Member	Creative Industries Federation	-	-	5	-	-
Dr Tristram Hunt and Tim Reeve are Directors	Design Dundee Ltd	-	34	1	34	(1)
Antonia Boström (Co-opted member of Grants Committee)	Henry Moore Foundation	15	1	-	-	-
Sir Ben Elliot is a Co-Chairman	Conservative Party	-	18	-	-	-
Allegra Berman is a Trustee	Wolfson Foundation	-	2	-	-	-
Tim Reeve is a Trustee	Paintings in Hospitals	-	1	-	1	-

In addition, seven trustees made personal donations worth a total of £10,072 to the museum during the year.

No other Trustees or staff members 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 that would conflict with their management responsibilities of the museum.

The Director, Chief Operating Officer and Director of Audiences, Commercial and Digital serve unremunerated on the Board of V&A Enterprises Limited.

The Chief Operating Officer is a Director of V&A Museum Events Ltd, V&A Ltd and V&A Holdings Ltd.

22) Contingent liabilities

There are no contingent liabilities as at 31 March 2023 (2022: nil).

23) Post-balance sheet events

There were no post balance sheet events.

The financial statements were authorised for issue by the Trustees and Accounting Officer on the date they were certified by the Comptroller and Auditor General.

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