

Company Registration No. 02333772

Charity No. 801667

The Conran Foundation

Annual Report and Financial Statements

For the year ended 31 March 2020



The Conran Foundation

Annual report and financial statements 2020

| Contents | Page |
|---|-------------|
| Officers and professional advisers | 1 |
| Trustees' report | 2 |
| Independent auditors' report | 5 |
| Statement of financial activities | 8 |
| Balance sheet | 9 |
| Notes to the financial statements | 10 |

The Conran Foundation

Annual report and financial statements 2020

Officers and professional advisers

Trustees

Sir Terence Orby Conran CH (Deceased 12 September 2020)
Lady Victoria Juliet Conran
Sebastian Orby Conran
Nicholas James Douglas Bull FCA
Prof. Sir Christopher John Frayling
Sir Anthony Michael Vaughan Salz
Sean Sutcliffe
Tomoko Azumi

Secretary

G A Robinson

Registered Office

Barton Court
Kintbury
Hungerford
Berkshire
RG17 9SA

Auditor

Saffery Champness LLP
71 Queen Victoria Street
London, EC4V 4BE

Bankers

Barclays Bank Plc
1 Churchill Place
London, E14 5HP

Investment Managers

Ruffer LLP
80 Victoria Street
London, SW1E 5JL

The Conran Foundation

Trustees' Report

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report and the audited financial statements for the year ended 31 March 2020. This trustees' report has been prepared in accordance with the provisions applicable to companies entitled to the small company's exemption. The information on page 1 forms part of the Trustees' Report.

Objectives of the charity and principal activity

The charity (No. 801667) is constituted as a company limited by guarantee, incorporated on 10 January 1989, and is therefore governed by a memorandum and articles of association.

The charity's objective and its principal activity continues to be the application of charitable funds towards the advancement of the education of the public in the study of industrial and manufacturing art and design in its historical, social, artistic, industrial and commercial contexts.

Public Benefit Statement

The trustees confirm that they have complied with the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

The Conran Foundation continues to work with institutions that advance the education of art and design. Its main beneficiary in the year has been the Design Museum.

Administration

The trustees consider the board of trustees as comprising the key management personnel of the charity in charge of directing and controlling the charity. All trustees give their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in notes 7 and 13. The charity's Secretary, Amanda Robinson, is also the charity's part-time administrator and manages the administration of the charity in line with decisions made and approved by the board of trustees.

The board of trustees aside, the charity does not rely on volunteers.

Grant making policy

Grants or donations are usually made to organisations, rather than individuals, whose activities support The Conran Foundation's objects. The trustees undertake a formal appraisal of each application before making a grant and will judge each case for a grant or donation on its merits.

Activities and achievements this year

The charity's principal activity during the year has been the donation of funds. The trustees believe these activities support its key objectives and in so doing consider the performance of the charity for the year to have been satisfactory. The total grants issued by the charity during the year amounted to £4,062,449 (2019: £362,600).

The charity's principal funding arises from past grants under gift aid by Sir Terence Conran. The charity's income arises from interest and dividends from the investment of those funds. Income from the charity's investments for the year was £26,103 (2019: £51,527). Net gain on investments amounted to £93,279 (2019: loss of £35,435). The charity does not raise funds from the public and has no other sources of income.

Future developments

The trustees intend to continue their support for the Design Museum and have made a commitment to a £1 million donation which is reflected in creditors due after more than one year.

Transactions, financial position and related parties

The Statement of Financial Activities shows net deficit of £3,986,267 (2019: £403,463) and reserves of £2,416,169 (2019: £6,402,436).

Details of related-party transactions are disclosed in note 13 to the financial statements.

The Conran Foundation

Trustees' Report

Investment policy and reserves

Under the memorandum and articles of association, the charity has the power to make any investment which the trustees see fit in accordance with the charity's objective, being to raise charitable funds for the advancement of the education of the public in the study of industrial and manufacturing art and design in its historical, social, artistic, industrial and commercial contexts. The trustees consider the most appropriate policy for investing funds based upon the charity's key financial objectives. The trustees have delegated discretionary investment management to an independent fund manager, subject to guidelines laid down by the trustees. The trustees make a periodical review of performance of the fund to a benchmark performance of RPI plus 4% return on the investment. Since the appointment of Ruffers as investment managers they have produced an after fees return during their 14 years tenure of RPI plus 2.4%.

Despite the impact of the Covid-19 pandemic the value of the fund held by Ruffers has not decreased in value. The trustees consider the present level of reserves is adequate to support the continuation of committed funding for the foreseeable future. The trustees take a long-term view of the needs of their beneficiaries, designating funds for significant future expenditure when decisions are made by the trustees. The trustees do not set a specific level of reserves as a target, but instead use the funds for specific projects, as the trustees determine.

Going concern

The charitable company's activities, together with the factors likely to affect its future development, performance and position are set out within this trustees' report. The charity has considerable financial resources and as a consequence the trustees believe that, after consideration of intentions to spend as noted within this report, the charity is well placed to manage its business risks successfully despite the current uncertain economic outlook.

Despite the impact of the Covid-19 pandemic, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Trustees

The trustees are sad to report the death of the charity's chairman & founder Sir Terence Conran CH on 12th September 2020. Born on the 4th October 1931; he started out as a textile designer in 1949, then embarked on a long, successful and innovative career in retail, hospitality and philanthropy. An overarching activity during his life was to promote the importance of excellent design to industry, public and government, through fostering a better understanding of the design, manufacturing and marketing processes. The Conran Foundation was founded & financed by him in 1989 with the express intention to support the Design Museum and other design-related entities such as the Royal College of Art.

The trustees of the charity are listed on page 1.

All trustees of the charity are also directors of the company and there are no other directors. The Board has the power to appoint additional trustees as it considers fit.

New trustees, if any, undergo orientation to brief them on their legal obligations under charity and company law, the committee and decision-making processes, the business plan and recent financial performance of the charity and the aims and objectives of the charity. Ongoing training is provided as necessary.

Risk management

The trustees actively review the major risks which the charity faces on a regular basis. The trustees have identified that the key risk is an adverse movement in investments and believe that maintaining substantial financial reserves, combined with an annual review of the controls over key financial systems, will provide sufficient financial stability to the Foundation in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate any significant risks.

The Conran Foundation

Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also directors of The Conran Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP FRS102;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Trustees' statement on disclosure of information to Auditors

Section 418 of the Act requires the trustees, having made enquiries of fellow trustees and the company's auditors, to state in the trustees' report that:

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

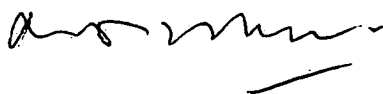
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The financial statements have been prepared in accordance with the special provisions in part 15 of the Companies Act 2006 relating to small companies.

Auditors

Saffery Champness LLP have expressed their willingness to continue in office as auditors for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Approved by the trustees and signed on their behalf by:



Nicholas Bull, Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 MARCH 2020

Opinion

We have audited the financial statements of The Conran Foundation for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 MARCH 2020

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' annual report and the Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

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

A further description of our 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 our auditor's report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 MARCH 2020

Use of our report

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



Liz Hazell (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

| | |
|-----------------------|--------------------------|
| Chartered Accountants | 71 Queen Victoria Street |
| Statutory Auditors | London |
| | EC4V 4BE |

Date: 24 November 2020

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Conran Foundation

Statement of financial activities (including income and expenditure account) For the year ended 31 March 2020

| | Note | Total Funds 2020 £ | Total Funds 2019 £ |
|---|------|--------------------------|--------------------------|
| Income from: | | | |
| Investments | 3 | 26,103 | 51,527 |
| Total income | | <u>26,103</u> | <u>51,527</u> |
| Expenditure on: | | | |
| Raising funds | | (25,671) | (34,130) |
| Charitable activities | 4 | (4,079,978) | (385,425) |
| Total expenditure | | <u>(4,105,649)</u> | <u>(419,555)</u> |
| Net gain /(loss) on investments | 8 | <u>93,279</u> | <u>(35,435)</u> |
| Net expenditure and net movement in funds for the year | 6 | <u>(3,986,267)</u> | <u>(403,463)</u> |
| Reconciliation of funds | | | |
| Total funds brought forward | | 6,402,436 | 6,805,899 |
| Total funds carried forward | 12 | <u>2,416,169</u> | <u>6,402,436</u> |

All income and expenditure during both the current and prior year relate to unrestricted funds.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 10 to 17 form part of these financial statements.

The Conran Foundation


Balance Sheet as at 31 March 2020

| | Note | 2020 £ | 2019 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Investments | 8 | 3,156,323 | 3,184,886 |
| Total fixed assets | | 3,156,323 | 3,184,886 |
| Current assets | | | |
| Cash at bank and in hand | | 76,404 | 43,130 |
| Trade debtors | | 10,057 | 33,407 |
| Deposits held by investment managers | | 220,382 | 211,444 |
| Programme related investments – due after one year | 9 | - | 3,000,000 |
| Total current assets | | 306,843 | 3,287,981 |
| Liabilities | | | |
| Creditors falling due within one year | 10 | (27,245) | (40,944) |
| Net current assets | | 279,598 | 3,247,037 |
| Total assets less current liabilities | | 3,435,921 | 6,431,923 |
| Creditors falling due after one year | 11 | (1,019,752) | (29,487) |
| Total Net Assets | | 2,416,169 | 6,402,436 |
| The funds of the charity: | | | |
| Unrestricted general fund | | 2,349,573 | 6,306,686 |
| Revaluation reserve | 12 | 66,596 | 95,750 |
| Total charity funds | | 2,416,169 | 6,402,436 |

These financial statements are prepared in accordance with part 15 of the Companies Act 2006 subject to the small company's regime.

The financial statements of The Conran Foundation registered number 02333772 were approved by the Board of Trustees on 12 November 2020.

Signed on behalf of the Board of Trustees


Nicholas Bull
Trustee

The Conran Foundation

Notes to the financial statements For the year ended 31 March 2020

1. Charitable status and constitution

The company is registered as a charity and is limited by guarantee. The trustees, as members of the company, would contribute up to £1 each to the company in the event that the company was wound up.

There are no restrictions over the funds held by the company.

2. Accounting policies

Basis of preparation

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

The presentational and functional currency is the British pound.

The Conran Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going concern

The charitable company's activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees' Report on pages 2 to 4. The charity has considerable financial resources and as a consequence the trustees believe that the charity is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Income

Income including donations, gifts and legacies that provide core funding or are of a general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Bank interest is recognised on an accruals basis. Dividend income and interest from investments are recognised when received.

The Conran Foundation

Notes to the financial statements For the year ended 31 March 2020

2. Accounting policies (continued)

Expenditure

Expenditure is recognised when a liability is incurred. Contractual arrangements are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

- Charitable activities represent grants, donations and include expenditure associated with art or design exhibitions and educational programmes and include both the direct costs and support costs relating to these activities.
- Other expenditure includes the costs of running the charity.
- Governance costs are costs involved in the constitutional and statutory aspects of running the charity as a legal entity.
- Expenditure on raising funds consists of investment management fees.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Funds Structure

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Unrestricted funds include revaluations representing the restatement of investment assets at market values.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Investments

Fixed asset investments are included in the balance sheet at market value, with any movement being held in reserves.

Any gain or loss on disposal is calculated as the difference between the sales proceeds and the market value at the beginning of the year (purchase date if later).

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and bank overdrafts. Cash is also held on deposit with the independent fund manager and is accessible within one year.

The Conran Foundation

Notes to the financial statements For the year ended 31 March 2020

2. Accounting policies (continued)

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The charity has elected to apply the provisions of section 11 'Basic Financial Instruments' and section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Programme Related Investments

Programme related investments represent charitable loans made to the Design Museum. These loans are initially recognised and measured at the amounts paid, with the carrying amount adjusted in subsequent years to reflect repayments and adjusted if necessary, for any impairment.

Taxation

The activities of the charity exempt it from corporation tax.

Cashflow statement

Due to its size, the charity is not required to prepare a cashflow statement.

3. Investment income

| | 2020 £ | 2019 £ |
|---------------|---------------|---------------|
| Bank interest | 3,381 | 19,753 |
| Dividends | 22,722 | 31,774 |
| | <u>26,103</u> | <u>51,527</u> |

4. Analysis of expenditure on charitable activities

| | 2020 £ | 2019 £ |
|-------------------------------|------------------|----------------|
| Donations (see note 5) | 4,062,449 | 362,600 |
| Costs of maintaining exhibits | - | 5,375 |
| Company secretarial costs | 2,010 | 1,945 |
| Support costs | 1,179 | 805 |
| Governance costs | 14,340 | 14,700 |
| | <u>4,079,978</u> | <u>385,425</u> |

The Conran Foundation

Notes to the financial statements For the year ended 31 March 2020

5. Grants and donations

| | 2020 Number of Donations | 2020 £ | 2019 Number of Donations | 2019 £ |
|--------------------------|--------------------------------|------------------|--------------------------------|----------------|
| The Design Museum | 3 | 4,041,200 | 2 | 354,600 |
| University of Arts | 1 | 4,129 | - | - |
| Creative Education Trust | 1 | 9,120 | - | - |
| Crafts Council | 1 | 8,000 | 1 | 8,000 |
| | <u>6</u> | <u>4,062,449</u> | <u>3</u> | <u>362,600</u> |

All grants are made to institutions.

6. Net income/(expenditure) for the year

This is stated after charging:

| | 2020 £ | 2019 £ |
|------------------------|--------------|--------------|
| Auditors' remuneration | <u>5,100</u> | <u>5,700</u> |

7. Staff costs

There were no employee costs nor was there any trustees' remuneration during either financial year. Other than the trustees and secretary, there were no employees during either financial year.

8. Investments

| | 2020 £ | 2019 £ |
|-----------------------------------|------------------|------------------|
| Market value as at 1 April | 3,184,886 | 3,472,114 |
| Additions at cost | 1,102,875 | 2,693,995 |
| Disposals at opening market value | (1,314,485) | (2,893,134) |
| Net (loss) /gain on revaluation | <u>183,047</u> | <u>(88,089)</u> |
| Market value as at 31 March | <u>3,156,323</u> | <u>3,184,886</u> |

During the year the charity made realised loss on investments of £89,768 (2019: realised gain of £52,654) and unrealised gain of £183,047 (2019: loss of £88,089), resulting in a net gain of £93,279 (2019: loss of £35,435) as recognised in the Statement of Financial Activities.

Investments, which are held to provide an investment return, consist of a diverse portfolio of holdings and are managed by an independent investment fund manager. The charity values its investments at market value in accordance with the Charities SORP (FRS 102).

The Conran Foundation

Notes to the financial statements For the year ended 31 March 2020

8. Investments (continued)

| | 2020 £ | 2019 £ |
|--|------------------|------------------|
| Nature of holdings at year end: | | |
| UK fixed interest and index linked interest securities | 1,197,574 | 1,269,989 |
| Credit and illiquid strategies | 480,961 | 277,523 |
| UK listed equities and global funds | 439,019 | 315,257 |
| Overseas listed equities and global funds | 552,589 | 997,726 |
| Other | 486,178 | 324,391 |
| | <u>3,156,321</u> | <u>3,184,886</u> |

9. Programme related investments

At the start of the year there were loans outstanding to the Design Museum of £3million. In February 2020 the trustees made the decision to forgive the loans and any interest thereon.

10. Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------|---------------|---------------|
| Trade creditors | 9,425 | 17,174 |
| Grants payable | 12,720 | 18,670 |
| Accruals and deferred income | 5,100 | 5,100 |
| | <u>27,245</u> | <u>40,944</u> |

11. Creditors: amounts falling due after one year

| | 2020 £ | 2019 £ |
|--------------------------------------|------------------|---------------|
| Grants payable in more than one year | 1,019,752 | 29,487 |
| | <u>1,019,752</u> | <u>29,487</u> |

The Conran Foundation

Notes to the financial statements For the year ended 31 March 2020

12. Movement in funds

| | Balance 1 April 2019 | Incoming Resources | Expended / donated during the year | Gains and losses | Transfers | Balance 31 March 2020 |
|--|----------------------------|-----------------------|--|------------------------|------------------|-----------------------------|
| | £ | £ | £ | £ | £ | £ |
| Designated funds | | | | | | |
| Intended purchase of permanent exhibits | 134,998 | - | - | - | - | 134,998 |
| Intended funds for income generating initiatives | - | - | - | - | 500,000 | 500,000 |
| Donation to Design Museum | - | - | (1,000,000) | - | 1,000,000 | - |
| Funds for loan to Design Museum | 3,000,000 | - | (3,000,000) | - | - | - |
| Total designated funds | 3,134,998 | - | (4,000,000) | - | 1,500,000 | 634,998 |
| General Funds (including revaluation reserve) | 3,267,438 | 26,103 | (105,649) | 93,279 | (1,500,000) | 1,781,171 |
| Total Funds | 6,402,436 | 26,103 | (4,105,649) | 93,279 | - | 2,416,169 |

| | Balance 1 April 2018 | Incoming Resources | Expended / donated during the year | Gains and losses | Transfers | Balance 31 March 2019 |
|---|----------------------------|-----------------------|--|------------------------|-----------|-----------------------------|
| | £ | £ | £ | £ | £ | £ |
| Designated funds | | | | | | |
| Intended purchase of permanent exhibits | 134,998 | - | - | - | - | 134,998 |
| Funds for loan to Design Museum | 3,000,000 | - | - | - | - | 3,000,000 |
| Total designated funds | 3,134,998 | - | - | - | - | 3,134,998 |
| General Funds (including revaluation reserve) | 3,670,901 | 51,527 | (419,555) | (35,435) | - | 3,267,438 |
| Total Funds | 6,805,899 | 51,527 | (419,555) | (35,435) | - | 6,402,436 |

The Conran Foundation

Notes to the financial statements For the year ended 31 March 2020

12. Movement in funds (continued)

Designated funds and intentions to spend relate to the provision of funds to The Design Museum. A facility agreement of £3 million to The Design Museum was entered into during the year to 31 March 2019. A decision was made during the year to 31 March 2020 to forgive this loan and associated interest. At the same time the trustees made a commitment to donate a further £1 million to The Design Museum. A further donation of £0.5 million donation was agreed but not committed for income generating initiatives.

Analysis of total funds

| As at 31 March 2020 | Unrestricted general fund £ | Revaluation reserve £ | Total £ |
|--------------------------------|-----------------------------------|-----------------------------|-------------|
| Investments | 3,089,727 | 66,596 | 3,156,323 |
| Net current assets | 279,598 | - | 279,598 |
| Non-current liabilities | (1,019,752) | - | (1,019,752) |
| Fund balances at 31 March 2020 | 2,349,573 | 66,596 | 2,416,169 |

Analysis of total funds

| As at 31 March 2019 | Unrestricted general fund £ | Revaluation reserve £ | Total £ |
|--------------------------------|-----------------------------------|-----------------------------|------------|
| Investments | 3,089,136 | 95,750 | 3,184,886 |
| Net current assets | 3,247,037 | - | 3,247,037 |
| Non-current liabilities | (29,487) | - | (29,487) |
| Fund balances at 31 March 2019 | 6,306,686 | 95,750 | 6,402,436 |

13. Related-party transactions

During the year, the charity made donations of £4,041,200 (2019: £354,600) to the Design Museum, a charity of which Sir Terence Conran, Sebastian Conran and Nicholas Bull are trustees, who are all trustees of The Conran Foundation.

Expenses were reimbursed to trustees of £189 (2019: £170).

The Conran Foundation

Notes to the financial statements For the year ended 31 March 2020

14. Post balance sheet events

Despite the on-going Covid -19 pandemic, the investment fund at Ruffers has not decreased in market value since the year end.